Sika Business Year

2025

sika.com/annualreport

BUILDING TRUST

LETTER TO STAKEHOLDERS

Sika reports full-year 2025 results – executing plan to accelerate growth

Dear Readers,

Sika's focus on delivering high value-add solutions to our customers drove market share gains across all regions in what was a challenging year for the construction industry. Global markets were impacted by US tariff policy as well as residential real estate softness in China. We used this period to strengthen our competitive position and prepare for the next phase of industry growth – laying important foundations for further outperformance in the coming years. With Fast Forward we are creating a leaner, more agile organization, accelerating innovation, digitalization, and efficiency. Fast Forward will, in the coming years deliver CHF 150 to CHF 200 million of EBITDA benefit with a very attractive ROI.

In 2025, Sika generated sales of CHF 11,201.3 million (2024: CHF 11,763.1 million), down –4.8% year on year. In local currencies, revenues grew 0.6% year on year. The currency effect of –5.4% was primarily attributable to the weak US dollar. Our local currency performance reflects continued market share gains in all regions. Organic growth for full year 2025 was –0.4%, +1.2% excluding Chinese construction business; acquisitions contributed 1.0% to sales growth.

INCREASE IN MATERIAL MARGIN AND STRONG CASH CONVERSION

Sika improved its material margin, achieving 54.9% (2024: 54.5%) in 2025. This increase reflects the strong focus on new product innovation while also managing input cost inflation. Profitability at the EBITDA level was impacted by one-off costs related to the Fast Forward investment and efficiency program previously communicated. These costs amounted to CHF 108 million (of which CHF 86 million were recognized in EBITDA) in 2025, reducing EBITDA to CHF 2,064.7 million (2024: CHF 2,269.5 million) and resulting in an EBITDA margin of 18.4%. Adjusted for the one-off Fast Forward costs, the EBITDA margin was 19.2%, underlining the strong profitability of Sika's core business. The Fast Forward program will deliver a payback through growth and efficiencies in less than two years.

Net profit for 2025 was CHF 1,045.3 million (2024: CHF 1,247.6 million) and operating free cash flow was CHF 1,356.1 million (2024: CHF 1,402.9 million) – which represented a year-on-year improvement in operating free cash flow conversion to 12.1% of sales (2024: 11.9%). Following the strong free cash flow performance, Sika reduced net debt in 2025, reinforcing its strong credit rating.

THIERRY F. J. VANLANCKER
Chair of the Board

THOMAS HASLER
CEO

MARKET SHARE GAINS IN ALL REGIONS

Sika's largest region **EMEA** (Europe, Middle East, Africa) achieved sales growth of 2.2% in local currencies (2024: 7.3%). Business performance was particularly strong in the Middle East and Africa, where Sika recorded double-digit growth. Parts of southern Europe likewise posted solid growth rates. Eastern Europe delivered sequential improvement throughout 2025.

In the **Americas** region, sales increased by 2.2% in local currencies (2024: 11.2%). Following a strong start to the year, conditions softened in the second half. In the fourth quarter, the longest government shutdown in history had a negative impact on commercial construction activity, as reflected in the weakening of a number of construction sector indicators throughout the quarter. In the USA, data center investment remained a bright spot in 2025, and Canada and Latin America proved to be resilient.

In the **Asia/Pacific** region, sales declined by –5.3% in local currencies (2024: 2.4%). The results were impacted by the double-digit decline in sales in the Chinese construction business. Excluding China construction business, the region recorded positive organic growth of 2.5%. In China, Sika's short-term focus is on driving structural adjustments and protecting margins. By contrast, the markets in India and Southeast Asia – as well as the Automotive & Industry segment – recorded dynamic growth.

LAUNCH OF FAST FORWARD

Through its Fast Forward program, Sika is strengthening the organization for the future. The company is accelerating innovation and digital transformation and is building on its leading position across all markets.

As part of the Fast Forward program, Sika implemented targeted structural adjustments in China and introduced efficiency-enhancing measures in other markets. Efforts are in full swing to optimize the production network and simplify organizational structures to increase efficiency. At the same time, Sika is investing in accelerating the digital transformation of its entire value chain. The investments will run for the duration of the program through to 2028. Sika expects this to generate annual savings of between CHF 150 and 200 million, with the full impact expected in 2028. Around CHF 80 million of these savings are expected to take effect in 2026.

DELIVERING SUSTAINABLE PERFORMANCE

During the year, Sika advanced its ESG performance in line with leading global standards and company ambitions. Scope 1 and 2 GHG emissions decreased by –6.1%, while water discharge and waste disposed per ton sold declined by –3.4% and –5.7%, respectively, reflecting disciplined operational execution, tighter process control, and circularity initiatives. A strong safety culture led to reduction in lost time accidents per 1,000 FTEs of –14.1%. With products and solutions that reduce carbon footprint and extend lifecycle of buildings, Sika continues to expand its leading role as a technology partner for sustainable construction.

2025 DIVIDEND PROPOSAL AND NEW ELECTIONS TO THE BOARD OF DIRECTORS

At the Annual General Meeting on March 24, 2026, the Board of Directors will propose an increase in the gross dividend per share to CHF 3.70 (+2.8% year on year). Half of the dividend is to be distributed from the reserves from capital contribution.

Barbara Frei and Lukas Gähwiler will be proposed for election to the Board of Directors at the Annual General Meeting on March 24, 2026. Barbara Frei is a former member of the Executive Committee of Schneider Electric. Lukas Gähwiler is Vice Chairman of the Board of Directors of UBS Group AG. Paul Schuler, who has been a member of the Sika Board of Directors since 2021, will not stand for re-election.

OUTLOOK

Sika is convinced that it can accelerate its growth strategy when the global construction environment improves through the investments made in innovation and digitalization. Sika affirms its medium-term strategic targets for sustainable, profitable growth under the Strategy 2028.

In 2026, Sika expects global market conditions to remain muted, with a low single-digit percentage decline for the year as a whole. While the first half will be softer for the industry, the company anticipates improving momentum as the year progresses.

For 2026, Sika expects sales growth of 1% to 4% in local currencies; in line with company ambition to outperform the market by 3% to 6% in local currencies including bolt-on acquisitions. Sika expects to deliver an EBITDA margin of 19.5% to 20.0% for the year.

A BIG THANK YOU TO ALL OUR STAKEHOLDERS

Our global innovation strength, our targeted growth initiatives in all regions, and our unique sales organization give us the confidence to look to the future with optimism. We thank our 33,700 employees who have once again delivered outstanding performance in these challenging markets. Special thanks go to our customers worldwide who rely on our solutions every day, as well as to our business partners and suppliers for their close collaboration. And we extend our deepest gratitude to our shareholders for their loyalty to Sika.

Sincerely,

THIERRY F. J. VANLANCKER
Chair of the Board

THOMAS HASLER
CEO

DIVIDEND INCREASE PER SHARE

+2.8%

Operating free cash flow of CHF 1,356.1 million in 2025 (2024: CHF 1,402.9 million), with cash conversion rising to 12.1% of sales (2024: 11.9%)

CONTENT

AT A GLANCE

In 2025, Sika generated sales of CHF 11,201.3 million (2024: CHF 11,763.1 million). Profitability at the EBITDA level was impacted by one-off costs related to the Fast Forward investment and efficiency program, reducing EBITDA to CHF 2,064.7 million (2024: CHF 2,269.5 million) and resulting in an EBITDA margin of 18.4%. Adjusted for the one-off Fast Forward costs, the EBITDA margin was 19.2%, underlining the strong profitability of Sika's core business. Net profit for 2025 was CHF 1,045.3 million (2024: CHF 1,247.6 million) and operating free cash flow was CHF 1,356.1 million (2024: CHF 1,402.9 million) – which represented a year-on-year improvement in conversion to 12.1% of sales (2024: 11.9%).

SALES
IN CHF MILLION

11,201.3

OPERATING PROFIT (EBITDA)
IN CHF MILLION

2,064.7

FACTS & FIGURES 2025

In local currencies, Sika revenues grew 0.6% year on year – currency effect of –5.4%

NET SALES
in CHF mn — Change vs. 2024
11,201.3 –4.8%

NET PROFIT
in CHF mn — Change vs. 2024
1,045.3 –16.2%

EBITDA
in CHF mn — Change vs. 2024
2,064.7 –9.0%

OPERATING FREE CASH FLOW
in CHF mn — Change vs. 2024
1,356.1 –3.3%

MATERIAL MARGIN
54.9%

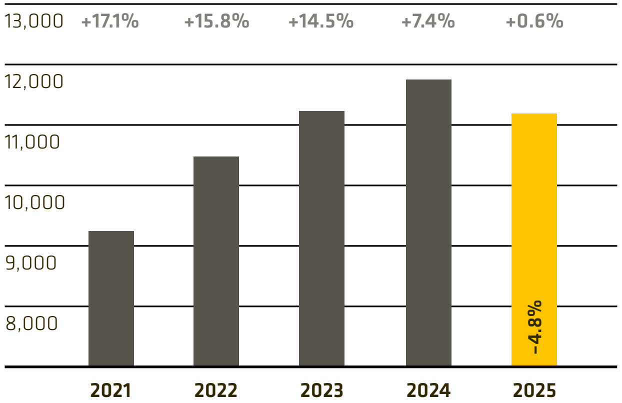
GHG EMISSIONS (SCOPE 1 AND 2)
Change vs. 2024
–6.1%

Acquisitions	**6**
New/expanded factories	**7**
New patents	**121**
Inventions	**234**
Employees in R&D	**1,841**
Global Technology Centers	**16**

Employees	**33,707** –2.2%
Share of women in Sika workforce	**24.8%**
Share of women in Group Management	**25.0%**
Lost Time Accidents per 1,000 FTEs	**3.0** –14.1%
Water discharge per ton sold	**–3.4%**
Waste disposed per ton sold	**–5.7%**

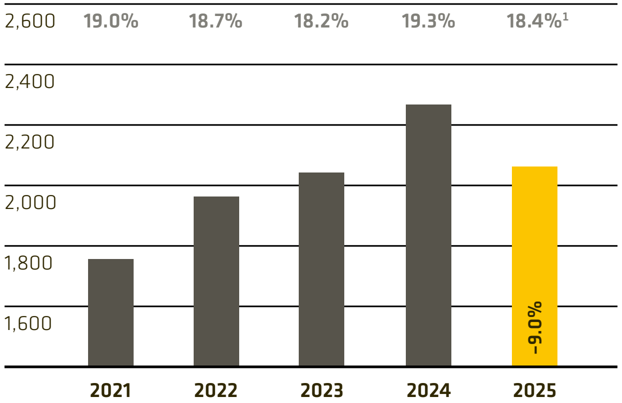
NET SALES (consolidated)

in CHF mn — Growth in % local currencies



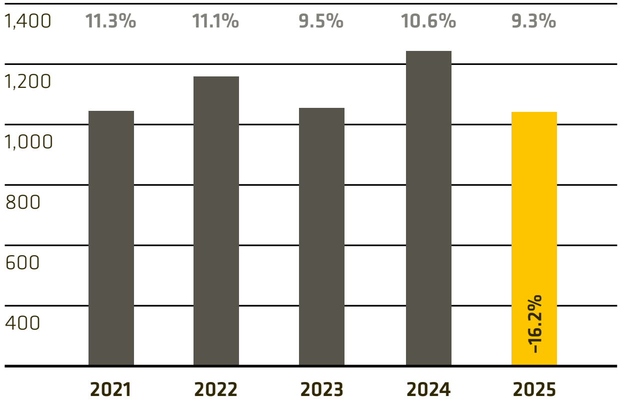
OPERATING PROFIT BEFORE DEPRECIATION (EBITDA)

in CHF mn — in % of net sales



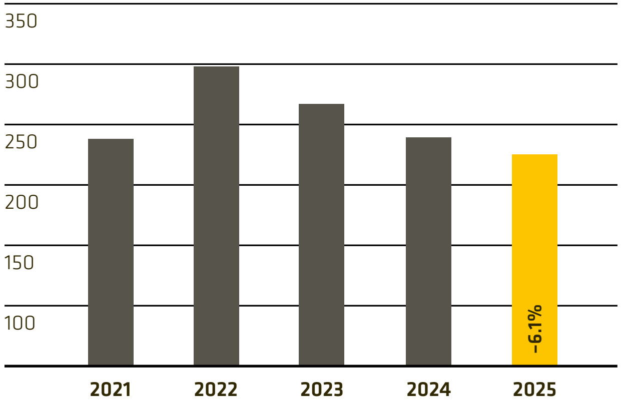
NET PROFIT

in CHF mn — in % of net sales



SCOPE 1 AND 2 GHG EMISSIONS – MARKET-BASED

in 1,000 tons of CO_2eq



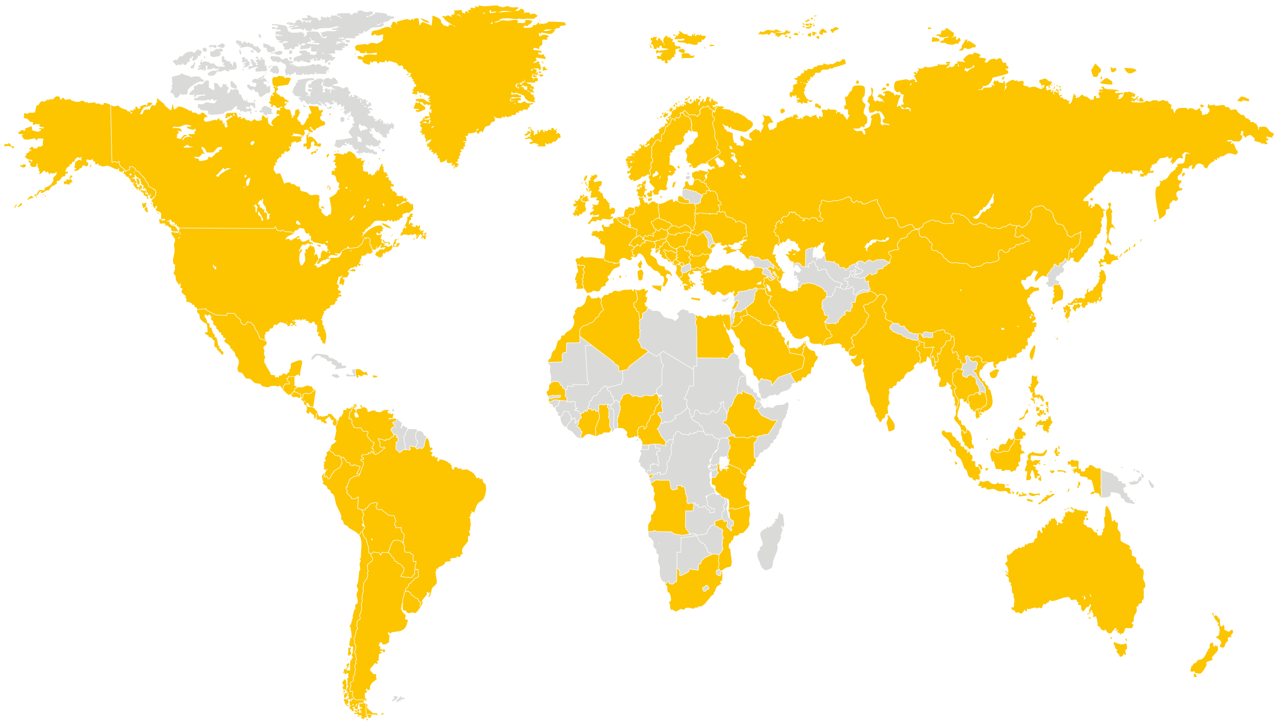
1 Adjusted for one-off costs related to Fast Forward, EBITDA margin in 2025 was 19.2%.

GLOBAL PRESENCE

Sika's know-how is available in 102 countries on all continents – in mature and emerging markets

33,700 employees around the world focus on customers, providing them with excellent services and high-performance products.

A huge range of products and solutions for sealing, bonding, damping, protecting, and reinforcing reflects more than a century of experience, gained on innumerable construction sites worldwide.



NATIONAL SUBSIDIARIES IN

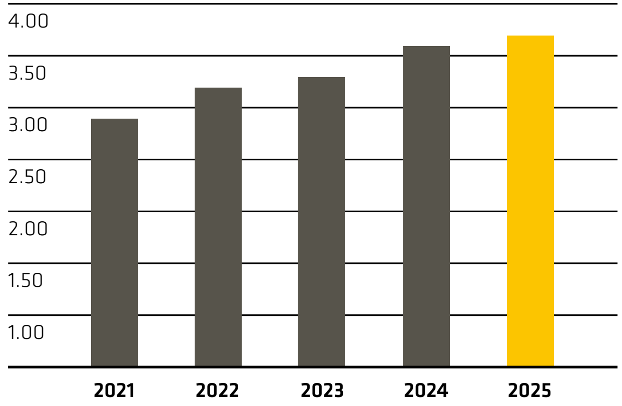
102 COUNTRIES

DIVIDEND PAYOUT

Continuous dividend increase

At the Annual General Meeting to be held on March 24, 2026, the Board of Directors will propose to shareholders that the gross dividend per share be increased from CHF 3.60 (2024) to CHF 3.70 (2025). Sika has increased its dividend at a double-digit average annual rate for the last 25 years. Half of the payment is to be distributed from the reserves from capital contribution. In Switzerland, dividend payouts from reserves from capital contribution are exempt from Swiss withholding tax and are not subject to income tax for Swiss individuals.

DIVIDEND
CHF/share



2025: Pursuant to proposal to Annual General Meeting CHF 3.70.

DIVIDEND PER SHARE

CHF 3.70

STRATEGIC REPORT

In its Strategy 2028, Sika is setting ambitious financial and non-financial mid-term targets.

BUSINESS ENVIRONMENT

Future-oriented business model, megatrends, and products for sustainable construction and mobility

Sika's innovative products facilitate sustainable construction and mobility. These high-performance solutions are becoming the cornerstone of smart cities, and they are playing a pivotal role in solving humanity's current and future challenges.

Attractive industries and markets

Sika is a pioneer in the development of systems and products for bonding, sealing, damping, reinforcing, and protecting in the construction and automotive industries. The company is active in eight target markets: Concrete, Waterproofing, Roofing, Building Finishing, Flooring, Sealing & Bonding, Engineered Refurbishment, and Industry.

The total market volume for construction chemicals and industry is estimated at more than CHF 110 billion. The combined market share of the ten largest companies is around 40%. As the global market leader, Sika has a market share of 12%. This means that Sika operates in large and highly fragmented markets that offer ample room for growth.

Acquisitions in fragmented markets

Organic growth is complemented by carefully selected external growth opportunities. Acquisitions help Sika to enter new market segments and consolidate fragmented ones. Sika pursues acquisitions as a means of strengthening its core business, but also uses them to integrate complementary technologies. These acquisitions enable Sika to remain competitive and pursue innovation in new products for construction and industrial applications.

Further information on the 2025 acquisitions can be found on p.21 and 22.

BUSINESS MODEL

Creating sustainable value for stakeholders

Sika is well positioned in both emerging and mature markets thanks to its global network of 102 countries and first-class solutions tailored to customer needs. The company creates sustainable value for all its stakeholders, to whom the economic value created is distributed.

Economic conditions in the markets in which Sika operates in vary widely. However, with its agile and empowered organization, Sika delivers solutions adapted to local and global customer needs. This gives the company a highly diversified business model that is crisis-resistant thanks to its presence in all channels, unwavering customer focus, and a high-performance portfolio with sustainable product solutions for new construction and renovation projects. Sika distinguishes between three levels of maturity in its construction markets:

– The dominant feature of emerging markets is the expansion of infrastructure. This includes transportation initiatives like roads, airports, and ports, along with energy-related developments such as power plants. Additionally, there is significant investment in public buildings and facilities, including the construction of hospitals.
– As markets develop, they attract greater investment in advanced building standards and high-quality solutions. The products sought after are those that offer greater environmental compatibility and efficiency in their application.
– In mature markets, the refurbishment of structures as part of renovation projects takes center stage. Many of these structures are decades old and require investment. In these situations, refurbishing the existing structure is often the most sustainable and cost-effective solution. For example, renovation projects may require the waterproofing and reinforcement of bridges or improving a building's energy efficiency. The refurbishment business tends to be independent of economic cycles, as critical maintenance work usually cannot be postponed. Large backlogs of projects exist especially in Europe and the USA, where urbanization is driving maintenance projects. The Sika Group generates around 55% of its construction-related sales from refurbishment. The share in individual markets depends on its development stage. In mature markets, refurbishment accounts for about 70% of sales.
– In addition, major infrastructure investment programs are having a strong impact on the construction industry. In Germany, the government has introduced an infrastructure program. The package provides for EUR 500 billion to be invested in the modernization and expansion of the national infrastructure over a ten-year period.
– Government initiatives in many countries are linked to environmental legislation. Specifically, the EU has allocated EUR 26 billion for transport infrastructure. of which 82% of this budget is dedicated to the EU's climate objectives. The expansion of transportation infrastructure, public buildings such as schools and hospitals, IT infrastructure, renewable energy sources, and the overhaul of bridges and roads are some of the areas being funded by public-sector funds over the next few years. As the leader in construction chemicals, Sika is well-positioned to benefit from this development even during challenging economic times.

KEY RESOURCES AND RELATIONSHIPS

People — **>33,000** Sika's employees
Employees are key to Sika's success. Their dedication and customer-focused work contributes to strategic target achievement.

Research & Development — **>1,800** R&D employees
The company operates R&D centers worldwide and has an international network of scientists, partners, suppliers, and customers.

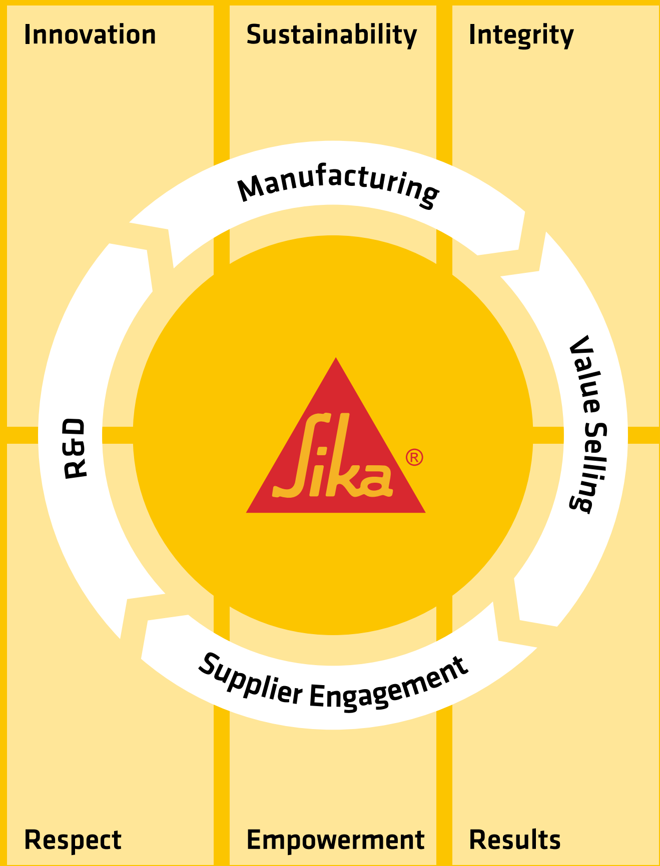
Planet — **>1,380,000 MWh** energy consumption
Environmental resources (energy, water, raw materials, etc.) are needed to develop and produce products and solutions.

Suppliers — **>17,000** Sika's suppliers
Sika purchases direct materials, trading goods, and packaging materials. The supplier network embraces the same set of values as Sika.

Operations — **>400** production sites
Sika produces products and systems for the building and industrial sectors. The company operates in more than 100 countries.

Financial Resources — **CHF 1,100 mn** issue of bonds
Cash, equity, and debt to invest in Sika's long-term, sustainable business development.

THE SIKA WAY



VALUE CREATION FOR ALL STAKEHOLDERS

People — **CHF 2,179 mn** personnel expenses
Sika places a great value on keeping employees' skills sharp, guarantee the highest safety standards, and eliminate workplace accidents.

Customers — **121** new patents
Sika's innovative solutions enhance durability, efficiency, and resource conservation, while maximizing customers' success.

Planet — **−6.1%*** GHG emissions (scope 1 and 2)
Sika promotes efficient use of energy, water, and material resources while minimizing impacts on ecosystems.

Suppliers — **CHF 5,048 mn** material expenses
Sika engages with suppliers to develop mutually beneficial relationships, drive progress and sustainable development in the industry.

Society & Communities — **>690** engagement projects
Sika is committed to being a reliable taxpayer. Tax rate in 2025 was 22.9%. The company supports communities through engagement projects.

Shareholders — **CHF 1,045 mn** net profit
The growth strategy delivers sustainable value creation for shareholders. Dividends and increased enterprise value generate returns.

*Market-based emissions

NET ZERO COMMITMENT

MEGATRENDS

Shaping the world

Megatrends are worldwide shifts that have a profound impact on societies, economies, and ecosystems, shaping our collective future. Sika is leveraging its expertise to steer through these transitions, driving world-class innovation in construction and transportation.

Population growth

The exponential growth of the world's population over the last century has led to a parallel increase in demand for housing, commercial construction and infrastructure. Population expansion will outpace the current infrastructure, necessitating widespread upgrading and strengthening of existing buildings in developed countries. At the same time, people's housing needs are shifting toward greater comfort and a higher standard of living. To meet these challenges, the construction industry must create sustainable and resilient structures, as well as push the boundaries of innovation.

SIKA'S RESPONSE

Sika has strategically increased its production capacity in high growth regions in response to the mounting demands of a growing global population. In addition, the company expanded the scope of its existing facilities in Asia and Africa, strengthening its capacity to meet regional demand.

Urbanization

New megacities are emerging around the world, as people continue to move from rural areas to urban centers. This increases the demand for high-performance solutions capable of managing modern cities' vertical sprawl, dense transportation networks, and complex infrastructure. Construction processes are changing, emphasizing not only speed and scale, but also sustainability, durability, and resilience.

SIKA'S RESPONSE

Sika provides advanced high strength concrete systems and innovative adhesive technologies such as Purform® that reflect commitment to innovation and sustainability. Roofing solutions like Sarnafil® AT provide durable, weather resistant, and energy efficient performance through advanced thermoplastic technology. Solutions for cool and green roofs reduce the need for cooling in buildings and address the urban heat island effect.

Demographic change

With average life expectancy rising and the over-65 population growing faster than any other age group, the construction industry is facing significant labor shortages. In the United States alone, there is a shortage of half a million construction workers, with one in four workers over the age of 55. These changing demographics highlight the urgent need for greater efficiency in constructions, including easy-to-apply products that require minimal training and can be applied in a variety of settings.

SIKA'S RESPONSE

Sika developed advanced tile grouting technologies under its SikaCeram® brand, providing high performance, chemically resistant, and aesthetically durable epoxy based solutions that are easy to apply thanks to modern hybrid formulation techniques. In parallel, the Sika® Sigunit® range incorporates alkali free accelerator technologies designed to enhance shotcrete performance in tunnel construction, enabling efficient application with less labor intensive methods.

Resource scarcity

Countries with the highest economic, population, and construction growth are also those that are most affected by water scarcity. This situation, combined with the low availability of critical minerals such as sand, puts further strain on existing resources and the environment. Finding new, sustainable solutions is critical, not just to conserve finite resources, but also to ensure the social and economic wellbeing.

SIKA'S RESPONSE

Sika addresses resource scarcity with sustainable, resource-efficient-technologies – such as sand-reduction and sand-replacement solutions, bio-based mortar technologies, and admixtures formulated with renewable raw materials, decreasing reliance on scarce minerals and water intensive processes. Sika's biomass-balanced approach further reduces environmental impact across its materials portfolio, exemplified by innovative formulations of the Sikalastic® liquid membrane technology, which integrates biomass-balanced content to achieve a significantly lower verified carbon footprint.

Climate change and sustainability

The construction industry has one of the largest carbon footprints, accounting for around 40% of global carbon emissions. As rising temperatures lead to extreme weather, the industry's role in climate resilience has become critical to preserving opportunities for future generations. Green technologies and energy-efficient methods are becoming essential in reducing greenhouse gas emissions. This transition is also spurring innovation in sustainable architecture, resulting in a more resilient built environment.

SIKA'S RESPONSE
Sika is advancing climate-resilient and sustainable construction by developing low-carbon, energy-efficient technologies such as water-based and bio-based coating systems under the Sikagard® brand, designed to reduce embodied carbon. In parallel, next-generation low-VOC epoxy adhesive technologies within the Sikadur® family enhance durability while lowering environmental impact. Innovative cement additives and concrete admixtures enable reduced clinker content in cement and concrete, leading to lower CO_2 emissions. In addition, the company offers a comprehensive portfolio of thermal interface materials and Sealing & Bonding solutions for the next-generation electric-vehicle battery systems.

Increasing regulations

Governments around the world are passing strict measures to tackle climate change. The common goal is to promote energy efficiency, reduce carbon emissions, minimize waste, and develop sustainable materials. At the same time, more stringent regulations are coming into effect in response to higher quality standards and a focus on long-term durability.

SIKA'S RESPONSE
Sika has proactively connected its strategy with tighter regulatory policies by setting ambitious targets for greenhouse gas emissions, energy, waste, water management, and the creation of sustainable solutions. To ensure these goals are met, Sika has established a cross-functional organizational structure at the corporate, regional, and local levels to effectively drive its sustainability performance.

Technological progress

Emerging technologies powered by artificial intelligence, robotics, and big data are changing the way we build our world. Technological innovations in this field are mitigating traditional challenges by improving safety measures, reducing waste, and increasing construction pace. As a result, we can build living and working spaces that are both environmentally sustainable and cost-effective.

SIKA'S RESPONSE
Sika delivers advanced materials for additive manufacturing, with the SikaBiresin® range offering durable, easy-to-process thermoplastic compounds. Designed for consistent 3D-printability and long-term performance, these materials support applications from prototyping to series production, with optional properties like UV stability, as well as customer-specific compounding for precise needs. Nuage, the global Sika digital laboratory, accelerates innovation and efficiency by delivering high-quality, reliable research data, real-time analysis, and streamlined access to insights for faster and more reproducible scientific progress.

Digitalization

Digitalization enables real-time data analysis, automation, precise planning, and streamlined communications. It is also reshaping customer habits and employee workflows, leading to new markets such as e-commerce and innovative business processes. Therefore, digital transformation can shorten construction timelines and minimize waste, reducing errors and costs while bringing the industry up to modern efficiency standards.

SIKA'S RESPONSE
Sika uses digital technologies to make construction faster, more precise, and more sustainable. Digital tools like the Sika Sand App simplify complex sieving processes into a quick mobile task, while advanced additive-manufacturing systems streamline design and execution. Sika also enables modular construction, leak detecting roofing systems, and connected solutions that boost automation and on-site safety. In 2025, Sika made a strategic investment in Giatec™, a global leader in AI-driven digital concrete technologies, developing smart testing, sensors, and data analytics solutions to improve concrete quality, durability, and sustainability across production, delivery, and placement. Through it's Fast Forward program, Sika is accelerating digital transformation of its entire value chain.

STRATEGY 2028

Continued growth and strong profitability

Strategy 2028 lays out ambitious financial targets and non-financial objectives, marking a continued commitment to excellence and expansion. Fast Forward underpins delivery of these targets through accelerated investment in innovation, digitalization, and efficiency.

The strategy is based on four key pillars: Market Penetration, Innovation & Sustainability, Acquisitions, and People & Culture. It is aligned with eight megatrends that are transforming the industry and driving Sika's continued success.

Market Penetration

Sika has an annual growth target of 3–6% in local currencies above market, while aiming for a profitability target with an EBITDA margin of 20–23%. This ambitious goal is underpinned by capitalizing on prevailing megatrends such as urbanization, digitalization, and the global shift towards climate consciousness, which are driving demand for efficient and sustainable solutions. Strategy 2028 is anchored in the targeted sales of a diverse and integrated product portfolio, the expansion of Sika's presence in all channels, strategic project management, and a sustained effort to further expand in key geographical areas.

Innovation & Sustainability

Sustainability is a cornerstone of the strategy. Sika is committed to developing products featuring improved sustainability and performance properties. Sika, as an enabler for its customers to reduce their CO_2 footprint, offers products and services that make an important contribution to the decarbonization of the construction and transportation industries. The company has set a goal to reduce absolute scope 1 and 2 GHG emissions by 20% compared to 2022 and to align scope 3 emissions with its net zero pledge by 2050. In addition, Sika aims to reduce waste disposal and water discharge per ton sold by 15% by 2028.

Acquisitions

Under the Strategy 2028 framework, acquisitions play a pivotal role, enabling the company to bolster its core operations with complementary technologies, enhanced market access, and broader distribution channels. Sika acquires companies with a strategic fit and leverages these acquisitions as a foundation for further growth and expansion.

People & Culture

Recognizing employees as its most valuable asset, Sika is dedicated to nurturing an environment where employees feel valued, engaged, and empowered to innovate, contribute, and grow professionally. The company aims to maintain an employee engagement rate of above 80%. This is measured through a company-wide survey conducted every two years.

"Our strategy builds on our strengths – our dedicated people, deeply rooted values, and commitment to innovation and sustainability. With Fast Forward, we are accelerating our ambition to become the digital leader in our industry and to create lasting value for our customers and for the environment."

Thomas Hasler, CEO

Strategy 2028 – Beyond the Expected

MARKET PENETRATION

INNOVATION & SUSTAINABILITY

ACQUISITIONS

PEOPLE & CULTURE

3–6%
Annual growth in LC*

20–23%
EBITDA**

>10%
Operating free cash flow (as a % of NS)

20–25%
ROCE**

20%
GHG emission reduction scope 1 and 2
(absolute reduction vs. 2022 baseline)
scope 3
reduction in line with net zero pledge

>80%
Employee engagement rate
external survey every 2nd year

15%
Natural resources
reduction of waste disposed and water discharge per ton sold (vs. 2023 baseline)

* Sika's growth above market, including bolt-on acquisitions
** Once MBCC synergies materialized

SIKA PURPOSE & BRAND

Sika stands for high quality, innovation, and customer service, building trust every day

The Sika purpose

Sika's purpose is to anticipate and meet future challenges by providing reliable, innovative, sustainable, and long-lasting solutions in the construction, building, and manufacturing industries. The company provides a seal of quality on which its employees, customers, and stakeholders can rely – building trust every day.

The Sika brand

The name Sika evokes stability, continuity, innovation, forward thinking, sustainability, and trustworthiness. Customers around the world recognize that the presence of the Sika logo is a guarantee of excellence and service. The founder Kaspar Winkler established the Sika logo more than a century ago. The cheerful yellow color evokes the place where most Sika products are used – a construction site. The Sika trademark has proven to be an asset during the Group's decades-long expansion.

WORLDWIDE TRADEMARK PROTECTION

The Sika brand is well-known for its distinctive graphic word trademark. The company emphasizes uniformity and adherence to its corporate image guidelines. This approach underscores the importance of a consistent and recognizable brand identity. Over the years, many industrial imitators have attempted to replicate Sika's branding and positioning, which highlights its enormous intangible value.

The Sika umbrella brand and many Sika product trademarks, such as Sika® ViscoCrete®, SikaBond®, and Sikaflex®, sharpen the company's competitive edge. Hence the crucial role of trademark protection as a management task, performed both globally at Group level and locally at national level. At the end of 2025, Sika held 12,497 trademark registrations in 158 countries. Sika continuously monitors its trademarks and takes appropriate legal action in cases of infringement.

CORPORATE IDENTITY

Sika's strong corporate identity gives the company a consistent and modern look. The aim of the corporate identity is to achieve a clear-cut positioning of the brand based on uniform corporate design guidelines. To develop the brand, a visual language and system was created to unify the user experience across all platforms. Brand integration guidelines enable a solid integration process for all acquired companies and brands.

CORPORATE CULTURE – MAKING A DIFFERENCE

The second core element of the Sika brand is personality. Sika is pioneering, team-oriented, and committed. Today, these attributes paint an accurate picture of the Sika corporate culture. The famous Sika Spirit encompasses the virtues that can be found at any Sika location in the world. The common denominators of the Sika Spirit include collaboration, passion, resourcefulness, entrepreneurial spirit, drive, and an overall "family" feeling not often found in large corporations.

BUILDING TRUST

Sika successfully integrates the "Building Trust" tagline into its communications. The implications of this claim for the Sika brand can be described as follows:

"Our business is specialty chemicals, and trust is the foundation of our success. For more than a century, we have focused on the quality of our products while constantly bringing a spirit of reinvention to the industry. We are committed to providing reliable, innovative, and long-lasting solutions to our customers in the construction and manufacturing industries. This commitment embodies Sika's vast expertise in sealing, bonding, damping, reinforcing, and protecting. We offer innovative products that add significant value, comprehensive services, expertise, training, and custom-designed solutions. We're proud of our achievements and eager to prove that Sika provides a seal of quality you can rely on. Committed to excellence. Inspired by innovation. Building trust."

STRATEGIC TARGET MARKETS

Customer focus

Concrete

Sika provides a full range of admixtures and additives for use in concrete, cement, and mortar production. These products improve specific properties of both fresh and hardened concrete, such as workability, watertightness, durability, load-bearing capacity, and strength development. Demand for admixtures and additives is growing as the need for high-performing concrete and mortar increases, particularly in urban areas and infrastructure projects. A key reason for this increased demand is that Sika's additives and admixtures enable the use of alternative materials, such as processed sand and supplementary cementitious materials, which reduces the reliance on clinker and natural sand. This contributes to more sustainable concrete and significantly reduces CO_2 emissions in the construction industry. Moreover, Sika offers interconnected digital tools that enhance efficiency and productivity across the entire concrete value chain – from raw material sourcing and mixing to delivery, placement, service life, and recycling.

Roofing

Sika provides a full range of flat roofing systems, including both flexible sheet and liquid-applied membranes. Recognized as a leading brand in the roofing industry, Sika boasts a long-standing history in single-ply membranes. Sika Sarnafil® roofing systems celebrate more than 60 years of excellence. They are renowned for their reliability, sustainability, and durability. The demand in this segment is constantly driven by the need for environmentally friendly, energy-saving solutions, such as green roof systems and solar or cool roofs, which help reduce CO_2 emissions. Leading bitumen technologies are offered in markets where this is a predominant material of choice. Liquid-applied membranes allow for roof renovations to be carried out without noise, dust, vibrations, or interrupting operations inside the building. While refurbishment projects account for a large part of the demand in mature markets, emerging markets are progressively adopting higher quality roofing solutions for new construction projects. Sika's roofing system caters to both markets, providing vapor control layers, adhesives, insulation, fixation, roof drainage, and accessories. Moreover, digitalization enhances Sika's overall portfolio. The company has developed an advanced system for efficient leak monitoring and detection.

Waterproofing

Sika's world-leading waterproofing solutions cover all technologies for below-ground and above-ground applications, such as flexible membrane systems, liquid-applied membranes, joint waterproofing systems, waterproofing mortars, and injection resins. Key market segments include commercial and residential basements, tunnels, bridges, and all types of water-retaining structures, such as reservoirs and storage tanks. Urbanization demands basement and tunnel waterproofing systems that can go deeper and faster, while unskilled labor is a strain on many job sites worldwide. SikaProof® fully bonded polymeric membranes provide the unique answer to this megatrend and contribute substantially to the durability and sustainability of the building. By delivering waterproofing mortars with a reduced cement content, Sika is constantly developing new solutions with higher performance and sustainability.

Building Finishing

Sika stands at the forefront of the global building finishing market, offering one of the most comprehensive portfolios. Sika's solutions, ranging from tile adhesives and grouts to under-tile waterproofing, decorative finishes, and exterior insulation finishing systems, are trusted across residential and commercial projects worldwide. Sika supports every stage of the building envelope, from basements to roofs, ensuring durability, energy efficiency, and aesthetic excellence. As urbanization accelerates and the demand for sustainable, energy-efficient buildings grows, Sika's innovative facade and interior finishing systems are increasingly sought after. Through its commitment to reducing carbon footprints and enhancing living spaces, Sika is positioned as a partner of choice for forward-thinking developers and homeowners.

Flooring

Sika's flooring solutions are based on synthetic resin and cementitious systems, catering to a variety of industrial and commercial settings. These include pharmaceutical and food production plants, manufacturing and warehousing buildings, educational and healthcare facilities, parking areas, and private residences. Each of these market segments has unique requirements in terms of mechanical properties, safety regulations, electrostatic conductivity, and resistance to chemicals or fire. Current trends in the flooring industry are increasingly influenced by stricter safety and environmental regulations, greater sustainability demands, and highly customized technical requirements. At the same time, the surge in renovation and conversion projects has heightened the need for efficient solutions for existing structures. Sika is a global leader in the development of fast-curing systems in various market segments. The company's extensive portfolio includes low-emission, low-odor, durable, low-maintenance, easy-to-apply flooring solutions that can be adapted to customer needs.

Engineered Refurbishment

Sika offers a robust portfolio of solutions for repairing, reinforcing, and protecting concrete structures ensuring long-term durability and performance. Across mature and emerging markets, aging infrastructure has become an increasingly critical challenge. Sika's solutions are engineered to extend the lifespan of existing structures, while preserving their embodied CO_2. This approach is typically more sustainable than demolition and reconstruction, thereby supporting sustainable construction practices. The engineered refurbishment range includes high-performance repair mortars, precision grouts, chemical anchors, structural adhesives, protective coatings, corrosion control systems, and advanced strengthening technologies. Sika supports the full lifecycle of buildings and infrastructure, from design to maintenance. In addition to products and systems, the portfolio includes specialized software for structural engineers, as well as digital tools for monitoring and analysis, enabling smarter and more efficient refurbishment strategies. As global investment in infrastructure continues to grow, particularly in transportation, water management, and energy, demand for engineered refurbishment is accelerating. Sika remains at the forefront, delivering innovative solutions that meet today's challenges and tomorrow's ambitions.

Sealing & Bonding

Sika offers a wide range of high-performance, durable sealants, adhesives, spray foams, and tapes for commercial, industrial, residential, and infrastructure construction projects. These solutions are used across a broad range of applications, including sealing movement joints between facade elements to weatherproof buildings, bonding wood floors to reduce noise, protecting ground surfaces from kerosene on airport aprons, and providing effective fire protection. The urbanization megatrend, combined with an increasing focus on energy efficiency, conservation, sustainable energy generation, and healthy living environments continues to drive demand in this market. There is a growing need for construction sealants and adhesives that help to speed up work, reduce labor costs, replace mechanical fasteners, allow for application in less-than-perfect conditions, and are compatible with a wide range of building components.

Industry

Sika products are essential for several industries, spanning automobile and commercial vehicle assembly, industrial lamination, renewable energy, home appliances, and advanced resins. Sika is a global leader in innovative technologies for elastic bonding, structural adhesives, sealants, and advanced material solutions, such as reinforcing, acoustic applications, and resins for composites and castings. As a strategic partner to leading industrial manufacturers, Sika is driving the future of vehicle design and production by enhancing performance, durability, and efficiency. In the automotive sector, Sika is continually moving forward by addressing the key challenges of lighter, safer, and more fuel-efficient vehicles. Our solutions enable manufacturers to create better vehicles, with fast-processing materials that enhance automation and boost productivity.

ACQUISITIONS & INVESTMENTS

Supporting growth

Acquisitions are key to Sika's growth, providing the company with new market access and additional sales channels. Sika uses acquisitions as a growth platform for future success.

Acquisition strategy

The company's strategy is based on structural growth driven by megatrends, market growth and penetration, and acquisitions. Strategically aligned acquisitions play an important role in filling market gaps and opening up new business opportunities. Thus, Sika actively pursues acquisitions to expand its customer base, primarily targeting medium-sized companies in Europe, the USA, and Asia.

Sika uses its expertise in evaluating acquisitions and follows a well-structured process. Selected companies undergo a comprehensive evaluation process that methodically narrows the pool of candidates. This process includes meticulous due diligence and cultural compatibility assessments to ensure alignment with Sika's values and principles. This disciplined approach resulted in six acquisitions out of around 80 companies that underwent a first basic review. Sika is committed to a seamless integration process. The integration of all recently acquired companies within each region is overseen by three regional managers (EMEA, Asia/Pacific, and Americas), supported by an Integration Management Office. This decentralized approach fosters a strong sense of accountability within the regions and facilitates efficient information sharing among the newly merged companies at the local level.

2025 acquisitions

In February, Sika acquired Elmich Pte Ltd, a leading supplier of urban greening systems headquartered in Singapore. Elmich's first-class products are highly regarded by specifiers and its solutions have been used in many iconic buildings in Singapore and Australia. The acquisition complements Sika's roofing portfolio in the region and strengthens its specification business for commercial and residential projects.

In March, Sika acquired first Cromar Building Products, a well-established supplier of roofing systems in the UK, mainly serving its customers through the distribution channel. The acquisition opens up significant cross-selling potential and will support Sika's further expansion in the UK roofing sector. Secondly, Sika acquired HPS North America, Inc., a successful supplier of building finishing materials. HPS distributes Schönox-branded products, manufactured by Sika Germany, in the US market. Fully integrating this business into Sika USA will create a strong platform for further expansion in the building finishing segment and lead to significant efficiency gains.

In June, Sika acquired Gulf Additive Factory LLC in the State of Qatar. The company manufactures a wide range of construction chemical products and has a strong standing in the fast-growing Qatar construction market. The acquisition strengthens Sika's foothold in the country and provides exciting opportunities for further expansion.

In October, Sika acquired Marlon Tørmørtel A/S, a mortar manufacturer in Denmark. The company is renowned for its strong product portfolio and its excellent customer service. The acquisition creates a growth platform for Sika in the Nordics, providing exciting opportunities for further market expansion and cross-selling with Sika's complementary solutions.

In November, Sika acquired Awazil Al Khaleej Industrial Co. ("Gulf Seal"), a leading manufacturer of bituminous waterproofing membranes based in Riyadh, Saudi Arabia. The acquisition will significantly strengthen Sika's position in the fast-growing Saudi and GCC construction markets and expand its product offering in the region.

2025 investments

In 2025, Sika continued to invest in future growth with the following expansion projects:

- New facility for mortars production in Singapore
- New facility for tile adhesives, cementitious waterproofing, and flooring production in Xi'an, China
- New interior walls and tile adhesives production facility in Quito, Ecuador
- New mortar and concrete admixtures production facility as well as a modern laboratory in Ust-Kamenogorsk, Kazakhstan
- Expansion into high-viscosity polyurethane production in Suzhou, China
- Expansion in admixture production in Minas Gerais, Brazil
- New mortar and admixtures production facility in Agadir, Morocco

For 2026, the company will continue its investment strategy, which is designed to consolidate Sika's global presence by unlocking new markets or expanding its activities. With the launch of the Fast Forward program, Sika is accelerating its digital transformation to increase customer value, strengthen its supply chain, and enhance operational efficiency. Additionally, the company will continue to invest in innovation.

In the year under review, Sika invested CHF 375 million (2024: CHF 359 million), which is equivalent to 3.4% of net sales. The breakdown of the investments are as follows: expansion of production capacity at 41% (2024: 39%); 28% (2024: 31%) for maintenance and upgrades in existing facilities; 24% (2024: 22%) for rationalization, efficiency improvements, and digitalization; and 7% (2024: 8%) on environmental protection, health and safety, and quality control. The share of investment in the emerging markets was 35% (2024: 38%).

RISK MANAGEMENT

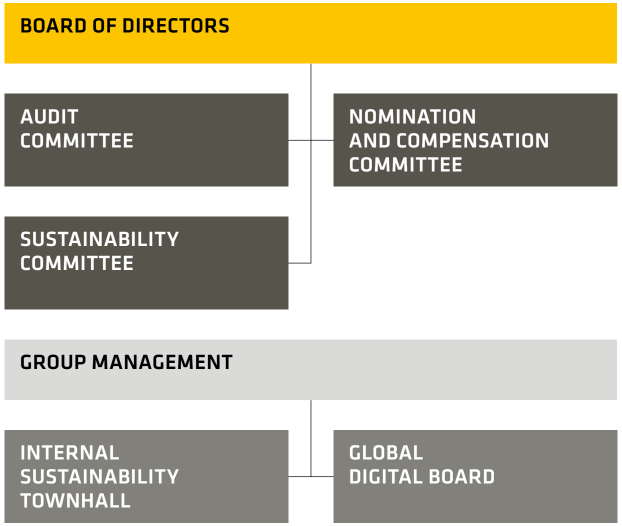
Sika has a comprehensive risk management system structured at Group level that covers all subsidiaries. This system facilitates the identification and pursuit of new opportunities that enhance the company's long-term value.

RISK MANAGEMENT

Identifying, assessing, and managing risks through robust mitigation practices

As a global player in specialty chemicals, Sika is exposed to a variety of risks. To achieve the Group's objectives, safeguard its reputation, and protect the capital invested in Sika, Group Management regularly analyzes potential risks and incorporates them into the strategic decision-making process.

Governance: Board of Directors, committees, Group Management, and relevant bodies



The Board of Directors (BoD) is Sika's highest governing body and is responsible for overseeing its risk management. Its duties include the annual reassessment of the risk profile at Group level, and it is also the highest governing body for climate-related risks and opportunities. For more information on Sika's Task Force on Climate-related Financial Disclosures (TCFD), please see the "Climate" section on p.54 of the Sustainability Report 2025. The BoD, through the Sustainability Committee, is responsible for reviewing and endorsing the implementation of sustainability policies, while the Chair of the Board oversees climate-related topics by receiving regular updates from Group Management. The Chair of the Board is a standing guest on the Sustainability Committee and is permanently invited to add climate-related topics to the agenda of the Chief Executive Officer (CEO) and the BoD. The Board of Directors is committed to the Science Based Targets initiative (SBTi) to achieve net zero greenhouse gas emissions by 2050.

At Sika, there are three standing committees at Board level:

1. The Audit Committee (AC) approves the annual audit plan, and Internal Audit conducts audits accordingly. The AC reviews the results of internal and external audits, including ESG-related audits and reviews, and the Enterprise Risk Management report, and monitors the implementation of corrective actions. Internal Audit covers a broad set of processes in the areas of sales, accounts receivable and accounts payable management, product development, purchasing, production, quality control, inventory management, financial and operational reporting, compensation and benefits, and IT management. Furthermore, by conducting internal non-financial audits, the AC verifies the company's alignment with its strategic targets. The Internal Audit function reports to the Audit Committee. The governance structure, compliance with the Code of Conduct, and the Internal Control System are assessed at Group level. In addition to audits of the operating companies, regular in-depth audits are carried out in headquarter functions and Group-wide support processes. The AC convenes at the request of its Chair as often as business demands. Customarily, the Chair of the Board of Directors, the Chief Financial Officer (CFO), and the CEO take part in these meetings in an advisory capacity. In the year under review, the Audit Committee met five times. More information is provided in the Corporate Governance Report on p.185.

2. The Nomination and Compensation Committee (NCC) is responsible for succession planning, assessments, and the compensation strategy and remuneration system at the level of the Board of Directors and Group Management. In the year under review, the NCC met five times. More information is provided in the Corporate Governance Report on p.185. Group Management's performance is evaluated based on achievements related to strategic targets, including ESG targets such as climate performance, and health and safety. This is explained in more detail in the Compensation Report on p.194.

3. The Sustainability Committee (SC) consists of three Board members with expertise in different areas of ESG. The SC prepares sustainability-related topics for discussion and decision-making in the Board. The Sustainability Committee focuses on the following four areas: validating a formal ESG impact, risk and opportunity assessment via the double materiality assessment (DMA); monitoring regulatory developments and their implications for the company; setting measurable goals aligned with Sika's strategic priorities; and the

approval of the annual Sustainability Report. Sika's strong focus on ensuring the use of accurate and consistent quantitative measures in non-financial reporting is reflected in the close link between the Sustainability Committee and the Audit Committee, with one member sitting on both committees. In the year under review, the SC met five times. More information is provided in the Corporate Governance Report on p.185.

Group Management regularly reviews the risk management processes and is responsible for the development and implementation of actions to mitigate risks (including those related to climate change) in line with the defined sustainability strategy and targets. Group Management is responsible for risk management at the highest executive level and provides the Board with regular updates. The Corporate Finance department, headed by the CFO, is responsible for risk management, including climate-change-related risks. The CFO oversees financial and non-financial information and data. As part of the due diligence process for potential acquisitions, the Mergers & Acquisitions (M&A) team conducts assessments of financial and non-financial performance.

In 2025, Sika reorganized its risk management by establishing a new Group Risk Management team, bringing together three risk-related functions that had previously been part of different finance and legal departments: Enterprise Risk Management (ERM), Insurance Management, and Internal Controls. Having an integrated Group Risk Management offers several advantages, including greater efficiency, improved collaboration, and more comprehensive risk oversight. Structured dialogue between the new Group Risk Management team and the sustainability teams ensures consistent alignment of risk identification, assessment, and response.

Two bodies ensure that sustainability-related aspects are considered in the Group's strategy and operations:

1. The internal Sustainability Townhall, established in 2021, allows corporate functions – Innovation & Sustainability, Operations & EHSQ (environment, health, safety, and quality), Communications & Investor Relations, Controlling, M&A, Human Resources, Compliance, Legal, Procurement, Marketing, Target Markets, and Regional Sustainability Managers – to meet on a quarterly basis and exchange information about all sustainability-related projects aimed at achieving sustainability targets with the whole organization. For more information, please see "Sustainability Organizational Structure" section on p.44 of the Sustainability Report 2025.

2. The Global Digital Board was established in 2020 in response to the increasing relevance of topics like digitalization and cyber security. Digitalization is one of the three major societal challenges of the 21st century, alongside climate change and growing social inequalities. For this reason, it has become a major topic of responsible investment and environmental, social, and governance (ESG) analysis. For more information, please see the corporate webpage ↗ **Digitalization and IT**.

Risk management framework

Sika has a comprehensive Enterprise Risk Management system that covers all subsidiaries. The system is aligned with best international practices, including the COSO and ISO 31000 standards. Risks are identified at an early stage, and those deemed relevant are integrated into strategic decision-making processes. Risk management also helps to identify new opportunities and adds value to the business. It ensures that business objectives can be achieved and obligations to customers, shareholders, employees, and society can be met. Climate-change-related risks are integrated into the ERM framework, since unexpected climate-related disasters and the resulting economic fluctuations could affect global and local markets. Locally, climate-related risks are evaluated by EHS and operations managers in collaboration with regional operations managers and general managers. Risks in individual countries are consolidated at regional level, and in a final step summarized and discussed at corporate level.

TRAINING DEDICATED TO RISK MANAGEMENT[1]

The governance structure fosters the buildup of expertise to evaluate the impact of risks. In 2025, regular risk management education was provided for staff at various levels within the company. Additionally, risk assessment reviews were conducted with selected regional, area, corporate, and local leaders through compliance assessments and training sessions. These reviews aimed to evaluate their knowledge levels and awareness of relevant compliance and legal risks in their respective business ecosystems, as well as their preparedness to address these issues effectively. This has provided feedback to be included in new training and educational materials under development for roll-out in 2026 in the areas of respect in the workplace and conflicts of interest.

FOR EXECUTIVE MANAGERS

– Business ethics, ethical leadership, and speak-up culture: In 2025, a variety of compliance leadership development sessions were provided, including as part of global leadership programs and regional leadership programs. Compliance sessions were generally about one to two hours in duration and covered topics including Sika's Values & Principles, Code of Conduct, reporting channels, speak-up statistics, and lessons learned from case studies. Compliance training and case studies were also included as part of HR, controller, and area meetings. Furthermore, compliance training sessions took place as part of events organized for specific business units or functions (e.g. Controlling and HR). During compliance audits, as part of the closing meeting for each audit, a detailed compliance training session was provided for the respective country leadership teams, and in several cases also a wider employee audience. During Group leadership meetings, i.e. the Sika Senior Management Meeting, Regional Management Meetings, Area Manager Meetings, and Corporate Senior Management Meeting, compliance leadership development sessions were provided, including an overview of Sika's compliance management system.
– Sustainability and climate change: In 2025, several official meetings were organized to allow Sika's management to discuss the topic of sustainability and climate change. For instance, in May, the Board of Directors (BoD) travelled to Germany, visiting construction and infrastructure projects, plants and technology centers, job sites, and customers. The Board met the regional manager EMEA, the general managers, the Heads Industry and Automotive, as well as representatives of HR, Sales, R&D, and Operations to address

1 The list of training courses for executive managers and employees presented in the Risk Management Report of the Annual Report provides examples related to top risks. This list is not be exhaustive, instead representing a selection of training activities conducted at the Group level.

topics like health and safety, supply chain, operational efficiency, marketing, people and talent management, and sustainability through innovation. In September, the company organized the Sika Senior Management Meeting (SSMM), where the BoD, Group Management, and all Sika senior managers took part in several workshops to align strategies driving sustainable business expansion. The SSMM sessions explored several topics, including customer centricity and satisfaction, branding, procurement and supply chain, digital transformation, people management, compliance, and safety.

FOR ALL EMPLOYEES

- Business ethics: For employees active in marketing and sales-related roles, nine training sessions for approximately 145 participants were organized in 2025. These sessions focused on dilemma case studies and team discussions on gifts, entertainment, and sexual harassment in the context of customer relations and duty of care of managers/supervisors.
- Environmental, health, and safety (EHS) exposures: Sika has designed a set of four mandatory e-learning courses related to personal protective equipment, life-saving rules, general site rules, and rules for visitors. As of the end of 2025, over 90% of Sika employees completed the courses. During the reporting year, Sika also strengthened its process safety culture by implementing new standards for explosion protection and fire safety, and delivering dedicated training courses across all regions. The blended process safety training program combines eleven e-learning modules with a two-day workshop at a Sika site, where participants reinforce key concepts through team exercises, risk analysis, and focused plant walkdowns to connect theory with real operations. In total, 81 participants completed the program during workshops held in Japan, USA, Mexico, Colombia, and Portugal.
- Innovation and sustainability: Throughout 2025, workplace safety, sustainability, innovation, compliance, risk management, and product development levers supporting net zero were key topics at seminars and meetings for representatives of Sika Technology Centers and R&D teams at global, regional, and local levels. During the so-called “Chemist Days”, which are dedicated to each of Sika’s core technologies, participants addressed topics such as collaboration, knowledge sharing, safety, compliance, risk management, and innovation.
- Product compliance requirements and regulations: In the area of Regulatory & Product Compliance (RPC), regular training courses and workshops were held in all regions to minimize operational, legal, and reputational risks. The focus is on knowledge of current and future regulations on chemicals and hazardous materials, legally compliant hazardous substance classification, product labels, safety data sheets, and substance information, as well as correct and consistent information for customers, employees, and authorities. Another training focus for Regulatory Affairs worldwide is the monitoring and implementation of applicable standards, laws, and regulations in all regions, with regular updates on changes in regulations, approval procedures, and compliance requirements. The aim is to increase legal and product safety, reduce compliance risks, improve employee safety, and enhance the reliability of customer communication. In 2025, the Global Product Stewardship team organized 296 training sessions involving 1,456 Sika employees from various functions (Product Stewardships, Regulatory Affairs, EHS, Risk & Crisis Management, Procurement, Marketing, and R&D) in all Sika regions (EMEA, Asia/Pacific, Americas).
- Product development and marketing: Sika operates a global program to minimize risks in customer support, relationship management, and sales activities that may lead to product complaints. Through a combination of regular employee training, well-defined standards, root cause analyses, and controls, the company has consistently reduced expenditures associated with product-related claims. In addition to providing systematic instructions, application training, and ongoing support to customers, Sika invests in robust infrastructure and streamlined processes to further strengthen consistency in its technical documentation. This includes continuous improvement of content to ensure customers use Sika products correctly, thereby enhancing customer satisfaction and minimizing risk.
- Cyber security risks: Sika provides its staff with the appropriate training and reinforces its IT organization within the Group accordingly. The measures to defend against such attacks are continually reviewed with the help of external specialists and adapted in line with any new situations that may arise. Mandatory for every employee is to successfully pass the e-learning course on “IT security for users”.
- Supplier engagement and assessment: All procurement staff worldwide are required to complete the “Sustainable Procurement” e-learning course available on Sika’s internal learning platform. This training is designed to raise awareness of Procurement’s crucial role in Sika’s sustainability journey. As of end of 2025, over 90% of procurement staff globally had completed the course, and since January 2025, it has also been accessible to all Sika employees. Additionally, in 2025, regional webinar series on sustainability in procurement were introduced for procurement employees in EMEA and the Americas. In EMEA, webinars are offered quarterly and are available via self-registration. They cover two key areas: social and governance topics, such as risk management, and environmental matters, like GHG emissions monitoring and transparency, reduction strategies, and Sika’s supplier engagement program. Over 170 procurement professionals in the region attended these sessions. In the Americas, similar training sessions were held, attended by around 60 procurement professionals. Furthermore, sustainability-related training and best demonstrated practices on environmental and social topics are included in every area and regional procurement meeting to increase awareness of the topic and ensure it becomes a priority for everyone, in line with Sika’s strategy and net zero commitment.
- Supplier auditor training program: In 2025, Sika successfully delivered several training courses, engaging a total of around 300 participants across procurement, technical, and quality functions, reinforcing our commitment to continuous development and collaboration.

TOP RISKS

Sika's risk management process is regularly reviewed, enabling the company to identify potential risks more effectively and implement robust mitigation practices. Sika uses this process rigorously to ensure that any potential risk to the company and its stakeholders is mitigated, and no opportunities are overlooked. Each top risk is owned by a member of the Executive Committee, ensuring clear accountability and effective oversight. The company continuously assesses its risk profile, adding emerging risks and eliminating those that are no longer relevant or have been effectively mitigated. Where appropriate, risks are combined to ensure a more targeted and efficient response. Compared to last year's Annual Report, one new top risk – environmental, health, and safety (EHS) exposures – has been added, while two risks are no longer considered to be top risks: increasing product-related claims and tax risk.

Within the ERM framework, the risk assessment is based on a five-year time horizon, reflecting the company's medium-term planning cycle. The same core approach is applied in the double materiality assessment (DMA) as in Sika's ERM framework, but with consideration of longer time horizons. For more information, please see the "Double Materiality Assessment" section on p.47 of the Sustainability Report 2025.

CATEGORY: STRATEGIC

Top risk	Description	Risk mitigation	Trend	Status
Price pressure and cost inflation	Supply chain disruptions, protectionism, market dynamics, and raw material price increases may lead to deteriorating profitability.	– Drive structural cost improvement measures that support material margins, such as procurement projects, formulation efficiency, restructuring, relocation, and digital transformation. – Push value and system selling, balance sales growth with value pricing. – Maintain group-wide systems to monitor raw material prices and sales prices to measure and manage the material margins. – Synergies arising from acquisitions and integrations.	→	**Mature**
Changing product compliance requirements and regulations	Changing product compliance requirements for supply chains, products, product solutions, and production processes, driven by changing customer requirements, stronger and rapidly changing regulations, and increasingly complex ESG and transparency requirements. Net zero commitments of regions and countries will drive regional and local compliance.	– Closely monitor regulatory changes with the help of a global network of experts and the close involvement of relevant commercial and technical functions. – Collaborate with industry associations and working groups; consult authorities at regional and local level. – Set up product conformity management system. – Regularly communicate with global/regional/local functions. – As part of the due diligence process for acquisitions, examine potential targets to ensure that they operate in full compliance with prevailing laws and regulations. – As part of the capital investment process, give attention to zoning compliance, production processes, and regulatory requirements. – Ensure compliance of raw materials and products with regional and local laws and regulations. – Align sustainability targets with accepted practices and a clear improvement path, including net zero commitment.	↗	**Mature**
Country risks	Political and economic instability may negatively impact Sika's business/activities in affected regions.	– Consistently monitor development in critical countries. – Implement risk-reducing measures. – Review investment/acquisition strategy in affected countries. – Implement short-term measures to safeguard supply chains.	→	**Mature**
Climate change	Global climate change and related local, regional, and global regulations can negatively impact Sika's day-to-day business (physical and transition risks).	– Commitment to the Science Based Targets initiative (SBTi) to achieve net zero by 2050. Net zero targets for scope 1, 2, and 3 were validated by the SBTi in May 2024. – Assessment of physical risk based on 2–3°C and 4.4°C scenarios across production sites. Identification of climate-related physical risk per site and review of underlying activities and business impacts. – Assessment of transition risk based on 1.5°C and 4.4°C scenarios. – Product carbon footprint (PCF) creation to demonstrate impact by product. Coverage of supplier-specific emission factors. – Identification of carbon reduction levers via R&D and regions. Review of the current Sika product portfolio and its carbon footprint. – Operational efficiency programs are implemented worldwide to reduce emissions, energy, water, and waste. – Assessment of climate-related reporting regulations impacting Sika, and implementation of upcoming standards.	→	**Mature**

CATEGORY: STRATEGIC

Top risk	Description	Risk mitigation	Trend	Status
Geopolitical tensions and fragmentation in a multipolar world	Geopolitical instability and a rise in protectionism may impact international trade and the global economy.	– Maintain and reinforce geographical balance of the businesses across regions and countries. – Maintain an agile supply chain to mitigate single-source supply and to react rapidly to supply chain disruptions, changes in tariffs, and sanctions. – Centralize key technologies and intellectual property at Sika Technology AG to protect Sika's core values. – Strengthen capabilities of local organizations to maintain know-how locally.	↗	**Emerging**
Competition law/antitrust	Competition law continues to evolve globally, becoming more complex.	– Provide training on competition law tailored to audience: web-based basics training, in-person advanced training for employees with higher risk exposure. – Fair Competition Policy and quick references for specific situations. – Reduce memberships in trade association based on risk-benefit analysis.	→	**Emerging**

CATEGORY: OPERATIONAL

Top risk	Description	Risk mitigation	Trend	Status
Talent shortage	Challenge to attract and retain talent. Sika's growth and the diversification of the markets will require a strong pipeline of future successors for business-critical positions.	– Talent management across global, regional, and local levels prepares the workforce for challenging tasks. Solid performance, succession, and development processes foster a high-performance organization and unique leadership culture. – Embed the Sika employer brand in all recruitment activities and redefine the recruitment strategy of talent at all hierarchy levels. – Align People & Culture strategy at regional and functional level. – Talent-sharing culture to upskill and retain talent and ensure business continuity by increasing internal mobility across functions and regions. – Revise policies for international assignments to provide more flexibility and adapt to business needs. – Fully embedded SuccessFactors as a global human resources information system to enhance people analytics in global workforce and talent pool.	→	**Mature**
Business interruption	Business interruptions can jeopardize daily business continuity and impact operational business profit.	– Implement crisis management at country level to enable a swift adaptation to country-specific events and regulations. – Steer and monitor execution at local level via the Corporate Crisis Management organization. – Ensure sufficient liquidity of the Sika Group and subsidiaries with diverse sources of funding from either capital markets or local banks. – Maintain a corporate insurance program with worldwide coverage. – Implement fire protection concept for sites/plants with high loss expectancy.	→	**Mature**
Cyber and data security	Potential financial loss, operational disruption, legal action, or reputational damage resulting from unauthorized access to, or attacks on, Sika's digital systems and data. Cyber security incidents can lead to data breaches, theft of sensitive information, theft of assets, regulatory penalties, and loss of customer trust.	– The Sika Cyber Security Organization and Strategy relies on five pillars – people, policies, technology, processes, and governance – to deliver detection, response, prevention, and assurance. – Consistently assess Sika's cyber maturity. – Improve user awareness through regular cyber security awareness campaigns and e-learning courses. – Implement cyber security capabilities and processes to detect and prevent potential cyber security incidents. – Maintain and regularly test IT continuity, disaster recovery planning, and backup & restore processes for business-critical systems. – Improve IT and operational technology capabilities within the Sika Group. – Reinforce cyber security activities in acquired companies.	→	**Mature**

CATEGORY: OPERATIONAL

Top risk	Description	Risk mitigation	Trend	Status
Supply chain – direct material sourcing	Sourcing of critical direct materials could be at risk due to single-sourced material, supplier discontinuity, capacity shortage, and geopolitical impacts such as sanctions and tariffs.	– Assess and manage all third-party direct materials according to risk management process (assess business/sales impact and supplier criticality/single source). – Ensure compliance with the Supplier Code of Conduct and regulatory requirements. – Maintain close cooperation between Sika's procurement specialists and technical experts and the suppliers' technical units to fully understand the raw material flows and continually optimize costs, quality, availability, and sustainability. – Conduct sustainability assessments and audits (incl. identification and addressability of ESG risks along the entire value chain) on both direct and indirect suppliers via the Together for Sustainability (TfS) initiative. – To reduce Sika's dependency on crude oil, increasingly rely on renewable raw materials. Use recycled raw materials wherever possible, and employ production plants to implement their own or externally operated recycling loop systems. – In respect of all the materials used, monitor and ensure compliance with the relevant statutory registration requirements (e.g. REACH or TSCA).	↘	**Mature**

CATEGORY: FINANCIAL

Top risk	Description	Risk mitigation	Trend	Status
Impairments	Tangible and intangible assets may be impaired, which would have a negative P&L impact. In volatile markets, there is a risk that acquisitions will not perform according to the business plan or valuation, which could result in financial impairment.	– Continuously generate strong cash flow of all operational entities aligned with the strategy and Group targets. – Maintain a conservative accounting policy regarding fixed assets. – Use Group-wide reporting and controlling systems to track business development, to quickly identify shortcomings, and swiftly initiate corrective actions. – Continue to closely monitor the integration of acquisitions via a dedicated integration management team.	→	**Mature**
Currency fluctuation/FX risk	Volatility of foreign currencies and uncertainty in financial markets.	– Report on and consistently monitor the foreign exchange (FX) exposure of the Sika Group, enabling prompt action if the situation requires it. – Mostly hedge FX exposures related to IC financing. – Net Group internal transactions monthly and hedge at a corporate level. – Maintain a strong natural hedge and keep all other FX exposures to a minimum.	→	**Mature**

CATEGORY: ORGANIZATIONAL

Top risk	Description	Risk mitigation	Trend	Status
Environmental, health, and safety (EHS) exposures	Deficiencies in safety culture can lead to workplace injuries, illnesses, environmental damage, and regulatory breaches across jurisdictions, causing fines, reputational harm, and operational disruptions.	– Implement EHS strategy and roadmap. – Measure, follow up, and report on key EHS indicators. – Deploy key safety programs on process safety/risk management and EHS audits. – Deploy e-learning to facilitate EHS minimum requirement appropriation. – Develop, deploy, and continually refresh safety communications and campaigns.	→	**Mature**
Reputation risk	Reputational damage due to any substantial incident or personal misconduct.	– Adhere to the Sika Code of Conduct and Sika's Values and Principles, which provide clear standards for employee integrity and ethical conduct. All employees and new recruits are trained in the Code of Conduct and in how to use the Sika Trust Line (whistleblower line). – Maintain the comprehensive, Group-wide compliance program. – Use external tools to support the monitoring and management of potential reputational issues. – Maintain zero tolerance for compliance violations. Such violations lead to the imposition of sanctions. – Facilitate regular collaboration, risk foresight, and information-sharing across assurance functions.	↗	**Mature**
Hostile takeover/activism	Companies are increasingly targeted by unfriendly actions of investors or third parties to influence the strategic direction of the company or launch hostile takeover attempts.	– Maintain a robust governance framework with an experienced board and clear decision rights for takeover situations. – Provide monthly trading updates and monitor market and investor sentiment. – Conduct and regularly update vulnerability assessments. – Run a proactive investor relations program involving regular roadshows, transparent equity story, credible targets, and consistent disclosure. – Integrate hostile takeover/activism into the corporate crisis management framework.	→	**Mature**
Loss of Sika's unique culture/ entrepreneurship	Sika's unique corporate culture can be defined as a unique selling proposition (USP). However, with the fast pace of acquisitions, which requires new people to be brought on board, and a changing work environment caused by increasing digitalization, this requires continued focus.	– Preserve Sika's unique culture and high levels of employee engagement through global leadership commitment, Sika Day events, and performance debrief dialogues. – Regularly train all Sika managers to "walk the talk" and to internalize the Sika Spirit within their departments. – Hire, reward, and promote people based not only on traditional measures but also on qualitative criteria that demonstrate the Sika Spirit. – Ensure an inclusive work environment and clear communication about the Sika culture, values, and leadership when welcoming and onboarding employees (including those acquired through mergers and acquisitions). – Continue investing in employees' learning and development, internal promotions/careers, and international professional exposure/assignments. – Concentrate on People & Culture as one of the pillars of Strategy 2028, with a focus on achieving an 80% engagement rate (measured through biannual surveys).	↗	**Mature**

GROUP PERFORMANCE

Market share gains across all regions.

SALES GROWTH IN LC

+0.6%

OPERATING FREE CASH FLOW

12.1% OF SALES

INCREASE IN MATERIAL MARGIN AND STRONG CASH CONVERSION

Sika delivers sales growth in local currencies

Sika's focus on delivering high value-add solutions to its customers drove market share gains across all regions in what was a challenging year for the construction industry. Global markets were impacted by US tariff policy as well as residential real estate softness in China. In the fourth quarter, the US building industry was also affected by the government shutdown. The company used this period to strengthen its competitive position and prepare for the next phase of industry growth – laying important foundations for further outperformance in the coming years. With Fast Forward we are creating a leaner, more agile organization, accelerating innovation, digitalization, and efficiency. Fast Forward will, in the coming years deliver CHF 150 to CHF 200 million of EBITDA benefit with a very attractive ROI.

In 2025, Sika generated sales of CHF 11,201.3 million (2024: CHF 11,763.1 million), down −4.8% year on year. In local currencies, revenues grew 0.6% year on year. The currency effect of −5.4% was primarily attributable to the weak US dollar. The local currency performance reflects continued market share gains in all regions. Organic growth for full year 2025 was −0.4%, +1.2% excluding Chinese construction business; acquisitions contributed 1.0% to sales growth.

INCREASE IN MATERIAL MARGIN AND STRONG CASH CONVERSION

Sika improved its material margin, achieving 54.9% (2024: 54.5%) in 2025. This increase reflects the strong focus on new product innovation while also managing input cost inflation. Profitability at the EBITDA level was impacted by one-off costs related to the Fast Forward investment and efficiency program previously communicated. These costs amounted to CHF 108 million (of which CHF 86 million were recognized in EBITDA) in 2025, reducing EBITDA to CHF 2,064.7 million (2024: CHF 2,269.5 million) and resulting in an EBITDA margin of 18.4%. Adjusted for the one-off Fast Forward costs, the EBITDA margin was 19.2%, underlining the strong profitability of Sika's core business. The Fast Forward program will deliver a payback through growth and efficiencies in less than two years.

Net profit for 2025 was CHF 1,045.3 million (2024: CHF 1,247.6 million) and operating free cash flow was CHF 1,356.1 million (2024: CHF 1,402.9 million) – which represented a year-on-year improvement in operating free cash flow conversion to 12.1% of sales (2024: 11.9%). Following the strong free cash flow performance, Sika reduced net debt in 2025, reinforcing its strong credit rating.

KEY BALANCE SHEET FIGURES

The ratio of net working capital to net sales decreased to 18.5% in 2025 (2024: 19.7%). The reduction was due to better inventory management. At the end of 2025, cash and cash equivalents amounted to CHF 801.8 million (2024: CHF 707.5 million). Net debt was further reduced to CHF 4,734.5 million (2024: CHF 5,039.6 million) and gearing lowered to 71.0% (2024: 71.5%). The equity ratio decreased to 44.0% (2024: 44.1%). Return on capital employed (ROCE) reached 12.3% (2024: 14.2%). Adjusted for acquisitions, ROCE for 2025 was 17.5% (2024: 22.1%). In addition, net debt to EBITDA stood at 2.3x (2024: 2.2x) at the end of the reporting year.

MATERIAL MARGIN AT

54.9%

OPERATING FREE CASH FLOW IN CHF MILLION

1,356.1

REGIONAL PERFORMANCE

Market share gains across all regions

Sika delivered growth amid a challenging macro-economic environment and uneven end markets in 2025. Against this backdrop, the company achieved market share gains across all regions, supported by its strong local presence, innovative solutions, and disciplined business execution.

Region EMEA (Europe, Middle East, Africa)

In 2025, economic conditions across Europe remained mixed. Most economies continued to expand modestly, with easing inflation allowing central banks to gradually soften monetary conditions. However, elevated financing costs remained and weak industrial activity constrained momentum in several large Western European markets, most notably Germany and France. The Middle East and selected African economies showed stronger momentum, supported by infrastructure investment, energy-related revenues in some markets, and government-led diversification efforts.

Construction activity in Europe reflected this mixed environment. Weak sentiment, high costs, and declining permit activity weighed on private building in parts of Western Europe, in particular Germany and France, while public- and EU-backed infrastructure along with energy transition and renovation programs provided some support. In the Middle East and Africa, construction activity remained more resilient. In the UAE and Saudi Arabia, construction growth was around 5% and 4%, respectively, supported by continued investment in transport, housing, and energy infrastructure. Selected African markets such as Ethiopia and Nigeria also experienced strong momentum.

Sika's largest region EMEA achieved sales growth of 2.2% in local currencies (2024: 7.3%). Parts of Southern Europe, including Spain, Portugal, and Greece, delivered solid results, while Eastern Europe improved progressively throughout the year. Business performance was particularly strong in the Middle East and Africa, where Sika recorded double-digit growth. Sika is well positioned to benefit from growing demand for a large-scale energy transition and digital infrastructure in the region, as well as from momentum in industrial construction.

In March, Sika acquired Cromar Building Products, a well-established supplier of roofing systems in the UK, mainly serving customers through the distribution channel. The acquisition opens significant cross-selling potential and will support Sika's further expansion in the UK roofing sector.

In April, Sika opened a new production facility in Ust-Kamenogorsk, Kazakhstan, with production lines for mortar and concrete admixtures, as well as a modern laboratory.

In October, Sika acquired Marlon Tørmørtel A/S, a mortar manufacturer in Denmark. The company is renowned for its strong product portfolio and customer-centric approach. The acquisition creates a growth platform for Sika in the Nordics, providing exciting opportunities for further market expansion and cross-selling with Sika's complementary solutions.

REGION EMEA SALES GROWTH IN LOCAL CURRENCIES

+2.2%

Data provided by GlobalData, with the exception of Sika-specific information, which reflects internal company data and analyses.

In November, Sika acquired Awazil Al Khaleej Industrial Co. ("Gulf Seal"), a leading manufacturer of bituminous waterproofing membranes based in Riyadh, Saudi Arabia. The acquisition will significantly strengthen Sika's position in the fast-growing Saudi and GCC construction markets and expand its product offering in the region.

In December, Sika agreed to acquire Finja, a leading Swedish manufacturer of a wide range of mortars and integrated solutions that enhance efficiency and sustainability in construction. The acquisition will strengthen Sika's Nordic presence and provide major cross-selling opportunities through the highly complementary product portfolios and increased presence in the distribution channel. In addition, it will enable substantial capacity expansion, supporting future growth by bringing a wider product offering closer to Nordic customers.

Region Americas

Economic conditions in North America were characterized by modest growth and continued uncertainty predominantly driven by tariffs in 2025. In the United States, activity was resilient overall, but inflation was above target, trade-related uncertainty, and a cooling labor market weighed on business sentiment and investment. In Canada, inflation was more contained, supporting relatively stable policy conditions, although growth remained subdued amid external headwinds. Latin America experienced moderate expansion, with more modest growth in larger economies such as Brazil and Mexico, while stronger economic recoveries were visible in Argentina and Peru.

Construction markets in the Americas showed a mixed picture. In the United States, construction activity contracted, reflecting declines across the residential, commercial, and certain industrial segments. Growth was concentrated in selected non-residential areas, such as data centers and power-related infrastructure. In Canada, construction activity proved more resilient, supported by government-backed investment. In Latin America, activity remained uneven, with modest growth in Brazil of around 2% and a strong rebound in Argentina of almost 7%, supported by institutional, industrial, and infrastructure investment.

Data provided by GlobalData, with the exception of Sika-specific information, which reflects internal company data and analyses.

For Sika, the Americas region achieved sales growth of 2.2% in local currencies (2024: 11.2%). Following a strong start to the year, conditions softened in the second half. In the fourth quarter, the longest government shutdown in history had an additional negative impact on commercial construction activity, as reflected in the weakening of a number of construction sector indicators throughout the quarter. Data center investment remained a bright spot in 2025, alongside activity in large institutional and infrastructure projects such as stadium developments and healthcare facilities. Canada and Latin America were resilient, with Latin America in particular benefiting from major urban infrastructure projects.

In March, Sika fully acquired HPS North America, Inc., a successful supplier of building finishing materials. HPS distributes Schönox branded products, manufactured by Sika Germany, in the US market. Fully integrating this business into Sika USA will create a strong platform for further expansion in the building finishing segment and lead to significant efficiency gains.

In April, the company opened its new plant in Quito, further strengthening its presence and proximity to customers in Ecuador. This strategic investment enhances Sika's ability to tap into Ecuador's full market potential for its mortar solutions, which will be primarily used for interior walls and tile adhesives.

In June, Sika made a strategic investment in Giatec™ Scientific Inc., a global leader in digital concrete technology platforms specializing in smart testing and AI-driven solutions. Headquartered in Canada, Giatec develops advanced sensors, software, and data analytics tools to optimize concrete quality, durability, and sustainability, from production and delivery to placement.

In the same month, Sika also reinforced its footprint in Latin America. In Brazil, the company extended its site near Belo Horizonte to include admixture production, expanding its presence in one of the country's most strategically important industrial regions.

REGION AMERICAS SALES GROWTH IN LOCAL CURRENCIES

+2.2%

Region Asia/Pacific

Economic performance across Asia/Pacific was mixed in 2025. China achieved GDP growth of around 5%, supported by export activity and additional policy stimulus, but underlying momentum weakened amid subdued domestic demand, slowing industrial activity, and a prolonged downturn in the property sector. By contrast, India recorded strong economic growth of around 6.5%, underpinned by robust domestic consumption, infrastructure investment, and supportive policies. Southeast Asia benefited from supply chain diversification linked to global trade tensions, boosting exports, and manufacturing activity in markets such as Vietnam and Malaysia.

Construction activity mirrored these dynamics. In China, overall activity decreased with a sharp contraction in residential construction amid falling property prices, weaker contract volumes, and subdued consumer sentiment. In India, construction output grew by approximately 8%, supported by infrastructure-, energy-, and industrial-related construction and was underpinned by sustained public investment. In Southeast Asia, construction activity remained robust, driven by industrial expansion and supply-chain-related investment, with particularly strong growth in Vietnam (around 8%) and Malaysia (around 11.5%), although momentum varied across countries.

In Asia/Pacific, Sika's sales declined by 5.3% in local currencies (2024: +2.4%), primarily reflecting the double-digit decline in the Chinese construction business. Excluding China construction business, the region recorded positive organic growth of 2.5%. India and Southeast Asia, and the Automotive & Industry segment delivered particularly dynamic growth. In China, Sika focused on structural adjustments and margin protection in a persistently challenging environment. Overall, the region demonstrated resilience through targeted growth initiatives and disciplined pricing and cost management.

In January, Sika opened two state-of-the-art plants in Singapore and in Xi'an, Northwest China. The newly built plant in Singapore specializes in the production of mortars, while the Xi'an facility manufactures a full range of products, including tile adhesives, cementitious waterproofing, and flooring solutions.

In February, Sika acquired Elmich Pte Ltd, a leading supplier of urban greening systems headquartered in Singapore. Elmich's first-class products are highly regarded by specifiers, and its solutions have been used in many iconic buildings in Singapore and Australia. The acquisition complements Sika's roofing portfolio in the region and strengthens its specification business for commercial and residential projects.

In June, Sika extended its existing site in Suzhou to be closer to its customers. Serving more than 40 million residents in Suzhou and the greater area of Shanghai, the upgraded facility specializes in high-viscosity polyurethane technologies used for advanced bonding and sealing solutions across the automotive, construction, and industrial sectors. These innovations help to enhance durability, performance, and design flexibility in critical applications.

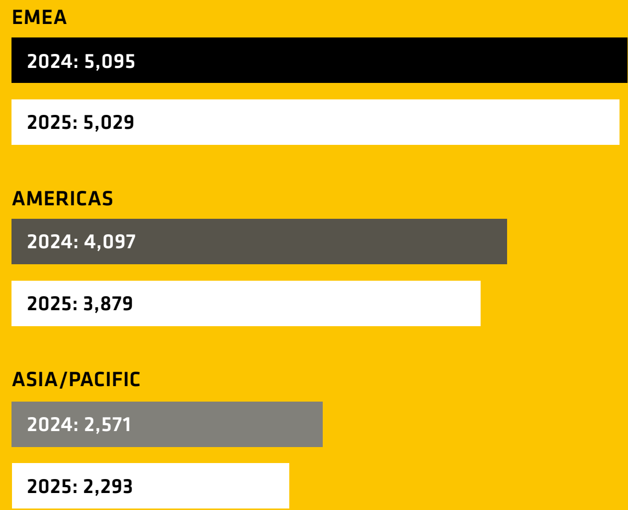
REGION ASIA/PACIFIC SALES GROWTH IN LOCAL CURRENCIES

–5.3%

Data provided by GlobalData, with the exception of Sika-specific information, which reflects internal company data and analyses.

THE REGIONS IN BRIEF

Net sales in CHF mn



	EMEA	AMERICAS	ASIA/PACIFIC
Growth in local currencies	**2.2%**	**2.2%**	**–5.3%**
Currency impact	–3.5%	–7.5%	–5.5%
Acquisition effect	0.7%	1.8%	0.4%
Organic growth	1.5%	0.4%	–5.7%
Employees[1]	15,245	9,211	8,393

1 The employees of Corporate Services are excluded (858 employees)

OUTLOOK

2028 medium-term strategic targets for sustainable, profitable growth confirmed

Sika is convinced that it can accelerate its growth strategy when the global construction environment improves through the investments made in innovation and digitalization. Sika affirms its medium-term strategic targets for sustainable, profitable growth under the Strategy 2028.

In 2026, Sika expects global market conditions to remain muted, with a low single-digit percentage decline for the year as a whole. While the first half will be softer for the industry, the company anticipates improving momentum as the year progresses.

For 2026, Sika expects sales growth of 1% to 4% in local currencies; in line with company ambition to outperform the market by 3% to 6% in local currencies including bolt-on acquisitions. Sika expects to deliver an EBITDA margin of 19.5% to 20.0% for the year.

EXPECTED SALES INCREASE IN LOCAL CURRENCIES

1 to 4%

SUSTAINABILITY REPORT

Sika creates value for all stakeholders – always considering ESG and economic aspects in all its activities by adhering to clear strategic targets.

GHG EMISSIONS (SCOPE 1 AND 2)

–6.1%

LOST TIME ACCIDENTS PER 1,000 FTES

–14.1%

SHARE OF WOMEN IN GROUP MANAGEMENT

25.0%

CONTENT

Introduction by the Chair of the Sustainability Committee

Dear Shareholders,

On behalf of the Board of Directors and the Sustainability Committee, I am pleased to introduce this year's Sustainability Report, reflecting Sika's progress and commitments throughout fiscal year 2025.

This year marks an important milestone for Sika, as the report has been prepared using the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standard (ESRS) as an overarching guiding framework. Beyond compliance, this regulatory framework provides an opportunity to further enhance the robustness of our sustainability practices, governance, and decision making by focusing on the material topics where Sika can have an impact.

In an ecosystem shaped by further advances in sustainable construction, low-carbon mobility, and circular business models, Sika's role remains to make the built environment last longer, perform better, and emit less. In a year marked by regulatory streamlining and shifting sustainability frameworks across major markets, expectations for credible, measurable progress on decarbonization remain high across customer and supply chain networks. Sika's specialty solutions, ranging from high-performance concrete admixtures and waterproofing systems to adhesives, sealants, and roofing technologies, enable our customers to design and operate buildings and infrastructure with significantly lower life cycle impacts. By combining material science with system thinking, we help reduce embodied and operational carbon, extend service life, and support circular construction practices. In this way, Sika is not only reducing its own footprint; we are amplifying sustainability outcomes across the entire value chain, from design and construction to renovation and reuse.

As a global technology leader, Sika remains committed to creating long-term value for all stakeholders by integrating environmental, social, governance (ESG) and economic considerations into its strategy, business model, and daily operations. Guided by Strategy 2028, sustainability is fully embedded into how Sika manages risks, seizes opportunities, and drives resilient growth.

This integrated approach continued to translate into tangible outcomes in our own operations, including the second Global Safety Survey, which confirms meaningful progress in strengthening Sika's safety culture worldwide. The year marked our safest year on record, building on several years of steady improvement and reflecting our collective commitment to a secure, healthy, and rewarding workplace for all.

Furthermore, in 2025, we laid the groundwork for future automated product sustainability disclosures. The launch of the Sika® Carbon Compass represents an important first step toward scalable, product-level environmental transparency, enabling our customers to make more informed material choices, support GHG emissions reporting, and prepare for evolving regulatory requirements. By acquiring Elmich, a leader in green roof solutions across Asia/Pacific, Sika is expanding its portfolio of nature-based roofing systems that mitigate heat islands, enhance biodiversity, and raise building energy performance.

This Sustainability Report presents Sika's performance and progress across the material environmental, social, and governance topics identified through our comprehensive Double Materiality Assessment (DMA). This assessment considered both Sika's impact on people and the environment, as well as sustainability-related risks and opportunities affecting the company's performance and long-term viability. The results of the DMA were reviewed and approved by the Board of Directors and form the foundation of the report's structure and scope, together with the strategic pillars "Innovation & Sustainability" and "People & Culture".

Throughout the year, the Sustainability Committee supported the Board in overseeing sustainability strategy, governance, and performance. This included validating a formal ESG impact, risk, and opportunity assessment via the DMA; monitoring regulatory developments and their implications for the company; setting measurable goals aligned with Sika's strategic priorities; and the approval of the annual Sustainability Report. Progress toward the company's validated SBTi net zero targets was also reviewed on a regular basis, supported by strong governance and performance management processes.

Looking ahead, Sika will continue to build on its strong foundations. We will further integrate sustainability considerations into strategic and operational decisions, advance our net zero ambition, and leverage innovation to address the most material impacts, risks, and opportunities facing our business and society. In parallel, we will keep responsibly engaging with policymakers, industry peers, and value chain partners, advocating clear, consistent, and measurable standards that enable sustainable development and innovation. Strengthening governance, risk management, and transparency will remain central as we continue our sustainability journey. We reaffirm our commitment to engaging openly and constructively with our shareholders and stakeholders as we continue advancing Sika's sustainability ambition. We are grateful for your ongoing trust and support, which strengthens our resolve to create long-term value for all. We trust this report offers meaningful transparency into our progress and opportunities that lie ahead.

Sincerely,

Lucrèce Foufopoulos-De Ridder
Chair of the Sustainability Committee

SUSTAINABILITY AT SIKA

Strategy 2028 lays out ambitious non-financial objectives, pursuing three strategic target areas.

Strategy 2028: non-financial performance

	TARGET AREA	TARGET 2028	PERFORMANCE 2025 vs. BASELINE	PERFORMANCE 2025 vs. PREVIOUS YEAR
INNOVATION & SUSTAINABILITY	**CLIMATE** Sika aims to support the transformation of the construction and manufacturing industries toward net zero.	**–20%** **of scope 1 and 2 absolute GHG emissions.** 2022 baseline	**–24.4%**	**–6.1%**
		Scope 3 absolute GHG emission reduction in line with net zero pledge. 2022 baseline	**+6.0%**	**+3.0%**
	NATURAL RESOURCES Sika takes responsibility for minimizing its impact on natural resources and preventing pollution.	**–15%** **of waste disposed per ton sold.** 2023 baseline	**–9.6%**	**–5.7%**
		–15% **of water discharge per ton sold.** 2023 baseline	**–10.3%**	**–3.4%**
PEOPLE & CULTURE	**EMPLOYEE ENGAGEMENT** Sika aspires to create an attractive, inclusive, and safe work environment where people can grow and unlock their full potential.	**>80** **employee engagement score,** measured through a Global Employee Survey every two years.	**86/100** **employee engagement score.** Last survey conducted in 2024; the next will take place in 2026.	

Value chain

UPSTREAM

Sika works with a diverse global supplier network, sourcing raw materials, packaging, and traded goods locally and internationally. Procurement focuses on both direct and indirect goods and services, and is complemented by supply chain management, including logistics. Supplier engagement is focused on building long-term partnerships that support innovation, progress, and sustainable development across the industry.

KEY ACTIVITIES
- Procurement
- Supplier engagement
- Supply chain management

KEY STAKEHOLDERS
- Suppliers
- Workers in the value chain
- Authorities/regulators
- Local communities
- Peers
- Logistic partners

OWN OPERATIONS

With more than 400 production sites across 102 subsidiaries worldwide, Sika develops and manufactures products and systems for the construction and industrial sectors. Activities include research and development (R&D), product design and optimization, production, administration, and marketing. Products are stored both in factories and along the distribution chain to ensure reliable supply. Supported by a strong international network of scientists, partners, and customers, Sika drives innovation, quality, and efficiency throughout its operations.

KEY ACTIVITIES
- Production
- R&D
- Administration and services
- Marketing and sales

KEY STAKEHOLDERS
- Employees
- Investors
- Peers
- Authorities/regulators
- Local communities
- Universities, associations, industry forums
- Logistic partners

DOWNSTREAM

Sika's portfolio comprises systems and solutions for bonding, sealing, damping, reinforcing, and protection, designed to enhance durability, material efficiency, and circularity. Products reach customers globally through distributors, e-commerce, and direct channels. The downstream stage covers the entire product life cycle, from transportation and delivery, product application to end-of-life treatment.

KEY ACTIVITIES
- Distribution
- Product use phase
- Product end-of-life

KEY STAKEHOLDERS
- Customers
- End-users
- Peers
- Authorities/regulators
- Logistic partners

BUSINESS MODEL AND RISK MANAGEMENT

BUSINESS MODEL

Sika is a specialty chemicals company with a globally leading position in the development and production of systems and products for bonding, sealing, damping, reinforcing, and protection in the construction sector and industry. The company is well positioned in both emerging and mature markets thanks to its global network of national subsidiaries in 102 countries, along with its first-class solutions that are tailored to customer needs. Sika creates sustainable value for its stakeholders, to whom the derived economic value is distributed. This includes governments through taxes, employees through compensation and benefits, shareholders through dividends and increased enterprise value, suppliers and service providers through raw material and service prices, and society through taxes and community projects. Part of the value earned is retained and invested in developing new products and solutions, acquisitions, and capital investments. For more information on Sika's business model, please see the "Business Model" section on p.12 of the Annual Report 2025.

RISK MANAGEMENT

As a global player in specialty chemicals, Sika is exposed to a variety of risks. To ensure the Group's freedom of action, safeguard its reputation, and protect the capital invested in Sika, Group Management regularly analyzes potential risks and integrates them into the strategic decision-making process. The Board of Directors (BoD) is Sika's highest governing body and is responsible for the assessment of risk management. Its duties include the annual reassessment of the risk situation at Group level, and it is also the highest governance level of sustainability-related risks and opportunities. It is responsible for reviewing and endorsing the implementation of sustainability policies, while the Chair of the Board oversees sustainability-related topics by receiving regular updates from Group Management. The company has a comprehensive risk management system structured at Group level which is effective for all its subsidiaries. Risks are identified at an early stage and integrated into strategic decision-making processes. Risk management helps identify new opportunities and adds value to the business. Sika's risk management framework is in line with the Enterprise Risk Management (ERM) framework. It ensures that business objectives can be achieved, and obligations to customers, shareholders, employees, and society can be met. For more information on the main risks, including environmental, social, and governance matters, please see the Risk Management Report on p.23 of the Annual Report 2025. Furthermore, between 2024 and 2025, Sika carried out its first Double Materiality Assessment (DMA) in accordance with the European Sustainability Reporting Standards (ESRS) of the Corporate Sustainability Reporting Directive (CSRD), with the related methodology building up on the existing ERM framework. The Double Materiality Assessment was reviewed and approved by Group Management and the Board of Directors. For more information on the DMA, please see the "Double Materiality Assessment" section on p.47 of the Sustainability Report 2025.

SUSTAINABILITY ORGANIZATIONAL STRUCTURE

Over the past years, Sika has strengthened its sustainability organization, defining roles and responsibilities at various levels throughout the entire organization.

BOARD LEVEL

The Board of Directors (BoD) and the Board Chair are responsible for Sika's sustainability performance. The BoD reviews and endorses the development and implementation of sustainability policies and strategies, and the Board Chair oversees sustainability-related topics by receiving regular updates from Group Management. The BoD is committed to the Science Based Target initiative (SBTi) to achieve net zero GHG emissions by 2050 and to oversee the development and implementation of a transition plan. For more information about the percentage of independent BoD members, please see the Corporate Governance Report on p.186 of the Annual Report 2025.

The Sustainability Committee (SC) consists of three Board Members, each of whom brings expertise in a specific ESG area. For more information on BoD members' skills and expertise, please see the Leadership Report on p.175 of the Annual Report 2025. The Group prepares sustainability-related topics for discussion and decision making in the Board. The SC focuses on the following areas: validating a formal ESG impact, risk, and opportunity assessment via the Double Materiality Assessment (DMA); monitoring regulatory developments and their implications for the company; setting measurable goals aligned with Sika's strategic priorities; and the approval of the annual sustainability report. Sika's strong focus on ensuring the use of accurate and consistent quantitative measures in non-financial reporting is reflected in the close link between the Sustainability Committee and the Audit Committee, with one member sitting on both committees. In 2025, the Sustainability Committee met five times and among others, discussed, reviewed, and approved the following topics: material impacts, risks, and opportunities through the DMA, annual sustainability report, non-financial assurance, SBTi net zero targets progression, product sustainability, quarterly updates on sustainability performance, implementation of due diligence, and results and effectiveness of policies, actions, metrics, and targets adopted to address them. After each meeting, a report was issued to the BoD. For more information on Sika's BoD and Board Committees, please see the Corporate Governance Report on p.186 of the Annual Report 2025.

GROUP MANAGEMENT LEVEL

Group Management is responsible for the development and implementation of actions to ensure the defined sustainability strategy and targets are met. Group Management is also responsible for risk management at the highest executive level and provides regular updates to the Board.

The Chief Financial Officer (CFO) is a member of Group Management and leads the Corporate Finance function, which is responsible for financial and non-financial (ESG) controlling. The holistic controlling system enables Sika to track finance, operations, quality, and sustainability performance in a coordinated way, ensuring high quality of non-financial data and information. Furthermore, this organization strengthens the controlling activities and supports management in their decision-making process. Risk management (incl. climate-related risks) also falls under the domain of the Corporate Finance department.

The Chief Innovation & Sustainability Officer is a member of Group Management and contributes to the agenda of the Sustainability Committee at Board level. Combining leadership for Innovation and Sustainability allows Sika to accelerate the integration of sustainability within the organization at all levels, and to remain a leader within the industry. The Chief Innovation & Sustainability Officer is responsible for taking on the leadership and development of the company's global R&D strategy and organization, as well as the following: external innovation collaborations with parties such as academia or start-ups; aligning sustainability and R&D teams, and strengthening and accelerating the Sika concept for enabling sustainable construction and industrial manufacturing by placing sustainability aspects at the core of development and innovation processes; raising awareness and knowledge about sustainability and innovation throughout the organization; strategizing toward transformational leadership for impactful innovation and competitive advantage through the creation of sustainable values; bringing into focus ESG governance standards and compliance with sustainability-related legal and regulatory obligations; planning and guiding the net zero and innovation journey in Sika's operations and along the entire value chain; and expanding the portfolio of high-performance, sustainable products by using the Sika Sustainability Portfolio Management (SPM) methodology.

The Head Human Resources, Legal & Compliance is a member of Group Management who leads the Human Resources, Legal, and Compliance functions to ensure business integrity, compliance with the law, respect for human and labor rights, diversity, equity and inclusion (DEI), and people development. The Human Resources function defines the people strategy that drives employee engagement and contributes to sustaining Sika's company culture and shared values. It also fosters continuous learning to support the growth and development of employees, enabling them to unlock their full potential. Human Resources contributes to creating an attractive, safe, and inclusive work environment that drives performance, business growth, and creates value for all stakeholders. Sika has developed a framework to promote diversity, as well as measures to ensure fair, inclusive, and equal treatment of all employees. The Legal and Compliance functions' primary role is to safeguard Sika's interests and reputation by mitigating risks, helping to take sound business decisions and ensuring adherence to legal and regulatory requirements. Legal and Compliance act as strategic business partners, guiding the company through complexities, minimizing potential liabilities, as well as enabling Sika's growth by providing advice on acquisitions. They foster ethical business conduct and a speak-up culture. Through systematic training programs, Legal and Compliance enhance employee awareness of ethical and legal standards, reinforcing Sika's commitment to integrity in all its operations.

The Head Global Procurement & Supply Chain reports directly to the CEO and is not a member of Group Management. This function ensures that sustainability is embedded across procurement and supply chain activities. By aligning sourcing strategies with end-to-end supply chain execution, this dual leadership strengthens growth, efficiency, and collaboration among internal and external stakeholders, embedding sustainability and supply chain due diligence throughout the value chain. This role is pivotal in promoting supply chain transparency by selecting, evaluating, and cooperating with suppliers that are committed to ESG standards including scope 3 GHG emissions. With a strong focus on sustainable supply, cost, and efficiency improvement, the Head Global Procurement & Supply Chain ensures responsible sourcing and compliance with sustainability and quality standards across procurement and Sika's upstream supply chain. Additionally, the procurement function also manages the topic of energy sourcing, assessing renewable energy options that support scope 1 and 2 GHG emissions reduction targets.

The Head Global Operations & EHSQ (environment, health, safety, and quality) is a direct report to the CEO, although not a member of Group Management. This function ensures that sustainability is a key topic for Operations and is supported by the EHSQ function. In Operations, the focus is on the sustainability of the whole value chain, from raw material storage, via production and warehousing of finished goods, up to the delivery to the customer. The EHSQ function supports Sika to achieve ESG targets in areas such as health and safety, hazardous substance reduction, and waste and water reduction, as well as ensuring compliance with chemical regulations for products and their accompanying documentation (e.g., labels, Safety Data Sheets). The Head Global Operations & EHSQ, in overseeing both functions, ensures that operations within Sika are compliant with sustainability, EHS, and regulatory standards.

CORPORATE LEVEL

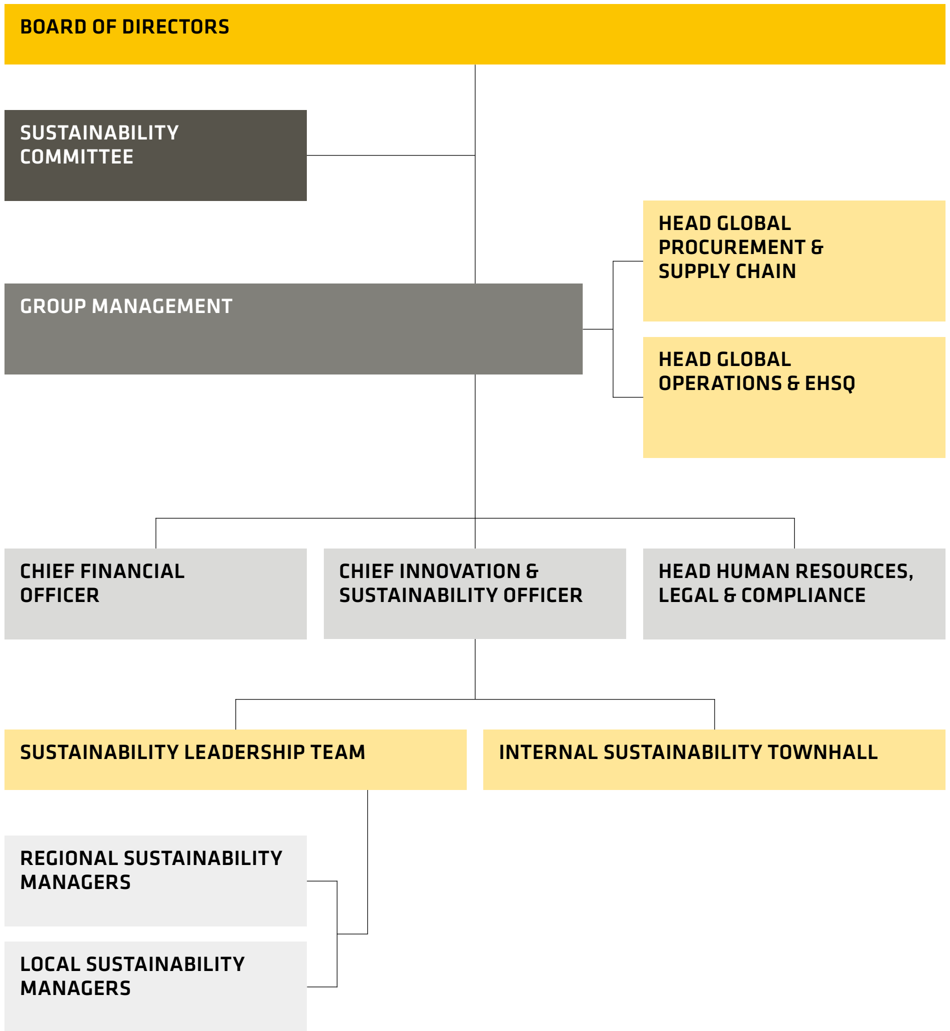
The Sustainability Leadership team orchestrates sustainability-related projects and facilitates the interaction and information exchange across functions and departments at Group and regional level, combining three areas: Controlling, Sustainable Products, and Sustainable Portfolio. The Sustainability Leadership team reports directly to the Chief Innovation & Sustainability Officer, and is responsible for the following: formulating and reviewing policies and guidelines, and allocating budget for projects and initiatives; ensuring the ESG program – including the net zero roadmap and targets – is integrated into the business strategy and risk management process; supporting all three regions and corporate organizations in their sustainability journey to ensure a consistent approach throughout the Group; raising awareness and knowledge among the workforce about sustainability- related topics; liaising with the Sustainability Committee at Board level and the Internal Sustainability Roundtable; ensuring that relevant sustainability aspects are considered in new product development, from the integration of life cycle assessment (LCA) principles and circular economy approaches to strategic improvements in product carbon footprint and the application of the Sustainable Portfolio Management (SPM) methodology; optimizing Sika's product portfolio, focusing on GHG emissions reduction, the circular economy, and new business models; and ensuring a comprehensive ESG reporting framework to monitor Sika's sustainability performance.

The Internal Sustainability Townhall is chaired by the Chief Innovation & Sustainability Officer, and it allows corporate functions – Innovation & Sustainability, Operations & EHSQ, Communications & Investor Relations, Controlling, Mergers & Acquisitions, Human Resources, Legal & Compliance, Procurement, Marketing, Target Markets, and Regional Sustainability Managers – to meet quarterly and exchange information about all sustainability-related projects aimed at achieving sustainability targets within the whole organization.

REGIONAL AND LOCAL LEVEL

At the regional level, a network of three Regional Sustainability Managers, coordinated by the Sustainability Leadership team, is tasked with implementing the sustainability pillars of Strategy. 2028 Together with Regional EHS and Operations managers, they support local subsidiaries in setting up and developing their dedicated sustainability roadmaps and in implementing Group initiatives. At local level, Local Sustainability Managers are responsible for planning sustainability initiatives and developing a sustainability roadmap at country level, with the support of General Managers, Operations & EHSQ, Target Markets, and R&D Managers.

Sika sustainability governance



ESG COMPENSATION SCHEME FOR GROUP MANAGEMENT AND SENIOR MANAGEMENT

Sika's compensation scheme for Group Management and Senior Management is aligned with the non-financial pillars of Strategy 2028. The short-term incentive (STI) includes a 10% weighting for safety, with a focus on reducing Lost Time Accidents (LTAs). The long-term incentive (LTI) incorporates environmental targets, with a 20% weighting, out of which 10% weighting refers to scope 1 and 2 absolute GHG emissions reduction (reflecting Sika's net zero commitment), 5% refers to water discharge intensity reduction, and the remaining 5% refers to waste disposed intensity reduction. For more information about the ESG Compensation scheme, please see the Compensation Report on p.194 of the Annual Report 2025.

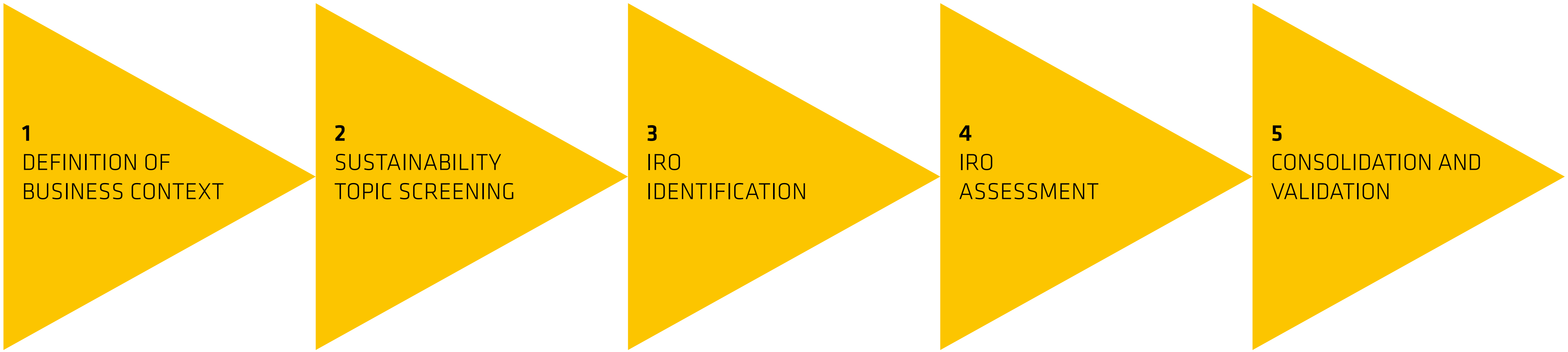
DOUBLE MATERIALITY ASSESSMENT

For reporting periods up to and including 2024, Sika's Sustainability Report was based on an impact materiality assessment, aligned with the GRI reporting standards. In 2025, Sika completed its first Double Materiality Assessment (DMA) in accordance with the European Sustainability Reporting Standards (ESRS) of the Corporate Sustainability Reporting Directive (CSRD). This assessment enables Sika to identify and prioritize key sustainability impacts, risks, and opportunities from two complementary perspectives:

- Impact materiality (inside-out): How the company's operations affect the environment, society, and the economy.
- Financial materiality (outside-in): How sustainability-related issues may impact on the company's financial performance and resilience.

This dual perspective supports informed decision making by embedding sustainability considerations into business strategy and helps define the most relevant topics for sustainability reporting. Sika will review the DMA annually to ensure its relevance and to maintain transparent, consistent, and up-to-date disclosures on material topics. The results of this assessment determine the material topics and shape the scope and structure of the Sustainability Report 2025. The process for identifying, prioritizing, and assessing Sika's sustainability-related impacts, risks, and opportunities (IROs) involves five key steps that define the scope, basis, and approach for the DMA.

Double Materiality Assessment process



DMA process

1. DEFINITION OF BUSINESS CONTEXT

Sika has conducted a comprehensive DMA covering the entire value chain – from upstream suppliers to downstream operations – across all areas of the Group. The assessment is based on the assumption that Group-level insights broadly reflect local contexts in Sika's operating countries. While all business activities and relationships were considered, the analysis focused on identifying key activities and dependencies across the value chain where IROs are likely to arise, spanning all areas of the Group. When assessing IROs, Sika considered its business context, including:

- Its role as specialty chemical company serving both construction and industry sectors.
- Its status as a Swiss-based multinational, operating in 102 countries, subject to international regulations, as well as Swiss and European frameworks.
- Its diverse product portfolio, with eight Target Markets: Concrete, Waterproofing, Roofing, Building Finishing, Flooring, Sealing & Bonding, Engineered Refurbishment, Automotive and Industry.
- Its global industrial footprint, with more than 400 factories worldwide and more than 33,000 employees.
- Its diverse purchasing portfolio with more than 17,000 suppliers.

For more detailed information on Sika's value chain and business model, please see the "Value chain" section on p.42 of the Sustainability Report and the "Business model" section on p.12 of the Annual Report 2025.

Further contextualization was informed by the interests and views of stakeholders. For additional information on relevant groups and stakeholder engagement activities, please see the "Stakeholder engagement" section on p.51 of the Sustainability Report 2025.

2. SUSTAINABILITY TOPICS SCREENING

Following the definition of Sika's business context, sustainability matters were systematically screened in relation to the company's value chain to determine which issues may constitute material IROs, and to identify where in the value chain these may arise. This evaluation was guided by the ESRS, specifically using the topics and corresponding sub-topics outlined in ESRS standards, as the foundational framework. Based on this screening, a comprehensive list of sustainability topics was compiled for subsequent in-depth assessment.

3. IDENTIFICATION OF IROs

Building on the initial screening, Sika identified potential IROs across the entire value chain. The identification and description of IROs took into account a range of contextual factors, including Sika's overall business environment, direct and indirect business relationships, and local operating conditions. Furthermore, insights into the company's due diligence and risk-management processes were integrated to ensure a comprehensive view. Preliminary descriptions of the IROs were then refined through targeted consultations with relevant internal Subject Matter Experts (SMEs). These refined descriptions formed the basis for the subsequent impact and financial materiality assessments.

4. ASSESSMENT OF IROs

Sika's ESG Controlling team in coordination with internal SMEs conducted a qualitative materiality assessment by drawing on a range of sources. These included prior materiality assessment results and stakeholder engagement survey, ESG assessments and ratings, external desktop research, academic studies, industry publications, internal documentation, Sika's external disclosures, and insights gathered from stakeholder engagement activities.

The IRO assessment followed the gross approach, meaning that existing mitigation activities were intentionally excluded from the evaluation. This approach ensures that each issue is assessed based on its inherent severity or potential, independent of current controls.

IMPACT MATERIALITY

The evaluation was based on severity (scale, scope, irremediable character) and likelihood. A five-point rating scale (1–5) was applied uniformly across all topics. The likelihood assessment criteria and the rating scale aligned with Sika's Enterprise Risk Management (ERM) framework.

Both positive and negative impacts were assessed using the same criteria, with the exception that the irremediable character was excluded in the evaluation of positive impacts. Actual impacts were consistently rated with the highest likelihood score to reflect their confirmed occurrence.

SCORING OF IMPACT MATERIALITY

Negative impact		Positive impact	
Actual	**Potential**	**Actual**	**Potential**
– Scale – Scope – Irremediable character	– Scale – Scope – Irremediable character – Likelihood	– Scale – Scope	– Scale – Scope – Likelihood

FINANCIAL MATERIALITY
The evaluation was based on magnitude and likelihood. A five-point rating scale (1–5) was applied uniformly across all topics.

Risks and opportunities were assessed using the same method as applied within Sika's ERM. For more information on Sika's ERM, please see the Risk Management Report on p.23 of the Annual Report 2025.

The financial materiality assessment represents a core component of the Group-wide ESG risk management approach, which is currently being enhanced to better integrate and build upon existing risk-related processes.

SCORING OF FINANCIAL MATERIALITY

Risk		Opportunity	
Magnitude	Likelihood	Magnitude	Likelihood

MATERIALITY THRESHOLD
A heatmap-based approach using materiality matrices aligned with Sika's ERM framework was applied to assess both impact and financial materiality.

TIME HORIZONS
The assessment of IROs is conducted sequentially across short-, medium-, and long-term horizons. This approach reflects that most material matters arise in the short- or medium-term, while exclusively long-term effects are uncommon. By focusing first on near-term horizons, current and emerging matters are effectively captured, recognizing that these often lead to long-term implications. If long-term effects do not differ in nature from near-term impacts, the respective IROs are classified as relevant across all time horizons, highlighting the interconnectedness of short-, medium-, and long-term IROs.

Time horizons are considered from both impact and financial perspectives, ensuring that the timing of when an IRO may materialize is clearly understood and appropriately factored into the evaluation.

Unless otherwise specified, applied time horizons reflect the following time periods:
– Short-term: one year.
– Medium-term: one to five years.
– Long-term: more than five years.

5. CONSOLIDATION AND VALIDATION
Throughout the various phases of the assessment, several stakeholders were involved:
– Internal stakeholders: At the start of the project, an internal cross-functional team of SMEs was formed. They participated in all assessment phases to assist the ESG Controlling team in compiling, evaluating, validating, and refining impacts, risks, and opportunities. These discussions helped to identify connections between IROs, ensuring their relationships and combined effects were properly considered in the analysis. While affected communities were not directly consulted, their perspectives were represented indirectly through internal stakeholders responsible for relevant topic areas.
– External stakeholders: To accurately consider the perspective of external stakeholders in the assessment and validate the results, peers, suppliers, customers, universities, investors, and non-governmental organizations were consulted directly to provide insights and confirm the evaluation of material impacts, risks, and opportunities.

As the final step in the process, the results of the DMA were reviewed and approved by Group Management and the Board of Directors.

Material topics

The DMA confirms the continued relevance of previously reported ESG topics, including key sub-topics across Climate Change (E1), Pollution (E2), Water and marine resources (E3), Resource use and circular economy (E5), Own workforce (S1), Value chain workers (S2), and Business conduct (G1).

Certain ESRS topics are currently classified as immaterial based on the DMA. However, Sika acknowledges that the significance of these topics may change over time. All topics are regularly reviewed to ensure that emerging IROs are identified and addressed appropriately. As part of this process, the company maintains a "watchlist" of topics that may gain importance in the future. For 2025, these include: E2 – Pollution of air, water, and soil, E4 – Biodiversity and ecosystems, S3 – Affected communities, S4 – Consumers and end-users. For more information on these topics and related activities, please see the relevant sections available on the corporate website ↗ **Sika Group**.

In accordance with the previous materiality matrix, Sika has historically reported on company-specific topics including innovation management, product portfolio, digitalization and IT landscape, as well as tax approach. For more information on these subjects, which are not directly addressed by the ESRS but remain pertinent to Sika, please see the relevant sections available on the corporate website ↗ **Sika Group**.

Double Materiality Assessment

Topic	Sub-topic	Upstream		Own operations		Downstream	
		Impact	Financial	Impact	Financial	Impact	Financial
E1 – Climate change	Climate change adaptation	Not applicable	Not material	Not applicable	Material	Material	Material
	Climate change mitigation	Material	Material	Material	Material	Material	Material
	Energy	Material	Not material	Material	Not material	Material	Not material
E2 – Pollution	Pollution of air	Not material	Not material	Not material	Not material	Not material	Not material
	Pollution of water	Not material	Not material	Not material	Not material	Not material	Not material
	Pollution of soil	Not material	Not material	Not material	Not material	Not material	Not material
	Substances of concern	Material	Material	Material	Material	Material	Material
	Substances of very high concern	Material	Material	Material	Material	Material	Material
	Microplastics	Not material	Not material	Not material	Not material	Not material	Not material
E3 – Water and marine resources	Water	Material	Not material	Material	Not material	Material	Not material
	Marine resources	Not material	Not material	Not applicable	Not applicable	Not material	Not material
E4 – Biodiversity and ecosystems	Assessed at topic level	Not material	Not material	Not material	Not material	Not material	Not material
E5 – Resource use and circular economy	Resource inflows	Material	Not material	Material	Not material	Not applicable	Not applicable
	Resource outflows	Not applicable	Not applicable	Not applicable	Not applicable	Material	Not material
	Waste	Material	Not material	Material	Not material	Material	Not material
S1 – Own workforce	Working conditions	Not applicable	Not applicable	Material	Material	Not applicable	Not applicable
	Equal treatment and opportunities	Not applicable	Not applicable	Material	Not material	Not applicable	Not applicable
	Other work-related rights	Not applicable	Not applicable	Not material	Not material	Not applicable	Not applicable
S2 – Workers in the value chain	Working conditions	Material	Not material	Not applicable	Not applicable	Material	Not material
	Equal treatment and opportunities	Material	Not material	Not applicable	Not applicable	Not applicable	Not applicable
	Other work-related rights	Material	Material	Not applicable	Not applicable	Not applicable	Not applicable
S3 – Affected communities	Assessed at topic level	Not material	Not material	Not material	Not material	Not material	Not material
S4 – Consumers and end-users	Assessed at topic level	Not applicable	Not applicable	Not applicable	Not applicable	Not material	Not material
G1 – Business conduct	Assessed at topic level	Material	Not material	Material	Material	Material	Not material

Material · Not material · Not applicable

STAKEHOLDER ENGAGEMENT

Stakeholders are defined as groups or individuals that are affected by the organization's activities, products, and/or services, or whose actions can affect the organization's ability to achieve its objectives. Regular stakeholder engagement is essential for responsible business practice and is key to capturing insights from across the business by ensuring inclusiveness.

Engagement is organized through a combination of various activities, such as engagement meetings, surveys, or targeted workshops, coordinated by dedicated teams at Group, corporate, regional, or local level. This approach facilitates consistent and meaningful interaction with key stakeholder groups, including employees, customers, suppliers, investors, regulatory authorities, and community representatives.

In 2025, specific activities were conducted to gain insights on the views and perspectives of key stakeholder groups of Sika:
- Supplier engagement activities, as reflected in the sections "Climate change mitigation" on p.69, "Resource use and circular economy" on p.97, and "Workers in the value chain" on p.126 of the Sustainability Report 2025.
- The Global Sika Safety Survey, as reflected in the "Health and safety" section on p.114 of the Sustainability Report 2025.
- The Global Customer Satisfaction Survey, with further information on the Corporate webpage ↗ **Customer Relationship Management**.

Stakeholder engagement outcomes inform Sika's strategic priorities and business model by shaping action plan focus areas that reinforce Sika's Strategy 2028 and sustainability initiatives, and guiding resource allocation.

For more information on how interests and views of stakeholders are communicated to the Board of Directors and Group Management, please see the "Sustainability organizational structure" section on p.44 of the Sustainability Report 2025.

STAKEHOLDER ENGAGEMENT ACTIVITIES

Stakeholder groups	Why we engage	Engagement activities	Relevant topics
Board / Management	An open dialogue among the Board of Directors and Group Management allows Sika to maintain the alignment between top management's expectations and the running of daily business at local and regional level.	– Meetings – Surveys – Internal workshops and training	– All ESG-related topics, updates on performance, and progress to targets – Double Materiality Assessment and outcome
Employees	Sika keeps an open dialogue with its people on all levels to capitalize on the full potential of its diverse workforce.	– Company intranet – Surveys – Training programs – Learning and development opportunities – Talent management – Audits – Company events	– All ESG-related topics
Customers	Engaging with customers enables Sika to understand their needs, anticipate market trends, and develop market solutions.	– Audits – Training programs – Feedback management – Surveys – Key Account Managers – Conferences and events	– Climate change – Hazardous substances – Water – Resource use and circular economy – Business conduct – Labor rights

STAKEHOLDER ENGAGEMENT ACTIVITIES

Stakeholder groups	Why we engage	Engagement activities	Relevant topics
Suppliers	Supplier engagement and collaboration ensure Sika's suppliers have high standards in business ethics and respect for people and the environment. Moreover, an open dialogue with suppliers enables innovation.	– Together for Sustainability – Audits and assessments – Training programs – Meetings – Conferences and events	– Labor rights – Climate change – Hazardous substances – Water – Resource use and circular economy – Business conduct
Financial community	An active dialogue with the capital market ensures transparency and helps Sika improve reporting practices. The relationship with its financial community ensures access to capital and funding for investment opportunities.	– Roadshows – Annual General Meeting – Conferences and events – Meetings and calls with analysts and investors – Corporate website – Media releases – Annual and interim financial reports	– All ESG-related topics – Financial data and information
Society	Engaging with society, incl. NGOs, sponsoring and donations partners, media, journalists, local communities, and academia, allows Sika to assess its impact through a societal and planetary lens to maximize positive effects and minimize negative ones on people.	– Meetings – Conferences and events – Projects – Partnerships – Sika Cares program	– All ESG-related topics, with a focus on climate change, resource use and circular economy, equal treatment and opportunities
Peers	Engagement with peers from other industries allows Sika to identify strengths and areas of improvement regarding its strategy and products.	– Meetings – Conferences and events	– Climate change – Resource use and circular economy – Transparency and reporting standards and frameworks – ESG assessments
Authorities/Regulators	To understand regulatory changes and regulators' concerns, Sika engages with local governments and regulators.	– Meetings – Conferences and events	– All ESG-related topics – Reporting standards and frameworks

ENVIRONMENT

CLIMATE CHANGE
SUMMARY OF MATERIAL IROs

The table summarizes key material matters related to climate. It outlines associated impacts, risks, and opportunities, and expected time horizons across the value chain. All IROs have been assessed for each value chain step separately. For more information on the Double Materiality Assessment methodology and results across all ESRS topics and sub-topics, please see the "Double Materiality Assessment" section on p.47 of the Sustainability Report 2025.

SUMMARY OF MATERIAL IROs

Sub-topics	IROs	Impact materiality	Type of impact	Financial materiality	Value chain step	Time horizon
Climate change adaptation	Sika products and solutions contribute to climate change adaptation at customer level.	Positive	Actual		Downstream	Short Medium Long
	Financial impact related to exposure of own operations to climate-related physical and transition risks.			Risk	Own operations	Medium Long
	Financial impact related to new market opportunities for adaptation solutions.			Opportunity	Downstream	Medium Long
Climate change mitigation	Contribution to climate change due to release of GHG emissions.	Negative impact	Actual		Upstream Own operations Downstream	Short Medium Long
	Financial impact related to switch from fossil-based input materials to more renewable input materials.			Risk	Upstream	Medium Long
	Financial impact related to investments required for decarbonizing own operations and reputational damage by missing set net zero targets.			Risk	Own operations	Medium Long
	Financial impact related to new market opportunities for low-carbon solutions.			Opportunity	Downstream	Medium Long
	Financial impact related to investments required for product disruption to meet new customer demand.			Risk	Downstream	Medium Long
Energy	Non-renewable energy consumption leads to GHG emissions, contributing to climate change.	Negative impact	Actual		Upstream Own operations	Short Medium Long
	Non-renewable energy consumption in downstream transportation and EOL treatment leads to GHG emissions, contributing to climate change.	Negative impact	Actual		Downstream	Short Medium Long

CLIMATE CHANGE ADAPTATION

Climate change is reshaping the global business landscape, creating both challenges and opportunities for businesses. Adaptation, the process of adjusting to actual or expected climate impacts, is essential to ensure resilience and long-term value creation.

For Sika, climate change adaptation is material in three key dimensions:
– Sika products and solutions enable customers to strengthen infrastructure and buildings against extreme weather events, supporting their adaptation strategies and enhancing durability.
– Sika's own operations face potential financial loss from climate-related physical risks such as floods or storms and transition risks linked to evolving regulations and market expectations.
– Growing demand for adaptation solutions opens new markets, creating financial opportunities through innovative products that support customers' resilience under changing climate conditions.

Integrating climate change adaptation into Sika's operations and product portfolio is essential to meet stakeholder expectations, comply with evolving regulations, and secure long-term value creation.

To enhance understanding of climate-related risks related to its own operations, Sika conducts systematic climate-risk assessments covering both physical and transition risks:
– Physical Risks: Sika evaluates exposure of its manufacturing sites to acute events (e.g., floods, storms, heatwaves) and chronic changes (e.g., temperature rise, water stress). Geographic risk mapping and scenario analysis are applied to identify vulnerable assets and prioritize mitigation measures.
– Transition Risks: Sika evaluates potential effects of different climate transition and policy pathways through scenario-based analysis across various dimensions: "policy and legal", "market", and "technology".

From a product perspective, Sika's Strategy 2028 places sustainable innovation at its core. The focus is on developing products that not only meet the highest performance standards but also enhance the long-term durability and resilience of buildings and infrastructure. By assessing and optimizing sustainability performance across the entire product life cycle, Sika strives to align product innovation with its commitment to achieving net zero. Through resource-efficient construction solutions and low-emission materials designed to reduce environmental impact, Sika extends the service life of structures while improving energy and material efficiency. This approach addresses customer needs and drives progress toward a more sustainable future.

Governance

For more information on Sika's governance on climate risks, please see the "Sustainability organizational structure" section, on p.44 of the Sustainability Report 2025.

At the product level, the Product Creation Process (PCP) governance process follows the entire product development life cycle, from concept development through to product launch. It is driven by interdisciplinary implementation teams at group, regional and, local level depending on the product type. These teams include functions such as R&D, Product Management, Procurement, Operations, EHS, Product Stewardship, Quality, Marketing, and Sales. Additional supporting functions may be involved as required.

Policies and guidelines

The table below provides an overview of the key policies and frameworks that guide Sika's management approach to climate change adaptation. Further details of the key content, scope and implementation of these policies can be found in the "Policies and guidelines" chapter on p.141 and the related sub-topic sections of the Sustainability Report 2025.

SUMMARY OF POLICIES AND GUIDELINES

Sub-topics	Policies and guidelines
Climate change adaptation	Values and Principles
	Code of Conduct
	Supplier Code of Conduct
	Human Rights Policy
	Trust Policy
	Responsible Sourcing Guidelines
	Product Creation Process (PCP) Manual
	Sustainability Portfolio Management (SPM) Methodology
	EHS Minimum Requirements
	Sustainability and Operations (S&O) Reporting Handbook
	Investment Manual

TCFD recommendations

The past few years have been unprecedented in terms of climate risks, marked by a surge in extreme weather events worldwide and regulatory developments aimed at addressing climate resilience. This evolving landscape underscores the urgency for businesses like Sika to strengthen their climate-risk assessment, as well as their adaptation and mitigation strategies, to strengthen climate resilience. Both adaptation and mitigation efforts are fundamentally shaped by the changing climate, as they respond to the increasing risks posed by physical hazards and the transition to a low-carbon economy. Recognizing and addressing these risks is essential not only for safeguarding operations and assets, but also for capturing new opportunities in emerging markets for sustainable solutions.

As outlined in the Risk Management Report on p.23 of the Annual Report 2025, climate change represents one of the top risks in the company Enterprise Risk Management (ERM) framework. Sika acknowledges that climate change is having a profound effect globally and must be systematically addressed within the company's risk management and strategic planning processes. By assessing how climate-related risks and opportunities impact the business, and by developing appropriate responses in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), Sika is working to ensure long-term sustainability and business resilience. As part of its approach to this global challenge, Sika has embedded climate considerations into its strategic development and has committed to achieving net zero emissions by 2050, in accordance with the Science Based Targets initiative (SBTi). For a mapping of disclosures to the TCFD recommendations, please see the "Reporting standards and frameworks" section on p.147 of the Sustainability Report 2025.

2025 TCFD STATUS

Following the initial financial quantification of physical risks in 2022, Sika updated and digitalized its physical risk assessment in 2025. Since then, Sika's TCFD reporting is based on a refined methodology for assessing physical climate-related risks, which may limit direct comparability with previous years' results. Details on the new approach are further elaborated in the "Physical climate-related risk assessment" section on p.58 of the Sustainability Report 2025. For more information on comparability with prior results, please see the "Data collection and reporting methodologies" section on p.149 of the Sustainability Report 2025. The transition risk assessment remains stable as compared to 2024.

Building on its current analysis, Sika plans to strengthen its methodology through continuous learning and improvement. Key areas of focus include:

- Enhancing risk understanding: Deepening the assessment of both physical and transition climate-related risks, as well as identifying opportunities, with clear consideration of financial implications.
- Targeted mitigation for high-risk sites: Prioritizing sites most exposed to physical risks to implement focused and effective risk mitigation measures.
- Expanding systemic risk evaluation: Moving beyond Sika's own operations to assess climate-related risks across the value chain (upstream and downstream). Following an initial case study on physical risks for a selected scope of tier 1 suppliers, Sika will broaden its analysis using a risk-based approach. This includes evaluating significant risks and identifying mitigation strategies through engagement with suppliers and business partners.

CLIMATE SCENARIOS

To best assess the diverse risks and opportunities posed by climate change, Sika uses a multi-scenario approach in its climate-risk assessment. By considering various global warming pathways, Sika can better analyze how a range of possible future developments – driven by policy, technological advancements, and societal behavior – may impact its operations, supply chain, and broader value creation.

The selection and definition of these scenarios are grounded in both historical climate data and authoritative scientific projections extending to 2100. Sika's scenario narratives incorporate research and guidance from leading organizations such as the International Energy Agency (IEA), the Food and Agriculture Organization (FAO), the Central Banks and Supervisors Network for Greening the Financial System (NGFS), and the Intergovernmental Panel on Climate Change (IPCC).

Sika focuses its scenario analysis on three global warming scenarios:

- "Most optimistic": 1.5°C scenario, in line with the Paris Agreement.
- "Middle of the road": 2–3°C scenario, where emissions peak mid-century and then stabilize or decline due to moderate mitigation efforts and transitions in energy systems.
- "To avoid at any cost": 4.4°C scenario, consistent with continued dependence on fossil fuels.

SCENARIO 1 – MOST OPTIMISTIC (1.5°C)

The sustainable "green" pathway envisions a world where global CO_2 emissions reach net zero by 2050, natural resources are preserved, and economic focus shifts toward human well-being and reduced inequality. Population growth is low, with increased investment in health and education. International cooperation strengthens social standards and supports mainstream circularity, reduced energy and material consumption, and a global move away from fossil fuels. Decarbonizing the power sector relies on renewables, grid upgrades, and carbon capture, causing fossil fuel plants to become less viable. By 2050, over half of energy use is electric and 40% of fuels are carbon neutral. Innovative technologies and policy incentives drive GHG reduction, while strict land use and restored biodiversity boost agricultural productivity. Forest cover increases and deforestation reverses. People shift to a low-meat diet. This scenario is the only one that achieves the Paris Agreement target, with warming peaking at 1.5°C and stabilizing at 1.4°C by 2100, requiring removal of about five gigatons of CO_2 annually.

SCENARIO 2 – MIDDLE OF THE ROAD (2–3°C)

This scenario envisions a world where moderate efforts are made to mitigate climate change, leading to global warming stabilizing between 2°C and 3°C above preindustrial levels by 2100. Emissions peak around mid-century as countries implement a mix of policy actions and technological transitions, but progress is uneven across regions and sectors. The energy transition advances gradually, with renewables and low-carbon technologies gaining ground, yet fossil fuels remain part of the energy mix. Global economic growth continues, but at a moderate pace, and population growth is stable. International cooperation exists but is limited, resulting in partial adoption of best practices and climate adaptation measures. Land-use and agricultural practices improve, but biodiversity loss and environmental pressures persist. Although some regions experience reductions in climate-related risks due to adaptation and resilience measures, physical climate risks – such as extreme weather events and gradual changes in temperature and precipitation – intensify compared to today.

SCENARIO 3 – TO AVOID AT ANY COST (4.4°C)

This scenario describes a future with no effort to mitigate emissions, where resources focus on adapting to climate change impacts. CO_2 emissions double by 2050. In the short-term, the global economy grows quickly, GDP per capita is high, and materialistic consumption dominates. International cooperation supports economic development but neglects environmental protection. Fossil fuel exploitation intensifies, and investments in alternative energy sources remain marginal. High population growth and slow technological progress lead to energy-intensive lifestyles worldwide. Environmental awareness is low, resulting in weaker sustainable development goals and decarbonizing trends, no harmonized carbon tax, and no stringent regulations on climate change, air pollution, or toxic waste globally. In the medium and long-term, severe climate impacts cause economic decline, population displacement, and instability in trade and security systems. Economies remain dependent on fossil fuels. Land-use regulations are weak, leading to a slow decline in deforestation rates, while agriculture expands to meet population needs. Meat-rich diets persist, biodiversity declines, and pollination suffers due to pesticides, invasive species, habitat fragmentation, and climate change. Loss of biodiversity threatens natural ecosystems and economic sectors, including health, which heavily relies on nature-based resources.

OVERVIEW OF SCENARIO USED PER ANALYSIS

	"Middle of the road" 2–3°C[2]	**"To avoid at any cost" 4.4°C**
Physical risks	Modelled based on the RCP4.5 and SSP2-4.5 scenarios, which represent moderate mitigation efforts and are considered to be reflective of the current state.	Modelled based on the combined outlooks of RCP8.5 and SSP5-8.5, which together illustrate a pathway of high emissions, rapid energy demand, and minimal mitigation, resulting in severe climate impacts.
	"Most optimistic" 1.5°C	**"To avoid at any cost" 4.4°C**
Transition risks and opportunities[1]	Modelled based on the NGFS "Delayed Transition" scenario (1.7°C), which considers a less aggressive carbon price in the near future compared to other NGFS scenario.	Modelled based on the NGFS "Current Policies" scenario, which assumes that only currently implemented policies are preserved, leading to higher physical risks instead of transition risks.

1 Based on 2022 NGFS scenarios.

2 In the previous assessment, the "current exposure" was based on the average of climate hazards over the 1986–2015 period. From 2025 onward, the current state is reflected through the modeling of RCP 4.5/SSP2-4.5 scenarios.

TIME HORIZONS

Performing a climate-risk assessment across different time horizons allows Sika to comprehensively evaluate immediate, medium-term, and long-term impacts of climate change, ensuring that the company can effectively plan and implement mitigation and adaptation strategies to safeguard its operations and business relationships along the value chain. For both physical and transition climate-related risks assessments, Sika considers near-term and long-term time horizons. The near-term horizon encompasses the period from 2025 to 2032. The long-term horizon extends to 2050, allowing for a comprehensive evaluation of potential climate impacts over an extended period. For the physical climate-related risks assessment, short- and medium-term time horizons are considered simultaneously under "near-term", as climate indicators evolve gradually and may not show large differences year-to-year or even across several years. For the transition climate-related risk assessment, the short-term time horizon is not considered since the NGFS climate scenarios are structured around medium- and long-term horizons, reflecting that material transition risks emerge over extended periods rather than within a few years. This approach aligns with the existing time horizons established in Sika's net zero targets.

OVERVIEW OF TIME HORIZONS PER ANALYSIS

	Short-term	**Medium-term**	**Long-term**
Physical risk assessment	Considered under medium-term.	2032 in line with Sika net zero near-term targets.	2050 in line with Sika net zero long-term targets.
Transition risk assessment	Not considered.	2032 in line with Sika net zero near-term targets.	2050 in line with Sika net zero long-term targets.

Physical climate-related risk assessment

Sika has updated its physical climate-risk assessments using the climate-risk modeling platform Correntics[1]. This revised approach brings several improvements and new opportunities, providing deeper insights into Sika's exposure and vulnerability to climate hazards:

- Expanded scope of climate hazards assessed, now including wind-related hazards.
- Additional granularity of climate data and risk assessment at local level, with options to aggregate information at area or regional level through interactive dashboards for trend analysis.
- Opportunities to further integrate these insights into decision making across functions and regions, supporting climate-risk due diligence for acquisitions, planning new sites, and managing risks at the site level.

METHODOLOGY

A physical climate risk is understood as an interaction of:

- Exposure: Determining which manufacturing sites are exposed to climate hazards, based on Sika's global operational footprint.
- Climate hazards: Evaluating the probability and severity of climate-related events, based on specific indicators assigned to each climate hazard.
- Vulnerability: Assessing the potential consequences and magnitude of exposure to these hazards.

Hazards, exposure, and vulnerability may each be subject to uncertainty in terms of magnitude and likelihood of occurrence, and each may change over time due to socioeconomic and geopolitical changes. Therefore, climate scenario analysis should be performed over multiple time horizons, considering different types of future trajectories.

Sika's physical climate-risk assessment follows a four-step methodology to evaluate potential risks related to acute and chronic climate hazards on its operations:

1. Data collection: This initial step involves gathering comprehensive information for all manufacturing sites, including geocoordinates, financial data such as asset values, and annual net revenue.
2. Hazard screening: In this step, climate hazards listed in ESRS standards are screened for business relevance, based on the company's geographical footprint and business activities.
3. Hazard context: This step evaluates hazard likelihood, differentiating between acute and chronic. It also determines whether hazards could cause building damage or business interruption.
4. Definition of vulnerability thresholds[2]: The final step sets thresholds for building damage and business interruption to quantify the maximum potential financial impact from climate hazards. For each hazard, financial thresholds are defined to link hazard intensity with expected financial impact. These thresholds were adjusted regionally to account for differences in vulnerability and adaptive capacity; for example, regions with higher baseline precipitation have higher thresholds, reflecting greater resilience.

1 Correntics is a Swiss climate risk analysis provider that empowers companies to anticipate and mitigate emerging risks from weather and climate extremes. Their proprietary Software-as-a-Service (SaaS) solution offers businesses unique climate-risk analytics capabilities that strengthen internal risk management and climate-related disclosures in various industries.

CLIMATE HAZARDS CONSIDERED IN THE ASSESSMENT[1]

Type	Category	Climate hazard	Potential impact on business interruption	Potential impact on building damage
Chronic drivers	**Temperature**	Heat stress	Yes	No
	Water	Sea level rise	Yes	Yes
		Water stress	Yes	No
Acute drivers	**Temperature**	Heat wave	Yes	No
		Cold wave	Yes	Yes
		Wildfire	Yes	Yes
	Water	Drought	Yes	No
		Coastal flood	Yes	Yes
		Hail	Yes	Yes
		Flood (fluvial and pluvial)	Yes	Yes
	Wind	Storm	Yes	Yes
		Tornado	Yes	Yes
		Tropical cyclone	Yes	Yes
	Solid mass	Landslide	Yes	Yes
		Subsidence	Yes	Yes

1 The climate hazards listed in this table are those identified as business relevant. Other climate hazards were evaluated but determined not to be materially relevant.

2 Thresholds and definition of potential impact on business interruption/building damage were defined and reviewed with Regional Operations Managers and Global Engineering. Previously assessed indicators were reviewed for consistency, and prior methodologies were retained unless improved data or methods were available. Thresholds for new indicators were developed using available data, expert judgment, or analogous risk metrics.

SCOPE OF ASSESSMENT

The assessment focuses specifically on Sika's manufacturing sites, leveraging geocoordinates of each site to ensure systematic location-specific analysis and vulnerability assessment for all climate indicators. It covers all operating factories at the end of 2024. Non-production sites such as warehouses not linked to manufacturing locations, sales offices, and headquarters have been excluded from the analysis.

Financial impact quantification relies on two key metrics for each manufacturing site:

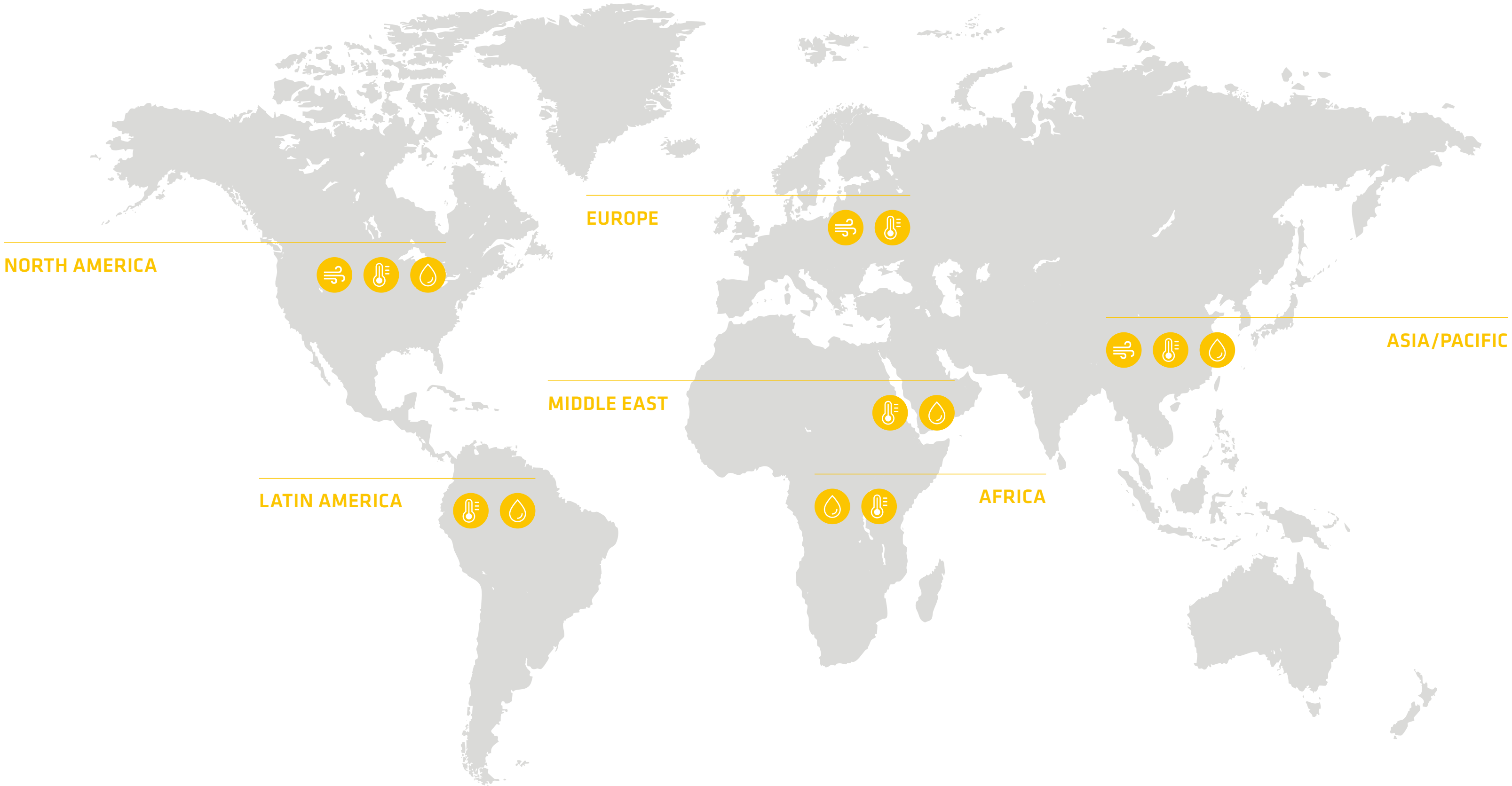
- Internal operations reporting revenues are used to estimate the potential business interruption from physical climate risks. Sales from third-party traded products[1] and parts of intercompany sales from smaller manufacturing sites were excluded.
- Insured asset values are used to assess the potential building damage caused by climate hazards.

The quantification reflects gross exposure to climate risks, as no mitigation measures were included in the modeling, except for flooding where infrastructural mitigation measures are considered within the dataset.

1 Finished goods materials purchased from third-parties for resale.

Most significant physical climate risks in 2050 – 4.4°C trajectory by 2100

This map reflects the climate risk scores of all manufacturing sites aggregated at the geographical area level. Correntics evaluates climate risk scores by assessing the likelihood of occurrence and the severity of each climate hazard. When aggregating scores across regions, the most significant risks are identified by giving greater weight to events that are more likely and more severe, by focusing on the top 15% (the 85th percentile) of all scores.



Temperature-related hazards

With globally increasing temperatures, wildfire, heatwaves, and chronic heat stress become prevalent climate hazards globally. Wildfires are the highest risk in Latin America. Both heatwaves and heat stress are hazards that may affect all areas.

Wind-related hazards

Wind-related events are projected to intensify and become more frequent in the long-term. Storms are a key driver of risk in Europe, tornadoes are most prevalent in North America, and tropical cyclones will pose high risks in Asia/Pacific.

Water-related hazards

Two climate hazards, drought and water stress, are prevalent worldwide. Drought poses the highest risk in Africa and the Middle East. Water stress may affect a more widespread scope globally, with lower intensity in Europe.

RISK EVOLUTION OF REVENUE LOSS

From a revenue perspective, the sum of possible maximum financial losses across all manufacturing sites for all climate hazards in scope of the assessment is considered. Although it is highly unlikely that all climate hazards occur in a single year at the maximum severity, the results of the scenario analyses described below reflect the aggregated maximum potential exposure and associated business interruption risks.

NEAR-TERM HORIZON

In near-term horizon, Sika's maximum gross value at risk from physical climate hazards represents 27% of its factory operation revenues.

The key drivers of revenue loss are linked to acute climate hazards. Among these, wind-related events represent the greatest risk, with the highest potential to disrupt operations and cause significant revenue losses. Wildfires also represent a substantial risk, alongside water-related hazards such as drought and flooding. In terms of chronic hazards, water stress is the only hazard with potentially low financial implications in the near-term.

The distribution and intensity of climate hazards across Sika's regions shape the company's overall risk profile:

- EMEA: Storms are the principal climate hazard in this region, representing the most significant risk to operations. Additional contributors to the risk profile include chronic water stress, wildfire, fluvial and pluvial flooding, and drought.
- Americas: The region's risk landscape is dominated by storms and tornadoes, which are the key wind-related hazards. Wildfire risk is also notably high, with cyclones and chronic water stress further shaping the overall exposure.
- Asia/Pacific: Tropical cyclones are the primary hazard, standing out as the most impactful risk driver in the region. Other hazards such as storms, floods, and wildfires are present but have a comparatively lower influence on revenue in this region.

LONG-TERM HORIZON

Business interruption risks under the 4.4°C scenario in 2050 largely align with the climate hazards identified in the near-term scenario, with increasing trends for temperature-related hazards. Overall, the magnitude of financial impacts remains in similar ranges.

Wind-related events, including storms, tornadoes, and especially tropical cyclones, continue to shape the risk profile, mirroring trends observed in the near-term. Wildfire, drought, and flood also remain key contributors to risk across regions. Notably, heatwaves are projected to evolve substantially, transitioning from a minor risk in the near term to a more prominent driver of potential revenue loss by 2050. Most other climate hazards and their related financial risks remain stable over time in EMEA and Americas. The exception is in Asia/Pacific, where the financial impact of tropical cyclones increases substantially, elevating the potential for high revenue losses in this region.

As for chronic hazards, the risk landscape for Sika is expected to shift, with heat stress and water stress in particular becoming slightly more impactful in terms of revenue loss over the long-term. Despite this increase, overall exposure to chronic hazards remains significantly lower than to acute hazards.

SUMMARY OF RISK DRIVERS FOR REVENUE LOSS OVER TIME

Type	Category	Climate hazard	Near-term	Long-term	Variation – Near-term/2050[1]
Chronic drivers	**Temperature**	Heat stress	Very low	Very low	↗
	Water	Sea level rise	Very low	Very low	↗
		Water stress	Low	Low	↗
Acute drivers	**Temperature**	Heat wave	Very low	Very low	↘
		Cold wave	Very low	Low	↗
		Wildfire	Medium	Medium	→
	Water	Drought	Low	Low	↗
		Coastal flood	Very low	Very low	↗
		Hail	Very low	Very low	→
		Flood (fluvial and pluvial)	Low	Low	↗
	Wind	Storm	High	High	↘
		Tornado	Medium	Medium	→
		Tropical cyclone	High	High	↗
	Solid mass	Landslide	Very low	Very low	→
		Subsidence	Very low	Very low	↘

Financial impact (in CHF mn)
Very low <100 Low 100–250 Medium 250–500 High >500

1 The variation reflects the projected change in absolute revenue loss from the near-term to the long-term.

RISK EVOLUTION OF ASSET DAMAGE

From an asset perspective, the sum of possible maximum asset damage across all manufacturing sites for all climate hazards in scope of the assessment is considered. Although it is highly unlikely that all climate hazards occur in a single year at the maximum severity, the results of the scenario analyses described below reflect the aggregated maximum potential exposure and associated asset damage risks.

NEAR-TERM HORIZON

In the near-term horizon, Sika's maximum gross value at risk from physical climate hazards represents 16% of the asset value of its manufacturing sites.

The main drivers of asset damage closely reflect those identified for revenue loss. Acute climate hazards – particularly wind-related events such as storms, and cyclones – pose the most significant risk to physical assets, and wildfire and flooding also play a substantial role in shaping the asset risk landscape.

The distribution and intensity of climate hazards across Sika's regions shape the company's overall risk profile:

- EMEA: Storms are the most significant hazard for asset damage in this region, followed by wildfire and flooding.
- Asia/Pacific: Tropical cyclones stand out as the largest contributor to potential asset damage in the region.
- Americas: Asset risk is primarily driven by storms, tornadoes, cyclones, and wildfires, which collectively represent the most impactful hazards.

LONG-TERM HORIZON

Asset damage risks under the 4.4°C scenario in 2050 largely align with the same climate hazards identified in the near-term. Overall, the magnitude of financial impacts remains in similar ranges, with a similar regional distribution.

Wind-related events remain the key drivers of asset damage risks, followed by wildfire and flooding. Sea level rise shows a notable upward trend, though its financial impact is still very low. Risks from tropical cyclones and coastal flooding are increasing. Although the overall impact of storms remains a key driver, a gradual decrease in storm-related risks is expected over the coming years.

SUMMARY OF RISK DRIVERS FOR ASSET DAMAGE OVER TIME

Type	Category	Climate hazard	Near-term	Long-term	Variation – Near-term/2050[1]
Chronic drivers	**Water**	Sea level rise	Very low	Very low	↗
Acute drivers	**Temperature**	Cold wave	Very low	Very low	↘
		Wildfire	Medium	Medium	→
	Water	Coastal flood	Very low	Very low	↗
		Hail	Very low	Very low	→
		Flood (fluvial and pluvial)	Very low	Low	↗
	Wind	Storm	High	High	↘
		Tornado	High	High	→
		Tropical cyclone	Medium	High	↗
	Solid mass	Landslide	Very low	Very low	→
		Subsidence	Very low	Very low	↘

Financial impact (in CHF mn)
Very low <50 Low 50–75 Medium 75–150 High >150

1 The variation reflects the projected change in absolute asset damage from the near-term to the long-term.

PHYSICAL RISK MITIGATION ACTIVITIES ENABLING CLIMATE ADAPTATION

In addition to the direct financial implications of physical climate-related risks on revenues and assets, Sika recognizes further potential impacts, including capital expenditures for mitigation activities, insurance premiums, and increased operational costs due to broader value chain disruptions.

Sika's climate-related physical risks assessment is based on gross values. However, besides the insurance coverage, mitigation measures related to identified physical risks are already implemented at certain sites. Where relevant, Sika's manufacturing facilities have in place a range of infrastructure-level protection measures to reduce vulnerability to hazard exposure, including elevation of sensitive equipment, climate-resilient roofing and insulation, enhanced drainage systems, and fire protection features. Site-level contingency plans also define measures to ensure operational continuity and safety during unexpected disruptions, including climate-related hazards. Furthermore, the ISO 14001 Environmental Management System supports the systematic identification, assessment, and mitigation of environmental and climate-related risks at site level.

Sika will investigate this topic over the coming years and further implement additional necessary mitigation measures within its operations.

UPSTREAM VALUE CHAIN CASE STUDY: PHYSICAL RISKS AT SUPPLIER LEVEL

As part of embedding climate considerations into its strategic development, Sika conducted an initial case study for a selected scope of tier 1 suppliers. The scope is limited to suppliers with the highest risk score in Sika's supplier assessment[1] that deliver materials to Sika's operations in Asia/Pacific, covering 216 locations[2]. The study applies the same climate scenarios, time horizons, and physical climate-related risk assessment methodology as for own operations, relying on Correntics hazard risk scores[3] without financial quantification.

In the near term, potential supply chain disruptions are primarily driven by medium-level risks associated with wind-related hazards such as storms, floods, and wildfires, as well as temperature-related hazards such as wildfires and heat stress. Business interruption risks under the 4.4°C scenario in 2050 largely align with the climate hazards identified in the near-term scenario, with increasing trends for water stress and heatwaves.

The outcome of the case study highlights the importance of engaging with high-risk suppliers located in areas with a high risk of climate hazards to build a common understanding of the impact of climate-related risks on suppliers' operations and discuss climate adaptation plans and strategies. In 2026, the climate-risk assessment will be expanded to include high-risk suppliers for a broader geographical scope.

In the coming years, Sika will integrate climate hazard-related factors into its supplier risk evaluation framework, and related mitigation plan templates. For more information on Sika's supplier risk evaluation framework, please see the Risk Management Report on p.23 of the Annual Report 2025.

TRANSITION RISK AND OPPORTUNITY ASSESSMENT

Risks and opportunities arising from efforts to transition to a lower-carbon economy may lead to various policy, legal, technology, and market changes. Addressing mitigation and adaptation requirements related to climate change may pose varying levels of financial impact as well as reputational risks to the company.

Sika's commitment to SBTi and its target to become a net zero company by 2050 will generate various transition risks and opportunities in a 1.5°C aligned scenario. Sika has identified several external factors which create risks and opportunities arising from efforts to address environmental change, including but not limited to abrupt or disorderly introduction of public policies, technological changes, shifts in consumer demand, investor sentiment, and disruptive business model innovation. By offering products and solutions for durable, resource-saving construction and infrastructure, the company can help customers implement measures to prevent and mitigate adverse effects of climate change in all regions.

To limit global warming to 1.5°C, it is expected that significant changes in legislation, policy, and technology will be required and will primarily lead to changes in market dynamics impacting Sika's business practices. The efforts required to align with this 1.5°C trajectory represent transition risks and opportunities. In a 4.4°C world, however, the significant impact lies mainly in potential business interruption arising from a continued increase in severe physical climate events, which outweigh transition efforts.

1 High-risk suppliers refer to suppliers with a material criticality and a material impact to business.

2 For supplier site assessments, Sika uses the location data available. Where site-specific geocoordinates are not maintained, alternative address information, such as headquarters or billing addresses, is used as a proxy.

3 Climate-risk scoring methodology as described in the infographics "Most significant physical climate risks – 4.4°C trajectory in 2050" on p.60 of the Sustainability Report 2025.

DESCRIPTION OF TRANSITION RISKS AND OPPORTUNITIES[1]

TRANSITION RISKS

	"Most optimistic" 1.5°C	"To avoid at any cost" 4.4°C
Policy and legal	– **Pricing GHG emissions** Increasing costs (either in the form of carbon tax, direct emission charge, or emissions trading scheme) in manufacturing and product distribution activities around the world. – **Climate-related reporting standards and requirements** Increasing costs (employees, consulting services, IT investments) due to additional reporting requirements and more stringent due diligence processes. – **Sustainable products regulations and megatrends** Sika's business model must consider new megatrends and regulations which lead to additional costs for developing or applying innovative technologies and identifying or sourcing alternative raw materials. In addition, changes in sustainability regulation create risks that the sustainability ranking of materials may change, leading to frequent reformulation needs and supplier changes. – **Litigation liabilities** Failure to meet new sustainability regulations, combined with a global transparency obligation, causes significant legal and reputational damage, loss of investors and customers globally, and related financial losses. – **Failure to meet net zero commitment** Due to elevated risk of climate change litigation, Sika must thoroughly select suppliers and cannot partner with those who are not fully aligned with the decarbonization plan. If suppliers face such climate litigations, Sika might have to terminate the partnership, incurring supply chain disruptions and potential higher costs from aligned suppliers.	– **Product performance warranty** If materials used in Sika products and solutions fail to perform adequately due to increased heat or severe climate events, there is a risk of higher numbers of warranty claims from customers, which could negatively affect Sika's reputation.
Technology	– **Product disruption** To ensure that most of Sika's products become low-carbon and circular (extended product responsibility), Sika faces additional costs/expenditure in R&D, quality, manufacturing, marketing, and customer services. It requires an active product portfolio management approach for acquired and own product lines to rapidly replace less sustainable offerings. Without such additional investments, Sika faces difficulties securing its market position and keeping pace in the low-carbon innovation race fueled by strong and aggressive competition from an increasing number of stakeholders (traditional and disruptive competitors, start-ups, universities). – **EHS or performance issues from alternative materials** There is considerable technical and EHS risk from fast introduction of new sustainable materials that are insufficiently known and tested for their toxicity and long-term behavior, and may have strong variations due to missing quality standards or supply chain gaps.	

1 The list of climate-related transition risks and opportunities was reviewed and approved in 2022 by an internal cross-functional team, including Procurement, Marketing and Target Markets, R&D, Controlling, Communication & Investor Relations.

TRANSITION RISKS

	"Most optimistic" 1.5°C	"To avoid at any cost" 4.4°C
Market	– **Rising raw material costs** Increasing CO_2 taxes and supplier transition costs are driving up raw material prices. Limited natural resources and reduced fossil-based chemicals are making input material scarcer and more expensive. Strong demand for alternative raw materials is also raising their price. – **Electricity supply instability and rising energy and transportation costs** Growing reliance on renewables without sufficient baseload or storage capacity is causing volatile electricity availability and prices, while increased regulations on fuel and energy are driving up transportation and shipping costs, making global supply chains less viable for low-cost materials. – **Increase in fuel/energy for transportation and shipping** Higher costs for operations as a result of increased regulations on fuel and energy prices in the transportation and shipping side of the supply chain. Global international supply chains may become increasingly economically unfeasible for low-cost (bulk) materials. – **Transition toward a low-carbon economy** The market wants to move to a low-carbon economy; higher investments are needed to decarbonize Sika's processes (sourcing, manufacturing, packaging, and distribution) and higher spending for transitioning toward alternative raw materials, renewable energy sourcing, and low-carbon modes of distribution is required. Higher CapEx costs to increase production footprint to bring finished products closer to end users and reduce the related logistics costs are to be considered. – **Customer behavior and preferences** Strong customer demand for low-carbon solutions requires Sika to quickly shift to sustainable products, incurring transitional R&D and operational costs. Delays risk losing customers to competitors. Meeting market demands for "green" certificates adds costs that may not be recovered, and lacking certifications can put Sika at a disadvantage. Economic conditions will also affect customers' willingness to invest in solutions that increase their costs.	– **Lack of adaptation to new market needs** Lack of capacity to adapt Sika's business model and portfolio toward increased needs for climate adaptation products and solutions in the construction and building industry, leading to market share losses in specific target markets. – **Decrease in raw material stock** Exploitation of conventional and carbon intensive raw materials leads to raw material scarcity and consequential price increases. – **Open market** The global market is mostly focused on economic growth, and a strong open economy with lack of regulations leads to harsh competition and instability regarding profitability. Sika faces competition from companies that sell products at lower prices without considering social and environmental standards/costs. – **Customer behavior and preferences** Lack of customer awareness/education and/or unwillingness to pay higher prices for more sustainable/durable products. This is further impacted by inflationary/recessionary markets where market conditions limit investment.
Reputation	– **Decrease in stock prices** If Sika is not able to meet the claimed targets and is decarbonizing at a slower pace compared to its competitors, the reputation of the company might be affected, causing a decrease in the stock price.	– **Lack of cooperation** Fierce competition among companies and countries reduces the possibility to cooperate with global, regional, and local stakeholders (customers, institutions, universities, etc.) to develop solutions for the construction, transportation, and automotive sectors which improve performance and adapt to climate change impacts.

TRANSITION OPPORTUNITIES

	"Most optimistic" 1.5°C	"To avoid at any cost" 4.4°C
Energy source	– **Return on investment in energy efficiency** Retrofitting buildings with energy-efficient measures, efficiency optimization of production and distribution processes, and introduction of self-generated electricity sources at relevant factories (e.g., solar, wind, district heating/geothermal). – **Low-carbon energy incentives** Sika makes use of low-carbon energy offerings where policies are introduced to incentivize the renewable energy sector. Sika benefits from supportive local/regional/global incentives which can reduce operational costs. – **Self-production of electricity** As part of its decarbonization plan, Sika increases its capacity of renewable energy self-production and reduces its dependency on market price fluctuations for electricity.	
Markets	– **Access to new markets** Transitioning industries and emerging adaptation practices open new markets for Sika's products (e.g., adaptation infrastructure, low-carbon transportation). Strong customer preferences for durable buildings and infrastructures due to extreme weather events, increasing the demand for performance products and solutions in the construction sector, strengthening Sika's positioning in the building materials market. That would be an important asset for government tenders in infrastructure projects, for example. – **Incentives for the application of low-carbon products** Sika builds low-carbon product offerings where policies are introduced to incentivize the application of low-carbon products. The company benefits from supportive local/regional/global incentives to develop low-carbon products and solutions.	– **Access to new markets** In the construction and infrastructure industry, due to the exacerbated severity and frequency of climate-related physical risks at Group level, the market demand for products and solutions that facilitate adaptation to climate change increases. This strengthens Sika's positioning in the market.
Products and services	– **General innovation toward development of low-carbon solutions** Strong in-house innovation and entrepreneurial culture foster the development of breakthrough low-carbon products and solutions. An increase in demand for low-carbon solutions reinforces Sika's market share for those solutions that help to prevent and mitigate adverse effects of climate change. Additionally, the broad deployment of Sika's SPM concept offers key differentiation potential and reinforces Sika's positioning resulting in increased market share and revenues. – **Development of new technologies** Availability of innovative technologies at supplier level can enhance Sika's products and help Sika to develop new sustainable solutions leading to increased revenues for Sika. New technologies give Sika the opportunity to enter new customer fields in new or established markets.	
Resource efficiency	– **Changes in source material** Changes to low-carbon inputs or alterations of current material inputs enable revenue increase by avoiding high carbon taxes or reducing OPEX, respectively. – **Increased circularity of materials** Introduction of circular business practices and further developments in reuse and recycling of products reduces Sika's environmental and climate impact. – **Return on investment in water efficiency** Reducing water used in products as raw material and optimizing efficient production and distribution processes leads to cost reduction. Additionally, reducing water in products could reduce the weight of products, which has positive implications on transportation emissions.	
Resilience	– **Decentralization** Due to high carbon pricing and transportation costs, shipping of goods between continents is reduced. Sika's decentralized organization and local production represent an important competitive advantage. – **Product and process diversity** Diversifying its product portfolio toward more sustainable solutions, Sika reduces its dependencies on fossil fuel, and significantly increases its business resilience and reputation. – **Alternative revenue streams** Shifting to alternative revenue streams such as service models, digital tools, product leasing/maintenance models could give Sika access to new markets and related sales.	

Financial quantification of transition risks

METHODOLOGY

Since 2023, the financial impact of climate-related transition risks was assessed for the two climate scenarios described above (1.5°C and 4.4°C). To estimate the impact, Sika applied the following methodology based on 2022 data:

- Sika decarbonization model: Sika has developed an internal decarbonization model (the "net zero model") to understand its emissions trajectory compared to a business-as-usual scenario and the SBTi net zero absolute contraction trajectory. The model considers all relevant scope 1, 2, and 3 emissions, sectoral trajectories, potential market growth, and decarbonization levers identified internally. The net zero model helps to strengthen the understanding of the impact of different decarbonization levers and supports strategic decisions by providing various emission-reduction trajectories. It helps Sika to comprehend how different business decisions may impact the company's transition to net zero. The outcomes of the net zero model were used as a basis to model the financial impact of Sika's transition to a low-carbon economy.
- NGFS Scenarios: The Network for Greening the Financial System (NGFS) developed a series of scenarios to provide companies with a common starting point to assess climate risks and their impact on the economy. The NGFS climate-risk scenarios are linked to the IPCC climate trajectories. The different scenarios provide harmonized physical and transition pathways, driven by different rates of regional policy change, rates of technological change, and usage of carbon removal technologies across different geographies and sectors. The NGFS scenarios were used to evaluate the financial impact of risks related to carbon prices and energy prices in the short (2028), medium (2032), and long-term (2050).

When conducting a climate-related transition impact analysis, it is important to cover the range of scenarios that are relevant to Sika's core business operations. All NGFS scenarios consider different impacts on energy and carbon price pathways, which serve as the basis to translating Sika's net zero model emissions into potential financial impacts. The analysis allows Sika to examine the varying rates and costs of transition across different regions. This involves mapping Sika's country- and region-specific emissions and energy consumption to the corresponding NGFS carbon and energy prices, providing a nuanced understanding of the transition dynamics for each geography.

FINANCIAL QUANTIFICATION

Sika has assessed the net zero model emission trajectories against different NGFS scenarios and evaluated their potential impacts on its business. The following table depicts the risk level per risk category based on the results from the transition risk scenario analysis:

- The 1.5°C scenario is based on the NGFS "Delayed Transition" scenario, which considers a less aggressive carbon price in the near future compared to other NGFS scenarios.
- The results under each time horizon show the cost increase that was discounted to 2022 using latest rates aligned to those used for the goodwill impairment test.

Based on the NGFS Delayed Transition scenario, the various transition risk categories have been quantified by considering the following:

- "Policy and Legal": The impact of the carbon costs of Sika's scope 1 emissions.
- "Market": The carbon costs for scope 2, scope 3.1, 3.4, 3.9 emissions, and transition energy costs.
- "Technology": Transition costs are based on a high-level assessment considering case studies such as electrification of sand-drying processes.

EVOLUTION OF TRANSITION RISKS

Risk category	"Most optimistic" 1.5°C	
	2032	2050
Policy and legal	Low	Low
Technology	Low	N/Q
Market	High	Medium
Reputation	N/Q	

Financial impact (in CHF mn)
Low: <300 Medium: 300–600 High: >600 N/Q: Not Quantified

TRANSITION RISK MITIGATION ACTIVITIES

With its net zero commitment, Sika will continue to work on initiatives to further reduce its overall carbon footprint and thus associated transition risks. In the short- to medium-term, this includes sand dryer optimization, manufacturing process optimization, utility management, self-production of renewable energy, increase in vehicle fleet electrification, and acceleration of alternative low-carbon supplies. It also requires a combined effort from all stakeholders upstream and downstream of the company's value chain. Therefore, creating strong partnerships and collaboration is key for the success of this initiative. Collaboration with suppliers is a foremost element of Sika's net zero roadmap. For more information on Sika's net zero roadmap and supplier engagement activities in 2025, please see the "Climate change mitigation" section on p.69 of the Sustainability Report 2025.

Actions

SUMMARY OF ACTIONS

Sub-topics	Actions	Page number(s)
Climate change adaptation	Physical climate-risk analysis	p.68
	Sika products and solutions' contribution to climate change adaptation	p.68

PHYSICAL CLIMATE-RISK ANALYSIS

For more information on Sika's approach to climate risks, please see the "TCFD recommendations" section on p.56 of the Sustainability Report 2025.

SIKA PRODUCTS AND SOLUTIONS' CONTRIBUTION TO CLIMATE CHANGE ADAPTATION

The Sika portfolio enables customers to adapt to climate-related challenges by improving resilience, reducing vulnerability, and supporting sustainable construction and industrial practices. These contributions span physical risk mitigation, energy and material efficiency, and durability enhancement, which are critical for climate adaptation.

To support climate adaptation in the construction industry, Sika provides high-performance building materials designed to withstand extreme weather conditions. These solutions enhance structural resilience against floods, heatwaves, and other climate-related hazards:

- Heat mitigation: Sika cool roof solutions help to repel heat and to reduce the urban heat island effect.
- Flood and moisture protection: Fully bonded waterproofing membranes (SikaProof®) safeguard structures against water ingress during extreme rainfall or flooding.
- Durability: Advanced coatings, sealants, high-performance grouts, and roofing membranes improve durability and extend life cycle, reducing vulnerability to climate-induced degradation.

For more information on Sika's sustainable solutions, please see the corporate webpage ↗ **Sustainable Solutions**.

Sika also offers application-specific technical support, advising customers on substrate changes, durability, and performance under evolving climate conditions. This ensures tailored solutions for adaptation needs, including roof monitoring systems, for example, an innovative digital solution for real-time roof performance tracking. Equipped with sensors and analytics, the system monitors key parameters such as moisture, temperature, and structural integrity to enable early detection and prevention of damage or anomalies. This system supports data-driven decision making for refurbishment and energy efficiency improvements.

CLIMATE CHANGE MITIGATION

Reducing GHG emissions is critical to limiting global warming and achieving a sustainable future. Climate change mitigation focuses on minimizing emissions across the entire value chain, from raw material sourcing to production, use of products, and end-of-life, while driving innovation toward low-carbon solutions.

For Sika, climate change mitigation is material in three key dimensions:

- Sika activities contribute to climate change through GHG emissions in upstream processes, own operations, and downstream product use and disposal.
- Transitioning to a low-carbon economy entails financial challenges, including costs associated with switching from fossil-based input materials to renewable alternatives; investments required to decarbonize operations and adapt Sika's product portfolio to meet evolving customer demand; potential reputational damage if net zero targets are missed.
- The shift toward sustainable construction creates significant market potential for low-carbon solutions, enabling financial gains through innovative products that meet stringent climate requirements and help customers to lower their carbon footprint.

Companies need to match their climate ambition with robust strategies and effective implementation to transition to a net zero economy. Sika supports the Science Based Target initiative (SBTi) and joined the growing group of leading corporations that are setting emissions reduction targets in line with the objective of the Paris Agreement. This reflects Sika's proactive role in decarbonizing the construction sector and automotive industry, helping its customers along this path with low-carbon solutions.

Governance

CORPORATE LEVEL

Under the leadership of the Chief Innovation & Sustainability Officer, the Sustainability Leadership team coordinates Sika's transition plan and related Group-wide projects and initiatives to reduce GHG emissions and support corporate and regional organizations – such as R&D, Procurement, Operations, and Target Markets – in developing and implementing their net zero roadmaps. In addition, corporate functions are responsible for providing guidance, methodologies, and practical tools to enable regional and local stakeholders to translate Group-wide initiatives into actionable plans and ensure consistent implementation across all levels.

REGIONAL LEVEL

At the regional level, Regional Sustainability Managers coordinate the implementation of Sika's Strategy 2028 and net zero targets. Together with Regional EHS, R&D, Procurement, Operations, and Target Markets, they support local subsidiaries in defining and developing roadmaps for GHG emissions reduction and in executing Group initiatives.

LOCAL LEVEL

At the local level, Local Sustainability Managers are responsible for planning GHG emissions reduction initiatives and developing country-level roadmaps, with the support of General Managers, Operations & EHSQ, Target Markets, and R&D Managers.

For more information on governance, please see the "Sustainability organizational structure" section on p.44 of the Sustainability Report 2025.

Targets

SBTI NET ZERO TARGETS

Following its official commitment in September 2022, Sika received the SBTi validation of its near- and long-term emissions reduction targets in May 2024. By 2032, Sika is committed to reducing absolute scope 1 and 2 GHG emissions by 50.4% compared to the 2022 baseline[1]. Over the same period, the company is also committed to reducing absolute scope 3 GHG emissions by 30%. By 2050, Sika is committed to reducing absolute scope 1, 2, and 3 GHG emissions by 90% compared to the 2022 baseline.

SBTI TARGETS AND TIME HORIZONS[1]

	Near-term (2032)	Net zero (2050)
Scope 1 and 2 emissions[2]	–50.4% (1.5°C scenario aligned)	–90% (1.5°C scenario aligned)
Scope 3 emissions	–30% (well below 2°C scenario aligned)	–90% (1.5°C scenario aligned)
Total GHG emissions	**–30.4%**	**–90%**

1 As of 2025, scope 1 and 2 emissions account for ~1% of the total GHG emissions emitted by Sika, while scope 3 emissions account for ~99%.
2 SBTi target boundaries include land-related emissions and removals from bioenergy feedstocks.

Sika used the absolute contraction approach[2] to set its SBTi targets, which is defined as an overall reduction in the amount of GHG emissions emitted to the atmosphere. To ensure consistency with the most recent climate science and best practices, Sika will review and, if necessary, recalculate and revalidate its targets every five years.

In line with its ESG Data Governance policy, and following acquisitions since 2022 as well as changes made to the carbon inventory methodology over the past three years, Sika has re-baselined 2022–2024 GHG emissions inventories to ensure accurate and consistent tracking of progress toward its SBTi net zero targets over time. For more information on the changes considered in the re-baselining, please see the "Metrics" section on p.74 of the Sustainability Report 2025. For more information on the ESG Data Governance, please see the "ESG data governance including re-baselining" section on p.155 of the Sustainability Report 2025.

STRATEGY 2028

As part of its Strategy 2028, Sika has set the strategic target of reducing scope 1 and 2 GHG emissions[3] by 20% as compared to the 2022 baseline.

Since 2023, the compensation scheme of Group Management and Sika Senior Managers has been linked to the performance regarding scope 1 and 2 GHG emissions (reflecting Sika's net zero commitment). For more information, please see the "Sustainability organizational structure" section on p.44 of the Sustainability Report 2025.

For more information on Sika's commitment regarding sustainable solutions under the framework of Strategy 2028, please see the "Resource use and circular economy" chapter on p.97 of the Sustainability Report 2025.

Policies and guidelines

The table below provides an overview of the key policies and frameworks that guide Sika's management approach to climate change mitigation. Further details of the key content, scope, and implementation of these policies can be found in the "Policies and guidelines" chapter on p.141 and the related sub-topic sections of the Sustainability Report 2025.

SUMMARY OF POLICIES AND GUIDELINES

Sub-topics	Policies and guidelines
Climate change mitigation	Values and Principles
	Code of Conduct
	Supplier Code of Conduct
	Human Rights Policy
	Trust Policy
	Responsible Sourcing Guidelines
	Product Creation Process (PCP) Manual
	Sustainability Portfolio Management (SPM) Methodology
	EHS Minimum Requirements
	Sustainability and Operations (S&O) Reporting Handbook
	Investment Manual

1 Sika has systematically identified and calculated emissions from its material scope 3 GHG categories since 2022, aligning with the Greenhouse Gas Protocol (GHGP). As 2022 marks the first year of a comprehensive and adequate carbon footprint assessment, it has been established as the baseline year for the SBTi emissions reduction targets.

2 ↗ **SBTi Corporate Net-Zero Standard**, Version 1.2 (March 2024)
3 Based on GHG market-based emissions.

Actions

SUMMARY OF ACTIONS

Sub-topics	Actions	Page number(s)
Climate change mitigation	GHG emissions monitoring	p.71
	Climate-related transition risk and opportunities analysis	p.71
	Sika net zero roadmap – transition plan	p.71
	Key decarbonization levers	p.71–72
	Supplier engagement on GHG emissions transparency and reduction	p.72
	Training for suppliers	p.72–73
	Training for employees	p.73
	Internal carbon pricing	p.73
	Building capacity in the product sustainability network	p.73
	Sika® Carbon Compass	p.73
	Environmental Product Declarations (EPDs)	p.74
	Low-carbon solutions	p.74

GHG EMISSIONS MONITORING

Sika monitors greenhouse gas (GHG) emissions as part of its environmental responsibility. Sika's corporate carbon accounting (scope 1, 2, and 3) follows the reporting guidelines of the Greenhouse Gas Protocol (GHGP). The company systematically identifies and calculates emissions from its material scope 3 GHG categories in accordance with the GHGP requirements. The calculation of scope 3 GHG emissions is an evolving topic based on various data sources. Therefore, Sika is continuously reviewing the calculation methodology to ensure transparency and data robustness. This process helps the company to better understand how it can lower its scope 3 emissions and foster initiatives across the organization. Within the net zero roadmap, Sika focuses on key dedicated reduction opportunities along the company's value chain considering scope 3 emissions' hotspots. GHG Emissions indicators, including scope 3, are part of the quarterly Sustainability Performance Reporting update to Group Management. For more information on the scope 3 assessment and calculation, please see the "Scope 3 methodology" section on p.156 of the Sustainability Report 2025.

CLIMATE-RELATED TRANSITION RISK AND OPPORTUNITIES ANALYSIS

For more information on Sika's approach to climate risks, please see the "TCFD recommendations" section on p.56 of the Sustainability Report 2025.

SIKA NET ZERO ROADMAP – TRANSITION PLAN

In 2022, Sika initiated a net zero project to develop a detailed roadmap with GHG emissions abatement targets. Steered by the Sustainability Leadership team, the project involves several functions including ESG Controlling, Product Sustainability, R&D, Procurement, Operations, Logistics, and Target Markets, both at corporate and regional level.

Central to the net zero project is a decarbonization model designed to quantify the impact of different decarbonization levers. By integrating multiple hypotheses and assumptions, such as the availability of alternative raw materials, sectoral trajectories, and future waste treatment infrastructure, the model enables the identification of the most impactful levers, comparison of raw material alternatives, and testing of various scenarios to guide strategic decisions.

In 2025, the net zero project focused on developing a digital tool designed to streamline the tracking, processing, and communication of net zero levers. This tool will be accessible to all relevant functions, enhancing cross-functional coordination and accelerating the development and implementation of decarbonization projects.

Achieving net zero requires a collaborative effort from all stakeholders, especially suppliers, upstream and downstream of the company's value chain. Creating strong partnerships and collaboration are essential to this goal, as highlighted through the supplier engagement dimension (see details on the next page).

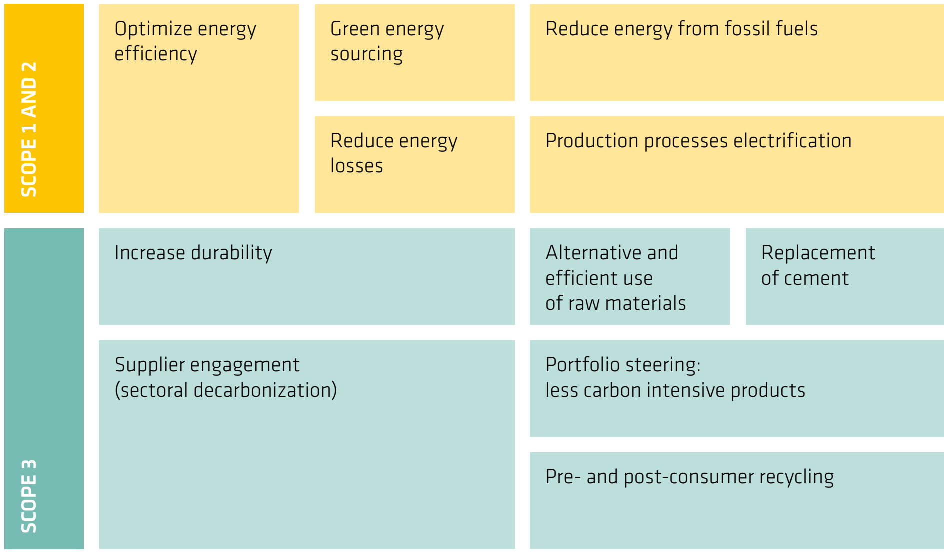
KEY DECARBONIZATION LEVERS

Sika is actively working to reduce its scope 1 and 2 emissions by optimizing energy efficiency of its operations, increasing green energy sourcing, reducing fossil fuels, and electrifying production processes. For more information on Sika's scope 1 and 2 levers, please see the "Energy management" section on p.77 of the Sustainability Report 2025.

For scope 3 emissions, Sika focuses on a variety of levers, tackling different parts of the value chain, for example:

- Selecting low-emission suppliers and engaging with them to introduce low-carbon technologies, such as bio-based and secondary raw materials, plays an important role in reducing emissions. Examples include selecting suppliers with a high share of renewable electricity, using secondary raw materials in thermoplastic membranes and injection molded products, introducing recycled silicone raw materials for sealants, and using bio-based resins in coatings and adhesives.
- As sustainability and innovation go hand in hand, formulation efficiency represents a significant lever across all technologies to deliver targeted performance while optimizing GHG emissions, for example through optimized concrete admixtures or cement replacement. Leveraging Sika's chemistry know-how and expertise, new types of supplementary cementitious materials (SCMs) can be incorporated into formulations to replace part of the cement across various mortar categories.
- Focus areas in circularity include waste reduction and internal material recovery at the production level, as well as the introduction of circularity programs for end-of-life products. Increased product durability further supports circularity and recycling efforts by providing robust feedstock that lasts until the end of the end-product's life.

Sika's identified net zero levers



SUPPLIER ENGAGEMENT ON GHG EMISSIONS TRANSPARENCY AND REDUCTION

As part of Sika's supplier engagement approach, several strategic sustainability meetings were held with tier 1 suppliers in 2025. These sessions involved procurement professionals and suppliers across all three regions and procurement categories. Discussions focused primarily on emissions reduction and transparency, with particular emphasis on climate strategies, carbon footprint impacts at raw material level, and related reduction levers. During these engagements, Sika also assessed suppliers' strategies for reducing scope 1 and 2 emissions, their plans for scope 3 emissions reduction, and their alignment with Science Based Targets initiative (SBTi) commitments. Beyond fostering dialogue on effective emissions reduction, these meetings emphasized the growing importance of collecting supplier-specific data to improve data accuracy, consistency, and reliability at raw material level. This transparency enables deeper collaboration to introduce sustainable raw materials and products aligned with Sika's Strategy 2028 and net zero commitment.

Supplier engagement, training, and development play a key role in increasing the share of supplier-specific data. With such data available, reduction of GHG emissions at supplier level is quantified and tracked in a transparent way. Launched at the end of 2024, the TfS PCF Exchange platform, leveraging Siemens' SiGREEN technology, provides a secure and efficient method for tracking and exchanging product-level emissions data. This data exchange allows companies to request detailed carbon information from suppliers, streamlining the process of calculating Product Carbon Footprint (PCFs) for multiple materials across complex global supply chains. Additionally, SiGREEN provides a standardized data-entry workflow that serves as a template for suppliers who do not have their own PCF format, ensuring completeness and alignment with Together for Sustainability (TfS) guidelines. Sika is actively using this platform to optimize and automatize the whole supplier-specific data collection process. For more information on supplier-specific emission factors, please see the "Scope 3 methodology" section on p.156 of the Sustainability Report 2025.

Building on these global efforts to enhance transparency and collaboration, Sika also organizes targeted regional initiatives to strengthen supplier partnerships and promote sustainability. A key example was the Sika Japan Supplier Day, which brought together 51 participants from supplier companies and Sika teams. The event aimed to raise awareness and reinforce partnerships, and share Sika's strategic outlook, with a strong emphasis on sustainability, particularly through the TfS initiative. Many suppliers were introduced to TfS for the first time, with a focus on its main tools and guidance (SiGREEN and TfS Academy) and their role in advancing sustainable practices across the chemical industry.

TRAINING FOR SUPPLIERS

In 2025, during supplier engagement meetings, Sika provided support to suppliers with limited experience in sustainability by sharing the TfS Product PCF Guideline and the TfS PCF Data Model and granting access to the TfS Academy. In particular, the new TfS Decarbonization Program was introduced through the Academy. Designed for TfS members and suppliers, the program offers targeted e-learning modules on topics such as climate change, scope 1, 2, and 3 GHG emissions, SBTi, and target setting. Additionally, suppliers can register for interactive TfS webinars focused on SiGREEN and the TfS PCF Guideline, providing a practical forum for participants to ask questions and receive hands-on guidance on implementing product carbon footprint standards. For more information on the TfS framework and related initiatives, please see the section "Workers in the value chain" on p.126 of the Sustainability Report 2025.

TRAINING FOR EMPLOYEES

Engaging employees is crucial for the success of Sika's net zero journey. To support this, Sika has implemented various initiatives, including internal workshops and training programs (e.g., net zero concept, scope 3 emissions methodology), and digital tools (e.g., scope 3 emissions dashboard, visualization of emissions hotspots per material category, integration of GHG emissions data into R&D Development tools for new formulations) are now available to relevant employees to further support them in their projects.

At R&D level, every core technology has a dedicated sustainability function that focuses on net zero and trains the organization in a targeted way. A similar structure is being established in the Target Markets departments, with each of them having a dedicated corporate function for support and guidance on net zero.

At procurement level, in 2025, an optimized process was introduced within an internal procurement platform to streamline supplier-specific data collection and validation by procurement teams. Targeted training supported the roll-out among Category Managers, Material Group Managers, and Regional Procurement professionals. The solution simplifies data collection, ensures compliance with validation requirements, and provides real-time tracking with automated notifications. This approach enhances data integrity and transparency, enabling consistent consolidation and improved visibility for future decarbonization analysis. Additionally, dedicated training was conducted for specific material categories, targeting Category Managers and Material Group Managers. These sessions focused on scope 3 GHG emissions, specifically category 1 – purchased goods and services and category 12 – end-of-life treatment of sold products, aiming to increase awareness of the importance of collecting accurate supplier-specific data and to explore opportunities for emission reduction projects. For more information on training for procurement employees, please see the section "Workers in the value chain" on p.126 of the Sustainability Report 2025.

INTERNAL CARBON PRICING

Sika has implemented an internal carbon price mechanism, including a shadow price, used to guide major investment decisions globally. In 2025, the internal carbon price was set at a fixed price of CHF 65 per ton of CO_2eq[1]. The carbon price is systematically considered for scope 1 and 2 GHG emissions. Scope 3 GHG emissions are considered for process in/outsourcing, for example insourcing of a sand-drying process to consider the use of more energy-efficient equipment, helping to improve the overall emission footprint. Embedding a hypothetical cost of carbon emissions in the calculation for potential investments provides a deeper understanding of how pricing GHG emissions affects business cases. This strategic tool will further help Sika to steer its investment decisions toward climate-adapted operations, low-carbon investments, and opportunities. Sika bases its carbon pricing on the ICE Futures Europe ECX Future Contracts (ICE ECX Futures)[2]. These contracts are part of the European Union Emission Trading System (EU ETS)[3], which is designed to reduce GHG emissions. Sika chose this source for internal carbon pricing, as it reflects the official carbon pricing mechanism of the European Union.

BUILDING CAPACITY IN THE PRODUCT SUSTAINABILITY NETWORK

In 2025, Sika accelerated its capacity building strategy to continue supporting the organization in meeting growing customer and regulatory needs for product sustainability assessments and disclosures. The strategy includes three core pillars: corporate competence, regional specialist network, and global automation.

The year 2025 marked a shift toward global automation, setting a foundation for automated product sustainability disclosures in the future. A key focus was the automation of PCFs with the launch of the new Sika® Carbon Compass, which marks an important first step toward automated environmental disclosure at product level.

The regional specialist network, it is now in a mature form with over 50 specialists worldwide and can deliver product sustainability assessments such as Life Cycle Assessments (LCA), PCFs, and Environmental Product Declarations (EPDs) at an even faster pace compared to previous years. In addition, the network actively contributes to Sustainability Portfolio Management (SPM) evaluations as Product Sustainability Subject Matter Experts (SMEs), supporting the evaluation team in assessing products and ensuring robust fact-based evidence is provided to support sustainability performance. Members of the network in Sika's R&D departments are accelerating their capabilities to support the company's net zero goals by tracking and implementing decarbonization levers relevant to R&D. In the coming years, the focus will be on expanding automation beyond the carbon indicator, further enhancing Sika's capacity and abilities in product sustainability.

SIKA® CARBON COMPASS

In October 2025, Sika introduced the Sika® Carbon Compass, an automated internally operated platform for calculating cradle-to-gate PCF for Sika products. The Sika® Carbon Compass can quantify climate impact for a significant share of Sika's product portfolio[4]. The calculation methodology has been independently verified by TÜV Rheinland, Germany, and is in line with international standards[5].

With this certified approach, Sika provides certified PCF Info Sheets for its products, enabling customers to make better-informed material choices, improved scope 3 GHG emissions reporting, and align with sustainable procurement goals. In addition, the Sika® Carbon Compass empowers customers to meet current standards and prepare for upcoming regulations such as the EU Ecodesign for Sustainable Products Regulation (ESPR) and the EU Construction Product Regulation (CPR).

For more information on the automated PCF tool, please see the corporate webpage ↗ **Sika® Carbon Compass**.

1 The price used is a fixed price per year, based on the average yearly price.
2 ↗ **ICE ECX Contracts: User Guide**
3 ↗ **EU Emissions Trading System (EU ETS)**

4 The data pool used for carbon footprint calculations is continuously being improved. This ongoing enhancement will enable automated emissions calculations in the future, even for products that currently lack sufficiently qualified data.
5 In line with ISO 14067, TfS PCF Guideline, and Catena-X Rulebook.

ENVIRONMENTAL PRODUCT DECLARATIONS (EPDS)

Analyzing products and solutions from a life cycle perspective is an integral part of Sika's sustainable solutions strategy. In 2025, building on the success of the "Concrete Admixtures EPD tool" launched in 2023 and the Sika® Carbon Compass introduced in 2025, Sika is executing a strategic project to automate the generation of EPDs. This development will enable faster delivery of EPDs to customers, supporting compliance with evolving regulations such as the EU Construction Product Regulation (CPR). The roll-out is planned for 2026.

For more information on EPDs, please see the corporate webpage ↗ **EPDs and LCA**.

LOW-CARBON SOLUTIONS

Sika plays a proactive role in the decarbonization of the construction sector and automotive industry, supporting customers with low-carbon solutions that align with evolving market and regulatory trends. Demand for sustainable solutions is increasing rapidly, driven by stricter environmental regulations, corporate climate targets, and growing awareness across the value chain.

A key area of focus is the decarbonization of cement-based systems. Reducing clinker content remains one of the most effective levers to lower the carbon footprint of construction materials at scale. Therefore, Sika is reformulating products to reduce cement usage by incorporating supplementary cementitious materials (SCMs) that partially replace clinker while preserving or enhancing technical performance. In addition, Sika admixtures and additives help customers in the cement and concrete industries to reduce clinker content in their products. For more information on SCM supplementation, please see the section "Resource inflows and outflows" on p.98 of the Sustainability Report 2025. Sika also supports and accelerates this transition by developing structural repair mortars, and precision grouts that are using alternative binder concepts.

Beyond material substitution, Sika's innovations demonstrate how sustainability and durability can progress together. Advanced structural concrete repair solutions are engineered to extend the service life of existing structures while significantly reducing GHG emissions compared to conventional benchmarks. Similarly, specialized solutions like underwater epoxy grouts combine reduced GHG emissions with long-term reliability in demanding conditions. By extending the lifespan of infrastructure and reducing the need for premature replacement, these solutions further contribute to resource efficiency and GHG emission reduction.

To support the shift to greener vehicles, Sika's approach for the automotive industry is focused on advanced process materials that enable vehicle lightweighting and enhance both energy and material efficiency. Through its advanced bonding, sealing, damping, and reinforcing technologies, including low-bake curing adhesives, water-based activators, and structural inserts, Sika aims to contribute to reduced environmental footprints of vehicles and related manufacturing processes.

For more information on Sika's sustainable solutions, please see the corporate webpage ↗ **Sustainable Solutions**.

Metrics[1]

RE-BASELINING OF GHG EMISSIONS

To ensure consistent comparability of emissions over time, Sika performed its first re-baselining of its scope 1, 2, and 3 GHG inventory in 2025 to incorporate methodological changes, improvements in data accuracy, and structural changes. With this re-baselining, the scope 3 numbers of 2022–2024 have been updated as outlined in the table below.

RE-BASELINING ACTIVITIES IN 2025

Categories	Adjustments to scope 3 GHG emissions
Methodological changes and data accuracy improvements	Emission factors updates resulting from methodological changes by external providers.
	Packaging and trading products shift from spend-based to quantity-based method (scope 3 category 1).
	Refinement of emission factors' mapping to raw materials (scope 3 category 1).
	Correction of errors (e.g., activity data and calculation).
	Update of MBCC data from extrapolation-based to activity-based approach for 2022 baseline.
Structural changes	Integration of pre-acquisition data for: – Sable Marco Inc. and United Gilsonite Laboratories, Inc. acquired in 2022. – Thiessen Team USA acquired in 2023.

1 Scope 1 and 2 GHG emissions for 2022–2024 disclosed in this section have been restated to reflect 2024 and 2025 acquisitions (except Gulf Seal). 2024 and 2025 acquisitions are excluded from scope 3 GHG emissions and will be integrated within 24 months after the closing date, as specified in the "ESG data governance" section on p.155 of the Sustainability Report 2025.

SCOPE 1, 2, AND 3 GHG EMISSIONS

Sika's scope 3 GHG emissions represent 99% of the company's carbon footprint and are driven by category 1 – purchased goods and services (53.2%), category 12 – EoL treatment of sold products (29.9%), and category 4 – upstream transportation and distribution (9.7%). Sika's scope 3 GHG emissions increased slightly from 2024 to 2025 (+3.0%) primarily due to a change in products mix. The increase in upstream and downstream transportation was driven by more materials being transported over longer distances.

When compared to 2022 baseline, Sika's scope 3 GHG emissions increased by 6.0% primarily driven by business growth. The carbon intensity per ton sold remained constant. In 2025, Sika continued its effort towards supplier engagement, achieving a coverage of 36% of scope 3 category 1 by supplier specific emission factors (2024: 15%). Furthermore, Sika focused on further enhancing reliable and trustworthy quantification systems to consistently track progress towards SBTi targets (e.g., re-baselining process).

For more information on climate change mitigation actions, please see the "Actions" section on p.71 of the Sustainability Report 2025. For additional information on the scope 3 assessment and calculation, please see the "Scope 3 methodology" section on p.156 of the Sustainability Report 2025.

As part of its Strategy 2028, Sika has set the strategic target of reducing scope 1 and 2 GHG emissions by 20% as compared to 2022 baseline. For 2025, scope 1 and 2 GHG emissions decreased from 240,700 to 226,107 tons of CO_2eq, representing a reduction of –6.1% compared to previous year. Compared to its baseline year, Sika achieved a decrease of –24.4%. The continuous focus on maximizing renewable electricity sources in operations (–16,593 tons of CO_2eq in 2025) and on various energy-saving initiatives (–5,470 tons of CO_2eq in 2025) are the most important reduction levers.

In absolute figures, scope 1 market-based GHG emissions remained stable at Group level compared to previous year (170,898 tons of CO_2eq, –0.3% vs. 2024). Market-based scope 2 emissions decreased to 55,209 tons of CO_2eq (–20.3% vs. 2024) thanks to an increased coverage of energy attribute certificates across the various regions.

In accordance with the GHGP, refrigerant gas emissions are considered as fugitive emissions under Sika's scope 1 inventory and represent 1.1% of Sika's scope 1 GHG emissions for 2025. These gases have an extremely high climate impact (up to or above 1,000 kg CO_2eq/kg). All local companies must comply with applicable laws and regulations related to refrigerant gases. Local maintenance teams are responsible for monitoring refills of such gases and equipment changes. In the year under review, 1,922 tons of CO_2eq were emitted due to leakages of refrigerant gases (–18.4% vs. 2024).

SCOPE 1, 2, AND 3 GHG EMISSIONS PERFORMANCE VS. 2022 BASELINE

in 1,000 tons of CO_2eq	2022	2023	2024	2025
Scope 1[1]	194	172	171	171
Scope 2 – market-based[2]	105	96	69	55
Total scope 1 and 2 GHG emissions – market-based	**299**	**268**	**240**	**226**
Scope 3	14,999	15,235	15,439	15,894
Cat. 1 – purchased goods and services	8,394	8,243	8,369	8,460
Cat. 12 – end-of-life treatment of sold products	4,535	4,380	4,577	4,759
Cat. 4 – upstream transportation and distribution	1,183	1,299	1,433	1,544
Cat. 9 – downstream transportation and distribution	268	337	354	401
Cat. 2 – capital goods	189	556	282	318
Cat. 11 – use of sold products	133	123	118	120
Cat. 7 – employee commuting	97	100	101	98
Cat. 5 – waste generated in operations	91	87	93	92
Cat. 3 – fuel- and energy-related activities	84	78	80	79
Cat. 6 – business travel	25	32	32	23
Scope 3 emissions intensity (in tons of CO_2eq per ton sold)	**0.95**	**0.93**	**0.92**	**0.95**
Total GHG emissions	**15,298**	**15,503**	**15,679**	**16,120**
Total GHG emissions intensity (in tons of CO_2eq per ton sold)	**0.97**	**0.95**	**0.94**	**0.96**

1 Scope 1 GHG emissions (direct energy and fugitive emissions) are calculated based on Defra/BEIS 2024 emission factors. Process emissions are excluded from scope 1 because their volumes have been immaterial over the past three years. In 2026, these will be further analyzed and included if considered material.

2 For scope 2 market-based GHG emissions, purchased electricity covered by energy attribute certificates is considered with an emission factor of zero. For non-renewable purchased electricity, residual mix emission factors are gathered from AIB 2023 European Residual Mixes (applied to European locations) and 2024 Green-e Residual Mix Emissions Rates (applied to USA locations). The location-based 2024 emission factor from the International Energy Agency (IEA) is applied to all other locations. Emissions related to purchased heat and steam are based on Defra/BEIS 2024 emission factors, and emissions related to purchased cooling are based on Ecoinvent 3.11 emission factors.

TOTAL SCOPE 1, 2, AND 3 GHG EMISSIONS

in 1,000 tons of CO_2eq	2023	2024	2025
Scope 1	172	171	171
Scope 2 – location-based	183	188	184
Scope 3	15,235	15,439	15,894
Total GHG emissions – location-based	**15,590**	**15,798**	**16,249**
Scope 1	172	171	171
Scope 2 – market-based	96	69	55
Scope 3	15,235	15,439	15,894
Total GHG emissions – market-based	**15,503**	**15,679**	**16,120**

GHG INTENSITY PER NET REVENUE[1]

in tons of CO_2eq/CHF mn	2023	2024	2025
Total GHG emissions per net revenue – location-based	1,387.1	1,343.1	1,450.7
Total GHG emissions per net revenue – market-based	1,379.4	1,332.9	1,439.2

1 The net revenue used as a denominator refers to the net revenue stated in the consolidated income statement, in the "Consolidated financial statements" section on p.218 of the Annual Report 2025.

OUT-OF-SCOPE EMISSIONS

According to the GHGP, CO_2 emissions from biogenic sources should be reported separately from the total scope 1, 2, and 3 GHG emissions inventory. In 2025, Sika generated 56,143 tons of CO_2 emissions from biogenic sources. For scope 1, Sika's biogenic CO_2 emissions (2,541 tons of CO_2eq) relate to the consumption of biodiesel and ethanol. For scope 2, they derive from specific cases of purchased heating. For scope 3 category 12, biogenic CO_2 emissions come from the end-of-life incineration or landfilling of biobased materials and are calculated using the carbon content method (52,542 tons of CO_2eq). For scope 3 category 1, biogenic uptake represents the net biogenic uptake in biobased raw materials (367,735 tons of CO_2eq).

OUT-OF-SCOPE EMISSIONS[1]

in tons of CO_2eq	2023	2024[3]	2025
CO_2 emissions from biogenic sources (scope 1)	1,671	2,722	2,541
CO_2 emissions from biogenic sources (scope 2)[2]	0	0	1,060
Biogenic uptake in biobased raw materials (scope 3 – cat. 1)	–310,582	–356,741	–367,735
CO_2 emissions from biogenic sources (scope 3 – cat. 12)	53,279	52,352	52,542

1 Scope 1 and 2 biogenic CO_2 emissions related to biofuels and biomass are calculated based on Defra/BEIS 2024. For scope 3 category 1, biogenic uptake in biobased raw materials is based on the IPCC AR6 GWP100 impact assessment. For scope 3 category 12, biogenic CO_2 emissions are calculated based on the carbon content methodology. With 2025 re-baselining of scope 1, 2, and 3, 2023 and 2024 scope 3 biogenic CO_2 emissions have been updated accordingly.

2 In 2025, "purchased heat, steam and cooling from renewable sources" were added to the energy inventory impacting scope 2 biogenic emissions. 2023 and 2024 data have not been restated accordingly.

3 2024 figures related to vehicle fuel have been restated due to a stricter application of internal reporting rules impacting scope 1 biogenic emissions.

ENERGY MANAGEMENT

Sika's value chain depends on energy consumption, which is based on a mix of renewable and non-renewable energy sources. The reliance on fossil fuels and other finite energy sources results in GHG emissions across upstream processes, own operations, and downstream activities, thereby contributing to climate change. Recognizing these impacts, and their connectivity to the topic of climate change mitigation, Sika has identified the topic of energy as material across the value chain.

Even if Sika's own production is not energy-intensive, Sika sees itself as responsible for minimizing its impact by reducing its energy consumption and improving energy efficiency throughout its production processes.

To reduce energy consumption, Sika focuses on optimizing processes across various applications, including drying, stirring, mixing, melting, cooling, ventilation, heating processes, and pumping, as well as buildings' heating or air conditioning, and transportation.

Governance

For more information on Sika's governance on energy at Corporate, Regional, and Local level, please see the "Climate change mitigation" section on p.69 of the Sustainability Report 2025.

Targets

Sika's Strategy 2028 prioritizes energy efficiency as a key component of its net zero commitment. In addition to its focus on energy efficiency, Sika also aims at extending the share of energy from renewable sources. For more information on Sika's scope 1 and 2 GHG emissions target, please see the "Climate change mitigation" section on p.69 of the Sustainability Report 2025.

Policies and guidelines

The table below provides an overview of the key policies and frameworks that guide Sika's management approach to energy. Further details of the key content, scope, and implementation of these policies can be found in the "Policies and guidelines" chapter on p.141 and the related sub-topic sections of the Sustainability Report 2025.

SUMMARY OF POLICIES AND GUIDELINES

Sub-topics	Policies and guidelines
Energy	Values and Principles
	Code of Conduct
	Supplier Code of Conduct
	Human Rights Policy
	Trust Policy
	Responsible Sourcing Guidelines
	Product Creation Process (PCP) Manual
	Sustainability Portfolio Management (SPM) Methodology
	EHS Minimum Requirements
	Sustainability and Operations (S&O) Reporting Handbook
	Investment Manual

Actions

SUMMARY OF ACTIONS

Sub-topics	Actions	Page number(s)
Energy	Energy consumption in the upstream value chain	p.78
	Energy initiatives in own operations	p.78
	Renewable energy	p.78

ENERGY CONSUMPTION IN THE UPSTREAM VALUE CHAIN

For more information on Sika's collaborative action across the value chain, please see the "Climate change mitigation" section on p.69 of the Sustainability Report 2025, which outlines key actions with suppliers.

ENERGY INITIATIVES IN OWN OPERATIONS

In 2024, a new "Energy Initiative Tracker" tool was developed to facilitate the tracking, processing, and communication of energy savings activities worldwide. Launched in 2025, it enables all Sika locations to share insights on local projects and get inspired from best demonstrated practices taking place in other locations. The reporting on energy initiatives and their associated impacts on GHG emissions savings is included in the quarterly Sustainability Performance Reporting update to Group Management.

Energy efficiency projects are grouped into three main categories:

– Manufacturing process optimization: Initiatives focus on improving operational efficiency within production processes to minimize energy consumption without changing major equipment. This involves reducing machine idle time, streamlining changeovers between production runs, process automation, heat and energy recovery, compressed air control, and implementing energy-efficient cooling-water processes. It also includes optimizing production planning to ensure equipment operates at peak efficiency. As natural gas is the major source of Sika's direct GHG emissions, sand dryer optimization is an important focus in mortar production facilities. Installing moisture sensors connected to the control system of the dryer, active drainage systems in sand storage areas, and heat recovery systems can significantly reduce energy consumption.
– Equipment upgrade or infrastructure optimization: Initiatives refer to actions that improve the efficiency of equipment, systems, and buildings infrastructure to reduce energy consumption and associated emissions. These include replacing outdated machinery with energy-efficient models, electrifying equipment and vehicles, installing advanced building utilities such as high-efficiency heating, ventilation, and air-conditioning systems, as well as improving insulation. They also cover implementing on-site renewable energy solutions like solar panels, upgrading lighting systems to LED technology, and introducing heat recovery systems or optimized compressed air networks.
– Structural changes: Encompass strategic decisions that reshape the organization's operational footprint to achieve long-term energy and emissions reductions. Examples include consolidating multiple production sites into a single location, centralizing the production of specific products to reduce duplication, and discontinuing low-value or energy-intensive product lines. These changes often involve rethinking logistics, capacity planning, and resource allocation to maximize efficiency across the value chain.

RENEWABLE ENERGY

As part of Sika's net zero journey, ensuring a high renewable electricity rate represents a key lever for reducing scope 2 GHG emissions. Sika aims to maximize the share of renewable electricity in its operations by sourcing through various renewable instruments and by increasing self-generation of renewable energy.

Sika continues to invest in on-site renewable electricity self-production. Since 2021, an internal carbon pricing system has been implemented to encourage solar panel investments and increase self-produced renewable energy. New installations were completed in countries such as Belgium, Colombia, Czech Republic, Italy, Malaysia, Myanmar, Senegal, and Spain. Additional installations are planned for 2026.

Metrics[1]

In 2025, Sika's total energy consumption was 1,382,111 MWh, showing a +0.8% increase compared to 2024. 69.0% of the energy consumption used in Sika's operations came from fossil and nuclear sources (–2.8 percentage points compared to 2024). This includes natural gas (38.3%), other stationary fuels (4.0%) such as coal, Liquefied Petroleum Gas (LPG), light liquid fuel, as well as vehicle fuel from diesel, petrol, or LPG (17.3%). In addition, purchased electricity from fossil and nuclear sources accounts for 8.8% of the total energy consumption, while non-renewable purchased heat, steam, and cooling represent a minor portion (0.5%).

In 2025, 31.0% of Sika's total energy consumption was sourced from renewable energy, representing an increase of +2.8 percentage points compared to 2024. Purchased electricity from renewable sources accounts for 29.0% of total energy volumes. Renewable fuels include biodiesel used for industrial purposes (0.1%) and vehicle fuel from biodiesel and ethanol (0.7%). In addition, Sika expanded its energy reporting inventory in 2025 to include purchased renewable heat, steam, and cooling, which accounts for 0.3% of total energy consumption, while self-produced electricity represents 0.9%.

ENERGY CONSUMPTION AND MIX

in MWh	2023	2024[4]	2025
Coal[1]	–	–	35
Heavy liquid fuel	2	0	0
Light liquid fuel	41,661	41,526	34,645
Natural gas	503,840	506,344	529,009
Liquefied Petroleum Gas	40,348	26,184	21,140
Vehicle fuel from fossil sources	237,552	245,363	239,388
Fuel consumption from fossil sources	**823,403**	**819,417**	**824,217**
Purchased heat, steam, and cooling from fossil sources[1]	1,874	3,650	6,545
Purchased electricity from fossil and nuclear sources[2]	245,917	161,357	122,207
Total energy consumption from fossil and nuclear sources	**1,071,194**	**984,424**	**952,969**
Share of fossil and nuclear sources (%)	**78.7**	**71.8**	**69.0**
Biodiesel for industrial processes[3]	–	731	716
Vehicle fuel from renewable sources	7,097	10,548	9,808
Fuel consumption from renewable sources	**7,097**	**11,279**	**10,524**
Self-produced electricity from renewable sources	5,192	8,294	12,731
Purchased heat, steam, and cooling from renewable sources[1]	–	–	4,634
Purchased electricity from renewable sources	278,360	367,754	401,253
Total energy consumption from renewable sources	**290,649**	**387,327**	**429,142**
Share of renewable sources (%)	**21.3**	**28.2**	**31.0**
Total energy consumption	**1,361,843**	**1,371,751**	**1,382,111**

1 In 2025, "coal", "purchased steam and cooling", and "purchased heat from renewable sources" were added to the energy inventory. 2023 and 2024 data have not been restated accordingly.

2 The reporting of purchased electricity does not differentiate between the specific sources of non-renewable electricity (fossil vs. nuclear sources). Additional granularity will be implemented in the coming years.

3 In 2024, "biodiesel" was added to the energy inventory. 2023 data have not been restated accordingly.

4 2024 figures related to Liquefied Petroleum Gas and vehicle fuel have been restated due to a stricter application of internal reporting rules.

1 Energy indicators for 2023 and 2024 disclosed in this section have been restated to reflect 2024 and 2025 acquisitions (except Gulf Seal), in accordance with Sika's ESG Data Governance and the SBTi baseline for GHG emissions.

RENEWABLE ELECTRICITY

Overall, Sika's renewable electricity rate increased from 70.0% in 2024 to 77.2% in 2025 (+7.2 percentage points), driven by a higher coverage of energy attribute certificates.

In 2025, 29.0% of Sika's total energy consumption refers to purchased renewable electricity. Securing long-term renewable electricity instruments is preferable, and 54.9% of the total purchased renewable electricity is covered by those instruments. Within this long-term share, 81.6% is represented by bundled instruments, which combine both the physical electricity and its associated renewable attributes. The remaining portion consists of unbundled instruments, where renewable attributes are purchased separately from the electricity supply. However, depending on the local context, the availability of long-term green contracts can be limited. Thus, short-term solutions are used to bridge these gaps, covering 45.1% of the total purchased renewable electricity. These include short-term bundled and unbundled instruments such as RECs (Renewable Energy Certificates), I-RECs (International Renewable Energy Certificates), or Guarantees of Origins (GOs).

Additionally, self-produced renewable electricity installations were operational in 28 countries in 2025, accounting for 12,731 MWh (+53.5% vs. 2024).

SHARE OF RENEWABLE ELECTRICITY AND BREAKDOWN PER CATEGORY

in MWh	2023	2024	2025
Purchased electricity from renewable sources[1]	278,360	367,754	401,253
Purchased bundled long-term renewable electricity[2]	–	–	179,706
Purchased bundled short-term renewable electricity	–	–	20,111
Purchased unbundled long-term renewable electricity	–	–	40,522
Purchased unbundled short-term renewable electricity	–	–	160,914
Self-produced electricity from renewable sources	5,192	8,294	12,730
Total electricity consumption	**529,469**	**537,406**	**536,190**
Share of renewable sources in total electricity consumption (%)	**53.6**	**70.0**	**77.2**

1 This indicator is based on 100% green contracts, Energy Attribute Certificates (EACs) such as Guarantees of Origins (GOs), Renewable Energy Certificates (RECs), or International Renewable Energy Certificates (I-RECs), or Power Purchase Agreements. The categorization of renewable instruments has been adjusted in 2025. 2023 and 2024 data have not been restated accordingly.

2 Ethiopia, Paraguay, and Uruguay report their electricity as renewable since their local grid is 95% renewable (source: RE100 Technical Criteria 2021).

ENERGY INTENSITY PER NET REVENUE[1]

in MWh/CHF mn	2023	2024	2025
Energy intensity per net revenue	121.2	116.6	123.4

1 The net revenue used as a denominator refers to the net revenue stated in the consolidated income statement, in the "Consolidated financial statements" section on p.218 of the Annual Report 2025.

POLLUTION
SUMMARY OF MATERIAL IROs

The table summarizes key material matters related to pollution. It outlines associated impacts and risks along with expected time horizons across the value chain. All IROs have been assessed for each value chain step separately. For more information on the Double Materiality Assessment methodology and results across all ESRS topics and sub-topics, please see the “Double Materiality Assessment” section on p.47 of the Sustainability Report 2025.

SUMMARY OF MATERIAL IROs

Sub-topics	IROs	Impact materiality	Type of impact	Financial materiality	Value chain step	Time horizon
Substances of concern	Use and release of substances of concern can lead to occupational exposure and adverse impacts on the environment.	Negative impact	Actual		Upstream Own operations	Short Medium Long
	Release of substances of concern during use-phase and end-of-life due to substances contained in products can lead to occupational exposure and adverse impacts on the environment.	Negative impact	Actual		Downstream	Short Medium Long
	Regulatory implications and potential reputational loss due to transition and physical risks associated with the use of substances of concern.			Risk	Upstream Own operations Downstream	Medium Long
Substances of very high concern	Use and release of substances of very high concern can lead to occupational exposure and adverse impacts on the environment.	Negative impact	Actual		Upstream Own operations	Short Medium Long
	Release of substances of very high concern during use-phase and end-of-life due to substances contained in products can lead to occupational exposure and adverse impacts on the environment.	Negative impact	Actual		Downstream	Short Medium Long
	Regulatory implications and potential reputational loss due to transition and physical risks associated with the use of substances of very high concern.			Risk	Upstream Own operations Downstream	Medium Long

SUBSTANCES OF CONCERN[1]

Hazardous substances, including substances of concern (SOC) and substances of very high concern (SVHC), are a material topic for Sika, as these substances are procured, used in manufacturing processes, and may lead to controlled emissions during manufacturing processes, product use, and disposal or accidental release. Some of Sika's products contain these substances within legally permitted concentrations, since these types of substances can be fundamental to achieving technical requirements such as loadbearing strength and longevity of buildings and structures.

Handling these substances can cause harmful impacts on the environment and human health in case of operational incidents and can be linked to financial risks, through incident liabilities and evolving regulations. Stricter regulations and changing societal expectations add transition risks, including compliance costs, product restrictions, and reputational impact. For more information on the risk related to changing product compliance requirements and regulations, please see the Risk Management Report on p.23 of the Annual Report 2025.

Sika ensures all products comply with chemicals regulations throughout the value chain. This includes raw material sourcing, product development, manufacturing, packaging, transport, application, and disposal. The company's Group-level approach, based on the Globally Harmonized System (GHS), systematically identifies and manages substances with higher risk potential, complementing local legal requirements and helping protect health, safety, and the environment.

Governance

CORPORATE LEVEL

The Global Regulatory & Product Compliance (RPC) team, reporting to Head Global Quality & EHS, oversees Sika's product compliance at Corporate level. It manages the global Product Compliance Database, defines and communicates global rules and guidelines, and maintains an expert network. Key activities include screening emerging regulatory developments affecting Sika products, monitoring Safety Data Sheets (SDSs) coverage, ensuring proper data maintenance in the database, and coordinating product classification and monitoring of potential hazards related to raw materials in line with local, regional, and international regulations.

Additionally, the team supports regions, areas, and local companies in implementing RPC processes, provides resources, expertise, and internal training, and facilitates information exchange on regulatory developments. It also supports due diligence and integration processes for acquisitions, supply chain and export control, and regulatory support of technology, sustainability, and product development.

These responsibilities are divided between two specialized teams within the RPC organization, each concentrating on key areas of product compliance and stewardship:
– The Global Product Stewardship team manages raw material and chemical substance databases, maintains product safety and labeling rules, and provides global stewardship tools via the Product Compliance Database. It also acts as a GHS support center and delivers regular training to regional and local teams.
– The Global Regulatory Affairs team oversees the compliance of the Sika Group with chemical regulations, supports local management, and prepares registration dossiers for substances and products in cooperation with the R&D functions. It also coordinates cross-functional compliance programs with corporate functions and local expert teams, enabling product notification and registration for market access.

1 Covering hazardous substances, including substances of very high concern.

The Sika Substance Risk Management (SSRM) team consists of corporate and regional representatives from Product Stewardship, Regulatory Affairs, Sustainability, and R&D. This group evaluates substances with elevated risk potential according to GHS classification, recommends phase-out priorities, informs relevant corporate and local expert teams, marketing, operations, and R&D, and consults Group Management. To further strengthen global efforts to reduce hazardous substance use, an expanded SSRM Steering Team, including corporate functions such as Procurement, ESG Controlling, as well as regional marketing and R&D functions, oversees the implementation and progress of reduction plans across regions.

The Head of Global Operations & EHSQ, together with Global EHSQ and Global and Regional Regulatory and Product Compliance, R&D, and Sustainability Leads, is responsible for implementing the SSRM policy. The Chief Innovation and Sustainability Officer acts as the framework sponsor, maintaining oversight and receiving biannual updates on the implementation plan.

REGIONAL LEVEL

The regional Regulatory & Product Compliance team is responsible for rolling out RPC processes, querying local requirements, and supporting countries in setting and targeting RPC objectives, as well as organizing training and development programs. The regional Product Stewardship team is responsible for data maintenance and classification of regional/area products, creation of SDSs, support for label creation in certain areas, and checking and notifying modifications of chemical substances.

LOCAL LEVEL

The responsibility for the products sold in the individual Sika countries lies with the local organizations, and ultimately with the General Manager. With support from the global and regional Product Stewardship teams, local line management has the overall responsibility for ensuring that all products placed on the market meet local legislation requirements, as well as assigning a Product Stewardship role to manage raw materials and finished goods data, customer safety information, and labeling. The local Product Stewardship team ensures that all products comply with local legal requirements and follow the Sika Global Regulatory Product Compliance (RPC) rules. Their responsibilities include SDS compliance, packaging and labeling control and compliance, labeling and SDS approval, and providing product safety support to the local organization and customers.

Targets

Within the framework of Strategy 2028, Sika has stated its ambition to reduce usage of hazardous substances through the definition of a reduction plan for selected hazardous materials. Progress on the reduction plan is tracked through the SSRM process, described in the “Actions” section below.

Policies and guidelines

The table below provides an overview of the key policies and frameworks that guide Sika’s management approach to pollution. Further details of the key content, scope, and implementation of these policies can be found in the “Policies and guidelines” chapter on p.141 and the related sub-topic sections of the Sustainability Report 2025.

SUMMARY OF POLICIES AND GUIDELINES

Sub-topics	Policies and guidelines
Substances of concern, Substances of very high concern	Values and Principles
	Code of Conduct
	Supplier Code of Conduct
	Human Rights Policy
	Trust Policy
	Responsible Sourcing Guidelines
	Sika Substance Risk Management (SSRM) Policy
	Regulatory and Product Compliance Guidelines
	Product Creation Process (PCP) Manual
	Sustainability Portfolio Management (SPM) Methodology
	Labeling Guidelines
	Hazard Analysis and Risk Management Policy
	EHS Minimum Requirements

Actions

SUMMARY OF ACTIONS

Sub-topics	Actions	Page number(s)
Substances of concern, Substances of very high concern	Regulatory screening and association activities	p.84
	Sika Substance Risk Management	p.84
	Sika reduction plan	p.84
	Product creation process (PCP)	p.85
	Sustainability Portfolio Management (SPM)	p.85
	Merger and acquisition safeguards	p.85
	Product safety and labeling	p.85
	Supplier engagement	p.86
	Training for employees	p.86
	Training for customers and product users	p.86

REGULATORY SCREENING AND ASSOCIATION ACTIVITIES

Sika continuously follows regulatory, scientific, and toxicological developments on chemical substances. This also provides the company with early knowledge of future regulatory changes and requirements. Through active participation in industry associations like FEICA and CEFIC, Sika monitors the development of EU Chemicals Strategy for Sustainability (EU CSS) topics such as REACH review, Classification, Labeling and Packaging (CLP) regulation reform, restriction roadmaps, etc. Cross-functional expert teams discuss and evaluate all related regulatory impacts and coordinate responses, including substitution strategies at global and regional level.

SIKA SUBSTANCE RISK MANAGEMENT

Coordinated by the Regulatory & Product Compliance team, the Sika Substance Risk Management (SSRM) process aims at reducing hazardous substances from products and production processes wherever possible. The company continuously refines the SSRM process to further accelerate progress in this important area and to regularly review and evaluate the use of hazardous substances.

The Sika Substance Risk Management (SSRM) Policy regulates the use of defined hazardous substances in Sika operations and in products. Depending on the category, Sika prohibits or restricts the use of these substances in products above a defined concentration limit. Sika has defined two categories according to GHS as a basis for the assessment of the SSRM:

- Category 1: Substances which shall not be used above the concentration limits in any products sold (both manufactured and trading products), materials handled in manufacturing plants, or in the supply chain. Only substances used for R&D purposes are exempt.
- Category 2: Substances which may be used in controlled manufacturing processes if the defined concentration limits are not exceeded in the final product.

The SSRM applies a multi-factor risk assessment that includes considerations beyond regulatory listing. Substances are assessed according to their GHS classification, exposure potential, environmental persistence, reputational impact, and substitution feasibility. While many Category 1 substances are listed on the EU REACH Candidate List of Substances of Very High Concern (SVHC), the SSRM classification is not directly aligned with the SVHC list. Therefore, some SVHC-listed substances may not be assigned to Category 1 of SSRM if their use is legally compliant, tightly controlled, their risk mitigated, and no viable alternatives are available.

This approach ensures that Sika's substance management is both regulatory-compliant and risk-responsive, supporting safe innovation while minimizing environmental and health impacts. For more information on Sika's process safety and risks management approach, please see the "Health and safety" section on p.114 of the Sustainability Report 2025.

SIKA REDUCTION PLAN

In 2023, Sika established its own priority list of "focus substances". This list is updated every year and substances contained on this list must be checked for replacement by alternatives in all processes defined in the Sika Product Creation Process (PCP) and processes of Regulatory & Product Compliance. The list builds on the two SSRM categories described above and on substances which pose health and environmental risks.

The SSRM process enforces these restrictions and manages exemptions through rigorous risk assessments led by the Regulatory and Product Compliance Steering team. Under the coordination of the SSRM Steering team, specific reduction and phase-out plans are defined for prioritized hazardous substances. These plans combine short-, medium- and long-term actions such as removal from the portfolio, reformulation/substitution, process modifications, product and processes innovation focus in R&D, and supplier engagement and collaboration for low-risk substitutes.

In 2025, several action plans were implemented under the SSRM framework:

- Reduction plans were developed for the ten most critical substances. For example, in the region Asia/Pacific, one of the focuses for the year under review was on the elimination of formaldehyde as a raw material. The first phase has already been successfully completed, and the action plan will continue to be rolled out. This important shift is being led by a cross-functional team of Regional Procurement, Regional Product Stewardship and R&D, together with Global Product Stewardship.
- Various activities are currently in progress to reformulate products to be PFAS-free. For example, in Latin America, products with PFAS were replaced across a range of applications used in the mining industry.

PRODUCT CREATION PROCESS (PCP)

Product design aligned with circular economy principles is embedded in the Sika Product Creation Process (PCP), guiding development toward sustainable and resource-efficient solutions. The PCP is Sika's standardized global framework for developing new products and managing innovation. It integrates quality assurance and sustainability into every stage of product development. PCP ensures that all new products meet performance, safety, and sustainability requirements before market launch. Within PCP, strict substance management requirements ensure early integration of safety and compliance. The priority list of substances of concern as defined under the SSRM is embedded in the PCP process where these substances must be reviewed for substitution by alternative substances across all PCP stages.

SUSTAINABILITY PORTFOLIO MANAGEMENT (SPM)

Complementing SSRM, the Sustainability Portfolio Management framework (SPM) ensures that products positioned as sustainable meet not only SSRM requirements but also current and emerging global regulations. Integrated into the PCP, the SPM enhances transparency and enables early decision making by assessing risks for all substances, regardless of SSRM classification. Together, these processes drive the substitution of hazardous chemicals, reinforce compliance, and embed circular economy principles, such as minimizing hazardous substances, improving durability, and enabling recyclability throughout the entire product life cycle.

Among key focus areas of the SPM, three Sustainability categories relate to hazardous substances:

- Category 3 "Chemical Hazard and Exposure": Product evaluation based on human and environmental exposures, assessing any potential risks.
- Category 4 "Regulatory Trends and Forthcoming Regulation": Substances used in products are evaluated based on current and upcoming regulations as well as globally relevant conventions (e.g., Montreal Protocol, Stockholm Convention, Rotterdam Convention, IARC list, California Prop. 65, REACH Annex XIV and XVII, REACH Candidate List of Substances of Very High Concern).
- Category 6 "Health and Safety": Product assessment for safety, exposure to chemical substances, and prevention of physical injuries during the production process and in their application.

For more information on the SPM, please see the "Resource use and circular economy" section on p.97 of the Sustainability Report 2025.

MERGER AND ACQUISITION SAFEGUARDS

In the due diligence process for mergers and acquisitions, the teams involved, such as EHS, Regulatory & Product Compliance, and Legal, collect information including substance and material management, substances of concern, and environmental compliance. Potential acquisitions can be stopped if the analysis of a company's product portfolio does not meet the necessary requirements.

PRODUCT SAFETY AND LABELING

Sika implements precautionary measures to mitigate risks related to product safety, providing clear instructions on occupational safety, equipment use, and safe transport and storage. Safety Data Sheets (SDSs) and Product Data Sheets (PDSs) are regularly reviewed and are accessible via local Sika company websites. Sika chemical products must be accompanied by an SDS in compliance with the country's legal requirements and in the required local language when distributed or sold. Packaging and labeling must meet local compliance standards, as well as the Sika branding and labeling rules. SDSs are maintained through the global Product Compliance Database and must be updated at least every two years. This is monitored by Global Regulatory & Product Compliance and reported quarterly to all responsible Area Managers, General Managers, Regional Operations Managers, EHS Managers, and Product Stewards.

No significant violation of regulations related to the health and safety impact of products was reported in 2025.[1]

Sika complies with all laws and regulations concerning product and service information and labeling. All entities of the Sika Group must be compliant with local laws and regulations. No significant violation of regulations related to product and service information and labeling was reported in 2025.[1]

1 Based on the data collected through the ESG Confirmation.

SUPPLIER ENGAGEMENT

At supplier level, it is important that the chosen suppliers are committed to the same standards as Sika. Suppliers must operate in full compliance with all laws, regulations, and international standards applicable both to their operations and products, as highlighted in the Supplier Code of Conduct. Suppliers shall provide Sika with all required product safety and labeling documentation and ensure full compliance with all applicable product safety regulations, in particular concerning dangerous goods and hazardous substances.

In the context of reduction plans, Sika actively engages with suppliers to increase transparency around the chemical composition of materials to maintain a detailed substance inventory. Sika collaborates closely with suppliers to identify affected materials and to jointly research and implement low-risk substitutes. These partnerships may also extend to coordinated efforts to phase out hazardous materials from the supply chain. As suppliers implement their own phase-out plans for certain substances, Sika works with them to identify and evaluate suitable alternatives, accelerating the transition away from hazardous materials where possible. For example, in 2025, several suppliers announced plans to transition to PFAS-free product portfolios, resulting in the identification and evaluation of suitable alternatives in all Sika countries that procure affected materials from such suppliers.

For substances such as PFAS, where regulatory requirements are still evolving and not all necessary information is available on raw materials' SDSs, Sika relies on supplier-provided data. This engagement enhances transparency and ensures the collection of critical information needed to support the phase-out or substitution of high-risk substances. Continuous engagement with suppliers is therefore essential to make progress.

For more information on Sika's Supplier Relationship Management approach, please see the "Management of relationships with suppliers" section on p.139 of the Sustainability Report 2025.

TRAINING FOR EMPLOYEES

Regular internal training and education for local Product Stewards and Regulatory Affairs Managers is provided in all regions and areas at least every two years. Such training programs update local teams on regulations, on the Globally Harmonized System (GHS) of Classification and Labeling of Chemicals, and on the impact of the Product Compliance Reporting tool.

In 2025, the Global Product Stewardship team organized 296 training sessions, involving 1,456 Sika employees from various functions (Product Stewardships, Regulatory Affairs, EHS, Risk & Crisis Management, Procurement, Marketing, and R&D) in all Sika regions (EMEA, Asia/Pacific, Americas).

In EMEA, two European Regulatory and Product Compliance workshops were hosted for regional, area, and local product stewards: These sessions addressed a broad range of topics, including guidance on the newly introduced automated report process for product compliance aligned with the "Do No Significant Harm" criteria for Pollution Prevention and Control[1] as well as SPM, PFAS and hazardous substances reduction plan, among other areas. For employee training programs related to process safety, please see the "Health and safety" section on p.114 of the Sustainability Report 2025.

TRAINING FOR CUSTOMERS AND PRODUCT USERS

Customer health and safety is crucial for Sika and is factored into product development processes (formulation work, system design, etc.) where product characteristics are determined.

To ensure safe and effective product use, Sika provides customers and product users with comprehensive training opportunities. These include application training sessions, free interactive online courses, and access to a dedicated training platform and technical knowledge articles via the ↗ **Knowledge Center** available on Sika's corporate webpage.

Sika Service Centers are located around the world, and are dedicated to providing best practice selection, validation, and application of Sika process materials. By maintaining a strong local presence, Sika's technical teams deliver training and guidance in local languages, ensuring clear communication and understanding throughout the technical application process. Expert support is available across all project phases, from conceptual design and construction to long-term maintenance and refurbishment.

Sika's specialized solutions (e.g., roofing systems, industrial flooring, structural adhesives) often require trained applicators and strict adherence with technical standards. These products are not marketed for DIY or general retail because improper application could lead to performance failures or safety hazards.

1 As outlined in the Appendix of the EU Taxonomy Delegated Act.

Metrics[1]

To monitor the share of net revenue associated with products containing categorized substances, any product that contains a substance falling under one of the defined hazardous substance categories is included.

The development of the metrics over time may be influenced by changes in the scope of Sika's product portfolio and evolving regulatory classifications. The integration of acquisitions can introduce products with differing substance compositions or hazard categorizations, which may increase or decrease the share of revenue associated with certain listed substance categories. Similarly, regulatory updates may cause substances to be newly classified or reclassified, affecting the reported metrics even if product formulations remain unchanged.

PRODUCTS CONTAINING CATEGORY 1 SUBSTANCES[2]

In 2025, 45 substances are classified under Category 1; some are included in the REACH list of SVHC (37 in 2024). For the year under review, the involved products generated less than 0.8% of total sales.

SHARE OF NET REVENUE WITH PRODUCTS CONTAINING CATEGORY 1 SUBSTANCES

in %	2024	2025
Share of net revenue with products containing Category 1 substances	0.7	0.8

PRODUCTS CONTAINING SUBSTANCES OF VERY HIGH CONCERN (SVHC)

Sika has generated 5.7% of its global turnover with substances listed in the EU Candidate List of Substances of Very High Concern (SVHC) above 0.1% by weight (previous year: 5.1%).

SHARE OF NET REVENUE WITH PRODUCTS CONTAINING SVHC

in %	2023	2024	2025
Share of net revenue with products containing SVHC	4.7	5.1	5.7

PRODUCTS CONTAINING PERSISTENT ORGANIC POLLUTANTS

As of the end of 2025, Sika did not generate any revenue with products listed under the EU Persistent Organic Pollutants (POPs) Regulation.

PER- AND POLYFLUOROALKYL SUBSTANCES (PFAS)

Sika is not a PFAS producer and the amount of PFAS used in product formulations is very small. In 2025, products containing PFAS accounted for 0.4% of total sales (2024: 0.5%). The evaluation of MBCC's portfolio is ongoing.

SHARE OF NET REVENUE WITH PRODUCTS CONTAINING PFAS

in %	2023	2024	2025
Share of net revenue with products containing PFAS	0.4	0.5	0.4

1 The net revenue used as a denominator in this section refers to net revenue stated in the consolidated income statement, in the "Consolidated financial statements" section on p.218 of the Annual Report 2025. The scope of substances assessed does not systematically cover all MBCC entities nor 2024 and 2025 acquisitions, since the integration process is ongoing.

2 The number of substances considered under Category 1 is subject to change depending on regulatory changes, new listings, changes to the global harmonization system or acquisitions. For the definition of Category 1 substances, please see the "Sika reduction plan" paragraph on p.84 of the Sustainability Report 2025.

WATER[1]
SUMMARY OF MATERIAL IROs

The table summarizes key material matters related to water. It outlines associated impacts and expected time horizons across the value chain. All IROs have been assessed for each value chain step separately. For more information on the Double Materiality Assessment methodology and results across all ESRS topics and sub-topics, please see the “Double Materiality Assessment” section on p.47 of the Sustainability Report 2025.

SUMMARY OF MATERIAL IROs

Sub-topics	IROs	Impact materiality	Type of impact	Financial materiality	Value chain step	Time horizon
Water	Contribution to increased pressure on availability and quality of water resources due to water usage in (withdrawal, consumption, discharge).	Negative impact	Actual		Upstream Own operations	Short Medium Long
	Reduced water usage for products needed during use-phase.	Positive impact	Actual		Downstream	Short Medium Long

1 Marine resources, which are part of the ESRS topic along with water, are not further addressed in this chapter, as no material matters were identified through the DMA.

WATER MANAGEMENT

Water availability is a crucial need along Sika's value chain. Water is needed for the following uses:

- Input material: Some Sika products are water-based in the product range of concrete admixtures, coatings, and adhesives solutions, among others.
- Direct operations: Water is used directly in Sika's operations for process and cooling purposes but also for cleaning.
- Indirect operations: Water is not only used by suppliers in their operations but also by customers when using or applying some of Sika's products. Water can be a mixing component or used for cleaning tools once the product has been applied.

By using water, Sika's value chain contributes to pressures on the availability and quality of water resources, which, depending on the state of the water basin, may lead to consequential impacts. Sika promotes the sustainable use of resources, which includes the aim to reduce environmental impacts throughout its operations and product portfolio. Part of Sika's product portfolio enables a lower water footprint due to higher water efficiency during the use phase. In addition, Sika offers a broad range of products for water infrastructure, which helps to prevent water leaks and contamination.

As water scarcity and water-related extreme weather events intensify in many regions of the world, this may pose a threat to business operations. Especially in areas where freshwater is scarce, businesses may be exposed to water shortages, lower water quality, water price volatility, and reputational risks. Therefore, Sika continues to implement dedicated water efficiency initiatives globally to reduce the amount of freshwater withdrawal and optimize water-related production processes.

Governance

CORPORATE LEVEL

Under the leadership of the Chief Innovation & Sustainability Officer and the Head Global Operations & EHSQ, the Sustainability Leadership team coordinates Group-wide projects and initiatives aligned with Sika's Strategy 2028 targets on water and waste. The team supports corporate and regional organizations, such as R&D, Operations, and Target Markets, in developing and implementing related action plans. In addition, corporate functions are responsible for providing guidance, methodologies, and practical tools to enable regional and local stakeholders to translate Group-wide initiatives into actionable plans and ensure consistent implementation across all levels.

REGIONAL LEVEL

At the regional level, Regional Sustainability Managers coordinate the implementation of Sika's Strategy 2028. Together with Regional EHS and Operations managers, they support local subsidiaries in defining and developing roadmaps on water and waste and in executing Group initiatives.

LOCAL LEVEL

At the local level, Local Sustainability Managers are responsible for planning water and waste reduction initiatives and developing corresponding country-level roadmaps, with the support of General Managers, Operations & EHSQ, Target Markets, and R&D Managers.

For more information on governance, please see the "Sustainability organizational structure" section on p.44 of the Sustainability Report 2025.

Targets

As part of Strategy 2028, Sika has set the strategic and voluntary target of reducing water discharge per ton sold by –15% as compared to the 2023 baseline[1]. This focus aims at minimizing water discharge volumes, increasing the proportion of reused and recycled wastewater, and treating wastewater using low-carbon technologies in line with net zero targets. Considering the water mitigation hierarchy, the target addresses multiple layers, prioritizing measures that reduce freshwater demand at the source, followed by measures that enhance water usage efficiency and promote reuse.

Since 2024, the compensation scheme of Group Management and Sika Senior Managers has been linked to the performance regarding water discharge per ton sold. For more information, please see the "Sustainability organizational structure" section on p.44 of the Sustainability Report 2025.

Policies and guidelines

The table below provides an overview of the key policies and frameworks that guide Sika's management approach to water. Further details of the key content, scope, and implementation of these policies can be found in the "Policies and guidelines" chapter on p.141 and the related sub-topic sections of the Sustainability Report 2025.

SUMMARY OF POLICIES AND GUIDELINES

Sub-topics	Policies and guidelines
Water management	Values and Principles
	Code of Conduct
	Supplier Code of Conduct
	Human Rights Policy
	Trust Policy
	Responsible Sourcing Guidelines
	Product Creation Process (PCP) Manual
	Sustainability Portfolio Management (SPM) Methodology
	EHS Minimum Requirements
	Sustainability and Operations (S&O) Reporting Handbook
	Investment Manual

Actions

SUMMARY OF ACTIONS

Sub-topics	Actions	Page number(s)
Water	Water initiatives in own operations	p.91
	Water discharge parameters	p.91
	Water stress in own operations	p.91–92
	Upstream value chain case study – focus on water stress	p.93
	Supply Chain Due Diligence	p.93
	Training for suppliers	p.94
	Sustainability Portfolio Management (SPM)	p.94
	Products and solutions for water efficiency	p.94

1 Verona (Italy), Sarnen (Switzerland), and Innsbruck (Austria) withdraw large quantities of water for cooling processes and then discharge it back to original sources with negligible losses or variation in quality. Hence, those three sites have been excluded from the water discharge target set under Strategy 2028.

WATER INITIATIVES IN OWN OPERATIONS

Sika has defined three focus areas for water efficiency levers, aimed at driving water stewardship and responsible water use:

– Avoid: Water withdrawals are prevented through reduction and reuse initiatives, such as optimizing cleaning and cooling processes.
– Reduce: This includes minimizing water consumption during production and cleaning by implementing tailored production matrices and optimizing workflows and process parameters. The use of closed-loop systems allows water to be recirculated, while improvements to cooling processes further enhance efficiency. Losses are prevented through leakage detection and repair. Additionally, flow reducers and automatic valves are installed in R&D laboratories and social areas, and products are designed to require less water during manufacturing.
– Reuse: Including recycling process water or capturing rainwater for non-potable uses, which helps reduce reliance on external freshwater sources. Some facilities have their own wastewater treatment installation, enabling reuse of treated wastewater in production, cooling, cleaning, or sanitary processes through methods such as sedimentation, distillation, or filtration.

Water reduction levers at Sika

AVOID

Eliminate unnecessary water use at the source.

REDUCE

Minimize water intake and usage through efficiency and process optimization.

REUSE

Treat and reuse water internally to reduce freshwater demand.

WATER DISCHARGE PARAMETERS

All local companies must discharge water in accordance with applicable legislation and permit conditions, either to public sewage systems, or directly to surface waterbodies or to underground water formations. All local companies must comply with applicable laws, permits, and regulatory requirements governing water discharge. Effluent quality is monitored against key parameters such as pH, temperature, chemical oxygen demand (COD), and suspended solids – to ensure full alignment with local regulatory thresholds.

WATER STRESS IN OWN OPERATIONS

According to the World Resource Institute (WRI) Aqueduct tool[1], 150 manufacturing sites in 44 countries are located in areas with extremely high- or high-water stress. As part of Strategy 2028, the focus on water stress areas and related mitigation plans is being strengthened to reduce freshwater usage. Sika will perform a comprehensive water risk assessment and prioritize factories that are exposed to significant water risks. Building on the outcomes of the Aqueduct tool assessment, Sika will also leverage insights from the WWF Water Risk Filter to further extend the understanding of potential water-related pressures and risks.

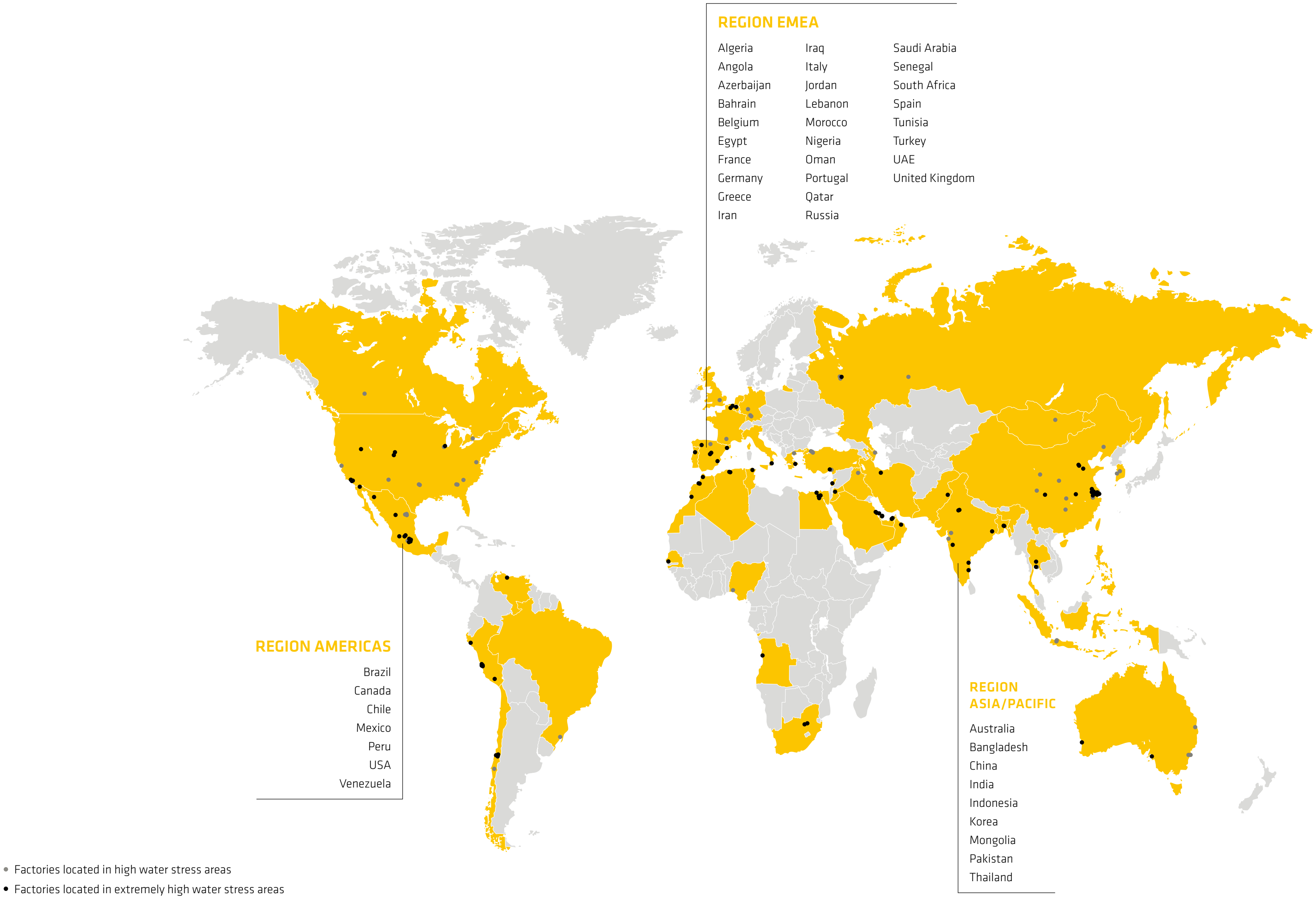
Not only water stress but also other water-related physical risks are monitored by the company. More information on the assessment of Sika's direct exposure to water-related risks is available in the "TCFD recommendations" section on p.56 of the Sustainability Report 2025.

MANUFACTURING SITES IN WATER STRESS AREAS

in numbers	Factories in extremely high water stress	Factories in high water stress
EMEA	41	17
Americas	26	18
Asia/Pacific	28	20
Group	**95**	**55**

1 Using the ↗ **Aqueduct Water Risk Atlas**, Sika identifies the projected exposure of each manufacturing location to baseline water stress. Baseline water stress measures the ratio of demand for water by human society divided by available water. It is an indicator of competition for water. Locations facing extremely high water stress (>80%) and high water stress (40–80%) were identified by applying the indicator "BSW" (Baseline Water Stress).

Water stress map – manufacturing sites



UPSTREAM VALUE CHAIN CASE STUDY – FOCUS ON WATER STRESS

To establish an initial understanding of water-related pressures linked to Sika's upstream supply chain, the scope of this case study was defined using the Science Based Targets Network (SBTN) High Impact Commodity List[1]. SBTN identifies high-impact commodities as raw and value-added materials that are known to have material links to key drivers of biodiversity loss, resource depletion, and ecosystem degradation. For this preliminary analysis, two commodities, cement and sand, were selected from Sika's raw material portfolio, focusing on tier 1 suppliers in the USA. According to SBTN and ENCORE[2] documentation, both commodities are associated with a range of environmental impacts, including water use and freshwater pollution, which are key drivers of water stress as they affect the availability and quality of water resources.

To map commodity impacts to water stress impact at river basin level, 58 supplier locations in the USA were analyzed using the WRI Aqueduct tool. Of these, nine locations are in areas with extremely high water stress, and eleven are in high water stress areas.

Through the assessment of supplier locations in water stress areas for such high-impact commodities, Sika can identify and prioritize geographical areas with heightened risk, informing supplier management processes and supporting targeted mitigation efforts. In the coming years, Sika will further investigate how raw materials sourced may contribute to material pressures on water considering both commodity-specific and geographical factors.

Water stress assessment at the supplier level also supports Sika's climate-risk analysis and TCFD implementation by informing water risk management. In addition to water stress, other water-related physical risks are monitored as part of Sika's climate-risk assessment. More information is available in the "TCFD recommendations" section on p.56 of the Sustainability Report 2025.

Sika will also develop supplier engagement plans to address water stress risks. These plans will focus on building a shared understanding of water, reviewing existing water management and mitigation action plans, and providing training to help suppliers integrate water initiatives into their operations, with the aim of promoting responsible resource use and environmental management across the supply chain.

1 ↗ **SBTN's High Impact Commodity List (HICL)**

SUPPLY CHAIN DUE DILIGENCE

This section highlights the elements of the due diligence process that incorporate specific environmental considerations, such as water management. Information on supplier development, corrective actions, and termination procedures, which correspond to steps four and five of Sika's Supply Chain Due Diligence approach are not detailed here, as they apply generally to all identified topics rather than specifically to environmental management. For more information on these steps, please see the "Workers in the value chain" section on p.126 of the Sustainability Report 2025.

PRE-EVALUATION AND ESG RISK ASSESSMENT

As part of the EcoVadis assessment, where deemed relevant, companies may be asked to provide information on water management and consumption. These questions aim to evaluate how suppliers manage environmental impacts beyond GHG emissions, ensuring responsible resource use and environmental protection.

QUALIFICATION

At supplier level, it is important that the chosen suppliers are committed to the same sustainability standards as Sika. Suppliers must operate in full compliance with all applicable laws, regulations, and international standards – including health, safety, and environmental laws and regulations – effective both for their operations and products. A core pillar of Sika's supplier qualification process is the Sika Supplier Code of Conduct, which sets Sika's expectations for the supplier network, as well as clear rules and guidelines on environmental standards that must be implemented by Sika suppliers. Accordingly, suppliers ensure the safe management of waste, air emissions, and wastewater discharges along their own supply chain and strive for increased resource efficiency, by means of energy-efficient and environmentally friendly technologies to reduce the use of finite resources, energy consumption, waste, wastewater, pollution, GHG emissions, and any other negative impact on biodiversity, the environment, health, or safety.

EVALUATION

The Together for Sustainability (TfS) and Sika audit checklists include targeted questions on sustainable water management. These cover aspects such as monitoring systems, compliance with regulatory requirements, and processes for responsible water management. These evaluation criteria ensure that suppliers implement adequate measures to manage water responsibly.

2 ↗ **ENCORE** (Exploring Natural Capital Opportunities, Risks and Exposure) was developed by a partnership consisting of Global Canopy, UNEP FI, and UNEP-WCMC. ENCORE is a tool used to assess the dependencies and impacts of different economic sectors and subsectors.

TRAINING FOR SUPPLIERS

Sika continuously leverages externally provided sustainability-related training and webinars for suppliers. Central to this effort is the TfS Academy, which offers a comprehensive set of environmental e-learning modules to strengthen suppliers' knowledge and practices. These include dedicated courses on environmental management systems, highlighting the importance of prevention and control of pollution and GHG emissions, as well as resource optimization and waste reduction. Another course focuses on water, addressing strategies and best practices for responsible water management and water discharge standards.

For more information on supplier engagement, development, and the TfS framework, please see the "Workers in the value chain" section on p.126 of the Sustainability Report 2025.

SUSTAINABILITY PORTFOLIO MANAGEMENT (SPM)

As part of the sustainability evaluation under the SPM framework, Sustainability Category 9 "Resources and Circularity" addresses resource efficiency, including water, by evaluating the product's water footprint during manufacturing processes and downstream application/use.

For more information on the SPM framework, please see the "Resource use and circular economy" section on p.97 of the Sustainability Report 2025.

PRODUCTS AND SOLUTIONS FOR WATER EFFICIENCY

To support the sustainable use of water during the products' use-phase and align with evolving market and regulatory trends, Sika is developing solutions to enhance water efficiency and quality and to improve water retention:

- Water reservoirs: Sika provides waterproofing and protective lining systems, which are designed to meet stringent public water authority standards and can be customized for the unique requirements of each customer project. These solutions help ensure the safe storage and quality of potable water.
- Water dams: Sika solutions such as joint sealing systems, injection technologies, and repair mortars enhance the durability and performance of dams and other types of hydraulic structures. By extending the life cycle of critical infrastructure, these solutions help reduce both construction and operating costs.
- Sewage and wastewater treatment plants: Sika offers solutions to prevent leaks and protect water quality in both new construction and maintenance projects, including chemical-resistant linings, flexible joint sealing systems, and robust flooring solutions.
- Concrete admixtures: Sika's portfolio includes admixtures that enable the production of high-performance concrete with significantly reduced water usage.

1 2023 and 2024 water indicators disclosed in this section have been restated to reflect 2024 and 2025 acquisitions (except Gulf Seal), in accordance with Sika's ESG Data Governance. A building divestment in Sarnen (Switzerland) in 2025, resulted in a reduced water withdrawal, water usage, and water discharge of 259,654 m³ (8.0% of water discharge at Group level) compared to 2024. The previous years have not been restated in accordance with Sika's ESG Data Governance.

Metrics[1]

WATER WITHDRAWAL

Water is withdrawn across the operations from public supply (52.3%), groundwater wells (46.4%), surface waterbodies (0.8%), and rainwater (0.5%). In line with water usage, the total volume of water withdrawal decreased by –5.4% compared to 2024.

BREAKDOWN OF WATER WITHDRAWAL PER SOURCE

in m³	2023	2024	2025
Public supply	2,277,745	2,300,128	2,344,190
Groundwater	2,320,721	2,379,310	2,079,837
Surface water	60,712	37,386	36,685
Rainwater	23,891	20,770	22,360
Total water withdrawal[1]	**4,683,069**	**4,737,594**	**4,483,072**

1 Including the volume of water used as an input material.

WATER USAGE AND WATER CONSUMPTION

In its direct operations, Sika used approximately 4.5 million m³ of water (–5.4% compared to 2024). Nearly one-third of the water used at Sika serves as an input material for products (32.1%), with 0.9% coming from reused water. Water is also used for processing and cooling (52.1%), as well as for sanitary purposes (15.8%).

BREAKDOWN OF WATER USAGE PER TYPE

in m³	2023	2024	2025
Water in products	1,338,898	1,391,590	1,440,970
Thereof water reused in products[1]	–	13,933	13,239
Process and cooling water	2,533,701	2,592,709	2,341,811
Sanitary water	818,685	765,062	708,166
Total water usage[2]	**4,691,284**	**4,749,361**	**4,490,947**

1 In 2024, "water reused in products" was added as a new category in the water reporting. 2023 data have not been restated accordingly.
2 The difference between water withdrawal and water usage is related to water storage and water reused.

A significant portion of the process and cooling water used in operations (73.8%) comes from three sites: Verona (Italy), Sarnen (Switzerland), and Innsbruck (Austria). These factories withdraw large quantities of water for cooling processes and then discharge it back to the original sources with negligible losses or variation in quality.

In 2025, the water consumption was around 1.6 million m^3 of water (+4.3% compared to 2024). This increase is in line with the increase of water used as an input material (+3.5% compared to 2024).

WATER INTENSITY PER NET REVENUE[1]

	2023	2024	2025
Water consumption (m^3)	1,459,939	1,493,660	1,557,636
Water intensity per net revenue (m^3/CHF mn)	129.9	127.0	139.1

1 The net revenue used as a denominator refers to the net revenue stated in the consolidated income statement, in the "Consolidated financial statements" section on p.218 of the Annual Report 2025.

WATER DISCHARGE

In 2025, the water discharge was 69.4 liters per ton sold, a decrease of –3.4% compared to 2024, and a decrease of –10.3% compared to 2023 baseline. This improvement is mainly driven by the continuous implementation of water initiatives.

WATER DISCHARGE PER TON SOLD[1]

in liter per ton sold	2023	2024	2025
Water discharge intensity per ton sold	77.3	71.8	69.4

1 Verona, Sarnen, and Innsbruck withdraw large quantities of water for cooling processes and then discharge it back to original sources with negligible losses or variation in quality. Hence, those three sites have been excluded from the water discharge target set under Strategy 2028.

Including the three sites that are not in the scope of the Strategy 2028 water discharge target (Verona, Sarnen, and Innsbruck), the water discharge per ton sold was 170.5 liter per ton sold, a decrease of –9.7% compared to 2024.

BREAKDOWN OF WATER DISCHARGE PER DESTINATION

in m^3	2023	2024	2025
Sewage	1,059,693	1,041,820	997,037
Surface water	919,553	944,740	1,035,448
Groundwater	1,171,876	1,190,340	828,109
Off-site treatment[1]	72,007	67,033	64,842
Total water discharge	**3,223,129**	**3,243,933**	**2,925,436**

1 The indicator "Water sent off-site for treatment" captures the water that is treated off-site by a third-party. It includes effluents (treated or untreated wastewater) including wastewater that shall be disposed separately due to local regulations.

In 2025, Sika discharged 2.9 million m^3 of water, representing a reduction of –9.8% compared to 2024. Of the total discharged water, 35.4% was discharged directly into surface water bodies, 34.1% was sent to sewers or sewage plants, and 28.3% was discharged into groundwater formations. Additionally, 2.2% of water discharged was sent off-site for treatment by a third-party.

WATER WITHDRAWAL, USAGE, AND DISCHARGE IN WATER STRESS AREAS

in m^3	2023	2024	2025
Public supply	960,181	991,750	1,031,328
Groundwater	123,584	122,249	110,006
Surface water	14,138	5,959	0
Rainwater	3,697	1,974	1,540
Total water withdrawal	**1,101,600**	**1,121,932**	**1,142,874**
Water in products	722,616	773,305	793,838
Thereof water reused in products[1]	–	3,299	2,862
Process and cooling water	124,039	101,899	117,602
Sanitary water	257,709	249,969	234,428
Total water usage	**1,104,364**	**1,125,173**	**1,145,868**
Sewage	260,661	257,288	247,241
Surface water	32,992	24,293	22,217
Groundwater	9,056	12,825	19,587
Off-site treatment	40,247	32,964	27,802
Total water discharge	**342,956**	**327,370**	**316,847**
Total water consumption	**758,644**	**794,562**	**826,027**

1 In 2024, "water reused in products" was added as a new category in the water reporting. 2023 data have not been restated accordingly.

In 2025, water withdrawal from manufacturing sites in extremely high water stress locations represented 744,881 m^3 (16.6% of the total Group) and 397,993 m^3 in high water stress locations (8.9% of the total Group). In these locations, water was mainly withdrawn from public water supply (90.3%) and groundwater wells (9.6%). 0.1% of water withdrawal came from rainwater.

For the year under review, the water usage in manufacturing sites of extremely high water stress locations was 747,303 m^3 (16.6% of the total Group) and 398,566 m^3 in high water stress locations (8.9% of the total Group). In these locations, 69.3% was used as an input material into Sika products, with 0.4% coming from reused water. 20.4% for sanitary purposes, and 10.3% as process and cooling water in production.

Water discharge for manufacturing sites in extremely high water stress locations was 170,237 m^3 (5.8% of the total Group) and 146,610 m^3 in high water stress locations (5.0% of the total Group). 78.0% of water used goes to sewers or sewage plants, 7.0% is discharged directly into surface waterbodies, whereas 6.2% is discharged to underground water formations. In addition, 8.8% of water used is sent off-site for treatment by a third-party.

RESOURCE USE AND CIRCULAR ECONOMY
SUMMARY OF MATERIAL IROs

The table summarizes key material matters related to resource use and circular economy. It outlines associated impacts and expected time horizons across the value chain. All IROs have been assessed for each value chain step separately. For more information on the Double Materiality Assessment methodology and results across all ESRS topics and sub-topics, please see the "Double Materiality Assessment" section on p.47 of the Sustainability Report 2025.

SUMMARY OF MATERIAL IROs

Sub-topics	IROs	Impact materiality	Type of impact	Financial materiality	Value chain step	Time horizon
Resource inflows	Non-renewable and virgin material use.	Negative impact	Actual		Upstream Own operations	Short Medium Long
Resource outflows	Materials and substances in Sika products limiting circularity potential of resource use.	Negative impact	Actual		Downstream	Short Medium Long
	Sika products designed along circular economy principles lead to increase circularity of resource use.	Positive impact	Actual		Downstream	Short Medium Long
Waste	Generation of non-recoverable waste.	Negative impact	Actual		Upstream Own operations	Short Medium Long
	Waste generation in end-of-life treatment of products.	Negative impact	Actual		Downstream	Short Medium Long

RESOURCE INFLOWS AND OUTFLOWS

Resource inflows and outflows are a material topic for Sika, highlighting their environmental and operational impact within the company's value chain:

- Sika sources a wide range of raw materials, including bulk chemicals and minerals, which are processed in its factories through operations such as mixing, blending, compounding, and suitable form-giving. These processes transform raw inputs into higher-value products, which are then distributed domestically and internationally.
- The sourcing and manufacturing activities primarily rely on virgin, non-renewable materials. The selection of input substances in products directly influences their potential for circularity, particularly when these materials are not readily recyclable or reusable.
- Sika's commitment to designing products according to circular economy principles positively contributes to enhancing circularity throughout the value chain.

Improving Sika's material efficiency through applying circular principles along the value chain is critical for Sika's path to net zero. In addition, circularity principles are becoming increasingly compelling due to higher awareness and shifting demand toward more sustainable solutions among customers in construction and transportation markets.

The company strives to constantly increase efficiency in the use of input materials. Sika has started to seek performance enhancements by using secondary materials and alternative non-fossil-based raw materials. R&D is governed by the principles of sustainable development and enhanced customer utility, such as the demand for resource-saving construction methods, energy-efficient construction materials, or lighter and safer vehicles.

Governance

RESOURCE INFLOWS

For more information on Sika's procurement governance at Corporate, Regional, and Local level, please see the "Management of relationships with suppliers" section on p.139 of the Sustainability Report 2025.

RESOURCE OUTFLOWS

SPM evaluations are embedded in the Product Creation Process (PCP) and subject to the governance process following the product development life cycle. It involves interdisciplinary teams at group, regional, and local level depending on the type of product assessed:

- Product Management and R&D co-lead the evaluation process, offering expertise in product segmentation and performance, chemistry, and improvement opportunities.
- Supporting roles include functions such as Product Sustainability, Procurement, Operations, EHS, and Product Stewardship.

Together, these functions form an interdisciplinary team that guarantees evaluations are robust, evidence-based, and aligned with both performance and sustainability goals.

Targets

Central to Sika's Strategy 2028 is the development of sustainable products that not only meet the highest performance standards but also contribute to the long-term durability and resilience of buildings and infrastructure.

Policies and guidelines

The table below provides an overview of the key policies and frameworks that guide Sika's management approach to circular economy, resource inflows and outflows. Further details of the key content, scope, and implementation of these policies can be found in the "Policies and guidelines" section on p.141 and the related sub-topic sections of the Sustainability Report 2025.

SUMMARY OF POLICIES AND GUIDELINES

Sub-topics	Policies and guidelines
Resource inflows, Resource outflows	Values and Principles
	Code of Conduct
	Supplier Code of Conduct
	Human Rights Policy
	Trust Policy
	Product Creation Process (PCP) Manual
	Sustainability Portfolio Management (SPM) Methodology
	Procurement Manual
	Responsible Sourcing Guidelines

Actions

SUMMARY OF ACTIONS

Sub-topics	Actions	Page number(s)
Resource inflows	Responsible material management	p.99
	Biological raw materials	p.99
	Secondary raw materials	p.100
	Supplementary cementitious materials (SCMs)	p.100
	Conflict minerals	p.100
	Supplier engagement activities	p.100
Resource outflows	Sustainability Portfolio Management (SPM)	p.100
	Packaging	p.101
	Circular products, solutions, and business practices	p.101
	Partnerships and collaboration	p.101

RESPONSIBLE MATERIAL MANAGEMENT

For more information on Sika's raw material procurement, please see the "Management of relationships with suppliers" section on p.139 of the Sustainability Report 2025.

BIOLOGICAL RAW MATERIALS

The company uses a limited amount of biological raw materials, specifically bio-based materials from plant-based sources. The expanded use of biological raw materials going forward depends on availability, economic viability, quality, and limitations in the use in formulations compared to non-renewable feedstock. While shifting to certain bio-based inputs may help reduce fossil fuel dependency, it can also present trade-offs, such as increased land use or biodiversity pressures if not managed responsibly. However, to reduce its dependency on crude oil, Sika is constantly exploring ways to use non-petroleum-derived materials for Sika products, such as sugar derivatives, bioethanol derivatives, and natural oils. Sika leverages evolving regulatory requirements such as the EU Deforestation Regulation (EUDR) to inform and further guide the evaluation process and procurement of biological materials.

SECONDARY RAW MATERIALS

To reduce reliance on primary resources and minimize environmental impact at the resource inflow stage, Sika uses secondary raw materials wherever possible, and implements recycling loop systems at production plants, either internally or through external operators.

Secondary raw materials are grouped into two main categories: by-products, which are residual materials from industrial processes that are repurposed, and recycled materials.

SUPPLEMENTARY CEMENTITIOUS MATERIALS (SCMS)

The company is actively working to decarbonize construction materials by reformulating products to reduce cement content by integrating SCMs. On average, Sika achieved a substitution rate in its own mortars of approximately 17% by the end of 2025. Cement producers are also including SCMs in the manufacturing process to replace clinkers and reduce related GHG emissions. Sika additives play a crucial role in enabling this clinker substitution.

CONFLICT MINERALS

In 2025, the company carried out a global review of various regulations and their corresponding thresholds relating to due diligence of conflict minerals or metals (tin, tungsten, tantalum, gold). The Global Procurement department conducted the necessary due diligence assessment to identify whether direct materials purchased by the company fall under the applicable regulations. Considering the defined rules and thresholds, no materials which fall under these requirements were identified. Sika will continue to monitor its procured materials against the regulatory thresholds related to conflict minerals and metals on a yearly basis at global procurement level. In addition, Sika takes responsibility for answering inquiries about the use of materials and products containing potential conflict minerals.

SUPPLIER ENGAGEMENT ACTIVITIES

One of Sika's key supplier engagement initiatives is the Sika Sustainable Packaging Challenge. Launched in 2022 in Latin America, the program aims to collaborate with current and potential suppliers to drive innovative improvements in packaging sustainability. Following its success, the initiative was introduced across all Sika regions. In July 2025, the challenge was carried out for the second time in North America. More than a dozen packaging suppliers participated in the competition, with six of them being selected as finalists and invited to a final live exhibition to showcase their solutions. Among the submitted proposals, there were some related to the introduction of post-consumer recycled (PCR) content to replace virgin materials in plastic film, aluminum/plastic cartridges, and pails. Other recurrent proposals included the introduction of a single material for paper bags to improve recyclability, and a transition from rigid to flexible plastic pails.

SUSTAINABILITY PORTFOLIO MANAGEMENT (SPM)

In 2025, a dedicated project was launched to refine the SPM methodology, aiming to improve clarity and usability. This initiative focuses on reducing complexity and making processes easier to understand and apply. The updated framework will be implemented and rolled out in 2026, providing a more consistent and transparent structure that supports better decision making across the organization.

Within the PCP, SPM evaluations are conducted at the early stage of the development process and once again before the product is rolled out to the market. By applying a consistent set of criteria within defined market segments, Sika is systematically building a product portfolio whose sustainability performance is transparently evaluated and validated through the SPM methodology. Product developments that achieve a positive classification are rolled out and promoted with clearly highlighted sustainability features. For those with negative classifications, actions are initiated to improve the product profile, including a review by the R&D team.

In addition, the SPM methodology is gradually applied on products which have already been launched on the market. This helps to further improve product profiles and steer Sika's portfolio in a structured way toward a larger share of SPM-assessed solutions.

This structured approach enables fact-based communication and marketing, adding important value to customers and reducing communication-related risks. Products classified through SPM are promoted under Sika's sustainability communication frameworks such as "Sustainably Sika".

FOCUS ON THE CATEGORY "RESOURCES AND CIRCULARITY"

Circularity is embedded in the holistic SPM approach across the Sustainability Categories, with the Sustainability Category 9 "Resources and Circularity" focusing on resource efficiency and the integration of circular economy principles into product design and manufacturing. Key evaluation items assess:

- Material efficiency: Reducing production waste and water footprint and optimizing formulations.
- Secondary raw materials: Using alternatives such as SCMs, which replace virgin resources and reduce carbon footprint.
- Design for reuse or recycling: Enabling products to contribute to closed-loop systems.

PACKAGING

Packaging is not just a protective layer, it is a critical sustainability lever influencing product life cycle impacts, logistics efficiency, and end-of-life recovery. Sika has started to seek sustainability performance enhancement in its approach to packaging. Its products are mainly delivered in the following types of primary packaging:

- Plastic is mainly used for water-based products like mortars and concrete products, flooring, and adhesives.
- Tinplate and steel are mainly used in solvent-based, high-reactive, and multicomponent products like adhesives, flooring, and coatings.
- Aluminum is used for sealants, adhesives, and pre-treatments.
- Paper packaging is used for cementitious and mortar products.

As part of Sika's net zero journey, and in response to evolving EU legislations such as the European Packaging and Packaging Waste Regulation (EUPPWR), Sika is collaborating with various stakeholders (suppliers, distributors, customers, and universities) to develop packaging solutions with a lower environmental footprint. The focus is on reducing the carbon intensity of packaging materials, increasing the share of recycled and reusable solutions, and minimizing overall material use.

Several projects have already been implemented in various countries, including the use of recycled plastic packaging and recyclable cartridges, the switch to unbleached paper bags, and the optimization of packaging specifications through adjustments in size and material composition.

FOCUS ON THE SUSTAINABILITY CATEGORY "PACKAGING" OF THE SPM

The Sustainability Category 10 "Packaging" of the SPM evaluates how packaging design and material sourcing contribute to resource efficiency and circularity. Key evaluation items assess:

- Packaging components: Using recycled or biological materials.
- Reduction of weight and volume: Minimizing resource consumption and transportation emissions related to packaging materials.
- Design for recovery: Enabling packaging to be reintroduced into circular material cycles.

CIRCULAR PRODUCTS, SOLUTIONS, AND BUSINESS PRACTICES

To embed circularity into product design and business practices, Sika is developing durable, recyclable solutions that maximize the lifespan of products or enhance the circularity of business practices, such as:

- Membrane solutions: Versatile, long-lasting membranes for roofs and concrete that reduce material consumption, waste generation, and carbon footprint. Sika introduced a take-back program in several countries that aims to prevent old thermoplastic waterproofing membranes from being discarded during building renovation by returning them to production as recyclable material for new roofs with a recycled core.
- Concrete solutions: Sika has developed the SikaCircle approach, offering solutions that promote circularity across the value chain and are designed for durability, reuse and recycling, are resource- and energy efficient, and reduce GHG emissions for concrete producer customers.
- Adhesive solutions: Innovations such as debonding-on-demand adhesives facilitate material separation and recycling, supporting closed-loop systems and reducing waste.
- Plastic recycling: Sika is establishing collaborations with partners to advance plastics recycling in the construction industry, leveraging Sika's extensive expertise in polymer applications and high-performance building materials.

For more information on Sika's sustainable solutions, please see the corporate webpage ↗ **Sustainable Solutions**.

PARTNERSHIPS AND COLLABORATION

Sika engages, collaborates, and partners with various stakeholders on the topic of circularity. For example, in 2025, Sika and Gramazio Kohler Research at ETH Zurich developed a circular manufacturing approach that turns reclaimed flexible polyolefin roofing membranes into fully recyclable, 3D-printed facade and roofing components. Using large-scale robotic 3D printing, the team showed that post-consumer thermoplastics can be processed without degrading their essential properties, including UV and weather resistance. The project proves that construction plastic waste can be reused in high-performance architectural applications, opening the door to lower environmental impact, reducing reliance on virgin materials, and greater design freedom for future building systems.

For more information on Sika's partnerships and collaborations, please see the corporate webpage ↗ **Partnerships and Collaboration**.

Metrics

Sika sources a broad mix of raw materials that reflect the company's range of business segments and technologies. A large share of materials used in production are minerals, such as inorganic fillers and cement. The remaining volume of materials – e.g., for adhesives, resin products, roofing and waterproofing membranes, polymer concrete admixtures, or parts for the automotive industry – are based on crude oil derivatives (downstream products) or require fossil fuels for conversion.

Sika categorizes its input materials into procurement categories that cover adhesive and cementitious systems, coatings and resins, concrete materials, packaging, and thermoplastics.

In 2025, Sika sourced 14.4 million tons of input materials, an increase of +1.0% compared to 2024. 3.5% of input materials sourced were secondary materials, a stable number as compared to previous year (2024: 3.4%).

INPUT MATERIALS SOURCED[1]

in 1,000 tons	2023	2024	2025
Total input materials sourced	**13,623**	**14,250**	**14,392**
Secondary materials sourced	423	483	500
Biological materials sourced[2]	0.012	0.008	0.040

1 The methodology of this indicator has been adjusted to align with the procurement database. 2023 and 2024 data have been restated accordingly. Data is based on procurement volumes either stored on-site or used and excludes toll manufacturing and water used as an input material. Volumes and scope are aligned with scope 3 category 1.

2 To be categorized as biological materials, raw materials must be certified.

WASTE MANAGEMENT

Waste generated across operational activities in the value chain can limit progress toward a circular economy, especially when significant volumes are not diverted from disposal.

Sika is committed to preventing waste in its operations and ensuring optimal waste management throughout the value chain. Promoting circular principles, using input materials efficiently, and prioritizing the reuse, recovery, and recycling of materials to minimize waste are key priorities for Sika.

Governance

For more information on Sika's governance on waste at Corporate, Regional, and Local level, please see the "Water Management" section on p.89 of the Sustainability Report 2025.

Targets

As part of Strategy 2028, Sika has set the target to reduce non-recoverable waste disposed per ton sold by –15% as compared to 2023. This focus on minimizing waste disposal to landfill, incineration, or other disposal operations highlights Sika's ambition to transition from a linear to a circular approach in which resources are reused, recycled, or recovered. Considering the waste hierarchy, this target aims at various layers, prioritizing the identification of measures to prevent waste generation before evaluating approaches to divert volumes from disposal through preparation for reuse, recycling, or other recovery options.

Since 2024, the compensation scheme of Group Management and Sika Senior Managers has been linked to the performance regarding non-recoverable waste per ton sold. For more information, please see the "Sustainability organizational structure" section on p.44 of the Sustainability Report 2025.

Policies and guidelines

The table below provides an overview of the key policies and frameworks that guide Sika's management approach to waste. Further details of the key content, scope, and implementation of these policies can be found in the "Policies and guidelines" section on p.141 and the related sub-topic sections of the Sustainability Report 2025.

SUMMARY OF POLICIES AND GUIDELINES

Sub-topics	Policies and guidelines
Waste	Values and Principles
	Code of Conduct
	Supplier Code of Conduct
	Human Rights Policy
	Trust Policy
	Product Creation Process (PCP) Manual
	Sustainability Portfolio Management (SPM) Methodology
	EHS Minimum Requirements
	Sustainability and Operations (S&O) Reporting Handbook
	Investment Manual

Actions

SUMMARY OF ACTIONS

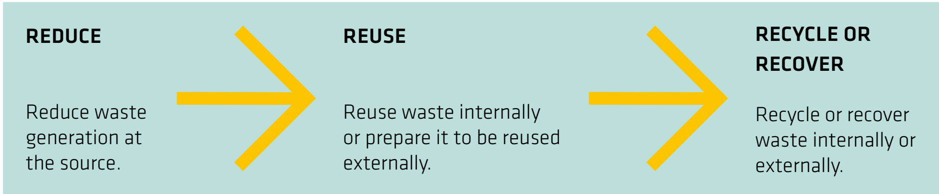
Sub-topics	Actions	Page number(s)
Waste	Waste initiatives in own operations	p.104
	Sustainability Portfolio Management (SPM)	p.104
	End-of-life of sold products	p.104

WASTE INITIATIVES IN OWN OPERATIONS

Sika's waste targets and waste management approach are aligned with the commonly used waste mitigation framework, which defines three key levers for driving waste reduction and circularity:

- Reduce: Initiatives focus on optimizing production processes to reduce off-cuts and scrap, enhancing planning and sequencing to minimize leftover materials, refining storage and inventory practices to prevent product expiration, and designing products that generate less waste during manufacturing. Examples include optimizing machinery and processes to reduce off-cuts in membrane manufacturing or dust generation in mortars production, supplying raw materials in bulk (such as tanker lorries and big bags) to avoid excess packaging.
- Reuse: This involves cleaning, repairing, or repurposing items for the same or similar function. Examples include washing, repairing, and reusing intermediate bulk containers (IBCs), drums, or pallets within the company, or partnering with third-parties that clean, refurbish, and resell containers instead of sending them for disposal or recycling.
- Recycle or recover: Initiatives include internal material recovery by reintegrating materials into manufacturing processes to avoid waste generation and reduce the need for virgin materials, for example re-injecting off-cuts from membrane production back into the production cycle. For materials that cannot be recovered internally, Sika is engaging with third-parties to identify recycling or recovery solutions, such as recovering dust or sand waste through backfilling operations.

Waste reduction levers at Sika



SUSTAINABILITY PORTFOLIO MANAGEMENT (SPM)

As part of the sustainability evaluation under the SPM framework, Sustainability Category 9 "Resources and Circularity" addresses resource efficiency, including waste, by evaluating the product's waste footprint during manufacturing processes and downstream application/use. For more information on the SPM framework, please see the "Resource inflows and outflows" section on p.98 of the Sustainability Report 2025.

END-OF-LIFE OF SOLD PRODUCTS

Sika recognizes that the end-of-life phase of its sold products is a key aspect of the environmental product footprint and is committed to advancing circularity by exploring opportunities for recycling, recovery, and reuse of materials. For more information, please see the "Circular products, solutions, and business practices" section on p.101 of the Sustainability Report 2025.

For a comprehensive overview of Sika's approach and disclosures related to end-of-life treatment of sold products, please refer to the scope 3 category 12 disclosure in the "Climate change mitigation" section and the related "Scope 3 methodology" on p.156 of the Sustainability Report 2025.

Metrics[1]

NON-RECOVERABLE WASTE

In 2025, the quantity of non-recoverable waste per ton sold was 5.4 kg, a decrease of –5.7% compared to 2024, and a reduction of –9.6% compared to 2023 baseline. This improvement is mainly driven by the continuous implementation of various waste management initiatives. In absolute numbers, non-recoverable waste volumes decreased compared to 2024 (–5.9%), with a decrease in waste to landfill (58,017 tons, –10,6% compared to 2024). Waste to incineration remained stable (33,158 tons, +0.1% compared to 2024). In addition, other disposal operations represent 1,092 tons.

NON-RECOVERABLE WASTE PER TON SOLD[1]

in kg per ton sold	2023	2024	2025
Non-recoverable waste intensity per ton sold	6.0	5.7	5.4

1 The indicator "non-recoverable waste" refers to the volume of waste that is directed to disposal ie., landfill, incineration, and other disposal operations.

WASTE DIRECTED TO AND DIVERTED FROM DISPOSAL

Sika's waste is mainly non-hazardous, representing 87.2%, while hazardous waste accounts for 12.8%. In 2025, 41.6% of the total waste was directed to disposal (2024: 51.0%). Of this amount, 62.9% went to landfill, 35.9% was incinerated with or without energy recovery, and 1.2% was directed to other disposal operations.

The remaining 58.4% was diverted from disposal. In 2025, 50.9% was recycled off-site, 27.2% was recovered internally, 20.4% was diverted from disposal through other recovery operations, and 1.5% was prepared for reuse. In total, 62.3% of non-hazardous waste and 32.0% of hazardous waste were diverted from disposal.

In 2025, the share of waste diverted from disposal increased by +9.4 percentage points compared to 2024. This increase is mainly driven by actions to reduce non-recoverable waste and by the introduction of the new indicators "preparation for reuse" and "other recovery operations", which increased the coverage of waste diverted from disposal. In the coming years, Sika will continue working to divert waste from disposal and to reduce waste to landfill where possible.

1 2023 and 2024 waste indicators disclosed in this section have been restated to reflect 2024 and 2025 acquisitions (except Gulf Seal), in accordance with Sika's ESG Data Governance.

BREAKDOWN OF WASTE DIRECTED TO AND DIVERTED FROM DISPOSAL

in tons	2023	2024	2025
Non-hazardous waste directed to disposal	82,243	80,145	72,923
Hazardous waste directed to disposal	16,588	17,861	19,344
Waste directed to disposal[1]	**98,831**	**98,006**	**92,267**
Share of waste directed to disposal (%)	**56.9**	**51.0**	**41.6**
Non-hazardous waste diverted from disposal	68,422	87,999	120,423
Hazardous waste diverted from disposal	6,369	6,325	9,109
Waste diverted from disposal[2]	**74,791**	**94,324**	**129,532**
Share of waste diverted from disposal (%)	**43.1**	**49.0**	**58.4**
Non-hazardous waste directed to and diverted from disposal	150,665	168,144	193,346
Hazardous waste directed to and diverted from disposal	22,957	24,186	28,453
Total waste directed to and diverted from disposal	**173,622**	**192,330**	**221,799**

1 In 2025, the indicator "other disposal operations" was added to the reporting for further granularity. This indicator is part of the total volume of waste directed to disposal. 2023 and 2024 data have not been restated accordingly.
2 In 2025, the indicators "preparation for reuse" and "other recovery operations" were added to the reporting for further granularity. These indicators are part of the total volume of waste diverted from disposal. 2023 and 2024 data have not been restated accordingly.

BREAKDOWN OF WASTE DIRECTED TO DISPOSAL

in tons	2023	2024	2025
Landfill	**68,735**	**64,871**	**58,017**
Non-hazardous waste	64,946	60,788	53,023
Hazardous waste	3,789	4,083	4,994
Incineration	**30,096**	**33,135**	**33,158**
Non-hazardous waste	17,297	19,357	19,749
Hazardous waste	12,799	13,778	13,409
Other disposal operations[1]	**–**	**–**	**1,092**
Non-hazardous waste	–	–	153
Hazardous waste	–	–	939
Total waste directed to disposal	**98,831**	**98,006**	**92,267**

1 In 2025, the indicator "other disposal operations" was added to the reporting to increase granularity of the indicator "waste directed to disposal". 2023 and 2024 data have not been restated accordingly.

BREAKDOWN OF WASTE DIVERTED FROM DISPOSAL

in tons	2023	2024	2025
Recycling off-site	**74,791**	**72,820**	**65,912**
Non-hazardous waste	68,422	66,955	60,716
Hazardous waste	6,369	5,865	5,196
Internal recovery[1]	**–**	**21,504**	**35,222**
Non-hazardous waste	–	21,044	34,287
Hazardous waste	–	460	935
Preparation for reuse[2]	**–**	**–**	**1,913**
Non-hazardous waste	–	–	1,191
Hazardous waste	–	–	722
Other recovery operations[2]	**–**	**–**	**26,485**
Non-hazardous waste	–	–	24,229
Hazardous waste	–	–	2,256
Total waste diverted from disposal	**74,791**	**94,324**	**129,532**

1 In 2024, the indicator "internal recovery" was added to the waste reporting. It refers to the internal reprocessing or recovery of materials that would otherwise become waste. 2023 data have not been restated accordingly.

2 In 2025, the indicators "preparation for reuse" and "other recovery operations" were added to the reporting. 2023 and 2024 data have not been restated accordingly.

Non-hazardous waste went mainly to off-site recycling (31.4%) and to landfill (27.4%). 17.7% was recovered internally, 12.5% was sent to other recovery operations, 10.2% was incinerated, and the remaining volume was prepared for reuse (0.7%) or sent to other disposal operations (0.1%). Hazardous waste went mainly to incineration (47.1%), off-site recycling (18.3%), and landfill (17.6%). The remaining was sent to other recovery operations (7.9%), recovered internally (3.3%), sent to other disposal operations (3.3%), and prepared for reuse (2.5%).

In 2025, the recycling rate decreased to 29.7% (–8.2 percentage points compared to 2024). This decrease is mainly due to more detailed waste-diversion indicators, which now allow for a more accurate distinction between reuse, recovery, and recycling. As a result, some operations previously classified as off-site recycling are now reported differently.

NON-RECYCLED AND RECYCLED WASTE

	2023	2024	2025
Non-recycled waste (tons)[1]	98,831	119,510	155,888
Share of non-recycled waste (%)	**56.9**	**62.1**	**70.3**
Recycled waste (tons)[2]	74,791	72,820	65,912
Share of recycled waste (%)	**43.1**	**37.9**	**29.7**

1 The indicator "non-recycled waste" refers to the volume of waste directed to disposal and waste classified as internal recovery, preparation for reuse, and other recovery operations. The definition of this indicator has been revised and 2023–2024 data have been updated accordingly.

2 The indicator "recycled waste" refers to the volume of waste that is diverted from disposal due to recycling off-site. The definition of this indicator has been revised and 2023–2024 data have been updated accordingly.

SOCIAL

OWN WORKFORCE
SUMMARY OF MATERIAL IROs

The table summarizes key material matters related to working conditions and equal treatment. It outlines associated impacts and risks, and expected time horizons within own operations. All IROs have been assessed for each value chain step separately. For more information on the Double Materiality Assessment methodology and results across all ESRS topics and sub-topics, please see the "Double Materiality Assessment" section on p.47 of the Sustainability Report 2025.

SUMMARY OF MATERIAL IROs

Sub-topics	IROs	Impact materiality	Type of impact	Financial materiality	Value chain step	Time horizon
Working conditions	Adverse impact on workforce due to working conditions.	Negative impact	Actual		Own operations	Short Medium Long
	Regulatory implications and potential reputational loss due to breaches of regulations related to working conditions.			Risk	Own operations	Medium Long
Equal treatment and opportunities	Equal employment opportunities and improved gender balance at all levels of the organization fostering a sense of belonging and engagement.	Positive impact	Potential		Own operations	Short Medium Long
	Ensuring fair treatment by means of equal skills and career development to unlock potential and drive performance.	Positive impact	Actual		Own operations	Short Medium Long
	Decreased well-being of employees due to isolated cases of harassment.	Negative impact	Actual		Own operations	Short Medium Long

WORKING CONDITIONS[1]

As a global company with a diverse workforce operating in industrial and technical environments, working conditions, including health and safety[2], represent a material topic for Sika. The company's success is built on the strength of its people and its commitment to creating an inclusive, safe, and attractive work environment. From both an impact materiality and financial materiality perspective, these topics are key priorities:

- Sika's employees operate in environments that include chemical processes, machinery, and physical tasks, across countries with varying regulatory frameworks and standards for working conditions, which may affect employees' working conditions.
- Inadequate working conditions can lead to financial exposure for Sika through regulatory breaches, legal liabilities, reputational loss, and increased insurance or operational costs.

Sika's success is only possible with committed employees, who have the necessary specialist knowledge and share a common purpose. Each day, more than 33,000 employees worldwide are highly dedicated to working for the company. Sika recognizes that favorable working conditions are essential to fostering employee engagement, well-being, and performance, an approach embodied in its commitments to Empowerment and Respect, Sustainability and Integrity, and Development and Training. Sika commits to transparency, fairness, and strict compliance with local employment laws.

Governance

Sika's HR organization supports managers and employees throughout the entire employee life cycle and provides strategic guidance to line managers, enabling and empowering them on people-related matters. Sika's HR organization is represented at all levels of the company and drives Sika's people strategy across the entire organization in full alignment with Sika's Strategy 2028.

CORPORATE LEVEL

Corporate HR is responsible for defining and providing support in deploying the people strategy throughout the organization. The Corporate HR team develops global people initiatives and processes to foster attractive working conditions and high engagement in Sika's workforce. Examples include a global diversity, equity, and inclusion (DEI) framework, talent management processes, and Sika's global employee engagement survey.

REGIONAL LEVEL

Regional HR teams participate in the development of the global people strategy, initiatives, and processes. They also define their respective regional roll-out plans. In addition, they may develop specific regional HR programs to enhance working conditions and ensure equal treatment and opportunities for employees, including training initiatives.

LOCAL LEVEL

General Managers bear full responsibility for the implementation of decent labor practices and working conditions, including equal and fair treatment, in Sika's local operations. Local HR teams support local business priorities and are responsible for executing local HR operations. They support the global people strategy and implement initiatives at country level. Examples include strategic workforce planning and regular salary reviews.

For more information on Sika's Sustainability organization structure, please see the "Sustainability organizational structure" section, on p.44 of the Sustainability Report 2025.

Targets

Recognizing the importance of an engaged workforce, Sika set out employee engagement as non-financial target as part of Strategy 2028, striving for an engagement score of above 80 index points, out of 100. Employee engagement at Sika is measured via an externally administered survey every second year. It is seen as a key performance metric to measure the resilience and sustainability of an organization. Sika's employee engagement target supports its ambition to create an attractive, inclusive, and safe work environment where people can grow and unlock their full potential.

1 Including the sub-sub-topics "Secure employment", "Working time", "Adequate wages", "Social dialogue", "Freedom of association", "Collective bargaining", and "Work-life balance".

2 Health and safety is presented in a separate section to reflect its specific governance structure and management approach. For more information, please see the "Health and safety" section on p.114 of the Sustainability Report 2025.

Policies and guidelines

The table below provides an overview of the key policies and frameworks that guide Sika's management approach to working conditions. Further details of the key content, scope, and implementation of these policies can be found in the "Policies and guidelines" chapter on p.141 and the related sub-topic sections of the Sustainability Report 2025.

SUMMARY OF POLICIES AND GUIDELINES

Sub-topics	Policies and guidelines
Working conditions	Values and Principles
	Code of Conduct
	Human Rights Policy
	Trust Policy
	People and Culture Guidelines

Process for engaging with employees

COOPERATION WITH EMPLOYEE REPRESENTATIVE BODIES

Collaboration between employers and employee representative bodies for the benefit of the company is a key element of Sika's corporate culture. In accordance with the relevant laws in each country, Sika works and cooperates with work councils and unions across multiple jurisdictions. At the operational level, Sika provides workers' representatives with regular and timely information on matters such as corporate strategy and conducts both regular and ad-hoc consultation and negotiation on relevant topics.

GLOBAL EMPLOYEE ENGAGEMENT SURVEY

Every two years, Sika engages with all employees worldwide, including plant workers, in a feedback and dialogue process by means of a global employee engagement survey. Available in more than 30 languages, employees are invited to share their perception on key topics related to employee engagement, such as work environment, relations with superiors and team members, and diversity and inclusion. The results are communicated to all employees and reviewed during management and team workshops, which leads to the identification of focus areas and specific follow-up actions. To name one example, Sika has put increased emphasis on the topic of employee recognition as one outcome of the global employee survey. Tangible actions related to this focus area were the implementation of recognition badges in Sika's global HR system and the launch of a new Icon Awards program in EMEA, an internal nomination-based recognition program that awards employees who have made a special impact. The next global engagement survey will be launched in 2026.

GLOBAL COMPANY NEWSLETTER

In 2025, Sika launched a new global company newsletter "Sika in 90 Seconds". It is distributed to all employees on a monthly basis and comprises a snapshot of the latest highlights from the global and corporate teams, with the objective of keeping Sika's workforce well connected and informed.

DIRECT DIALOGUE BETWEEN EMPLOYEES AND MANAGEMENT

In addition to formal procedures, Sika has voluntary and informal tools that support communication between employees and management. These tools allow for early input from employees in organizational decision making. Alongside Sika's open-door policy and regular townhall meetings at the country or site level, there are also tailor-made initiatives designed to encourage direct employee engagement. For instance, a new video series enables Sika employees in the Americas to submit questions directly to the Regional Manager and receive direct responses via video call. Asia/Pacific has introduced townhall meetings at regional level in 2025, allowing employees to interact directly with the regional management.

Process to remediate and raise concerns for employees

Sika promotes transparency and a speak-up culture around the world. The company encourages everyone to speak up openly about potential concerns or wrongdoings. Concerns that can be reported include any violation of the Sika Code of Conduct and cover various aspects such as health and safety, working conditions, and abusive labor or employment practices (including violations of human and labor rights, sexual harassment, discrimination, harassment, retaliation, etc.). For more information on Sika's grievance mechanism, please see the "Business integrity" section on p.134 of the Sustainability Report 2025.

Actions

SUMMARY OF ACTIONS

Sub-topics	Actions	Page number(s)
Working conditions	Working time	p.111
	Adequate wage	p.111
	Freedom of association, collective bargaining, and social dialogue	p.111
	Work-life balance	p.111
	Social protection	p.111
	Child labor	p.111

WORKING TIME

Fair employment conditions strengthen Sika's reputation as an ethical company and its position as an employer of choice. As outlined in Sika's People and Culture Guidelines, Sika is committed to fair working hours and fair compensation that ensures a living wage. Adherence to local working time and overtime pay regulations are monitored as an integral part of the Group's compliance audits.

ADEQUATE WAGE

Sika is committed to creating fair working conditions, including market-appropriate and adequate remuneration. For employees in the lowest pay categories, Sika ensures that the legally applicable minimum wage is observed when setting their salaries.

All entities of the Sika Group are required to provide employees with fair compensation in accordance with applicable local labor laws. Adherence to paying applicable minimum and adequate wages needs to be confirmed by local HR Managers through the HR questionnaire on a yearly basis[1].

Since mid-2025, Sika has implemented a quarterly process at Corporate level to review and verify the lowest salary data in selected countries in all three regions, comparing it with the legally applicable minimum standards and publicly available adequate wage estimates, where relevant.

1 The HR questionnaire was shared with HR Managers in all countries worldwide during Q4 2025 and covers all Sika entities with a minimum headcount of three employees as of early September 2025. Consequently, Marlon and Gulf Seal are excluded since their acquisitions were closed in September and November. For the year under review, the completion rate was at 98%.

FREEDOM OF ASSOCIATION, COLLECTIVE BARGAINING, AND SOCIAL DIALOGUE

Sika recognizes the principle of freedom of association and respects the employees' right to form or join employee representative organizations to protect their interest. Adherence to this principle of freedom of association needs to be confirmed by all General Managers through the ESG Confirmation on a yearly basis, to the extent permitted by local laws.

As underlined in the People and Culture Guidelines, Sika respects collective bargaining and social partnership and aims at building and maintaining, where applicable, positive relationships with employee-representative bodies, characterized by mutual trust and the joint interest in benefiting Sika and its employees.

WORK-LIFE BALANCE

Sika allows flexible working arrangements (part-time and flextime) for a high percentage of the workforce, including work from home for suitable jobs in accordance with local labor law. In accordance with the People and Culture Guidelines, a remote or home office arrangement of up to 20% is permitted, subject to business requirements and local policies set by local General Managers. The local legislation and cultural background on parental leave vary across the organization. Sika promotes a family-friendly job environment and offers parental leave beyond local laws for most of its employees in many countries.

SOCIAL PROTECTION

Sika employees are covered against loss of income due to major life events, such as sickness, unemployment, employment injuries or acquired disability due to work-related accidents, parental leave, or retirement. This social protection is available through either public programs, company programs, or both. In addition, Sika offers country-specific social benefits to employees in all regions on a voluntary basis.

CHILD LABOR

In line with its commitments to human rights, Sika categorically prohibits child labor. General Managers are obliged to strictly adhere to the prohibition. In 2025, 100% of General Managers confirmed compliance with the norm. Since 2022, Sika has evaluated the geographical footprint of its own operations and the prevalence of child labor risks within those countries. This yearly evaluation is based on the UNICEF Index of Children's Rights in the Workplace[2]. The analysis shows that Sika does not operate in countries classified as high risk of child labor. However, the company is active in 69 countries with medium risk level.

2 The Atlas methodology is guided by the UN Guiding Principles on Business and Human Rights (UNGPs) and the Children's Rights and Business Principles (CRBPs), which outline corporate expectations regarding human and children's rights. Many of the 150+ indicators are child-specific, while others are human rights indicators that affect children directly and indirectly in the environments where they and their families live and work. The Workplace Index assesses countries' efforts to eliminate child labor and ensure decent work for young workers, parents, and caregivers, evaluating five issue categories: minimum age of employment, worst forms of child labor, hazardous work, decent work conditions, and maternity protection. Sika focuses on countries classified as "enhanced" (medium risk) and "heightened" (high risk) for child labor. The analysis has been updated according to the latest Index update from June 2023.

Metrics

CHARACTERISTICS OF SIKA'S EMPLOYEES

At the end of the reporting year, Sika's workforce consists of 33,707 employees, thereof 25,344 men (75.2% of the workforce) and 8,363 women (24.8% of the workforce). This represents a slight year-on-year decrease in headcount of 2.2%.

TOTAL NUMBER OF EMPLOYEES AND BREAKDOWN PER GENDER

in numbers	2023	2024	2025
Total employees	**33,547**	**34,476**	**33,707**
Female	8,138	8,549	8,363
Male	25,409	25,927	25,344

In 2025, the region Asia/Pacific recorded the largest decrease in employee numbers (–3.8%), mainly driven by workforce adjustments in China, followed by region Americas (–3.4%). The number of employees in region EMEA decreased slightly (–0.9%), while it increased in Corporate Services (+2.9%). These changes are part of the Fast Forward investment and efficiency program, which entails adjustments to the workforce.

TOTAL NUMBER OF EMPLOYEES AND BREAKDOWN PER REGION

in numbers	2023	2024	2025
Total employees	**33,547**	**34,476**	**33,707**
EMEA	15,307	15,380	15,245
Americas	8,825	9,538	9,211
Asia/Pacific	8,636	8,724	8,393
Corporate Services	779	834	858

The ten countries with the highest year-end headcount in Sika in 2025 are, in descending order: China, USA, Germany, Switzerland, Mexico, France, Japan, United Kingdom, Brazil, Peru.

Sika is committed to offering long-term prospects to its employees within the company and supports internal promotions. 90.9% of employees (91.4% of men and 89.3% of women) have permanent employment contracts (2024: 88.6%), ensuring that the workforce has the stability and security it needs to thrive. 43.4% of apprentices and interns are women (2024: 41.8%), which is higher than the average percentage of women at Sika and is providing opportunities for women to gain valuable experience and training through apprenticeship programs.

BREAKDOWN OF EMPLOYEES PER CONTRACT TYPE AND PER GENDER

	2023		2024		2025	
	Employees (No.)	Employees (%)	Employees (No.)	Employees (%)	Employees (No.)	Employees (%)
Permanent	**30,016**	**89.5**	**30,536**	**88.6**	**30,629**	**90.9**
Female	7,164	23.9	7,448	24.4	7,468	24.4
Male	22,852	76.1	23,088	75.6	23,161	75.6
Temporary	**3,209**	**9.6**	**3,526**	**10.2**	**2,564**	**7.6**
Female	845	26.3	928	26.3	672	26.2
Male	2,364	73.7	2,598	73.7	1,892	73.8
Apprenticeship/internship	**322**	**0.9**	**414**	**1.2**	**514**	**1.5**
Female	129	40.1	173	41.8	223	43.4
Male	193	59.9	241	58.2	291	56.6

EMPLOYEE TURNOVER

In 2025, Sika experienced an increase in overall employee turnover to 15.0% (2024: 13.1%). The increase can be observed in all three regions and is related to the Fast Forward program. The turnover rate for female employees rose to 15.3% (2024: 12.7%), while the turnover rate for male employees was 14.9% (2024: 13.2%).

GROUP TURNOVER RATE PER GENDER

in %	2023	2024	2025
Employee turnover rate[1]	**13.5**	**13.1**	**15.0**
Female	13.9	12.7	15.3
Male	13.3	13.2	14.9
Employee voluntary turnover rate	**8.5**	**7.9**	**8.1**

1 The employee turnover rate considers all departures: natural fluctuations, voluntary leavers, and involuntary leavers. It is calculated as follows: all departures/((headcount at the beginning of the year + headcount at the end of the year)/2).
Natural fluctuations refer to retirement or death, for example.

Sika's voluntary fluctuation rate slightly increased to 8.1% in 2025 (2024: 7.9%), which was mainly driven by high voluntary fluctuation in one of Sika's newly acquired businesses in Latin America. For the same reason, at regional level, Americas saw an increase in voluntary fluctuation from 10.2% to 11.2% in 2025. It remained stable in regions EMEA with 6.4% (2024: 6.5%) and Asia/Pacific with 7.9% (2024: 7.8%), while it decreased to 7.6% in Corporate Services (2024: 8.1%). Voluntary fluctuation among women increased to 9.5% (2024: 8.3%), while it remained stable for men at 7.7% (2024: 7.7%).

Sika continues to emphasize the importance of people and culture topics within the organization and will continue to closely monitor the turnover rate at global and regional level. In particular, the company will continue to monitor the voluntary turnover rate among female employees as part of the Sustainability Performance Reporting to Group Management on a quarterly basis.

EXTERNAL TEMPORARY WORKERS

Sika is committed to limiting the use of external temporary workers to specialized, non-core activities, during peak times, or to an acceptable maximum percentage only, in accordance with applicable national labor laws. Where external temporary working arrangements are used, Sika takes adequate measures to reduce possible negative effects of such arrangements.

External temporary workers engaged through employment agencies and service providers accounted for 10.3% of Sika's total workforce by the end of the year (previous year: 9.0%)[1]. These external temporary workers are not Sika employees, but under contract with employment agencies/service providers. The number of external temporary workers varies depending on the seasonality of the business in the individual Sika companies. The work performed by these external temporary workers is mainly related to manufacturing, warehousing, and logistics. The number of external temporary workers fluctuated between 9.5% and 10.3% throughout 2025.

ADEQUATE WAGES

All of Sika's employees in the countries investigated in 2025 receive an adequate wage in accordance with applicable standards at the end of the reporting period. In line with the methodology described by the ESRS, Sika's adequate wage analysis considers the lowest wage per country, including any fixed additional payments that are guaranteed to all employees. Benchmarks used include any statutory minimum wages or wage levels established through collective bargaining, where applicable. Where none of such benchmarks exist, databases provided by public authorities of the country under review and/or publicly available living wage estimates provided by the Global Living Wage coalition have been used.

1 Based on FTEs.

COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE

In 2025, approximately 44% of Sika's employees globally are covered by collective bargaining agreements (2024: 40%). Approximately 48% of employees globally are covered by workers' representatives (2024: 45%).

COLLECTIVE BARGAINING COVERAGE[1]

Employee coverage rate	2024		2025	
	By EEA[2]	By region	By EEA[2]	By region
0–19%	–	–	–	–
20–39%	–	Asia/Pacific, Americas	–	Asia/Pacific, Americas
40–59%	–	EMEA	–	EMEA
60–79%	–	–	–	–
80–100%	Germany, France	–	Germany, France	–

1 Data is collected through the annual HR questionnaire.
2 European Economic Area (EEA) countries among Sika's top ten countries in terms of headcount are Germany and France.

WORKPLACE REPRESENTATION IN EEA[1]

Employee coverage rate	2024	2025
0–19%	–	–
20–39%	–	–
40–59%	–	–
60–79%	–	–
80–100%	Germany, France	Germany, France

1 Data is collected through the annual HR questionnaire. EEA countries among Sika's top ten countries in terms of headcount are Germany and France.

HEALTH AND SAFETY

Sika's employees work in environments where the nature of activities, such as chemical handling, machinery operation, and physical tasks, may lead to specific health and safety hazards. If health and safety measures are insufficient, this can result in harm to employees and contractors, as well as financial exposure for Sika through regulatory breaches, legal liabilities, reputational loss, and increased insurance or operational costs.

For more information on the IROs related to working conditions, please see the "Working conditions" section above, on p.109 of the Sustainability Report 2025.

Sika is committed to fostering a culture where safety is prioritized in every action, decision, and interaction. The company's vision is a future where every employee, contractor, and stakeholder returns home safely, every day. Through innovation, education, and collaboration, Sika aspires to eliminate all accidents, prioritize the well-being of the workforce, and set an industry-leading benchmark for safety excellence.

Governance

CORPORATE LEVEL

Global Environment, Health & Safety, and Quality (EHSQ) is led by the Head Global Operations & EHSQ, reporting directly to the CEO.

The Global EHSQ team is responsible for:

- Providing global oversight: Support and guide the EHS network at regional, area, and local levels.
- Ensuring safe operations: Promote practices and processes that secure long-term business success and reputation through training and communication.
- Driving continuous improvement: Integrate EHS tools and principles across the organization to foster a culture of safety.
- Enhancing EHS performance monitoring: Establish and monitor key performance indicators through reporting processes that strengthen health and safety standards company-wide.
- Assuring EHS management system compliance: Ensure compliance and provide assurance on the EHS management system through a structured audit program.
- Building capability and culture: Develop and implement the Sika Safety Program, leading training and communication initiatives across the Group.

All these areas of focus are encompassed within the Sika Safety Program. Global EHSQ works closely with the regional EHS network to ensure an effective roll-out of programs, standards, and processes, enabling a unified approach to health and safety excellence worldwide.

REGIONAL LEVEL

Regional EHS Managers oversee the development of regional EHS strategic plans and targets in accordance with the Group strategy. They are responsible for the roll-out of the strategy, programs, key performance indicators monitoring, and training and communication in their respective areas. They are part of the Global EHS network and benefit from the shared best demonstrated practices.

LOCAL LEVEL

At the local level, all General Managers, Operations Managers, and line managers are responsible for meeting Sika's occupational health and safety targets and for setting local targets accordingly. They bear full responsibility for the implementation of safe working conditions and labor practices in Sika's local operations for which they are supported by local EHS Managers. General Managers report to area and regional management.

Targets

Sika has set strategic targets for health and safety as part of Strategy 2028 in line with its safety commitment and vision. These go beyond lost time accidents and fatalities to include a significant reduction in recordable injuries, and improvement in the company's safety culture as measured on the Bradley Curve™ using the dss+ Safety Perception Survey™, reaching the "interdependent" stage by 2028.

Since 2023, the compensation scheme of Group Management and Sika Senior Managers has been linked to the safety performance of the company. For more information, please see the "Sustainability organizational structure" section on p.44 of the Sustainability Report 2025.

Policies and guidelines

The table below provides an overview of the key policies and frameworks that guide Sika's management approach to health and safety. Further details of the key content, scope, and implementation of these policies can be found in the "Policies and guidelines" chapter on p.141 and the related sub-topic sections of the Sustainability Report 2025.

SUMMARY OF POLICIES AND GUIDELINES

Sub-topics	Policies and guidelines
Health and safety	Values and Principles
	Code of Conduct
	Human Rights Policy
	Trust Policy
	People and Culture Guidelines
	Safety and Sustainability Manual
	Life-Saving Rules
	EHS Minimum Requirements
	Hazard Analysis and Risk Management Policy
	Sika Substance Risk Management (SSRM) Policy
	Sustainability and Operations (S&O) Reporting Handbook
	Investment Manual

Process for engaging with employees

Sika engages with employees on the topic of health and safety through various processes, described in more detailed under the following topics in the "Actions" section on this page.

- "Global Safety Survey 2025".
- "Hazard identification, risk assessment, and incident investigation".
- "Occupational health services and workers' health promotion".
- "Employee participation, consultation, and communication on occupational health and safety".

In addition, Sika also engages with employees on health and safety through broader processes and initiatives, such as cooperation with employee representative bodies or the global employee engagement survey, as presented in the "Working conditions" section on p.109 of the Sustainability Report 2025.

Actions

SUMMARY OF ACTIONS

Sub-topics	Actions	Page number(s)
Health and safety	Global Safety Survey 2025	p.115–116
	The Sika Safety Program	p.116
	Occupational health and safety and quality management system	p.116
	EHS audit program	p.117
	Hazard identification, risk assessment, and incident investigation	p.117
	Process safety and risk management	p.117
	Employee and contractor training on occupational health and safety	p.117
	Occupational health services and workers' health promotion	p.118
	Employee participation, consultation, and communication on occupational health and safety	p.118–119
	Access to WASH services	p.119

GLOBAL SAFETY SURVEY 2025

The second Sika Global Safety Survey was completed in June 2025 with a global participation rate of 82% (+8% vs. 2023 participation rate).

The objectives of this survey were to:

- Measure how employees perceive the evolution of Sika's safety culture over the past two years.
- Analyze differences in safety culture perceptions across regions, countries, departments, and employee categories.
- Develop further action plans to strengthen safety culture over the long-term.
- Benchmark Sika's safety culture against industry peers and best-in-class scores.
- To assess the safety culture, Sika applied the same methodology as in 2023, using an external proprietary survey and scoring system. Based on improvements across all three regions, the global score increased by 10 points to 67, advancing Sika's safety culture from the "Dependent" to the "Independent" phase of the Bradley Curve™, a notable achievement that doubles the typical industry improvement rate.

Processes and actions were the strongest drivers of improvement, reflecting the impact of safety initiatives and employee participation in audits and training over the past two years. Structural improvements include enhanced safety knowledge, though opportunities remain to increase satisfaction and belief in how safety contributes to broader business success. Leadership remains the primary area for improvement, particularly in communication, recognition, and engagement.

Results have been analyzed at regional, area, country, and functional level, and action plans developed for implementation in 2026 to address identified areas of improvement.

A third Global Safety Survey will take place by 2028. The strategic target is to reach stage four of the safety culture scale, meaning “Teams feel ownership and responsibility for safety culture. They believe zero injuries is an attainable goal”, by 2028.

THE SIKA SAFETY PROGRAM

At Group level, the initiatives introduced in the last three years as part of a systematic approach for improving EHS performance have evolved into the foundations of the Sika Safety Program. These core elements continued to guide safety efforts in 2025:

- “Start with Safety”: Behavior at all management levels throughout the company is crucial. Managers demonstrate that safety is a core value for Sika by role-modeling it. This leadership behavior is known to be a key factor in establishing a strong safety culture. Each Group Management meeting starts with a review of safety performance, lost time, and serious event lessons learned, and an update on the Sika EHS Audit Program.
- “Safety Walks” to the shop floor that aim to proactively change unsafe behaviors and conditions. Such visits are organized at local level, and involve on-site teams (production, R&D, EHS, or administration) to immediately implement changes and improvements. This routine strengthens the safety leadership and management commitment on safety.
- “Manage Visual Safety Performance” through setting up visible EHS corners to display safety performance, news, best demonstrated practices, etc., and using them as meeting points where employees can talk about safety.
- “Report EHS events”: The Global Incident Management tool enables employees to report incidents, near misses, and safety observations. With enhanced data collection and analysis capabilities, the tool strengthens preventive measures and promotes a proactive safety culture.
- “Root cause, data analysis, and intervention” with continuous learning when accidents or near misses occur, through investigations and effective actions, all documented and monitored in the Global Incident Management tool.
- “Training and competence” to ensure that employees are well trained and have the necessary skills to perform their tasks safely. For example, EHS minimum requirements are available in multiple languages, and a standardized template supports regional and local teams in conducting safety induction for new employees.
- “Process Safety and Risk Management” through regular performance of risk assessments to identify hazards and the implementation of controls and preventive measures.
- “EHS audits” to ensure that procedures along the EHS management system are in place, followed, and share best demonstrated practices.

In 2025, the program was further strengthened through two key areas of focus:

- “Digitalization of EHS processes”: Further progress was made with the development of two additional modules, EHS Audit Management and Advanced Risk Assessment, scheduled to go live in early 2026.
- “Enhanced safety communication”: Several initiatives reinforced Sika’s safety message and awareness across the company. A new Global Safety Campaign was launched, emphasizing prevention and shared responsibilities. In EMEA, the regional “Safety starts with me” campaign further strengthened personal accountability for safety. EHS also became a regular feature in the monthly Group Newsletter, presenting testimonials and stories that highlight best practices and employee commitment to safety.

On a regional level, Behavior-Based Safety programs remain a cornerstone of Sika’s safety strategy. Led by regional and local EHS Managers, these programs continued throughout 2025 to promote proactive behaviors and reinforce safety awareness at the workplace. The focus on individual responsibility and observation-based feedback contributed to a sustained improvement in safety performance.

OCCUPATIONAL HEALTH AND SAFETY AND QUALITY MANAGEMENT SYSTEM

Sika maintains a Corporate Management System (CMS) which applies to all Sika locations and employees and fulfils the requirements of ISO 45001 “Occupational Health and Safety Management System” and ISO 9001 “Quality Management System”. Local Sika companies implement their own Sika Management Systems based on the CMS, and local regulatory and legal requirements. Newly acquired companies are integrated under the CMS as part of the integration approach. The CMS is maintained by the Global EHSQ function and deployed through a network of EHSQ professionals throughout the regions and country organizations. Both the corporate and local management systems are audited by external parties as part of the ongoing ISO certification program. Internal audits and monthly reviews of health and safety performance support the continuous improvement of the management system and its implementation.

EHS AUDIT PROGRAM

The EHS Audit program, launched in 2024, is a cornerstone of the Sika Safety program, strengthening safety practices across the company. Through a comprehensive approach, Sika ensures compliance with global standards and local regulations and promotes best practices. In 2025, 79 audits were conducted globally, focusing on organization, product safety, occupational health and safety, process safety, and environmental and energy management. A dedicated global EHS auditor team, comprising lead and co-auditors in each region, oversees the audit process. Detailed audit reports are generated, outlining the site's performance across various topics and providing specific recommendations. These reports are shared with Group Management for information and with regional and local teams for action and follow-up. The overall progress and outcomes of the program, including the tracking of open actions, are reviewed during each Group Management meeting.

HAZARD IDENTIFICATION, RISK ASSESSMENT, AND INCIDENT INVESTIGATION

Sika considers hazard identification to be the basis of safe work, and applies the STOP principle (Substitution, Technical measures, Organizational measures, Personal protective measures) to all risk and incident investigations. Sika companies are required to regularly assess hazards and analyze risks within their premises, and operations, and to define corrective and preventive measures accordingly. Each site conducts adequate risk assessments within the workplace. These are led by EHS professionals and serve to give a comprehensive and valid judgment regarding the protection level of occupational health and safety. Risk analyses are reviewed when new information becomes available, e.g., new legal requirements, changes to systems, equipment, raw material, incidents, accidents, near misses, etc.

It is the responsibility of all employees to ensure that accidents or incidents, as well as near misses, are promptly reported to line management to ensure timely investigation and corrective and preventive action. All incidents that happen within Sika entities and premises involving Sika employees or temporary employees, as well as contractors and visitors, are included in the scope. Additionally, incidents involving Sika employees working off-premises, e.g., customer sites, construction sites, business travel, are in scope. Incidents with high or potentially high severity (including all accidents resulting in lost time) must be reported within 24 hours through a central notification system. Investigation and root cause analysis are significant drivers of continuous improvement in Sika health and safety performance. Each incident is investigated, a root cause analysis performed, and lessons learned are shared across the organization for assessment at other locations and implementation of risk mitigation measures. The process is fully supported by the Global Incident Management tool, which enables all employees to report, manage, analyze, and share EHS observations, near misses, and incidents.

PROCESS SAFETY AND RISK MANAGEMENT

Complementary to occupational health and safety, Sika started to deploy its "Process Safety and Risk Management" program in 2024. This program focuses on designing, operating, and maintaining facilities in a manner that prevents and controls events which could endanger lives, assets, and natural resources. Building on capability and training efforts from the previous year, Sika continued to strengthen this program in 2025, with a focus on prevention, early detection, and continuous improvement. New standards for explosion protection and fire safety were introduced, alongside updated safety design templates and retrofit recommendations templates for existing plants. "Safety in plant design" has become a core element for both new manufacturing projects and upgrades, ensuring process safety requirements are systematically addressed from the earliest stages of plant engineering.

Training and awareness campaigns were delivered at global, regional, and country levels, contributing to an increase in reported process safety events and reinforcing a proactive safety approach. In addition, the Global Incident Management tool was updated to allow for more detailed reporting of process safety events, their classification, and investigation.

EMPLOYEE AND CONTRACTOR TRAINING ON OCCUPATIONAL HEALTH AND SAFETY

Occupational health and safety training is organized at various levels within the company for Sika employees and external workers:

- At Group level, 16 e-learning modules are in place. They cover the "Sika Life-Saving Rules" and the 15 "Sika EHS minimum requirements". All employees are required to complete the "Sika Life-Saving Rules", "General Site Rules", "Personal Protective Equipment", and "Rules for Visitors" training modules. The remaining e-learning courses are elective based on the activity of the employee and are included in local curricula. New e-learning courses covering specific process safety topics modules have been rolled out in 2025. In 2025, Sika implemented systematic tracking of completion rates for the four Group-wide mandatory e-learning areas across country, regional, and Group levels. By year-end, the overall completion rate for the four mandatory e-learning courses reached 90%.
- At local level, new employees receive safety induction training, embedded in the introductory program, which covers safety policies, guidelines, and procedures. Regular refresher training on health and safety is also performed. In addition to the mandatory health and safety induction training sessions, local management teams are responsible for setting up and deploying specific additional health and safety training. Each country develops a program to ensure employees are trained to these standards and the adherence to local regulations. Temporary staff also fall under these requirements.
- For contract workers, both the contracted party and Sika must be fully aware of and prepared for potential hazards. Contractors must demonstrate a clear understanding of the task being performed and have a system to identify and control the risks. Training needs' assessment, content, and effectiveness are completed at local level under EHS Managers', HR, and General Managers' responsibilities. The same safety rules apply to contractors as for employees and temporary staff.

OCCUPATIONAL HEALTH SERVICES AND WORKERS' HEALTH PROMOTION

The provision of occupational health services is the responsibility of local management teams in accordance with the Sika-internal Safety Manual and Sika "Life-Saving Rules", which might differ depending on local regulations and healthcare systems, for example:

- In Americas, all sites ensure that minimum first-aid requirements are met through trained first-aid responders, on-site doctors, or external medical providers. In Latin America, most countries – including Brazil, Argentina, Mexico, Guatemala, and Ecuador – have on-site doctors available for consultations and occupational risk assessments. Remaining Latin America countries, along with Canada, rely on external emergency service providers. In the USA, a dedicated external medical service provider ensures that all health needs are addressed within one hour, including virtual assistance, in full compliance with OSHA requirements.
- In Asia/Pacific, EHS teams continued the regional "Fit for Duty" program. This program is integrated into the Pre-Start Safety Inspection, which is used by individuals and teams to check critical health and safety points before starting work.
- In EMEA, a team of first aiders is available on-site to all employees to answer questions on occupational safety and first-aid measures in emergency situations. They are the first contact for any health-related incident. In 2025, refresher courses were conducted across all sites to ensure first aiders' skills remain up to date and aligned with best practices, enabling effective emergency response.

All local companies are responsible for promoting employee health beyond the workplace and for facilitating access to non-occupational medical and healthcare services, depending on the local context and according to local regulations. Sika promotes employee health globally via different channels, such as health campaigns, financial support for participating in sports events, dedicated sessions delivered by mental health professionals, lectures on stress release techniques, and first-aid training.

In 2025, 75% of Sika entities offered formal employee assistance programs and/or support initiatives, ranging from workplace stress management, sports and health initiatives to financial wellness support[1].

For instance:

- In many countries (e.g., Brazil, Germany, Switzerland), HR departments conduct an annual flu vaccination campaign for employees and their families.
- In several Middle Eastern countries, Sika offers the "Health on Track" program as part of comprehensive health insurance, providing access to psychological consultations and mental health podcasts.
- In Americas and EMEA, initiatives include health awareness campaigns on topics such as blood pressure and cancer prevention, ergonomic warm-up sessions, posture exercises, and healthy nutrition in canteens.
- In the UK, an anonymous mental health hotline is available to all employees.

Specifically in 2025, the following initiatives were introduced:

- In Eastern Europe, countries including Czech Republic, Poland, and Croatia implemented mental health programs aimed at raising awareness, providing counseling services, and strengthening psychological resilience.
- In Germany, health initiatives emphasized preventive care and stress reduction through heart health screenings, stress management workshops, and skin cancer screening campaigns.
- In the Americas, a pilot project was initiated to use Artificial Intelligence (AI) tools for promoting ergonomic practices and preventing occupational illnesses.
- In Asia/Pacific, health risk assessments and online health talks have been organized for employees in several countries.

Furthermore, in the last quarter of 2025, a cross-functional EHS/HR team started to develop a Global Health and Well-being Program aimed at strengthening focus, raising awareness, and promoting the sharing of best demonstrated practices on this topic, complementing existing local initiatives.

EMPLOYEE PARTICIPATION, CONSULTATION, AND COMMUNICATION ON OCCUPATIONAL HEALTH AND SAFETY

In addition to Safety Campaigns and the regular Safety Survey, Sika ensures that employees can always have direct contact with superiors and management on occupational health and safety issues. This allows employees to raise their concerns to improve health and safety at work. All local entities are responsible for organizing formal joint management–worker health and safety meetings on a regular basis to address key EHS topics, such as identifying workplace hazards, reviewing incidents and near misses, implementing corrective actions, and discussing safety improvement initiatives. In addition, all employees are encouraged to raise safety observations via the Global Incident Management tool. In 2025, more than 42,000 safety observations were raised by employees globally to highlight and mitigate/eliminate risks.

In 2025, workers' participation, consultation, and communication on occupational health and safety topics were in place in all Sika entities[1].
At regional and country levels, several initiatives are in place, for example:

- In many countries across all regions, an annual "Safety Day" is organized at the initiative of local management to enhance safety awareness among the teams.
- In the Americas, all incident reports, performance indicators, and EHS objectives and targets are discussed in EHS and Operations monthly forums across countries. These updates are also communicated to all employees during quarterly townhall meetings. Monthly reports and lessons learned are further promoted through a new regional "Safety in Action" communication channel and the local "Entre Nos" newsletter, reinforcing awareness and continuous improvement.

1 Based on the data collected through the HR questionnaire. For more information, please see the "Working conditions" section on p.109 of the Sustainability Report 2025.

- In the USA, a new mentoring initiative, “Supervisors EHS Training” was introduced to engage all middle management levels. The program is designed to cascade the EHS culture throughout the organization and strengthen safety leadership. Participants focus on developing key leadership attributes, mastering crucial conversations, enhancing emotional intelligence, and fulfilling leadership expectations to drive safety performance at their respective sites.
- In Asia/Pacific, EHS corners and visual performance management boards are installed in all factories to communicate regular information on safety issues and EHS-related updates. These corners also invite employees to provide input and suggestions for EHS improvements and protection measures. Non-management representatives are invited to contribute to the local EHS Committee.
- In EMEA, employees continue to actively participate in the prevention program by reporting near misses and safety observations. Every employee is expected to report at least one hazard observation annually as part of their personal commitment to safety. Employees and managers also perform joint safety inspections under the regional “Safety Leadership Program”, reinforcing collaboration and accountability at all levels.
- At Corporate level, to strengthen engagement and ensure compliance with local regulations, a structured training framework was implemented via the Sika Learn digital platform. Locally developed e-learning modules enable consistent documentation and verification of all training. A comprehensive training matrix ensures transparency on training status and needs, supporting targeted planning and ensuring that only qualified employees perform safety-critical tasks. This approach reinforces compliance, enhances safety performance, and promotes continuous competence development.

ACCESS TO WASH SERVICES

Sika is committed to contributing to the achievement of the United Nations Sustainable Development Goals (UN SDGs). Goal 6 focuses on the universal provision of safely managed water, sanitation, and hygiene services (WASH services). The provision of such services at the workplace is managed by Sika at local level across its operations. All HR managers[1] have confirmed in the annual HR questionnaire that access to safe water, sanitation, and hygiene is provided for all employees working at Sika premises.

Metrics

OCCUPATIONAL HEALTH AND SAFETY AND QUALITY MANAGEMENT SYSTEM

In 2025, among 722 Sika locations under ISO scope[2]:
- 32% were certified according to ISO 45001. The percentage of certified Sika locations slightly increased in line with the greater focus on global safety initiatives.
- 60% were certified according to ISO 9001. The percentage of certified Sika locations slightly increased as the global implementation progressed.

ISO 45001 – OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM CERTIFICATION

	2023	2024	2025
Sites certified ISO 45001 (No.)	206	230	233
Coverage of sites under ISO scope (%)	28	31	32

ISO 9001 – QUALITY MANAGEMENT SYSTEM CERTIFICATION

	2023	2024	2025
Sites certified ISO 9001 (No.)	422	405	430
Coverage of sites under ISO scope (%)	58	55	60

EMPLOYEE WORK-RELATED INJURIES

No work-related fatalities of Sika employees occurred during 2025. For each serious incident or accident with lost time, a root cause investigation was conducted, and corrective and preventive actions defined. An internal report summarizing circumstances, causes, and lessons learned was circulated across the Group for follow-up and action to prevent similar events. In 2025, the number of lost time accidents decreased by 13.4% vs. 2024, leading to a lower Lost Time Injury rate per 1,000 FTE of 3.0, (–14,1% vs. 2024). The number of recordable work-related accidents also fell from 296 to 222, with the corresponding rate falling from 8.1/1,000 FTE to 6.0/1,000 FTE. Analysis of accidents showed that the majority were related to slips, trips, falls, and manual handling, with the most prevalent injuries being sprains and strains, cuts, and fractures. In addition to accidents, Sika also captures all near misses and encourages the reporting of safety hazard observations for action and follow-up.

1 Based on the data collected through the HR questionnaire. For more information, please see the “Working conditions” section on p.109 of the Sustainability Report 2025.

2 Considered under ISO scope are headquarters, plants, warehouses, and technology centers. Sales offices, administrative offices, and training centers are excluded, as these activities do not fall under the scope of respective ISO standards.

WORK-RELATED INCIDENTS OF SIKA EMPLOYEES[1]

	2023	2024[4]	2025
Fatalities (No.)	1	0	0
Lost Time Accidents (No.)[2]	181	127	110
Days lost due to Lost Time Accidents (No.)	4,875	4,492	3,694
Average days lost per Lost Time Accident (No.)	26.9	35.4	33.6
LTAs per 1,000 FTEs (Rate)	5.4	3.5	3.0
LTIFR per 1,000,000 hours (Rate)[3]	2.64	1.74	1.49
Recordable work-related accidents (No.)	337	296	222
Recordable work-related accidents per 1,000 FTEs (Rate)	10.0	8.1	6.0
Recordable work-related accidents per 1,000,000 hours (Rate)	4.91	4.06	3.00
Work-related ill health (No.)	22	11	12
Work-related ill health per 1,000,000 hours (Rate)	0.32	0.15	0.16

1 Apprentices and interns are excluded from FTEs and worked hours used for the calculation of LTAs per 1,000 FTEs, LTIFR, recordable work-related accidents rates, and work-related ill health rates.
2 Lost Time Accident (LTA) is an accident which results in one or more lost days, not including the day of the accident.
3 Lost Time Injury Frequency Rate.
4 2024 figures related to LTAs and recordable work-related accidents of Sika employees have been revised upward to take account of the reclassification of two incidents identified after publication (one LTA, one recordable work-related accident).

In 2025, 12 work-related ill health cases were reported for Sika employees (2024: 11). The most common causes were related to musculoskeletal disorders, with a high proportion of cases occurring in Mexico, where a high level of manual handling led to occupational illnesses. In all cases, employees were supported by local HR and EHS functions.

CONTRACTOR WORK-RELATED INJURIES

Sika places equal importance on the health, safety, and well-being of contractors as on Sika employees. In 2025, there were 30 contractor lost time injuries (2024: 13). Several actions have been initiated such as dedicated training for all external cleaning companies in Americas, reminder of EHS minimum requirements related to contractors and safe work permit process implementation, and increased oversight on contractor safety.

WORK-RELATED INCIDENTS OF CONTRACTORS

in numbers	2023	2024	2025
Fatalities	0	1	0
Lost Time Accidents	19	13	30
Recordable work-related accidents[1]	–	–	35

1 New reporting of recordable work-related accidents of contractors from 2025 onward.

PROCESS SAFETY INCIDENTS[1]

A total of 63 process safety incidents were recorded in 2025. All incidents have been contained locally without causing severe injuries or environmental damage. The continued roll-out of the “Process Safety and Risk Management” program enables more detailed reporting of process safety events, their classification, and investigation. The methodology for classifying and reporting process safety incidents has been updated for the 2025 reporting cycle and therefore is not comparable with previous years.

PROCESS SAFETY INCIDENTS

in numbers	2025
Process Safety Incidents	63

NON-COMPLIANCE WITH HEALTH AND SAFETY LAWS AND REGULATIONS

Sika is committed to mitigating any potential negative impacts with regard to its health and safety management system. This includes all major non-compliance cases that have been detected by third-parties. In 2025, Sika had two cases in the USA, one related to an OSHA inspection (Fernley) and one related to an incident (Canton) resulting in a severe employee injury. Sika has worked together with local authorities to address all findings and implement the necessary improvements.

1 A Process Safety Incident refers to an unplanned or uncontrolled release of energy, or material from a process that results in consequences for people, the environment, or property which leads to one or more of the following: a recordable injury, a declared public evacuation or shelter-in-place order, a significant release of hazardous material, or incurs costs above 20,000 CHF.

EQUAL TREATMENT AND OPPORTUNITIES

Sika operates in 102 countries, which emphasizes the need to understand diverse cultures and share experiences across national boundaries. With such a global presence and a diverse workforce, the company is responsible for upholding non-discrimination and equal opportunities across its operations, as these are significant topics from an impact materiality perspective.

Sika values diversity and inclusion and considers itself to be an equal opportunity employer. Through fostering inclusive and ethical leadership, Sika creates a working environment that nurtures a strong sense of belonging, drives innovation and high performance, and helps to attract and retain talent. More specifically, Sika is committed to:

– Fight against discrimination based on race, religion, gender, nationality, disability, age, or any other discriminatory characteristic which is of high importance due to its global presence.
– Provide equal opportunities for all employees.
– Increase the percentage of women, particularly in sales and management positions.
– Attract and retain the young generation of employees by means of a strong employer value proposition.
– Invest in all employees to promote business resilience by improving their skills, knowledge, and expertise.

Dedicated initiatives are developed around three pillars “attract”, “engage”, and “promote”, focusing on three levels of actions: the individual level, to challenge the conscious and unconscious biases of both women and men; the company level, to provide equal opportunities; and the society level, to be a role model and contribute to changing mindsets.

Governance

For more information on Sika’s HR governance at Corporate, Regional, and Local level, please see the “Working conditions” section on p.109 of the Sustainability Report 2025.

To support Sika’s commitment to increase the percentage of women at all levels of the organization, a Global Diversity Steering Committee (GDSC) was established in 2023 to set up an initial governance framework at Group level around the three pillars “attract”, “engage”, and “promote”. Since then, the governance framework has been embedded and further enhanced throughout the organization, in line with Sika’s ambition.

Targets

Sika pursues the ambition of same representation of women at all levels of the organization and to steadily increase the proportion of women in the total workforce toward 30%.

Policies and guidelines

The table below provides an overview of the key policies and frameworks that guide Sika’s management approach to equal treatment and opportunities. Further details of the key content, scope, and implementation of these policies can be found in the “Policies and guidelines” chapter on p.141 and the related sub-topic sections of the Sustainability Report 2025.

SUMMARY OF POLICIES AND GUIDELINES

Sub-topics	Policies and guidelines
Equal treatment and opportunities	Values and Principles
	Code of Conduct
	Human Rights Policy
	Trust Policy
	People and Culture Guidelines

Actions

SUMMARY OF ACTIONS

Sub-topics	Actions	Page number(s)
Equal treatment and opportunities	Gender diversity and equality	p.122
	Equal pay for work of equal value	p.122
	Training and skills development	p.123
	Employment and inclusion of persons with disability	p.124
	Measures against violence and harassment in the workplace	p.124

GENDER DIVERSITY AND EQUALITY

Sika's strategy is to attract, engage, and promote more women, in general and particularly in sales.

At Group level, examples of actions taken are the following:

- Continue building internal awareness campaigns to anchor diversity, equity, and inclusion (DEI) as a core principle in the organization.
- Enhance transparency regarding DEI progress through comprehensive monthly internal reporting that facilitates the exchange of best practices. This approach enables regional and local organizations to learn from one another and benefit from successful initiatives. Improvements are assessed through annual corporate HR reporting, which monitors not only gender but also age and nationality. In addition, the share of women in the workforce – globally and within the regions – is reported to Group Management on a quarterly basis as part of the Sustainability Performance Reporting.
- In the field of talent management, care is taken to have a fair share of female talent reflected in Sika's internal talent pool as well as for leadership training nominations.
- In the area of employer branding, Sika's corporate career webpage includes a focus on Diversity and Inclusion, following its redesign in 2025. Job adverts reflect a diversity-friendly work environment.

At regional level, the initiatives according to the three strategic pillars "attract", "engage", and "promote" initiated in previous years continue to be in place:

- In EMEA, this includes, for example, training for all HR departments across the region on "Diversity Friendly Recruitment" to educate HR colleagues on inclusive language and practices within the hiring process. For Talent Management, there is specific focus on identifying and developing female talent across all functions of the business to ensure an adequate gender mix. EMEA's employee awareness campaign continues to be in place, taking employees on a journey to learn more about diversity, equity, and inclusion, unconscious bias, and creating a safe environment at work where everyone feels empowered to speak up and/or speak out, fostering a sense of belonging for all employees at Sika.
- In North America, Sika's business-sponsored Women of Sika (WoS) Committee continues to meet and work, in dedicated sub-committees, on specific topics, such as communication, recruiting, networking, and training. In the USA, "Leading Diverse Teams" training for all people managers has been rolled out this year, emphasizing gender and generational dynamics, while Canada has offered training to all employees on the topic of diversity in the workplace.
- In Latin America, Sika's Women in Salesforce program continues. It seeks to develop women with little experience in construction and/or sales through a commercial training curriculum where participants are given the opportunity to learn Sika's business while being immersed in another country and culture. In South Latin America, diversity workshops continue to be rolled out in Bolivia, Uruguay, and Argentina. In Argentina, Sika has opened a new plant, the first one to be 100% operated and managed by women. Alongside targeted recruitment initiatives, Sika for example procured workwear especially designed for women to make the workplace attractive for female applicants.
- In Asia/Pacific, the main focus continues to be related to increasing the number of women in leadership positions. A Regional Management Trainee program is in place to accelerate the professional development of talented graduates.

EQUAL PAY FOR WORK OF EQUAL VALUE

Sika is committed to pay equality and fairness in all countries the company operates in. The Sika compensation model promotes a "pay for performance" culture, while ensuring transparency, equality, fairness, non-discrimination, and competitiveness of the employee's total reward. The company has implemented in most of the countries standardized job grades to facilitate a systematic approach to evaluating pay equality.

Many European countries already require gender pay gap reporting for companies above certain employee thresholds. Following local legislation, Sika has completed equal pay analyses in countries like the UK, Ireland, France, and Sweden.

In preparation of the EU Pay Transparency Directive, which will make reporting expectations more consistent across EU Member States, Sika has implemented a Group-wide internal pay transparency tool in 2025. This tool enables the analysis of gender pay gaps, salary distributions, and variable compensation across organizational levels and thus facilitates the timely monitoring of pay equality at Sika.

Sika conducts annual salary reviews at local level, during which any gender pay gaps detected are addressed.

TRAINING AND SKILLS DEVELOPMENT

With more than 33,000 employees globally, Sika considers training and education to be an important instrument in developing, promoting, and retaining its workforce.

Sika offers a vast array of individual career opportunities and is proud to employ individuals who remain with the company for a long time and contribute with their knowledge and experience over several years. The company invests in up-skilling and reskilling of long-term employees to improve their knowledge and ensure their continuous employability. Sika also encourages employees to enrich their experiences and accelerate their growth through working abroad for other Sika companies, offering international career opportunities.

The company recognizes the importance of exploring the potential of new technologies and embracing them together with the workforce. Through digital enablement, Sika encourages the strategic use of technology and digital tools, empowering employees and teams to work more efficiently, effectively, and innovatively.

TALENT DEVELOPMENT AND LEADERSHIP PROGRAMS

Sika takes pride in a comprehensive leadership development portfolio at global, regional, and local level to boost the talent pipeline. The portfolio is constantly growing as the company needs to stay on top of the requirements of the business and adapt the offering to employees' needs to succeed. The current offering includes annual and bi-annual programs:

- The Global Leadership Program (GLP) empowers the next generation of senior leaders by cultivating leadership competencies that align with Sika's areas of focus: innovation, sustainability, and customer centricity. The GLP nurtures a leadership culture rooted in creativity and problem-solving, driving sustainable growth and strengthening the talent pipeline for critical positions.
- The General Manager Program (GMP) is dedicated to newly appointed General Managers and focuses on training and sharpening business operational skills to confidently head and govern a Sika subsidiary.
- The Regional Leadership Program (RLP) is designed to enhance the required capabilities portfolio to fill large country, area, or regional positions for the purpose of stocking the talent pipeline for business-critical key positions.
- The Leadership Accelerator Program is dedicated to first-time managers and middle management employees to expand managers' leadership competencies and increase their individual and team performance.
- The Young Leadership Programs[1] are delivered to help young employees in building future perspective, as well as engagement, and exposure. It prepares the next generation of Sika leaders with innovative and accelerated development. Furthermore, it creates a robust leadership foundation for Sika's future leaders' success and provides a strong sense of belonging and engagement.
- The Executive Development Program (EDP) is a bi-annual, exclusive, and fully customized program for Senior Managers, Regional Senior Managers, and Corporate Senior Managers, focused on fostering leadership excellence and strategic acumen in Sika's key business fields.

LEARNING AND DEVELOPMENT ACTIVITIES

Sika's Learning and Transformation (L&T) function offers skills-based programs, services such as coaching or mentoring, and digital transformation supporting the continuous development of all employees and Sika's 2028 Strategy. This paves the way to achieving an engaged workforce and fosters a high-performance culture. The L&T team organizes a broad range of internal and external training programs based on the Group Management's strategic initiatives and collaborates closely with General Managers, Regional HR Managers, Area HR Managers, Country HR Managers, and other key business leaders to identify focus areas.

Along with the talent management and leadership training portfolio, the Sika Business School offers sales training, professional skills training, and support to Sika academies in the areas of procurement, operations, and sustainability. A new Sika HR academy has been designed in 2025 and will be launched in 2026.

Future managers are trained at various levels, either through continuous training initiated by the respective national organization or provided by the Sika Business School, Sika Academies, and external education partners. In 2025, Sika continued to cooperate with various business schools and universities, where the company provided training for talented employees with the potential to assume Senior Management positions.

All non-management functions are evaluated and managed by their line managers and HR to identify training and development needs. As part of the Performance Debrief Dialogue (PDD) process, yearly performance evaluation discussions integrate a systematic focus on employees' aspirations, competencies, and development needs. Alongside on-the-job learning and internal training, Sika encourages the external education of its employees by providing sponsorships on a case-by-case basis.

Digitalization has been a major transformation driver, enhancing collaboration, innovation, and learning across the organization. Sika uses a cloud-based learning content management system (LCMS), SikaLearn, where employees can access the Sika training catalog, e.g., the Sika Business School catalog and complete e-learning courses. Programs are available in online, classroom, and/or hybrid formats. Leaders are empowered to assign relevant skills-based learning programs to employees, and employees are encouraged to look for and request relevant training to their respective line managers. SikaLearn is a tool where Sika's employees, from the novice to the expert, can also create learning content relevant for their respective function or target market. The tool enables dynamic reporting on training via dashboards to support leaders.

The "Plant Worker Project" which was initiated to empower all plant and factory workers with a digital identity, continued to be rolled out in 2025. This initiative represents a fundamental step toward all employees being digital connected. By granting digital identities to employees in factories and warehouses, barriers that had previously impeded their access to the digital environment are eliminated. This inclusion guarantees their active participation in the company's communication channels, involvement in incident management, and convenient access to mandatory e-learning and training sessions.

1 Programs' names might differ across Sika regions due to regional requirements.

EMPLOYMENT AND INCLUSION OF PERSONS WITH DISABILITY

The company strives to promote an inclusive work environment that enables people with disabilities to be part of the workforce. In line with the definitions of the International Labor Organization (ILO) and the European Sustainability Reporting Standards (ESRS), Sika defines persons with disabilities at work as "individuals whose prospects of securing, returning to, retaining, and advancing in suitable employment are substantially reduced as a result of a duly recognized physical, sensory, intellectual, or mental impairment" (ILO) and as "persons who have long-term physical, mental, intellectual, or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others" (ESRS). If divergent, definitions provided in local legislation prevail. Sika carefully observes any legal requirements that might exist in the different jurisdictions the company operates in. It is noteworthy that most countries rely on employees to voluntarily self-disclose their disability status.

MEASURES AGAINST VIOLENCE AND HARASSMENT IN THE WORKPLACE

In line with its Code of Conduct, Sika promotes a diverse and inclusive work environment where all employees treat each other fairly and with respect. Sika supports non-discriminatory practices and equal opportunities in the recruitment process and in the professional development of its employees. Sika is committed to equal treatment and strictly prohibits sexual and any other harassment in the workplace. Adherence to these principles needs to be confirmed by all General Managers through the ESG Confirmation on a yearly basis.

To uphold this commitment, specific anti-harassment training exists in different countries. One example are the sexual harassment awareness training courses in the UK and Peru.

Any breach of Sika's Code of Conduct can be reported under the Sika Trust Line. For more information on Sika's grievance mechanism, please see the "Business integrity" section on p.134 of the Sustainability Report 2025.

Metrics

DIVERSITY AT TOP MANAGEMENT LEVEL

The company believes that employee diversity is a major factor in its success, especially among senior management. At the end of the reporting year, Sika's top management consists of 455 Senior Managers, thereof 80 women. The share of senior management roles held by women has increased to 17.6% (2024: 16.4%).

At the end of 2025, the Board of Directors (BoD) consists of eight members, six men and two women, women therefore representing 25% of the Board of Directors. For more information on BoD members' ages, nationalities, and experience, please see the Leadership Report on p.175 of the Annual Report 2025.

GENDER MIX

Sika is constantly working on increasing the percentage of women in all regions and on all levels of the organization. In 2025, the overall quota of female employees remained stable at 24.8% (2024: 24.8%). The region with the highest ratio of female employees continues to be Corporate Services, with 39.2% in 2025 (2024: 38.5%). While the region EMEA has seen a slight decrease in the ratio of female employees to 24.2% in 2025 (2024: 24.3%), the ratio of women slightly increased in Asia/Pacific to 24.1% (2024: 23.9%) and Americas to 25.2% (2024: 25.1%).

In 2025, the percentage of women at Staff level remained stable at 24.9% (2024: 24.9%); the percentage of women in Middle Management decreased slightly to 24.2% (2024: 24.3%), while the number of women in Company Management increased to 25.0% (2024: 24.5%).

BREAKDOWN OF EMPLOYEES PER GENDER AND PER CATEGORY

	2023		2024		2025	
in numbers	F	M	F	M	F	M
Staff	6,731	20,615	6,989	21,087	6,843	20,614
Middle Management	1,113	3,761	1,259	3,914	1,214	3,811
Company Management[1]	294	1,033	301	926	306	919
Thereof Group Management	2	6	2	6	2	6

1 Sika Senior Managers and local Company Management teams are included in this category.

AGE REPARTITION

The age structure at Sika is as follows: 11.4% of employees are under 30 years old (2024: 12.2%), 62.0% are between 30–50 years old (2024: 61.8%), and 26.6% are over 50 years old (2024: 26.0%).

BREAKDOWN OF EMPLOYEES PER AGE AND PER GENDER

	2023		2024		2025	
	Employees (No.)	Employees (%)	Employees (No.)	Employees (%)	Employees (No.)	Employees (%)
<30 years	**3,991**	**11.9**	**4,201**	**12.2**	**3,833**	**11.4**
Female	1,309	32.8	1,388	33.0	1,252	32.7
Male	2,682	67.2	2,813	67.0	2,581	67.3
30–50 years	**20,831**	**62.1**	**21,321**	**61.8**	**20,906**	**62.0**
Female	5,194	24.9	5,411	25.4	5,366	25.7
Male	15,637	75.1	15,910	74.6	15,540	74.3
>50 years	**8,725**	**26.0**	**8,954**	**26.0**	**8,968**	**26.6**
Female	1,635	18.7	1,750	19.5	1,745	19.5
Male	7,090	81.3	7,204	80.5	7,223	80.5

To increase the number of employees under 30 years old, Sika’s employer branding strategy positions the company as the employer of choice for the next generations. As a project sponsor of several universities, Sika engages in a lively dialogue with young talent and offers a wide range of internship and traineeship opportunities for a variety of different academic backgrounds, including chemistry, business studies, industrial engineering, chemical engineering, civil engineering, architecture, and material sciences.

TRAINING AND SKILLS DEVELOPMENT

With more than 33,000 employees globally, Sika considers training and education to be an important instrument in developing, promoting, and retaining its workforce and recognizes the need to keep employees up to date in terms of their knowledge and skills. In 2025, each employee received an average of 14.0 hours of training (2024: 14.7).

AVERAGE TRAINING HOURS PER EMPLOYEE[1]

in numbers	2023	2024[2]	2025[3]
Hours of training per employee	12.5	14.7	14.0

1 Excluding apprenticeship, MBA, and PhD at educational institutions.
2 Chema has been excluded from 2024 figures disclosed in this table.
3 Gulf Seal has been excluded from 2025 figures disclosed in this table.

All Sika entities have a local performance evaluation system in place, which includes a Management By Objectives (MBO) and Employee Development discussion. Around 79% of Sika employees received regular performance and career development reviews in 2025 (2024: 67%).

EMPLOYEE PERFORMANCE REVIEWS

in %	2023	2024	2025
Employees with performance reviews	62	67	79

WORKERS IN THE VALUE CHAIN
SUMMARY OF MATERIAL IROs

The table summarizes key material matters related to working conditions, equal treatment, and other labor rights. It outlines associated impacts and risks, and expected time horizons across the value chain. All IROs have been assessed for each value chain step separately. For more information on the Double Materiality Assessment methodology and results across all ESRS topics and sub-topics, please see the "Double Materiality Assessment" section on p.47 of the Sustainability Report 2025.

SUMMARY OF MATERIAL IROs

Sub-topic	IROs	Impact materiality	Type of impact	Financial materiality	Value chain step	Time horizon
Working conditions	Adverse impacts on workforce due to working conditions in upstream value chain.	Negative impact	Potential		Upstream	Short Medium Long
	The use of products with hazardous substances for workers in the downstream value chain can lead to health risks due to unintentional exposure/spill by not properly considering the provided safety measures and information.	Negative impact	Potential		Downstream	Short Medium Long
Equal treatment and opportunities	Potential exposure of workers in the value chain to unequal treatment and opportunities.	Negative impact	Potential		Upstream	Short Medium Long
Other work-related rights	Potential adverse impact on working conditions and exposure to violations of work-related rights.	Negative impact	Potential		Upstream	Short Medium Long
	Business disruption and reputational loss due to violations of work-related rights within the upstream supply chain.			Risk	Upstream	Medium Long

LABOR RIGHTS[1]

Ensuring safe, fair, and decent working conditions across the entire value chain is a cornerstone of responsible business conduct. Just as equal treatment and opportunities for all foster inclusion and empowerment, the protection of workers' rights is fundamental to sustainable operations along the value chain.

As a global company active in 102 countries, Sika operates across multiple supply chains and sectors, fostering business relationships with partners worldwide. In this context, several impacts may arise throughout Sika's value chain:

- Working conditions: Material risks may arise when labor standards are not rigorously upheld, particularly in the upstream value chain. Adverse working conditions, including excessive hours, inadequate wages, or lack of social protection, can have substantial negative impacts on the workforce. Additionally, in the downstream value chain, improper handling and use of Sika's products containing hazardous substances without adequate attention to safety data sheets and product labeling, may expose workers to health hazards.
- Equal treatment and opportunities: Unequal treatment and lack of opportunity for workers in the value chain may lead to negative impacts. This encompasses potential exposure to discrimination, harassment, or other unfair practices, especially in regions where local standards or enforcement may be insufficient. Addressing these risks is essential to ensuring both the well-being of workers and the overall integrity and resilience of the value chain.
- Other work-related rights: The potential for modern slavery, child labor, and exploitative practices is heightened where oversight and regulation are lacking.

Sika's values are centered around respecting universal human and workers' rights, acting in accordance with fundamental international human rights, environmental, health and safety standards, and investing efforts in sustainable development and corporate responsibility.

As a global player in specialty chemicals, Sika acknowledges its responsibility to implement adequate measures designed to prevent human rights violations from occurring throughout its supply chain.

Through its Supply Chain Due Diligence and Risk Management approach, Sika is committed to proactively identifying, mitigating, and remediating adverse impacts on workers in the value chain. By fostering robust standards and transparent monitoring mechanisms, the company strives to protect human rights, promote safe and decent work, and contribute to resilient, responsible global supply networks.

1 Including the sub-topics "Working conditions", "Equal treatment and opportunities", and "Other work-related rights".

Governance

For more information on the governance approach regarding the management of relationships with suppliers, please see the "Management of relationships with suppliers" section on p.139 of the Sustainability Report 2025.

Policies and guidelines

The table below provides an overview of the key policies and frameworks that guide Sika's management approach to responsible procurement. Further details of the key content, scope, and implementation of these policies can be found in the "Policies and guidelines" chapter on p.141 and the related sub-topic sections of the Sustainability Report 2025.

SUMMARY OF POLICIES AND GUIDELINES

Sub-topics	Policies and guidelines
Working conditions, Equal treatment and opportunities, Other work-related rights	Values and Principles
	Code of Conduct
	Supplier Code of Conduct
	Human Rights Policy
	Sika Trust Policy
	Procurement Manual
	Responsible Sourcing Guidelines
Working conditions[1]	Regulatory and Product Compliance Guidelines
	Labeling Guidelines

1 Related to health and safety impacts in the downstream value chain.

Process for engaging with value chain workers

Sika considers the perspective of value chain workers through supplier audits' employee interviews under the Together for Sustainability framework as outlined in the "Supply Chain Due Diligence" section on this page.

Process to raise concerns for value chain workers

The Sika Trust Line ensures the possibility of secure, confidential, and, if desired, anonymous reporting of an incident. Employees, customers, and suppliers throughout the entire supply chain, and all other stakeholders, are encouraged to report potential incidents or violations using the Sika Trust Line. All submitted reports are handled by the Corporate Compliance Team. The compliance team members are impartial, independent, and treat every report confidentially. Discrimination and any retaliatory actions against reporting individuals are not tolerated. Should a third-party report come through from a supplier or respective worker in the value chain, in line with Procurement's remedial action approach, the relevant procurement leader in the hierarchy within the procurement function will be notified by Corporate Compliance. Such reports will then be handled on a case-by-case basis and escalated accordingly. Any breach of Sika's (Supplier) Code of Conduct, whether within its own operations or by a third-party business partner or supplier, can additionally be reported under the Sika Trust Line. For more information on Sika's grievance mechanism, please see the "Business integrity" section on p.134 of the Sustainability Report 2025.

Actions

SUMMARY OF ACTIONS

Sub-topics	Actions	Page number(s)
Working conditions, Equal treatment and opportunities, Other work-related rights	Supply Chain Due Diligence	p.128–129
	Together for Sustainability (TfS)	p.130
	Training for suppliers	p.130
	Training for procurement employees	p.131
	Child labor	p.131
Working conditions	Hazard exposure in the downstream value chain	p.131

SUPPLY CHAIN DUE DILIGENCE

Sika expects that the highest ethical standards will be applied by its suppliers. In line with the OECD guidelines[1], the company has embedded its Supply Chain Due Diligence and Risk Management approach into the Supplier Relationship Management (SRM) process. For more information on the SRM, please see the "Management of relationships with suppliers" section on p.139 of the Sustainability Report 2025.

Sika's Supply Chain Due Diligence and Risk Management approach consists of five key steps: Pre-evaluation and ESG risk assessment, qualification, evaluation, development, and termination where necessary.

1. PRE-EVALUATION AND ESG RISK ASSESSMENT

Sika pre-evaluates and selects suppliers according to a defined set of environmental and social criteria. Procurement is responsible for performing a comprehensive risk analysis of all prospective and existing suppliers, based on country and industry-related ESG risks. To perform this pre-evaluation, the company uses the EcoVadis IQ tool. The tool builds on a vast array of information sources and metrics to provide a holistic view of the sustainability context at specific supplier level, the so-called Supplier Risk Profiling. It relies on global human rights indexes and intensity factors related to issues like child labor, climate, and health and safety. The underlying methodology of risk mapping is aligned with EcoVadis ratings criteria, which prominently feature labor and human rights as a central pillar. This platform can be instrumental in enhancing Sika's responsible and sustainable procurement practices while mitigating risks. Depending on identified risks and thresholds, specific suppliers will additionally be asked to conduct further appropriate and necessary evaluations covering, but not limited to; supplier's management and reporting systems, ESG commitments and standards, and quality assurance of the materials provided.

2. QUALIFICATION

Following the pre-evaluation, the supplier qualification process is initiated with all selected business partners. Suppliers need to meet the minimum requirements designed to ensure compliance with international human rights and labor standards as well as prescribed quality, environmental, and health and safety criteria.

The Sika Supplier Code of Conduct is an integral element when qualifying Sika's tier 1 suppliers and sets out the company's expectations for its supplier network, reflecting the Ten principles of the United Nations Global Compact Initiative, the United Nations' Guiding Principles (UNGPs) on Business and Human Rights, the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, the global chemical industry's Responsible Care® program, and the Conflict Minerals Regulations. It is the expectation of Sika that the supplier network embraces the same set of values and commits to Sika's zero tolerance policy regarding the respect of basic human rights including, but not limited to, child labor, forced labor, modern slavery, non-discrimination, fair working conditions, and the right to freedom of association and collective bargaining. Sika thereby ensures that suppliers are informed of Sika's ethical, environmental, and social expectations and

1 ↗ **OECD Due Diligence Guidance for Responsible Business Conduct**

guidelines, and that they conduct their processes and enforce the same standards and commitments to their respective supply chains. After successful qualification, suppliers are onboarded and integrated into Sika's systems and processes. Supplier engagement forms the basis for initiating and developing relationships, ensuring alignment with social and governance criteria.

In 2025, Sika reviewed and enhanced its approach to Supplier Code of Conduct assurance. The updated process now follows a risk-based methodology, ensuring that appropriate due diligence measures are applied across the supply base. As part of this approach, "targeted suppliers", those identified as presenting elevated levels of risk, are required to undergo additional assurance procedures. As of the end of 2025, 88% of targeted suppliers have confirmed adherence to the Supplier Code of Conduct, and efforts continue toward achieving full coverage for all new suppliers.

3. EVALUATION

Embedded in the SRM approach, the supplier evaluation process helps Sika to obtain ESG-related information improving transparency and risk management at supplier level. Based on such evaluations, Sika can define action plans and engage with suppliers on the development of tailored improvement roadmaps. Vendors identified as potential high risk during pre-evaluation are prioritized and requested to conduct an EcoVadis assessment and/or audits which are tailored based on the size of the supplier and its location, under the Together for Sustainability (TfS) framework. For more information on the TfS framework, please see the "Together for Sustainability" section on p.130 of the Sustainability Report 2025.

Additionally, Sika maintains its own company Supplier Audit Program, complementing the evaluation of suppliers. Trained and experienced auditors incorporate ESG risk-related topics in their supplier audit process to ensure transparency on sustainability practice in Sika's own supply chain. It includes, but is not limited to, questions in regard to the supplier's processes to manage manufacturing, EHS, quality, human resources, governance, and supplier management systems. All evaluations provide the nominated suppliers and TfS with a comprehensive scorecard and/or findings report, and any measures or findings identified are reviewed via reassessments or audits during supplier remediation.

Over 2,000 Sika suppliers have been assessed and/or audited under the TfS framework. In 2025, 1,599 TfS supplier assessments[1] with EcoVadis (2024: 1,481) and 241 TfS and Sika supplier audits were conducted (2024: 218). Through this approach, Sika increases its ability to ensure compliance of its suppliers with accepted Corporate Social Responsibility (CSR) and ESG norms, including fundamental human and labor rights. In 2025, over 1,000 suppliers of Sika were re-assessed under the TfS framework. Sika surpassed its self-defined and TfS-approved annual target of TfS assessments in 2025. These evaluation frameworks, alongside the Sika Supplier Code of Conduct, are designed to address and ensure that ESG standards and expectations are effectively extended into Sika's upstream value chain.

Through the evaluation process, Sika proactively addresses potential risks and negative impacts on value chain workers, while contributing to positive outcomes. Under the TfS framework, supplier audits enable further engagement with workers in the value chain. Sika fosters transparent dialogue and seeks to encourage responsible business practices across its supply chain, emphasizing human rights-related preventive and mitigation measures where relevant.

4. DEVELOPMENT

Sika has implemented a remediation and development process for suppliers that do not meet Sika's expectations and standards during the evaluation process. These suppliers are prioritized for Corrective Action Plans (CAPs) and may undergo reassessment or re-audit. Following 2024 evaluations, corrective actions were initiated for all identified suppliers. Sika actively supports suppliers in their improvement journey by providing valuable resources such as access to the TfS Academy and internal guidelines.

As an example for 2025, a TfS supplier audit in the EMEA region identified a non-conformity with ILO conventions on working hours. Several workers exceeded the 60-hour weekly limit (including overtime), with some cases reaching 68 hours. This finding, highlighted under the Labor and Human Rights section of the TfS audit checklist underscores the need for stricter controls on working hours to protect employee rights. A corrective action plan was agreed with the supplier, and a follow-up review confirmed that the findings were effectively addressed and closed.

Additionally, Sika monitors suppliers' performance through EcoVadis assessment scoring updates and audit results comparison over years. This ongoing monitoring reinforces Sika's commitment to supplier engagement, driving continuous improvement. In 2025, 73% of reassessments[2] showed an improved score.

5. TERMINATION

Violations identified during the due diligence process are managed using an internally defined escalation process, which involves reaching out to the Head Global Procurement and applying a case-by-case approach. Where necessary, suppliers are phased out and no longer considered qualified Sika business partners. In 2025, four suppliers were terminated and one will be phased out.

1 Can refer to assessments or reassessments.

2 Refers to the reassessments that showed an improvement from a score below 54% within the year.

TOGETHER FOR SUSTAINABILITY (TFS)

Since February 2020, Sika has been an active member of TfS, a member-driven initiative of more than 50 chemical companies, working to deliver the de facto global standard for environmental, social, and governance performance of the chemical supply chains. The program is based on the UN Global Compact and Responsible Care® principles. It is a global organization headquartered in Europe with regional members' representation in Asia, North America, and Latin America. TfS provides member companies with the framework to conduct ESG assessments and audits, by partnering with approved third-party providers specialized in evaluating sustainability performance:

- TfS assessments are conducted by its key partner EcoVadis, whose methodology is built on international sustainability standards, including the Global Reporting Initiative, the UN Global Compact, and ISO 26000. Their evaluations consider performance across 21 indicators in the themes of environmental, ethics, labor and human rights, and sustainable procurement.
- TfS audits are on-site ESG evaluations conducted by approved and certified third-party providers, in which the sustainability performance of a supplier is verified against a defined set of audit criteria on management, environment, health and safety, labor and human rights, and governance. TfS operates along the principle "An assessment or audit for one member company is an assessment or audit for all". The sharing of supplier evaluations among all members lessens the administrative burden and leverages synergies among the member companies. This operating model of TfS promotes and provides transparency on sustainability activities and contributions within the supply chain, allowing Sika to initiate and achieve measurable improvements.

Launched in 2024, Accelerate4Impact, the TfS strategy for 2030, aims to catalyze change and accelerate the development of sustainable, resilient chemical supply chains through effective collaboration and efficiency. In 2025, TfS translated Accelerate4Impact from strategy into action, with TfS Excellence Groups driving targeted improvements by supporting member progress through buyer toolkits and enhanced best practices in supplier engagement and audit follow-up. New governance elements were introduced to strengthen transparency and decision making, including a structured idea-submission tool, alongside improvement-focused KPIs to ensure consistent measurement and meaningful sustainability impact. Together, these initiatives have embedded Accelerate4Impact as a way of working, reinforcing collaboration and efficiency to build sustainable, resilient chemical supply chains.

Since 2024, Sika Procurement has additionally implemented a monthly status and update report through dashboards to share how the different TfS projects are progressing and where Sika stands regarding its targets related to assessments and audits throughout the regions. TfS coordinators have been set up for all regions, providing useful inputs from local and regional procurement teams to steer the initiatives internally and to share best practices.

Sika actively participates in three of the five core TfS workstreams through 2025:

- The WS1 Governance and Partnerships focuses efforts on the overall scope and growth of the TfS initiative, promotes cooperation with other chemical associations and sustainability organizations, updates the TfS KPIs and governance, and initiates best practice sharing. Sika is chairing WS1.
- The WS3 TfS Audits enable member companies and their suppliers to assess, drive, and improve sustainability performance of chemical supply chains through a shared infrastructure. WS3 ensures that all TfS audits are conducted by approved third-party auditors who meet the required standards and evaluate the future progress and potential of supplier sustainability audits.
- The WS5 Scope 3 GHG Emissions focuses on enabling the chemical industry to consistently measure, exchange, and reduce upstream GHG emissions, with a strong emphasis on product-level transparency. WS5 develops industry-wide standards for calculating Product Carbon Footprints (PCFs), recognizing PCFs as the most effective way to identify, track, and reduce scope 3 emissions.

TRAINING FOR SUPPLIERS

Sika continuously leverages externally provided sustainability-related training and webinars for suppliers. More specifically, the company relies on the TfS Academy, a tailored learning and development platform specifically designed to help upskill procurement teams and their suppliers on sustainability-related topics: health and safety, environment, sustainable procurement, labor and human rights, management, and governance. The TfS Academy offers more than 300 courses in 11 languages, covering topics such as child labor, human rights due diligence, responsible labor practices, and working hours management, among others. By identifying the key concerns and findings per region and/or supplier groups, and streamlining exercises and improvement guidance, Sika provides its supplier network with the necessary support to reach the required expectations through the Academy. For more information on supplier engagement for enhanced transparency and collaboration, please see the "Supplier engagement on GHG emissions transparency and reduction" section on p.72 of the Sustainability Report 2025.

TRAINING FOR PROCUREMENT EMPLOYEES

All procurement staff worldwide are required to complete the "Sustainable Procurement" e-learning available on Sika's internal learning platform. This training is designed to raise awareness of procurement's crucial role in Sika's sustainability journey. As of the end of 2025, over 90% of procurement staff globally had completed the course. Since January 2025, it has also been accessible to all Sika employees.

Additionally, in 2025, regional webinar series on sustainability in procurement were introduced for procurement employees in EMEA and in Americas. In EMEA, webinars are offered quarterly and available via self-registration. They cover key areas such as social and governance topics, including risk management, and environmental matters, like GHG emissions monitoring and transparency, reduction strategies, and Sika's supplier engagement program. Over 170 procurement professionals in the region attended these sessions. In the Americas, similar training sessions were conducted, with around 60 procurement professionals participating.

Furthermore, sustainability-related training and best demonstrated practices on environmental and social topics are included in every area and regional procurement meeting, to increase awareness on the topic and ensure it becomes a priority for everyone, in line with Sika's strategy and net zero commitment.

CHILD LABOR

In line with its commitments to human rights, Sika categorically prohibits child labor. Sika requires all its tier 1 suppliers to comply with the minimum requirements outlined in the Sika Supplier Code of Conduct, which also contains a categorical child labor prohibition. Suppliers are expected to have systems in place that ensure the proper implementation, training, and monitoring of the "no child labor" principle and all other fundamental human and labor rights among their own personnel as well as the employees of their subcontractors and suppliers. Sika regularly performs Sika supplier audits and assessments to monitor compliance with its Supplier Code of Conduct.

Since 2022, Sika has assessed the geographical network of its tier 1 suppliers and the prevalence of child labor violations within those countries. This yearly evaluation is based on the UNICEF Index of Children's Rights in the Workplace[1]. The analysis indicates that tier 1 suppliers are present in 66 medium-risk countries, with none located in high-risk countries. In line with the company's supply chain due diligence approach, supplier screening and comprehensive supplier evaluations are conducted to ensure that Sika can quickly identify and mitigate any associated risks concerning human rights violations, with high priority and specific criteria concerning child labor violations. If any findings or concerns brought to the attention of Sika highlight a suspicion or violation of the child labor prohibition, the company will ensure further investigation is carried out and the report will be escalated according to Sika's internal escalation process. If the respective supplier does not cooperate with Sika's investigation or requirements via the defined corrective action plan, Sika will consider phasing out and terminating business with the supplier. For more information on Sika's approach, please see the "Supply Chain Due Diligence" section on p.128 of the Sustainability Report 2025.

1 For more information on the methodology of the UNICEF Index of Children's Rights in the workplace, please see the section "Working conditions" on p.109 of the Sustainability Report 2025.

HAZARD EXPOSURE IN THE DOWNSTREAM VALUE CHAIN

For detailed information regarding safety data sheets (SDSs), product labeling, and the handling of hazardous substances, please see the "Substances of concern" section on p.82 of the Sustainability Report 2025.

Metrics

SUPPLY CHAIN DUE DILIGENCE KEY FIGURES

	2023	2024	2025
Suppliers assessed during the year (No.)[1]	821	1,481	1,599
Suppliers with valid assessment (No.)[2]	1,172	1,948	2,226
Suppliers with a reassessment with an improved score (%)[3]	–	–	73

1 This indicator refers to both new EcoVadis assessments and reassessments.

2 Under the TfS framework, EcoVadis assessments have a validity period of three years. Therefore, the current indicator shows the sum of the assessments conducted in the last three years.

3 This refers to the reassessments that showed an improvement from a score below 54% within the year.

GOVERNANCE

BUSINESS CONDUCT
SUMMARY OF MATERIAL IROs

The table summarizes key material matters related to business conduct. It outlines associated impacts and risks, and expected time horizons across the value chain. All IROs have been assessed for each value chain step separately. For more information on the Double Materiality Assessment methodology and results across all ESRS topics and sub-topics, please see the "Double Materiality Assessment" section on p.47 of the Sustainability Report 2025.

SUMMARY OF MATERIAL IROs

Sub-topics	IROs	Impact materiality	Type of impact	Financial materiality	Value chain step	Time horizon
Corporate culture, Protection of whistleblowers, Corruption and bribery, Management of relationships with suppliers	Negatively impacted business practices due to inappropriate business conduct.	Negative impact	Actual		Upstream Own operations Downstream	Short Medium Long
	Regulatory implications and potential reputational loss resulting from inappropriate business conduct or insufficient adherence to standards and regulations.			Risk	Own operations	Medium

BUSINESS INTEGRITY[1]

At Sika, a strong set of core values form the foundation for business integrity and ethical conduct across all operations. The five core values, Customer First, Courage for Innovation, Sustainability and Integrity, Empowerment and Respect, and Manage for Results, serve as guiding principles for the entire organization. These Values and Principles (V&P) are not only fundamental to Sika's corporate culture, but also underpin the company's approach to preventing corruption, protecting whistleblowers, and promoting transparency throughout the value chain.

Material impacts and risks along the value chain highlight the importance of these values, particularly in relation to business conduct:
- Upstream: Smaller vendors and suppliers may face difficulties keeping up with standards and regulatory requirements. This can negatively affect business practices and lead to non-compliance, exposing both Sika and its partners to legal, reputational, or operational risks.
- Own Operations: Risks of inappropriate business conduct such as conflicts of interest, fraud, corruption and bribery may undermine Sika's business integrity, resulting in loss of trust, regulatory penalties, reputational harm, or regulatory damages.
- Downstream: Inappropriate business conduct among and from clients, distributors, or partners, including conflicts of interest, fraud, trade risks, and misuse of the Sika brand can erode market confidence and diminish brand value, creating further compliance and commercial challenges.

Business integrity is at the core of Sika's corporate culture. Accordingly, Sika enjoys an excellent reputation in the market. Stakeholders all around the globe know Sika as a reliable and highly ethical business partner. The company believes that sustainable and successful business performance is a result of acting in compliance with laws and regulations.

By embedding its core values into every aspect of global operations and fostering a culture that recognizes ethical behavior and transparency, Sika safeguards not only its own organization, but also its business partners and stakeholders. This commitment ensures a workplace where every individual is treated with fairness and respect, and where a sense of belonging and empowerment inspires employees to contribute to sustainable growth. A culture rooted in trust and openness is key to identifying and addressing challenges related to business integrity.

Sika Values and Principles

1 **Customer First**

Sika is dedicated to provide and maintain the highest quality standards with its products and services.

2 **Courage for Innovation**

Sika's success and reputation is based on its long-standing tradition of innovation.

3 **Sustainability and Integrity**

Sika takes a long-term perspective on the development of the business and acts with respect and responsibility toward its customers, stakeholders, and employees.

4 **Empowerment and Respect**

Sika believes in the competence and the entrepreneurial spirit of its employees.

5 **Manage for Results**

Sika aims for success and takes pride in continuously achieving outstanding results and outperforming its markets.

Good corporate governance safeguards the sustainable development and performance of the company. Sika is committed to openness and transparency, and provides information on structures and processes, areas of responsibility and decision procedures, as well as rights and obligations of various stakeholders. For more information, please see the Corporate Governance Report on p.185 of the Annual Report 2025.

1 Including the sub-topics "Corporate culture", "Protection of whistleblowers", and "Corruption and bribery".

Governance

GROUP MANAGEMENT LEVEL

Group Management set the tone for integrity and responsible business conduct. They establish global compliance principles, approve policies, and oversee risk management.

CORPORATE LEVEL

Sika's Compliance Management System is administered by a matrix organization under the leadership of the Head Human Resources, Legal & Compliance. At this level, governance translates these policies into a robust Compliance Management System. The Corporate Compliance team consists of dedicated resources, who coordinate the Group-wide strategic compliance initiatives, including Code of Conduct awareness, how to deal with compliance dilemma situations, reporting channels, compliance audits, and ongoing compliance training.

REGIONAL AND AREA LEVEL

Depending on the compliance topic concerned, the Corporate Compliance team is supported by the Regional or Area HR Heads, Legal, or Controlling employees who act as part-time Compliance Officers. Together they represent Sika's cross-functional Global Compliance Organization, which aims among other things at preventing incidents of wrongdoing (fraud, corruption and bribery, and unfair competition, etc.) by means of implementing targeted policies, training, compliance audits, investigations, as well as disciplinary and improvement measures.

LOCAL LEVEL

General Managers bear full responsibility for the implementation of Sika's core compliance policies and guidelines, including the awareness raising on the Sika Trust Line and other reporting channels, anti-corruption, fair competition, or other compliance risks in Sika's local operations. They also have to provide adequate information and training concerning these topics to their employees and workers.

The Board of Directors holds ultimate responsibility for compliance oversight. For more information regarding the activities of the Board of Directors, please see the corporate webpage ↗ **Organizational Rules**.

Policies and guidelines

The table below provides an overview of the key policies and frameworks that guide Sika's management approach to business conduct. Further details of the key content, scope, and implementation of these policies can be found in the "Policies and guidelines" chapter on p.141 and the related sub-topic sections of the Sustainability Report 2025.

SUMMARY OF POLICIES AND GUIDELINES

Sub-topics	Policies and guidelines
Corporate culture, Protection of whistleblowers, Corruption and bribery	Values and Principles
	Code of Conduct
	Supplier Code of Conduct
	Human Rights Policy
	Sika Trust Policy
	Articles of Association
	Organizational Rules
	Gift and Entertainment Policy
	Legal and Compliance Manual
	People and Culture Guidelines

Actions

SUMMARY OF ACTIONS

Sub-topics	Actions	Page number(s)
Corporate culture, Protection of whistleblowers, Corruption and bribery	Compliance Management System	p.136
	Compliance audits	p.136
	Reporting channels and reporting process	p.136
	Protection of whistleblowers	p.136
	ESG Confirmation	p.137
	Anti-corruption and anti-bribery	p.137
	Fair competition	p.137
	Ethical leadership pledge	p.137
	Leadership commitment framework	p.137
	Targeted training initiatives	p.137
	Third-party due diligence and monitoring	p.137

COMPLIANCE MANAGEMENT SYSTEM[1]

Sika operates a Group-wide Compliance Management System that is culturally well-accepted and built on the following core pillars: Prevent; Detect; Respond and Adjust. This system reflects a holistic approach to compliance, engaging the entire organization across all hierarchies, functions, and geographical regions.

COMPLIANCE AUDITS

To strengthen the "Detect" pillar, Corporate Compliance continued its audit program in 2025. A total of 12 entities, including branches and sales offices across 15 countries, were audited using a risk-based approach. To ensure consistent records management and follow-up, a Group-wide audit tool is utilized in coordination with other assurance functions. Compliance audits focus on four specific risk areas: 1) Ethical leadership and human rights, 2) Anti-corruption and anti-bribery, 3) Anti-trust and fair competition, 4) Third-party risks. The program enhances compliance-related risk awareness, collaboration between the regions, areas, and Corporate Compliance function, as well as the collaboration between Compliance and other assurance functions, such as Internal Audit, Corporate Legal, and Health and Safety.

1 Sika Group and its subsidiaries form a global eco-system with an active Compliance Management System that operates through a variety of levers and is driven locally in line with the Sika decentralized organization. This eco-system is dynamic, it is a "live" system with ongoing practical changes in operations including employee turnover, changes in suppliers, business model updates, merger and acquisition-related activities, new customers, and changes in local legislation.

REPORTING CHANNELS AND REPORTING PROCESS

Sika promotes transparency and a global speak-up culture, encouraging everyone to raise potential concerns or report wrongdoing through available reporting channels. Anyone can ask questions or report suspected misconduct within the company as well as third-parties in the overall value chain. Reports may cover various integrity issues, including, but not limited to, bribery and corruption; conflict of interest; environmental, health, and safety; fraud and embezzlement; global trade; human rights; discrimination and harassment; misuse of confidential information; money-laundering; and unfair competition.

Sika offers several channels to raise concerns:

- Open-door policy: This policy enables all employees to address concerns directly with their superior, local HR, legal and/or compliance representatives, or Corporate Compliance at the headquarters.
- Sika Trust Line: This externally hosted, web-based platform ensures safe and confidential reporting, with the option to remain anonymous. It is accessible worldwide to employees and third-parties, including customers, suppliers, distributors, and other stakeholders.
- Alternative channels: Concerns may also be submitted via email to ↗ **compliance@ch.sika.com** or by post. In certain regions, independent points of contact – such as workers' councils, professional ombudspeople, or external legal counsel – are also available, in line with local legal requirements.

All reports received are handled by or in collaboration with the Corporate Compliance team at Sika's headquarters in Switzerland. Reports submitted to local contact points (e.g., supervisor, HR, management) are escalated to Corporate Compliance according to the company's internal process framework. Sika has a clear process to manage these reports and ensures that the people handling them are properly trained and maintain strict confidentiality. Corporate Compliance provides training to the decentralized global team on reporting processes and modalities, ensuring confidentiality as well as a fair and independent process.

Internal audits and compliance audits may also uncover actual misconduct, violations of Sika policies, and red flags, while also identifying opportunities to further strengthen the Compliance Management System. In addition, the open-door approach to raising and, where possible, resolving concerns enables local, area, regional, and functional management to make significant contributions to fostering a strong culture of integrity and transparency.

PROTECTION OF WHISTLEBLOWERS

Sika employees who report concerns in good faith will be protected by Sika from retaliation. A report is considered justified if the reporter reasonably believes that the facts are true and that applicable laws and/or the Sika Code of Conduct are violated. This principle applies even if the case is ultimately unsubstantiated. Reports made in bad faith, such as intentionally false, incorrect, or malicious allegations for personal gain or to defame others, will be investigated and, if confirmed, may result in disciplinary action.

ESG CONFIRMATION

Each year, Corporate Compliance conducts a digital questionnaire called "ESG Confirmation" in collaboration with all General Managers and responsible leadership. By completing it, General Managers also confirm their commitment to Sika's core compliance policies and manuals including environmental protection, anti-corruption and anti-bribery, fair competition, labor laws, and human rights. They also attest that adequate information and training on these topics have been provided to their teams.

ANTI-CORRUPTION AND ANTI-BRIBERY

Corruption exists worldwide, causing economic damage and contributing to an unfavorable business environment by distorting market mechanisms and increasing the cost of doing business. Sika supports the Swiss Chapter of Transparency International (TI) through their membership, and participation in the TI Switzerland compliance practitioners' circle.

General Managers are required to immediately escalate suspicions or allegations of bribery to Corporate Compliance, so matters may be reviewed accordingly, and prompt actions taken.

Even though Sika operates in countries that are highly ranked on TI's Corruption Perceptions Index, its exposure to corruption risks remains moderate to low for two main reasons: Sika's business partners are mostly private sector companies. Interaction with the public sector, which is particularly susceptible to corruption, is limited; Sika is a specialty chemicals company, and therefore less exposed to corruption risks than companies belonging to the extractive, construction, and transportation industries.

Nonetheless, Sika employees in countries where corruption is widespread are exposed to the private sector's risk of offering or accepting kickbacks, inappropriate gifts, or entertainment. Sika is addressing the identified risks with targeted measures such as a zero-tolerance position against corruption anchored in its Code of Conduct, and clearly formulated in local Gift and Entertainment Policies, anti-corruption and anti-bribery training for employees, and regular reviews and assessments of local practices related to third-party engagements.

FAIR COMPETITION

Preventing anti-competitive behavior is a top priority for Sika. The fair operation of the markets is fundamental to the company, and the strong compliance culture and zero-tolerance approach applies to all business areas. To prevent anti-competitive behavior, Sika not only prohibits such behavior in its internal policies but also runs regular training sessions with risk-exposed employees. On an annual basis, General Managers are asked to confirm that no action was taken against their entities by authorities for anti-competitive behavior. This was confirmed by General Managers in the ESG Confirmation for the calendar year 2025 with the exception that Sika is involved in two ongoing investigations into suspected antitrust irregularities. Sika supports the investigations, and it has been fully cooperating with the various authorities since their start. In the UK, Turkey, and the USA, the authorities closed their investigations into suspected irregularities in the area of additives for concrete and cement investigations in 2025.

ETHICAL LEADERSHIP PLEDGE

By signing the Compliance Commitment 2024–2025, all Senior Managers at Sika have renewed their strong commitment to uphold Sika's Code of Conduct, its Values and Principles, and to always act with integrity and respect. The Compliance Commitment is a pledge to promote ethical behavior and transparency across the organization and to act as role models for all colleagues. Senior Managers commit to escalate serious violations or well-founded compliance concerns, make sure that suspected misconduct receives proper and timely follow-up, and that employees who report suspected misconduct in good faith are not subject to retaliation. In addition, Senior Managers also commit to providing their teams with adequate training. Senior Managers are encouraged to seek the same kind of Compliance Commitment from each member of their management team.

LEADERSHIP COMMITMENT FRAMEWORK

In addition to the Sika Values and Principles, a Leadership Commitment framework is in place with the purpose of inspiring the global organization and guiding the next generation of leaders. It reflects a close connection between values and principles, and consists of the following four pillars: Drive Change, Unlock Potential, Win Together, and Inspire. As the company grows and evolves, this framework helps preserve Sika's corporate culture.

TARGETED TRAINING INITIATIVES

Members of the Global Compliance Organization conduct annual compliance training with specific risk/target groups. In the context of leadership development, Senior Managers, together with other employees, are invited regularly to participate in Compliance training highlighting the importance of ethical leadership at Sika to conduct business with integrity. Specific training courses are embedded in the General Managers' program, and in Global and Regional Leadership programs with interactive compliance workshop sessions. Additional learning opportunities on compliance leadership are offered through e-learning and in-person training across Sika. Compliance dilemma discussions are integrated into a series of sales training sessions, including "Coaching", "Sales teams", "Preparing the Sale", and "Key Account Sales". These initiatives ensure that raising awareness on compliance risks and dilemmas remains a core activity.

THIRD-PARTY DUE DILIGENCE AND MONITORING

Sika applies a risk-based approach to third-party due diligence and monitoring, particularly in areas such as global trade, sanctions, and business partner integrity. This approach supports compliance with evolving regulatory requirements and helps manage risks related to suppliers, intermediaries, and other business partners. Sika remains steadfast in its commitment to driving continuous improvements in third-party risk management. For more information on Sika's supply chain initiatives, please see the "Workers in the value chain" section on p.126 of the Sustainability Report 2025.

Metrics[1]

Employees continue to be the most important source of information for identifying potential compliance issues. In the year under review, 41 high-priority reports (35%) were submitted directly via the Sika Trust Line, demonstrating sustained awareness and trust in the reporting mechanism. The remaining 76 cases (65%) were identified through audits and management activities, emphasizing the role of internal controls and leadership oversight. In 2025, nine reports were raised by third parties, including former employees, resellers, and vendors. These reports, which are most commonly related to corruption and bribery, conflicts of interest, and fraud, reflect the importance of extending compliance expectations beyond the employee population.

The number of compliance reports has increased over time, 73 in 2023, 65 in 2024, 117 in 2025. This increase should be seen in the context of stronger reporting culture, broader awareness of compliance channels, and enhanced detection mechanisms. Of the 2025 reports, 55% were substantiated following investigation. While not every reported concern resulted in confirmed misconduct, the substantiation rate indicates that the reporting mechanisms are being used meaningfully. It is important to note that not all substantiated violations resulted in disciplinary action. In some cases, the employee involved left the company before the investigation was concluded. In other cases, a combination of measures (such as training, termination, warnings, or process improvements) was applied, depending on the circumstances.

COMPLIANCE REPORTS RECEIVED AND SUBSTANTIATED[1] (P1, P2)

	2023	2024	2025
Reports received	73	65	117
Substantiated reports[2]	54	33	64

1 Not all identified violations resulted in disciplinary actions. In some instances, the employee responsible for the violation left the company before the case was resolved. In other cases, a combination of disciplinary measures was applied.

2 Substantiated reports including backlog carried over.

In 2025, Corporate Compliance received 117 reports:
- 44 reports could not be substantiated.
- 9 reports are still under investigation at the publication of this report.
- 30 reports were submitted anonymously, all via the Sika Trust Line.

Overall, the 2025 compliance investigations data supports the following conclusions:
- Employees and third-parties continue to actively use available reporting channels.
- Increased reporting reflects a maturing compliance culture and improved detection.
- Issues identified are being investigated in a structured and risk-based manner.

1 Concerns raised are categorized in three “priority levels” depending on their severity and potential impact: Priority 1 (P1), Priority 2 (P2), or Priority 3 (P3). This section only refers to high-priority P1 and P2 cases.

SUBSTANTIATED CASES PER TOPIC (P1, P2)

	2023	2024	2025
Corruption and bribery	1	1	2
Fraud, embezzlement	8	5	8
Theft	12	10	14
Conflicts of interest	9	6	18
Discrimination and sexual harassment	8	7	12
Retaliation	1	0	0
Environment, health, and safety	6	2	2
Money laundering	0	0	0
Insider trading	0	0	0
Other categories	9	2	8
Total of substantiated cases	**54**	**33**	**64**

The analysis of substantiated cases shows that misconduct spans a range of topics, with no single category dominating across all years. In 2025, the most notable increases were seen in:
- Conflicts of interest, which rose significantly compared to prior years, suggesting greater awareness and detection rather than necessarily higher misconduct.
- Theft and fraud-related cases, which remained broadly stable compared to previous years.
- Discrimination and sexual harassment cases, which continue to represent a material share of substantiated matters. In 2025, there were no substantiated cases of discrimination.
- Other categories, including topics such as violation of the Manual of Authority and abuse of power, remained very low in substantiated cases during the period under review.

In 2025, two substantiated corruption cases (small bribes and kickback payments) were identified. For those cases, four employees have been dismissed. With regard to business partners, one contract has been terminated, and another will not be renewed. No government investigations or penalties were imposed on Sika entities or employees worldwide in 2025 in relation to alleged corruption or bribery.

The nature and impact of substantiated cases varied widely. For example, harassment cases ranged in severity, from inappropriate language or behavior between individuals, to more serious incidents involving threats or, in rare cases, physical altercations. Cases also differed depending on whether the conduct involved another employee or an external business partner, which influenced both investigative approach and remediation measures.

MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

Sika's supplier portfolio is remarkably diverse and varies depending on the multiple business segments the company is active in. The Group sources direct materials, packaging, and trading goods both locally and internationally. To complement its global supplier network, Sika strives to collaborate with local suppliers wherever possible to reduce lead time, risk, and transport, and to increase availability and control quality. Due to the diverse purchasing portfolio, with over 65,000 materials from more than 17,000 suppliers, there are no primary brands. The supply chain includes goods purchased locally and across regions, in alignment with Sika's global reach and presence. The company employs a material risk management approach which is described in the Risk Management Report on p.23 of the Annual Report 2025.

Governance

Under the leadership of the Head Global Procurement & Supply Chain, the procurement function operates as a matrix organization with material categories and geographical responsibilities.

- Material category roles: All materials for Sika's core technologies are structured around material categories.
- Geographic roles: All procurement activities are coordinated through regional, area, and country-level coordination and structures.

CORPORATE LEVEL

At Corporate level, Sika's procurement function is structured to ensure coordination, strengthen responsible sourcing and supplier relationships, and provide oversight of global material categories. It also safeguards compliance with current and upcoming supply chain due diligence requirements as well as social and environmental standards. The corporate procurement organization develops standards, supports regional implementation, and monitors adherence to the Supplier Code of Conduct.

Category Managers coordinate each material category. Depending on the size and complexity of spending in the respective categories, Material Group Managers might further manage material groups.

The material category role is complemented by a dedicated category and specialized roles that drive supply chain transparency, due diligence, and decarbonization at Group level, in line with ESG Standards. These expert roles are progressively being deployed across regions to support and enable local contribution and commitment to ESG topics.

REGIONAL LEVEL

Regional Procurement Heads coordinate procurement activities within their respective regions, translating corporate strategies and commitments into actionable plans. They facilitate collaboration among Regional Category Managers, ensuring tailored support for local markets while maintaining alignment with global standards. Regional teams focus on achieving targets for supplier compliance, transparency, and ESG commitments.

LOCAL LEVEL

At the local level, Country Procurement Heads oversee procurement activities within each country, ensuring daily operations support Group-wide objectives. Local teams implement corporate and regional policies, monitor supplier performance, and address practical challenges in real time. This structure reinforces Sika's standards for responsible sourcing at local level.

Policies and guidelines

The table below provides an overview of the key policies and frameworks that guide Sika's management approach to relationships with suppliers. Further details of the key content, scope, and implementation of these policies can be found in the "Policies and guidelines" chapter on p.141 and the related sub-topic sections of the Sustainability Report 2025.

SUMMARY OF POLICIES AND GUIDELINES

Sub-topics	Policies and guidelines
Management of relationships with suppliers	Values and Principles
	Code of Conduct
	Supplier Code of Conduct
	Human Rights Policy
	Sika Trust Policy
	Procurement Manual
	Responsible Sourcing Guidelines

Actions

SUMMARY OF ACTIONS

Sub-topics	Actions	Page number(s)
Management of relationships with suppliers	Responsible material management	p.140
	Material risk management	p.140

RESPONSIBLE MATERIAL MANAGEMENT

Purchased raw materials are the Group's biggest cost factor. Approximately two-thirds (in terms of spend) of the materials used by Sika in production, such as polyols, epoxy resins, acrylic dispersions, and polycarboxylates, are based on fossil fuel derivatives. Consequently, purchase prices vary according to the supply and demand of each raw material and oil price fluctuations. For more information on how Sika explores alternative options, please see the "Resource inflows and outflows" section on p.98 of the Sustainability Report 2025.

Sika purchases its base chemicals in accordance with strict quality requirements from certified suppliers offering the best value for money. In the case of key raw materials with limited availability or large purchase volumes, Sika mandates at least two suppliers whenever possible. For unique, highly innovative technologies, the Group seeks to manufacture raw materials itself, or source them in close collaborative partnerships with innovative suppliers. In respect to all the materials used, compliance with the relevant statutory registration requirements (e.g., Registration, Evaluation, Authorization and Restriction of Chemicals [REACH] or Toxic Substances Control Act [TSCA]) is monitored and ensured by a network of global and local Sika specialists, as well as external consultants. For more information, please see the "Substances of concern" section on p.82 of the Sustainability Report 2025.

Sika's procurement specialists and technical experts collaborate closely with suppliers' technical units to fully understand the raw material flows, and continually optimize costs, quality, availability, and sustainability. In addition, Procurement closely coordinates sales and operations to synchronize the yearly forecast, ensuring that strategic suppliers receive accurate quantity commitments. This alignment helps mitigate supply risks and any potential negative impact on workers in the value chain, by both maintaining a stable supply chain and ensuring effective procurement planning.

MATERIAL RISK MANAGEMENT

All purchased materials are evaluated through Sika's Material Risk Management process to ensure uninterrupted material availability. Based on the findings, Sika can identify potential risks and determine relevant measures, such as maintaining safety stocks, and/or securing long-term supply contracts. The company uses this risk management process stringently to ensure any potential impact on the organization and its customers is mitigated. Local procurement is responsible for ensuring their respective materials are rated, evaluated, and any identified risks are mitigated when considered significant. The results of Sika's material risk management process are supplemented by an evaluation of a supplier's ESG standards and internal processes, in line with Sika's Supplier Relationship Management (SRM) process. For more information related to supplier engagement, supply chain due diligence, and risk management approach, please see the "Workers in the value chain" section on p.126 of the Sustainability Report 2025.

Metrics

In 2025, the amount of direct material expenditures was CHF 5.0 billion, which corresponded to 45.1% of Group total net sales. Material expenses decreased as a percentage of net sales by –0.4 percentage points.

DIRECT MATERIAL EXPENDITURES

	2023	2024	2025
Direct material expenditures (CHF mn)	5,214	5,347	5,048
Share of total net sales (%)	46.4	45.5	45.1

POLICIES AND GUIDELINES

The table below provides an overview of the key policies and frameworks that guide Sika's management approach to ESG-related topics.

Policies and guidelines	Key content	Scope
Values and Principles	↗ **Values and Principles** reflect Sika's corporate culture through the following principles: "Customer First", "Courage for Innovation" "Manage for Results", "Sustainability and Integrity", and "Empowerment and Respect". The latter two principles constitute the foundation of Sika's corporate culture, reflected in its Code of Conduct. At the center of that culture are two claims – "Building Trust" and "Compliance with all applicable laws and rules".	Own operations
Code of Conduct	The ↗ **Code of Conduct** emphasizes Sika's commitment to human rights, labor rights, equality, diversity, inclusion, speak-up culture, anti-corruption, environmental protection, and overall sustainability. The CoC is available in 49 languages to ensure that all Sika employees worldwide can understand and follow it.	Own operations
Supplier Code of Conduct	The ↗ **Supplier Code of Conduct** defines Sika's expectations of its suppliers related to human rights, labor rights, environment, health and safety, and overall sustainable development and corporate responsibility, and provides suppliers with guidelines regarding requirements to be met when supplying goods or services to Sika anywhere in the world.	Upstream Downstream
Human Rights Policy	Sika's ↗ **Human Rights Policy** formalizes the company's commitment to respecting and promoting human rights across its operations and supply chain, guided by international standards and frameworks. Adopted from 2026 onward, the policy describes Sika's human rights framework, including risk and impact assessment, prevention, mitigation and remediation measures, training, and continuous monitoring to ensure human rights are upheld by employees, suppliers, and business partners.	Upstream Own operations Downstream
Trust Policy	The ↗ **Trust Policy** at Sika fosters a speak-up culture and encourages employees to report, in good faith, any instances of fraud, corruption, unfair competition, or other serious misconduct related to business activities. Reports can be directed to a superior, HR, senior management, or, if these channels are not appropriate, directly to Corporate Compliance. To support anonymous reporting in situations where contacting managers is not feasible, Sika provides the Sika Trust Line, an online whistleblower platform hosted on the secure servers of an external provider.	Upstream Own operations Downstream
Procurement Manual	The Procurement Manual describes the principles, rules, and authorities that have been defined for the procurement of direct goods (raw materials, packaging, traded goods), indirect goods and services (OPEX and CAPEX). It is addressed to all local, regional, and global procurement personnel, any other functions or Sika employees actively involved in any procurement activity. It provides guidelines for regional and local procurement policy for all Sika organizations.	Upstream
Responsible Sourcing Guidelines	The Responsible Sourcing Guidelines are an extension to the Procurement Manual. This document outlines the overarching principles and processes that support responsible sourcing practices. They are intended to ensure that sustainability considerations are consistently embedded in the upstream value chain.	Upstream
Sika Substance Risk Management (SSRM) Policy	The Sika Substance Risk Management (SSRM) Policy regulates the use of defined hazardous substances in Sika operations and in products. Depending on the category, Sika prohibits or restricts the use of these substances in products above a defined concentration limit. Their use in production is subject to specific permits.	Upstream Own operations Downstream

Policies and guidelines	Key content	Scope
Regulatory and Product Compliance Guidelines	The Regulatory and Product Compliance Guidelines are used to ensure that raw materials, products, and services are assessed according to chemical regulations and compliant for marketability. Sika identifies and classifies all chemical substances, raw materials, and finished products according to their hazard potential in compliance with chemical regulations for registration, classification, labeling, packaging, transport, and restrictions.	Upstream Own operations Downstream
Product Creation Process (PCP) Manual	The Product Creation Process (PCP) Manual defines the authority, responsibilities, and procedures for creating, modifying, and offering new products and solutions to the market. The PCP supports Sika's vision, policies, and goals for long-term profitability and customer satisfaction. Reducing risks related to new product and system introduction, safeguarding EHS, and considering product sustainability aspects along the entire value chain from research to the satisfied customer are elements of the PCP.	Upstream Own operations Downstream
Sustainability Portfolio Management (SPM) Methodology	The ↗ **SPM framework** defines how Sika structures the innovation of products that combine both performance and sustainability benefits. The sustainability evaluation is a comprehensive evaluation of the product profile along 11 Sustainability Categories, following a 360° perspective.	Upstream Own operations Downstream
Labeling Guidelines	The Labeling Guidelines define the roles and responsibilities of regional and local organizations for all the applicable labeling requirements. They emphasize that all packaging and labeling must be compliant with the laws and regulatory requirements in the markets in which the products are sold. To help local companies, Corporate Labeling Rules have been defined. The guideline further strengthens the Sika brand and Corporate Identity (CI) on a global level, giving customers and users of Sika products confidence in their safety and quality.	Own operations Downstream
Hazard Analysis and Risk Management Policy	The Hazard Analysis and Risk Management Policy refers to the mandatory EHS and Risk Management procedures for every Sika company depending on their range of activities. This internal policy outlines EHS and risk management standards and principles, roles and responsibilities, scope and definitions, as well as a Risk Management program and methodology, along with guidance for hazard ratings.	Own operations
EHS Minimum Requirements	Sika's global EHS Minimum Requirements consist of a set of 19 specific requirements and instructions for operational activities. The majority of these are Safety Minimum Requirements to prevent incidents, covering topics such as general site rules, personal protective equipment (PPE), explosion protection, fire protection, hot work safety, lockout-tagout systems, work at height and in confined spaces, hazard identification and risk assessment (HIRA), rules for contractors and visitors, safe driving, use of forklifts, battery charging stations, and safety in non-operational activities. The Environmental Minimum Requirements, focusing on environmental protection and waste management, underscore Sika's commitment to protecting the environment and advancing sustainability through strict compliance with all applicable environmental laws and global standards, while continuously reducing environmental impacts.	Own operations
People and Culture Guidelines	The People and Culture Guidelines, launched in 2024, align everyday actions to Sika's strategic priorities and strengthen the importance of adhering to global standards and internal people-related policies. They define key principles for each process along the employee life cycle and outline desired behaviors that Sika expects from its workforce, thus contributing to creating an attractive, safe, and inclusive working environment.	Own operations
Safety and Sustainability Manual	The Safety and Sustainability Manual is valid for all Sika entities globally. The principles of this manual must be reflected in both local and regional management processes. Since this manual is an integral part of the Corporate Management System, the corresponding local procedures are to be embedded into the local ISO processes.	Own operations
Life-Saving Rules	Life-Saving Rules consist of ten rules that have been defined and deployed to help keep everybody safe on Sika sites. They address and raise awareness around key risks about the health and safety of employees, contractors, and visitors at Sika locations, and apply to Sika employees when visiting customers or suppliers. All employees and third-parties working on-site must adhere to these rules and are empowered to stop their work if they find it unsafe. Local EHS Managers are responsible for communicating and distributing these rules and organizing dedicated training on-site.	Own operations
Sustainability and Operations (S&O) Reporting Handbook	The Sustainability and Operations (S&O) Reporting Handbook serves as a reference guide for non-financial reporting at local level. It is directed toward controlling, finance, sustainability, EHS, and operations teams across the Group. It provides guidance, and is the binding reference, for all S&O reporting matters in Sika Group.	Own operations

Policies and guidelines	Key content	Scope
Investment Manual	The Investment Manual outlines the principles, rules, and authorities governing investments within the Sika Group. It also guides Sika's sustainability investment activities, including the integration of carbon pricing into the investment process.	Own operations
Articles of Association	↗ **Articles of Association** covers the regulations for the company's organization, including information on shareholder rights and its purpose.	Own operations
Organizational Rules	These Organizational Rules are based on art. 716a and 716b of the Swiss Code of Obligations and on art. 10.2 of the Articles of Incorporation of Sika AG. They define the duties, powers, and responsibilities of the executive bodies of Sika AG and the Sika Group.	Own operations
Gift and Entertainment Policy	The Gift and Entertainment Policy clearly articulates Sika's zero-tolerance stance on corruption and bribery. It sets out formal requirements and value thresholds for granting and accepting gifts, entertainment, donations, or sponsorships. Each Sika entity implements a localized version of the policy, incorporating both corporate guidelines and applicable national anti-corruption regulations. In addition, corporate functions follow specific manuals, such as the Manual of Authority and the Procurement Manual, which reflect and reinforce the requirements of the Gift and Entertainment Policy.	Own operations
Legal and Compliance Manual	The Legal and Compliance Manual has a section on "compliance", which reaffirms line management's primary responsibility to ensure compliance with all applicable local laws and internal guidelines (first line of defense). In addition, the Manual delegates the responsibilities of the second line of defense to the corporate assurance functions Compliance, Legal, Finance, Tax, Operations, Quality and EHS, etc. and a third line of defense responsibilities to Internal Audit.	Own operations

METHODOLOGICAL NOTE

Scope of reporting and consolidation

The scope of Sika sustainability reporting is aligned with the scope of entities consolidated in the Group financial statements, as described on p.256 of the Annual Report 2025.

In the year under review, the scope of consolidation of the sustainability reporting was expanded to include:

- The acquired companies Elmich Pte Ltd (Singapore), Cromar Building Products (UK), HPS North America, Inc. (USA), Gulf Additive Factory LLC (Qatar), and Marlon Tørmørtel A/S (Denmark).

If any acquisition is excluded from consolidated figures, a dedicated mention is available in the relevant section. Awazil Al Khaleej Industrial Co. ("Gulf Seal", Saudi Arabia) is excluded from consolidated 2025 figures in the "Environment" chapter to facilitate the company onboarding and ensure a proper integration in the Sika sustainability reporting framework.

More information on these acquisitions and expansions is available in the Financial Report on p.226 of the Annual Report 2025. Generally, acquired companies' data are included in the sustainability reporting from the acquisition date onwards.

Reporting regulations (future and current)

CORPORATE SUSTAINABILITY REPORTING DIRECTIVE (CSRD)

The Sika Group will have to disclose information and KPIs in accordance with the Corporate Sustainability Reporting Directive (CSRD) from business year 2027, with first mandatory reporting in 2028. The company will comply with the European Sustainability Reporting Standard (ESRS) developed by the European Financial Reporting Advisory Group (EFRAG). In 2025, Sika completed its first Double Materiality Assessment (DMA) in accordance with the ESRS. The results of this assessment determine the material topics and shape the scope and structure of the Sustainability Report 2025.

EU TAXONOMY

Following the launch of the internal "EU Taxonomy" project and as part of its CSRD implementation process, Sika has continued to advance its understanding of the technical screening criteria and disclosure requirements. Efforts focused on assessing the eligibility of Sika's business activities in relation to two environmental objectives (climate change mitigation and adaptation). Building on this foundation, Sika is now preparing for the updated EU Taxonomy framework and is assessing the implications of recent regulatory changes.

ISSB

To prepare alignment with emerging global reporting practices, Sika provides an ↗ **ISSB Content Index** to enhance clarity and comparability of disclosures, as various jurisdictions prepare to adopt the standards (IFRS S1 and S2).

NON-FINANCIAL DISCLOSURES IN ACCORDANCE WITH THE TRANSPARENCY REQUIREMENTS OF THE SWISS CODE OF OBLIGATION

The Sika Sustainability Report 2025 includes the company's disclosures of non-financial matters required by the Swiss Code of Obligation (Art. 964 CO), including climate-related disclosures required by the Swiss Climate ordinance.

NON-FINANCIAL DISCLOSURES IN ACCORDANCE WITH THE TRANSPARENCY REQUIREMENTS OF THE SWISS CODE OF OBLIGATION

	Section in the Sustainability Report 2025 (SR)/Annual Report 2025 (AR)	Page number(s) and/or URL(s) and/or other documents
Art. 964 a-c Transparency on non-financial matters		
Description of the business model	SR – Sustainability at Sika AR – Strategic Report	p.41 p.10
Description of the main risks in relation to the non-financial matters	SR – Sustainability at Sika AR – Risk Management Report	p.41 p.23
Environmental matters		
Policies	SR – Environment SR – Policies and guidelines	p.53 p.141
Measures including evaluation of their effectiveness	SR – Environment	p.53
Performance indicators	SR – Environment	p.53
CO_2 goals	SR – Environment	p.53 **Sika's Way to Net Zero**
Social matters		
Policies	SR – Social SR – Policies and guidelines	p.107 p.141 **Code of Conduct** **Supplier Code of Conduct**
Measures including evaluation of their effectiveness	SR – Social	p.107
Performance Indicators	SR – Social	p.107
Employee-related matters		
Policies	SR – Social SR – Policies and guidelines	p.107 p.141 **Code of Conduct**
Measures including evaluation of their effectiveness	SR – Social	p.107
Performance Indicators	SR – Social	p.107

NON-FINANCIAL DISCLOSURES IN ACCORDANCE WITH THE TRANSPARENCY REQUIREMENTS OF THE SWISS CODE OF OBLIGATION

	Section in the Sustainability Report 2025 (SR)/Annual Report 2025 (AR)	Page number(s) and/or URL(s) and/or other documents
Human rights matters		
Policies	SR – Social SR – Governance SR – Policies and guidelines	p.107 p.132 p.141 **Code of Conduct** **Supplier Code of Conduct** **Human Rights Policy**
Measures including evaluation of their effectiveness	SR – Social SR – Governance	p.107 p.132
Performance Indicators	SR – Social SR – Governance	p.107 p.132
Anti-corruption		
Policies	SR – Governance SR – Policies and guidelines	p.132 p.141 **Code of Conduct** **Supplier Code of Conduct**
Measures including evaluation of their effectiveness	SR – Governance	p.132
Performance Indicators	SR – Governance	p.132
Art. 964 d-i – Transparency in Raw Material Companies		
Report on payments to government bodies for companies active in the extraction of raw materials		**Report on Payments to Governments 2025**
Art. 964 j-l – Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labor		
Conflict minerals	SR – Environment	p.53
Child labor	SR – Social	p.107

Reporting standards and frameworks

The Sika Sustainability Report 2025 is part of the Sika corporate reporting package. The Sika Group has reported the information cited in the Sustainability Report 2025 for the period 01.01.2025–12.31.2025 in reference to the European Sustainability Reporting Standards (ESRS)[1]. For additional information on how Sika's Sustainability Report aligns with the ESRS disclosures, please see the "ESRS content index" section on p.166 of the Annual Report 2025.

To support a clear and comprehensive understanding of Sika's due diligence processes, the table below outlines the main components and corresponding sections where these measures are described in the Sustainability Report.

DUE DILIGENCE MAPPING TABLE

Core elements of due diligence	Section in the Sustainability Report 2025 (SR)/Annual Report 2025 (AR)	Page number(s) and/or URL(s) and/or other documents
a) Embedding due diligence in governance, strategy and business model	SR – Sustainability organizational structure	p.44
b) Engaging with affected stakeholders in all key steps of the due diligence	SR – Stakeholder engagement	p.51
c) Identifying and assessing adverse impacts	SR – Double Materiality Assessment	p.47
d) Taking actions to address those adverse impacts	SR – Climate change SR – Pollution SR – Water SR – Resource use and circular economy SR – Own workforce SR – Workers in the value chain SR – Business conduct	p.54 p.81 p.88 p.97 p.108 p.126 p.133
e) Tracking the effectiveness of these efforts and communicating	SR – Climate change SR – Pollution SR – Water SR – Resource use and circular economy SR – Own workforce SR – Workers in the value chain SR – Business conduct	p.54 p.81 p.88 p.97 p.108 p.126 p.133

1 Based on ESRS Set 1 (Commission Delegated Regulation (EU) 2023/2772).

The Sika Sustainability Report 2025 also addresses the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) which are described in more detail in the "TCFD Recommendations" section on p.56 of the Sustainability Report 2025.

TCFD MAPPING TABLE

Areas	Recommended disclosures	Section in the Sustainability Report 2025 (SR)/ Annual Report 2025 (AR)	Page number(s) and/or URL(s) and/or other documents
Governance Disclose the organization's governance around climate-related risks and opportunities.	a) Describe the Board's oversight of climate-related risks and opportunities.	AR – Risk Management Report SR – Sustainability organizational structure	p.23 p.44
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	SR – Sustainability organizational structure	p.44
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long-term.	SR – Climate change	p.54
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	SR – Climate change	p.54
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	SR – TCFD recommendations	p.56
Risk management Disclose how the organization identifies, assesses, and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks.	SR – Double Materiality Assessment SR – TCFD recommendations	p.47 p.56
	b) Describe the organization's processes for managing climate-related risks.	SR – Climate change	p.54
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	AR – Risk Management Report	p.23
Metrics and targets Disclose the metrics and targets set to manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	SR – Climate change	p.54
	b) Disclose scope 1, scope 2, and, if appropriate, scope 3 GHG emissions, and the related risks.	SR – Climate change mitigation	p.69
	c) Describe the targets set by the organization to manage climate-related risks and opportunities, and performance against targets.	SR – Climate change	p.54

In addition, the following documents are available in the download center of the corporate website:
- The Sika ↗ **ISSB Content Index** provides an overview of Sika's reporting practices in accordance with the IFRS Sustainability Disclosure Standards for IFRS S1 and IFRS S2.
- The Sika ↗ **SASB Content Index** provides an overview of Sika's reporting practices in accordance with the Sustainability Accounting Standards Board (SASB) sustainability disclosure topics and accounting metrics for the Resource Transformation–Chemical (RT-CH) sector.
- The ↗ **Sika and the UN SDGs** document shows which UN SDGs and related targets and indicators Sika's activities directly contributed to during the reporting year.
- The Sika ↗ **UN Global Compact Index** shows that Sika adheres to the Ten Principles of the UN Global Compact in its business practices, comprising the four areas of human rights, labor standards, environment, and anti-corruption.

Data collection and reporting methodologies

The table below outlines the reporting processes for the metrics disclosed in the Sustainability Report 2025. It provides transparency on the scope of data, the frequency of data collection, and any methodology-specific consideration. The methodological note needs to be read in conjunction with the footnotes described in all sections of the Sustainability Report 2025 for dedicated indicators. For certain indicators, re-baselining and restatement adjustments have been applied in line with Sika's ESG Data Governance framework, as detailed on p.155 of the Sustainability Report 2025.

METHODOLOGY – SUSTAINABILITY PERFORMANCE INDICATORS

Section	Metrics	Scope	Frequency of data collection	Methodology specificities	Methodological changes in 2025	Re-baselining/restatement in 2025
Environment						
Climate change adaptation	TCFD quantification – Physical risks	All manufacturing sites at the end of 2024. Non-production sites are excluded.	Yearly	– Revenue loss: Based on internal operations reporting revenues. Sales from third-party traded products and parts of intercompany sales from smaller manufacturing sites are excluded. – Asset damage: Based on insured asset values.	– Updated geographical footprint, financial data, and selected scenarios. – Expanded scope of climate hazards. – Revised underlying climate indicators, refined vulnerability thresholds.	
Climate change adaptation	TCFD quantification – Transition risks	2022 scope 1, 2, and 3 inventory as disclosed in 2023.	Yearly	– Transition risk categories: Based on NGFS Delayed Transition scenarios from 2022. – Policy and legal category: Refers to carbon costs for scope 1 emissions. – Market category: Refers to carbon costs for scope 2, scope 3.1, 3.4, 3.9 emissions, and transition energy costs. – Technology category: Refer to costs based on a high-level assessment considering case studies.		
Climate change mitigation	Scope 1 and 2 GHG emissions	All Sika entities (except Gulf Seal).	Quarterly	– Scope 1 and 2 emissions targets: 2022 has been established as the baseline for 2028 Strategy and SBTi targets. SBTi target boundaries include land-related emissions and removals from bioenergy feedstocks. Based on GHG market-based emissions. – Process emissions: Excluded from scope 1 emissions because their volumes have been immaterial over the past three years. In 2026, these will be further analyzed and included if considered material.	– Emission factor update. – Energy inputs: Any methodological changes under "Energy Management" impact scope 1 and 2 GHG emissions.	– Re-baselining: Sika performed its first re-baselining of its scope 1, 2, and 3 GHG inventory in 2025 to incorporate methodological changes, improvements in data accuracy, and structural changes; 2022–2024 inventories have been updated accordingly. – Preacquisition integration: 2022–2024 GHG emissions indicators have been restated to reflect 2024 and 2025 acquisitions (except Gulf Seal).

METHODOLOGY – SUSTAINABILITY PERFORMANCE INDICATORS

Section	Metrics	Scope	Frequency of data collection	Methodology specificities	Methodological changes in 2025	Re-baselining/restatement in 2025
Environment						
Climate change mitigation	Scope 3 GHG emissions	All Sika entities except 2024 and 2025 acquisitions.	Quarterly	– Scope 3 GHG emissions targets: 2022 has been established as the baseline for the SBTi targets. SBTi target boundaries include land-related emissions and removals from bioenergy feedstocks. – Scope 3 methodology, p.156 of SR 2025.	– Emission factor update.	– Re-baselining: Sika performed its first re-baselining of its scope 1, 2, and 3 GHG inventory in 2025 to incorporate methodological changes, improvements in data accuracy, and structural changes; 2022–2024 inventories have been updated accordingly.
Climate change mitigation	Out of scope emissions	– Scope 1 and 2: All Sika entities (except Gulf Seal). – Scope 3: All Sika entities except 2024 and 2025 acquisitions.	Yearly	– Based on the GHG Protocol Scope 2 Guidance, location-based emission factor sources generally do not provide the biogenic CO_2 emissions, thus, this is omitted from the reporting.	– Scope 2 biogenic emissions: Inclusion of purchased renewable heating. Previous years were not restated.	– With 2025 re-baselining of scope 1, 2, and 3, 2023 and 2024 scope 3 biogenic emissions have been updated.
Energy management	Energy consumption	All Sika entities (except Gulf Seal).	Quarterly	– Purchased electricity from fossil and nuclear sources: The reporting of purchased electricity does not differentiate between the specific sources of non-renewable electricity (fossil vs. nuclear sources). – Purchased electricity from renewable sources: This indicator is based on 100% green contracts, Energy Attribute Certificates (EACs) such as Guarantees of Origins (GOs), Renewable Energy Certificates (RECs), International Renewable Energy Certificates (I-RECs) or Power Purchase Agreements. – Purchased bundled long-term renewable electricity: Ethiopia, Paraguay, and Uruguay report renewable electricity as their local grid has at least a 95% renewable generation mix (source: RE100 Technical Criteria 2021).	– Additional indicators: Coal, purchased steam and cooling from fossil sources, purchased heat, steam, and cooling from renewable sources. Previous years were not restated. – Purchased electricity from renewable sources: New categorization of renewable instruments into bundled and unbundled renewable electricity. Previous years were not restated.	– Preacquisition integration: 2022–2024 energy indicators have been restated to reflect 2024 and 2025 acquisitions (except Gulf Seal). – LPG and vehicle fuel from fossil sources: 2024 figures related to LPG and vehicle fuel from fossil sources have been restated due to a stricter application of internal reporting rules.
Substances of concern	– Category 1 substances – SVHC – PFAS	All Sika entities, without full coverage of MBCC entities and 2024 and 2025 acquisitions, due to ongoing integration process.	Quarterly	– Category 1 substances: The number of substances considered under this category is subject to change depending on regulatory changes, new listings, changes to the global harmonization system, or acquisitions. – Definition of Category 1 substances, p.84 of SR 2025		

METHODOLOGY – SUSTAINABILITY PERFORMANCE INDICATORS

Section	Metrics	Scope	Frequency of data collection	Methodology specificities	Methodological changes in 2025	Re-baselining/restatement in 2025
Environment						
Water management	Water metrics	All Sika entities (except Gulf Seal).	Quarterly	– Water withdrawal: Includes the volume of water used as an input material. – Water discharge intensity target: 2023 has been established as the baseline for the Strategy 2028 target. Verona (Italy), Sarnen (Switzerland), and Innsbruck (Austria) withdraw large quantities of water for cooling processes and then discharge it back to original sources with negligible losses or variation in quality. Hence, those three sites have been excluded from the target. They are included in all other reported figures. – Water sent off-site for treatment: Captures the water that is treated off-site by a third-party. It includes effluents (treated or untreated wastewater) including wastewater that shall be disposed separately due to local regulations.		– Preacquisition integration: 2023 and 2024 water indicators have been restated to reflect 2024 and 2025 acquisitions (except Gulf Seal). – Water discharge: A building divestment in Sarnen (Switzerland) in 2025 resulted in a reduced water withdrawal, water usage, and water discharge of 259,654 m^3 (8.0% of water discharge at Group level) compared to 2024. The previous years have not been restated.
Water management	Water stress metrics	All manufacturing sites at the end of 2025 (except Gulf Seal). Non-production sites are excluded.	Yearly	– Water stress in own operations: Using the Aqueduct Water Risk Atlas, Sika identifies the projected exposure of each manufacturing location to baseline water stress. Baseline water stress measures the ratio of demand for water by human society divided by available water. Locations facing extremely high water stress (>80%) and high water stress (40–80%) were identified by applying the indicator “BSW” (Baseline Water Stress).		– Preacquisition integration: 2023 and 2024 water stress indicators have been restated to reflect 2024 and 2025 acquisitions (except Gulf Seal).
Resource inflows and outflows	Input materials sourced	All Sika entities except 2024 and 2025 acquisitions, in line with scope 3 GHG emissions.	Yearly	– Input materials sourced: Based on procurement volumes either stored on-site or used, and excludes toll manufacturing and water used as an input material. – Secondary materials: Covering by-products and recycled raw materials. – Biological materials: To be categorized as biological materials, raw materials must be certified.	– Methodology updated to align with procurement database and scope 3 category 1.	– 2023 and 2024 data have been restated according to the new methodology.
Waste management	Waste metrics	All Sika entities (except Gulf Seal).	Quarterly	– Non-recoverable waste: Volume of waste directed to disposal, i.e., landfill, incineration, and other disposal operations. – Non-recoverable waste target: 2023 has been established as the baseline for the Strategy 2028 target. – Waste diverted from disposal: Volume of waste diverted from disposal due to recycling off-site, internal recovery, preparation for reuse, and other recovery operations. – Recycled waste: Volume of waste diverted from disposal due to recycling off-site. – Non-recycled waste: Volume of waste directed to disposal and waste classified as internal recovery, preparation for reuse, and other recovery operations.	– Additional indicators: Other disposal operations, preparation for reuse, and other recovery operations. Previous years were not restated.	– Preacquisition integration: 2023 and 2024 waste indicators have been restated to reflect 2024 and 2025 acquisitions (except Gulf Seal). – Recycled waste: Following the revision of the definition of this indicator, 2023 and 2024 data have been updated accordingly.

METHODOLOGY – SUSTAINABILITY PERFORMANCE INDICATORS

Section	Metrics	Scope	Frequency of data collection	Methodology specificities	Methodological changes in 2025	Re-baselining/restatement in 2025
Social						
Working conditions	Employee engagement index	All Sika entities.	Every two years	– Based on the global engagement survey. In 2024, the survey comprised close to 80 questions, encompassing core topics around engagement, work, relations, growth, structure and framework, and diversity and integrity. – Eligible to participate were all active employees in an ongoing employment relationship as of the beginning of 2024.		
Working conditions, Equal treatment and opportunities	Headcount per gender, contract type, category, and age	All Sika entities.	Monthly			
Working conditions	Turnover rate	All Sika entities.	Monthly	– Employee turnover rate: Considers all departures such as natural fluctuations, voluntary leavers, and involuntary leavers. It is calculated as follows: all departures/((headcount at the beginning of the year + headcount at the end of the year)/2). – Natural fluctuations: Refer to retirement or death, for example.		
Working conditions	External temporary workers	All Sika entities.	Monthly	– Based on FTEs.		
Working conditions, Equal treatment and opportunities, Health and safety	Metrics covered by the HR Questionnaire	All Sika entities with a minimum headcount of three employees as of early September 2025, except Marlon and Gulf Seal since their acquisitions were closed in September and November.	Yearly	– The HR Questionnaire is sent to HR Managers to gather confirmation/qualitative information on various topics, such as collective bargaining and social dialogue, adequate wage, health and safety, employee well-being, equal pay, or persons with disabilities. – Collective bargaining and social dialogue: European Economic Area (EEA) scope refers only to EEA countries among Sika's top ten countries, which are Germany and France.		
Health and safety	ISO certifications	All headquarters, plants, warehouses, and technology centers. Sales offices, administrative offices, and training centers are excluded.	Yearly			

METHODOLOGY – SUSTAINABILITY PERFORMANCE INDICATORS

Section	Metrics	Scope	Frequency of data collection	Methodology specificities	Methodological changes in 2025	Re-baselining/restatement in 2025
Social						
Health and safety	Work-related incidents of Sika employees	All Sika entities.	Monthly	– Incidents rates: Apprentices and interns are excluded from FTEs and worked hours used for the calculation of LTAs per 1,000 FTEs, LTIFR, recordable work-related accident rates, and work-related ill health rates. – Lost Time Accident (LTA): Refers to an accident which results in one or more lost days, not including the day of the accident.		– 2024 figures related to LTAs and recordable work-related accidents of Sika employees have been revised upward to take account of the reclassification of two incidents identified after publication (one LTA, one recordable work-related accident).
Health and safety	Work-related incidents of contractors	All Sika entities.	Monthly	– Lost Time Accident (LTA): Refers to an accident which results in one or more lost days, not including the day of the accident.	– Recordable work-related accidents: New reporting, previous years were not restated.	
Health and safety	Process safety incidents	All Sika entities.	Monthly	– Process Safety Incident: Refers to an unplanned or uncontrolled release of energy, or material from a process that results in consequences for people, the environment, or property which leads to one or more of the following: a recordable injury, a declared public evacuation or shelter-in-place order, a significant release of hazardous material, or incurs costs above 20,000 CHF.	– Classification and reporting process have been updated in 2025. Therefore, the data is not comparable with previous years.	
Equal treatment and opportunities	Breakdown of employees per category	All Sika entities.	Yearly	– Category “Company Management”: Refers to Senior Managers and Local Company Management teams.		
Equal treatment and opportunities	Training hours	All Sika entities (except Gulf Seal).	Quarterly	– Training hours: Excluding training hours related to apprenticeship, MBA and PhD at educational institutions.		
Equal treatment and opportunities	Employee performance reviews	All Sika entities, except 2024 and 2025 acquisitions, which are not systematically covered as their integration is still ongoing.	Yearly	– Employee performance review: Includes employees who have either a Management By Objectives (MBO) or an employee development discussion, or both.		
Workers in the value chain	Supply chain due diligence metrics	Tier 1 suppliers	Monthly	– Suppliers assessed during the year: Refers to both new EcoVadis assessments and reassessments. – Suppliers with a valid assessment: Under the TfS framework, EcoVadis assessments have a validity period of three years. The indicator shows the sum of the assessments conducted in the last three years. – Suppliers with a reassessment with an improved score: Refers to the reassessments that showed an improvement from a score below 54% within the year.	– Total suppliers with a reassessment with an improved score: New reporting, previous years were not restated.	

METHODOLOGY – SUSTAINABILITY PERFORMANCE INDICATORS

Section	Metrics	Scope	Frequency of data collection	Methodology specificities	Methodological changes in 2025	Re-baselining/restatement in 2025
Governance						
Business integrity	Metrics covered by the ESG Confirmation	The ESG Confirmation excludes acquisitions that were closed during the reporting year.	Yearly	– The ESG Confirmation is sent by Corporate Compliance to all General Managers or responsible leaders. By completing it, they confirm their commitment to Sika's key compliance policies such as environmental protection, anti corruption, fair competition, labor laws, and human rights. They also confirm that their teams have received the necessary information and training on these topics.		
Business integrity	Compliance complaints received, substantiated cases	All Sika entities.	Quarterly	– Considering only Priority 1 (P1) and Priority 2 (P2) cases. – Compliance complaints: Reports are either submitted via the Sika Trust Line by employees or third-parties, or identified through audits and management activities. – Substantiated cases: Not all identified violations resulted in disciplinary actions. In some instances, the employee responsible for the violation left the company before the case was resolved. In other cases, a combination of disciplinary measures was applied.		– Substantiated cases: From one year to the other, substantiated reports include backlog carried over.
Management of relationships with suppliers	Direct material expenditures	All Sika entities.	Quarterly	– Based on figures reported in the Consolidated Financial Statements, p.218 of AR 2025.		

ESG data governance including re-baselining

In the context of its SBTi commitment and with a dynamic ESG data landscape continuously changing, Sika defined an internal ESG Data Governance policy in 2023 to ensure consistency, reliability, and traceability in data reporting. This governance framework, applied from 2023 onward, provides systematic guidance for the following cases:

- Changes in reporting structure: Structural changes such as merger and acquisitions, divestitures, or outsourcing of business activities.
- Reporting errors: Calculation error, reporting mistakes, mistakes in applying the definitions for metrics, misinterpretation of facts, or missing data.
- Methodological changes: Scientific research changing the methodology, advancement in emission measurement technologies, changes in methodologies of calculation, changes in regulatory requirements, shift from one emission factor database to another, update of emission factor database due to methodological changes related to calculation update or error, more specific data available.
- Change of emission factors: Change from average emission factor to supplier-specific emission factor, more precise emission factors that were unavailable in the database in previous years, regular update of database (average) such as Sphera, IAE, DEFRA, or GLEC, etc. (assuming that these updates reflect real change in GHG emissions, for example resulting from a change of energy mix in electricity supply).

ESG re-baselining and adjustment governance

	ENVIRONMENT				SOCIAL AND GOVERNANCE		
	GHG emissions scope 1 and 2	GHG emissions scope 3	Water and waste	Others	Health and safety	FTE and headcount	Others
Acquisition and divestment							
With baseline	Re-baselining*				Per closing date		
Without baseline	N/A		Per closing date		Per closing date		
Methodology change							
With baseline	Re-baselining based on +/−5% of Group total				Re-baselining based on +/−5% of Group total		
Without baseline	N/A		Restatement PY based on +/−5% or less of Group total		Restatement PY based on +/−5% of Group total		
Error							
With baseline	Re-baselining based on +/−5% of Group total				Re-baselining based on +/−5% of Group total		
Without baseline	N/A		Restatement PY based on +/−5% of Group total		Restatement PY based on +/−5% of Group total		
Change of emission factors							
With baseline	Considered in the following year**				N/A		
Without baseline	N/A		Considered in the following year**		N/A		

General Remarks

+/−5%	This threshold needs to be considered per dimension of impact and for scope 1, 2, and 3 GHG emissions based on the absolute CO_2eq amount of the most recent year. Sika might consider re-baselining/restatement for impacts below +/−5%. Sika will track the changes cumulatively and review them on a two-to-three year basis for potential re-baselining.
*Re-baselining	Newly acquired companies will be assessed for re-baselining even if the impact is lower than 5% and integrated in the baseline within 24 months after the closing date of the acquisition. If data of an acquired company is not available, the closest succeeding available data is used as a proxy for the baseline and acquisition year. If no emission data is available at all, one option is to use the revenue of the former years multiplied by the acquired company's ratio of GHG emissions per revenue (tCO_2eq/CHF).
**Change emission factors	In the event of new scientific findings on emission factors and global warming potentials, these will be taken into account in the calculation of the GHG emissions in the following year. Scope 1, 2, and 3 emissions: All factors are updated in January of the following year.
SBTi net zero consideration	Sika will track the changes cumulatively since the last re-baselining and will review them on a two-to-three-year basis for potential re-baselining according to the SBTi Target Validation Protocol. This approach excludes acquisitions since newly acquired companies will be systematically assessed for re-baselining. Additionally, Sika will not resubmit all re-baselinings to the SBTi in consideration of the normal five-year target review.

With baseline: Corresponds to KPIs for which Sika has targets compared to a reference year.
Without baseline: Corresponds to KPIs for which Sika does not compare to a reference year.

Scope 3 methodology

OUTLINE

The calculation of scope 3 carbon emissions is an evolving topic based on various data sources. Sika is continuously reviewing the calculation methodology to ensure transparency and data robustness. This process helps Sika better understand how it can lower its scope 3 emissions and engage within the organization. Better data availability will impact Sika's accounting methodology in its net zero journey. Moreover, the identification of material scope 3 categories provides detailed information to drive scope 3 reduction initiatives. This section is a high-level summary of the methodology applied by Sika to calculate its scope 3 GHG emissions.

The scope 3 assessment project is aligned to the recommendations outlined in the "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and the "Technical guidance for calculating scope 3 emissions" published by the World Resource Institute (WRI)[1] and World Business Council for Sustainable Development (WBCSD)[2] as a supplement to the Greenhouse Gas Protocol (GHGP)[3]. Additional guidelines used or consulted during the process are referenced in the document.

The assessment covers all entities consolidated in the Group financial statements for FY 2025 except for 2024 and 2025 acquisitions. They will be integrated within 24 months after the closing date as specified in the internal ESG Data Governance policy. Exclusions relevant for specific categories are listed in the separate data quality and coverage section. An operational control approach, as defined by the GHGP[4], was applied during the assessment. This approach considers a company accountable for 100% of the emissions over which the organization or any of its subsidiaries have operational control.

The chapters "Material scope 3 categories" and "GHG emissions calculation methodology for material scope 3 categories" describe the applied methodology and assumptions made for each material scope 3 category. The "Excluded scope 3 categories" chapter highlights the criteria for excluded categories. Moreover, the "Overview and screening" chapter provides information on data used for the scope 3 assessment (data input), exclusions within material categories (coverage), and limitations in data quality.

1 ↗ **World Resources Institute**
2 ↗ **World Business Council for Sustainable Development (WBCSD)**
3 ↗ **Corporate Value Chain (Scope 3) Standard | Greenhouse Gas Protocol**
4 ↗ **Corporate Standard | Greenhouse Gas Protocol**

MATERIAL SCOPE 3 CATEGORIES

In alignment with the WBCSD sector guidance, a screening of all material categories was conducted. Each category was rated with respect to Sika's influence on the emissions and its size. The related symbols shown in the table below are used to:

- Label all categories into low, medium, or large influence. An assessment of influence helps to develop a scope 3 methodology that balances between measuring, reporting, and managing material scope 3 emissions in alignment with any emission reduction strategy;
- Indicate the size of each category as the percentage contribution to the full scope 3 inventory.

Category	Description	Influence	Size
Purchased goods and services	Upstream emissions (cradle-to-gate) of raw materials, trading products, and packaging purchased or acquired by Sika in the reporting year.		
Capital goods	Upstream emissions from the production of capital goods purchased or acquired by Sika in the reporting year.		
Fuel- and energy-related activities	Extraction, production, and transportation of fuels and energy purchased by Sika in the reporting year, not already accounted for in scope 1 or scope 2.		
Upstream transportation and distribution	Transportation and distribution services purchased by Sika, including inbound logistic, outbound logistic (e.g., of sold products), and transportation and distribution between Sika's own facilities (in vehicles and facilities not owned or controlled by Sika).		
Waste generated in operations	Disposal and treatment of waste generated in Sika's operations in the reporting year (in facilities not owned or controlled by Sika).		
Business travel	Transportation of employees for business-related activities (air, train, rail, etc.) during the reporting year (by means of transportation not owned or operated by Sika).		
Employee commuting	Transportation of employees between their homes and their worksites during the reporting year (by means of transportation not owned or operated by Sika).		
Downstream transportation and distribution	Transportation and distribution of products sold by Sika between Sika's operations and end consumers (if not paid for by Sika), including retail and storage (by means of transportation and facilities not owned or controlled by Sika).		
Use of sold products	The scope 1 and scope 2 emissions of end users that occur from the use of: products that directly consume energy (fuels or electricity) during use; fuels and feedstocks; and GHGs and products that contain or form GHGs that are emitted during use.		
End-of-life treatment of sold products	Waste disposal and treatment of products and packaging sold by Sika (in the reporting year) at the end of their life.		

Large influence on emissions
Medium influence on emissions
Small influence on emissions

>50% coverage of scope 3 emissions
5–49% coverage of scope 3 emissions
<5% coverage of scope 3 emissions

GHG EMISSIONS CALCULATION METHODOLOGY FOR MATERIAL SCOPE 3 CATEGORIES

The GHG emissions topic is continuously evolving, and better knowledge, understanding, and data availability will impact the accuracy and granularity of Sika's scope 3 assessment. For each scope 3 category, a specific methodology, based on the GHGP and the WBCSD chemical sector guidance, has been defined. However, as specifications and availability of both activity and secondary data change, Sika expects scope 3 categories' methodologies to continuously evolve. Sika has identified the following material scope 3 categories and, where necessary, next steps or "Roadmaps" for improving data quality are described.

CATEGORY 1 – PURCHASED GOODS AND SERVICES

The calculation of upstream GHG emissions (cradle to gate) of purchased goods and services was structured based on:

1. Direct goods: For all raw materials, packaging, and trading products, the average-data method was applied. Emission factors were obtained from life cycle inventory databases. The obtained emission factors were mapped to chemical components using the information available in Sika's EHS database (i.e., CAS numbers). Technological representativeness was considered where possible. Geographical representativeness was considered when the country of the supplier[1] was available in the procurement management system. When a specific chemical was not available in the life cycle inventory databases, relevant proxies were chosen. Where available (36% of scope 3 – category 1), supplier-specific emission factors were applied. The mapping of emission factors was completed for the top 95% (measured by invoiced quantity) of materials. An extrapolation of GHG emissions to the remaining materials was carried out, by considering the average CO_2eq intensity of each material eClass[2]. Companies not included in the general spend management system, representing an estimated 2% of global procurement spend, were also included with an extrapolation.

2. Indirect goods: For the calculation of indirect goods, a spend-based methodology was applied. The procurement spend in CHF was multiplied with the relevant monetary emission factor.

Roadmap: In the short-term, the focus will be on improvements in the data quality (conversion factors, quantities, location) of purchasing data. In the long-term, Sika aims for supplier-specific data. Sika is part of TfS and was chairing TfS workstream 5: scope 3 GHG emissions up to the end of April 2024. In scope of this workstream, Sika supports the work to standardize the measurement of GHG emissions data and to develop data collection and sharing approaches to support efforts to decarbonize the chemical supply chain.

CATEGORY 2 – CAPITAL GOODS

For the calculation of GHG emissions associated with capital goods, a spend-based methodology was applied. The CAPEX (capital expenditure) in CHF was multiplied with the relevant monetary emission factor. For all infrastructure projects, a mixed monetary emission factor was applied. This mixed factor was based on the ratio of steel, concrete, earthworks, and electrical installations within a Sika plant. The ratio was determined from an analysis of representative Sika plant construction projects.

CATEGORY 3 – FUEL- AND ENERGY-RELATED ACTIVITIES

GHG emissions associated with fuel- and energy-related activities were based on data obtained from the Sika S&O corporate reporting system. To calculate the fuel-related Well-to-Tank (WTT) emissions, the Group consumption per fuel category – collected at factory level – was multiplied with the chosen WTT emission factor. For electricity Transmission & Distribution (T&D) losses as well as upstream production and transportation, the electricity consumption per Sika country was multiplied with the relevant country-based emission factors. Heating, steaming, and cooling Well-to-Tank (WTT) emissions, as well as Transmission & Distribution (T&D) losses, are calculated by applying the respective emission factors at Group level.

CATEGORY 4 – UPSTREAM TRANSPORTATION AND DISTRIBUTION

Total GHG emissions from upstream transportation were based on the tons purchased and kilometers shipped, taking geographical differences into consideration. Supplier postal codes[3] were extracted from SAP from purchasing invoices. The land distance between the two relevant postal codes was calculated using an automated distance calculation solution (Google). Tons shipped were based on quantities purchased as reported in the procurement General Spend Management (GSM) system. The obtained ton.km were multiplied with a regionalized emission factor.

If both supplier and Sika factory are located in the same region, it was assumed that transportation was conducted by truck. If supplier and Sika factory are located in two different geographical areas, it was assumed that the transportation was carried out by truck and vessel. The total distance was calculated in three legs: supplier to default port, vessel distance, default port to Sika factory. Each country was assigned a default port. The vessel distances were estimated using proxy routes between relevant geographical regions[4]. In each leg the ton.km were multiplied with a regionalized emission factor.

For all intraregional distances calculated for SAP transactions, an average distance per material group was calculated and applied to non-SAP transactions as default distances. Postal code data from SAP transactions was available for 91% of all quantities purchased. The default distances were applied to the remaining 19% of quantities purchased. Companies not included in the general spend management system, representing an estimated 2% of global procurement spend, were also included with an extrapolation.

1 Country of the supplier may refer to the HQ location of the legal entity.

2 Materials are classified into eClasses by Sika Procurement. eClass refers to the most granular segmentation available and is based on chemical functions.

3 The supplier postal code may refer to the HQ location of the legal entity and not to the production site.

4 The distances of proxy routes were calculated using the tool ↗ **Online Freight Shipping & Transit Time Calculator at Searates.com**. A 15% uplift was applied to all distances – in alignment with the GLEC framework.

In accordance with the GHGP guidelines, the outbound transportation paid by Sika is included in category 4, whereas the outbound transportation paid by customers falls under category 9. For the methodology applied to calculate the outbound transportation paid by Sika, please refer to the section describing category 9.

Roadmap: In the short-term, the focus will be on improvements in the data quality (conversion factors, quantities, location) of purchasing data. Additionally, improvement and maintenance of local master data to improve the transparency and coverage of the locations of third-party suppliers will be addressed.

CATEGORY 5 – WASTE GENERATED IN OPERATIONS

GHG emissions from waste treatment were based on data obtained from the Sika S&O corporate reporting system. Waste by weight and wastewater by volume was collected at factory level through the quarterly Sika corporate reporting system. This reporting includes production waste and non-production waste. The waste is categorized based on destination (landfill, incineration, preparation for reuse, and recycling-off site) and type (hazardous, non-hazardous). The wastewater is categorized into destination (sewage, off-site treatment, ground, sea). The weight of waste and the volume of wastewater allocated to relevant destinations was multiplied with appropriate emission factors. For recycled waste, average emission factors for transportation to recycling facility gate were applied.

Roadmap: In the medium-term, the focus will be on collecting additional insights and data on incineration with or without energy recovery.

CATEGORY 6 – BUSINESS TRAVEL

The GHG emissions for category 6 are based on the activity data collected from the main high-spend countries[1] (China, France, Germany, Japan, Mexico, Spain, Switzerland, United Kingdom, and USA). The activity data collected included the passenger kilometers of all air travel and the expenditure on car rentals.

For air travel, a distance-based approach was applied. The passenger kilometers were multiplied with relevant emission factors[2] per type of flight distances: domestic, short-haul, and long-haul. An average passenger class was considered. The top nine countries used for the air travel emissions estimation cover 57% of the Sika Group business travel expenditures for FY 2025. The data was extrapolated to 100% to provide an estimate for the full Group.

For car rentals, a spend-based approach was applied. The monetary amount spent on car rentals was multiplied with a relevant monetary emission factor. The top nine countries used for the rental car emissions estimation cover 57% of the Sika Group business travel expenditures for FY 2025. The data was extrapolated to 100% to provide an estimate for the full Group.

Roadmap: Coverage will be extended to collect activity data from more Sika countries.

CATEGORY 7 – EMPLOYEE COMMUTING

The GHG emissions associated with employee commuting are estimated with FTEs. FTEs are reported and compiled within the corporate reporting system. FTEs include both Sika employees and external temporaries but exclude contractors. In alignment with the WBCSD sector guidance, the following assumptions were made:

– Default mode of 100% travel by car (1 employee per car).
– Default average number of trips as 440 (220 working days * 2 = 440).
– Default travel distance of 30 kilometers (per trip) by car.
– Diesel was considered as the fuel used and the relevant emission factor[3] was applied.

Roadmap: The methodology will be reviewed and, if possible, a location-specific approach will be applied in the long-term. Potential employee surveys will support the methodology review.

CATEGORY 9 – DOWNSTREAM TRANSPORTATION AND DISTRIBUTION

Category 9 reflects all outbound transportation and distribution to third-party customers, as well as intercompany transportation. This category was calculated in the same way as category 4. Total GHG emissions were calculated by multiplying the tons sold with the kilometers shipped and with the relevant emission factors, taking geographical differences into consideration. At this stage, it was assumed that all goods are transported by truck and/or vessel.

Customer postal codes were extracted from sales invoices. The land distance between the two relevant postal codes was calculated using an automated distance calculation solution (Google). The obtained ton.km were multiplied with a regionalized emission factor. Tons shipped were based on quantities consolidated in the general sales query. Intercompany transactions were included in the tons shipped. Postal code information was obtained for 90% of the quantities sold. The remaining quantities were included in the assessment with a simple extrapolation of total emissions.

If both Sika and customer shipping locations are in the same geographical areas, it was assumed that transportation was conducted by truck only. If Sika and customer delivery point are located in two different regions, it was assumed that the transportation was carried out by truck and vessel. The total distance was calculated in three legs: Sika to default port, vessel distance, default port to end customer. Each country was assigned a default port. The vessel distances were estimated based on a proxy route between relevant geographical regions.[4]

Companies not included in the general sales query, representing an estimated 3% of the global sales, were included with an extrapolation.

1 For the USA, Sika Corporation only. For China, Sika China Ltd. and Sika Management Co. Ltd. For Germany, Sika Deutschland CH AG & Co KG, PCI Augsburg GmbH, Wolman Wood and Fire Protection GmbH, Sika MBCC Oldenburger Grundbesitz GmbH, and MBCC Investments GmbH.

2 With radiative forcing and considering full fuel life cycle (Well-to-Wheel (WtW)).

3 Considering full fuel life cycle (Well-to-Wheel (WtW)).

4 The distances of proxy routes were calculated using the tool ↗ **Online Freight Shipping & Transit Time Calculator at Searates.com**. A 15% uplift was applied to all distances – in alignment with the GLEC framework.

The information on outbound logistic was provided for both transportation activities paid by Sika (Delivery at Place – DAP) and transportation activities paid by the customer (Ex Works – EXW). For entities where incoterms were not available at Corporate level, an assumption per country was taken on the ratio between DAP and EXW outbound transactions. In accordance with the GHGP guidelines, the outbound transportation paid by Sika is included in category 4, whereas the outbound transportation paid by customers falls under category 9. To estimate the GHG emissions coming from the storage of Sika's products at retailers' locations, the quantities of products sold to retailers were multiplied by a relevant emission factor.

CATEGORY 11 – USE OF SOLD PRODUCTS

Direct and indirect GHG emissions from the use of sold products were screened to assess the materiality of category 11. After an extensive screening and a deep dive into different cases, the following sources were included in the accounting of this category: Direct emissions from hydrofluorocarbons (HFCs); and semi volatile organic compounds (SVOCs) and volatile organic compounds (VOCs) from solvents, silanes, and plasticizers. In alignment with the WBCSD sector guidance, VOCs and SVOCs were converted to CO_2 using stoichiometric calculations based on carbon content. For more information regarding carbon content, please refer to the section on category 12. A screening of the Environment, Health, and Safety (EHS) database for HFCs was carried out. During the screening, the following hydrofluorocarbons were identified as relevant for Sika: HCFC141b, HCFC142b, HFC152a, HFC227ea, HFC245fa, and HFC365mfc. For each HFC, the relevant Global Warming Potential (GWP), provided by the GHG protocol, was applied.

CATEGORY 12 – END-OF-LIFE (EOL) TREATMENT OF SOLD PRODUCTS

GHG emissions associated with the EoL of sold products were calculated using the carbon content method, in alignment with the WBCSD sector guidance. The carbon content method was applied to Sika's raw materials, using the same activity data as in the category 1 calculation. To determine the carbon content of raw materials, R&D experts performed a screening of the top 80% of invoiced quantities in each eClass. Based on this screening, an average carbon content could be determined for each material eClass. This average carbon content was then applied to the total purchased kilograms of each material eClass. The final carbon content was converted to CO_2 and CH_4 using stoichiometric calculations. Using factsheets from environmental databases, an end-of-life scenario was chosen for each material category[1].

Based on these assumptions, approximately 16% of sold products are incinerated and 84% of sold products are landfilled. In the case of incineration, 100% of carbon was converted to CO_2. For the case of landfill, it was assumed that 20% of materials decompose in a 100-year period and, according to the WBCSD sector guidance, this leads to a 10% decomposition into CO_2 and a 10% decomposition into CH_4. The carbon content method was used to calculate the End-of-Life GHG emissions of all material groups that contain organic raw materials. EoL GHG emissions from inorganic (not containing carbon) materials were calculated with a generic emission factor for the treatment of inert matter and construction waste. Purchased packaging (not included in raw materials) was grouped into five overarching categories: paper, cardboard, plastics, metal, and wood. For each category, a quantity-based average emission factor of the waste treatment of the respective packaging was applied.

Process-related CO_2 emissions from the drying reaction of polyurethane-based products are included in this category, given their very small magnitude and difficulty to quantify.

Roadmap: In the short-term, the focus will be on improvements in the data quality (conversion factors, quantities, location) of purchasing data. In the long-term, Sika aims to collect secondary and primary data on EoL scenarios to enable a location- and product-specific approach. This data will help verify the current assumptions made. Furthermore, the assumptions taken on decomposition rate will be reviewed and assessed as these may currently be too conservative.

1 Material category refers to the highest level of segmentation in the procurement data.

OVERVIEW AND SCREENING

DATA INPUT

Each material scope 3 category is based on specific activity data and relevant emission factors. An overview of the data used for the scope 3 assessment is provided in the table below. For all monetary emission factors used in the FY 2025 assessment, the 2025 exchange rate was used.

Category	Activity data	Emission factors
Purchased goods and services	Corporate procurement database in combination with EHS database.	Base Carbone® v19.0, Sphera CUP2024.2, and Ecoinvent version 3.11.
Capital goods	CAPEX totals for all categories – Corporate Financial Reporting System.	Monetary emission factors from Base Carbone® v19.0.
Fuel- and energy-related activities	Consumption data for fuels and electricity – Corporate S&O Reporting System.	Defra/BEIS 2024 and IEA 2024.
Upstream transportation and distribution	Corporate procurement database.	GLEC Framework version 3.1, 2025, and EcotransIT.
Waste generated in operations	Waste reporting by weight (by disposal destination and type) – Corporate S&O Reporting System.	Ecoinvent 3.11, Sphera CUP2024.2, and Defra 2024.
Business travel	Data collected in an ad hoc form from top-spend countries.	Defra/BEIS 2024, Quantis.
Employee commuting	FTEs from all Sika entities – Corporate Management Reporting System.	Defra/BEIS 2024.
Downstream transportation and distribution	General Sales Query.	GLEC Framework version 3.1, 2025 and EcotransIT.
Use of sold products	Corporate procurement database in combination with EHS database.	GHG Protocol GWP values (AR6 – Sixth assessment report).
End-of-Life (EoL) treatment of sold products	Corporate procurement data in combination with EHS database.	GHG Protocol GWP values (AR6 – Sixth assessment report), Base Carbone® v19.0, Sphera CUP2024.2.

COVERAGE

The following table provides an outline of all identified exclusions with respect to each category. The methodologies defined for each scope 3 category are limited by the activity data and emission factors available in the current year. The materiality of all exclusions has been assessed to ensure that overall results are not compromised. Exclusions are monitored yearly, and significant changes are tracked and documented.

Category	Exclusion	Materiality statement for exclusion
Purchased goods and services Raw materials, packaging, and trading products	1. Fuels. 2. Direct spend not allocated or not assigned. 3. Toll manufacturing.	1. Included in scope 1. 2. Approximately 2% of procurement spend. 3. 2% of procurement spend.
Purchased goods and services Indirect spend	1. All expenses related to personal charges or financial charges were excluded from the scope 3 calculation. 2. Furthermore, the spend categories related to travels, waste, and leased assets were excluded from Category 1.	1. Outside of scope and boundary according to the GHG protocol. 2. Included in other scope 3 categories.
Capital goods	Includes all CAPEX categories aligned to the financial reporting except "Land additions".	Land additions were assessed as not relevant for GHG emissions.
Fuel- and energy-related activities	All fuel and energy categories, in alignment with the scope 1 and 2 assessment.	
Upstream transportation and distribution	1. Supplier intercompany logistics. 2. Air transportation.	1. No transparency and no data available. 2. Air transportation is only used as an inbound transportation mode in exceptional circumstances.
Waste generated in operations	Emissions from recycling processes, relevant for the waste classified as "recycling off-site" and "other recovery operations".	Recycling processes are outside of scope and boundary according to the GHG protocol.
Business travel	Only air travel and car rental included.	
Employee commuting	Includes Sika employees and external temporaries.	
Downstream transportation and distribution	Air and rail transportation.	Transportation mode will be included in future assessments.
Use of sold products	1. Indirect use phase emissions. 2. Direct CO_2 release from chemical curing. 3. Water was excluded from VOCs from solvents.	1. Indirect emissions amount to less than 0.5% of total scope 3 emissions. 2. Full carbon content of relevant materials allocated to category 12. 3. Water is not considered a VOC but reported in Solvents category.
End-of-Life (EoL) treatment of sold products	Please refer to the category "Purchased goods and services".	

DATA QUALITY

The GHGP[1] suggested a rating system to evaluate the data quality of both primary and secondary data used in the scope 3 assessment. The table below provides a high-level overview of the limitations in data quality identified for each material scope 3 category. A continuous evaluation of these parameters will help to assess the accuracy and reliability of all relevant methodologies and results. Where possible, identified data quality limitations will be addressed and thus used to improve the overall quality of Sika's scope 3 assessment.

Category	Technology	Geography	Completeness	Reliability
Purchased goods and services	Emission factors from secondary data sources could not be found for all purchased raw materials. Proxies were applied where possible.	Geographical considerations were limited by the secondary data available.	Some entities are not included in the general spend management system.	Average-data method applied.
Capital goods	Different technologies cannot be differentiated with monetary emission factors.	Global monetary emission factors were applied hence different geographies were not considered.	Land additions were not considered.	The spend-based method was applied. The spend-based method is considered the least specific according to the GHGP.
Fuel- and energy-related activities	Based on energy types included in scope 1 and 2 reporting data.	Emission factors were chosen to reflect the relevant geography.	In alignment with all fuel and energy categories included in the scope 1 and 2 reporting.	Based on scope 1 and 2 reporting data.
Upstream transportation and distribution	Currently, it is not possible to distinguish between transportation modes for upstream transportation.	Assumptions were made based on aggregated regions. Emission factors were applied on regional granularity.	Supplier intercompany logistics were not included in the calculation. Furthermore, some entities are not included in the general spend management system.	Potential data quality issues related to limited maintenance of supplier postal code information in SAP.
Waste generated in operations	Based on the S&O reporting of waste disposal by type of waste and water.	Emission factors were chosen based on three high-level regions. No country-specific data was available.	Based on S&O corporate reporting system.	Emissions were calculated on aggregate waste and water quantities. Waste composition is unknown.
Business travel	Only flights and rental cars were considered.	Activity data restricted to nine countries.	The calculation was based on an extrapolation of data of the nine top high-spend countries.	Based on reports from travel agencies and expenses reporting.
Employee commuting	Currently, it is not possible to distinguish between different transportation types.	No geographical differences included.	All Sika employees were considered.	The calculation is based on generic assumptions.
Downstream transportation and distribution	Currently, it is not possible to distinguish between transportation modes.	Assumptions were made on country and regional level. Emission factors were applied on regional granularity.	Intercompany and intraplant transportation was included where postal codes were maintained.	Potential data quality issues related to limited maintenance of customer postal code information in SAP.
Use of sold products	Where applicable, information about specific technologies was included in the screening.	Geographical differences are unknown and were thus not considered.	Indirect emissions were screened, assessed as immaterial, and thus excluded.	Assumptions on relevant VOCs was taken on eClass level. No material-specific VOC data collected.
End-of-Life (EoL) treatment of sold products	Currently, no information/data is available regarding the End-of-Life scenarios of Sika products. Assumptions were made.	No geographical differences were considered.	Some entities are not included in the general spend management system.	Assumptions were made regarding the carbon content for each material eClass. Average-data for Packaging.

1 Table 7.6 found on p.76 in the "Corporate value chain (Scope 3) accounting and reporting standard" of the GHGP.

COVERAGE OF PRIMARY DATA VS. SECONDARY DATA FOR SCOPE 3 GHG EMISSIONS

As defined in the GHGP[1], primary data corresponds to data from specific activities within a company's value chain whereas secondary data refers to data that is not from specific activities within a company's value chain. For example, primary data includes data provided by suppliers (e.g., product-level, cradle-to-gate GHG data) and secondary data includes industry-average data (e.g., from published databases, government statistics, literature studies, and industry associations). The percentages[2] displayed in the following table correspond to the percentages of GHG emissions within the scope 3 category coming from primary or secondary data.

	Activity data[1]		Emission factors[1]	
Category	**% primary data**	**% secondary data**	**% primary data**	**% secondary data**
Purchased goods and services	– Raw materials, trading products, and packaging: 97%. – Indirect goods: 100%.	– Raw materials, trading products, and packaging: 3%. – Indirect goods: 0%.	– Raw materials, trading products, and packaging: 36% supplier specific. – Indirect goods: 0%.	– Raw materials, trading products, and packaging: 64% industry-average. – Indirect goods: 100% industry-average.
Capital goods	100%	0%	0%	100% industry-average.
Fuel- and energy-related activities	100%	0%	0%	100% industry-average.
Upstream transportation and distribution	– Weight transported for inbound: 98%. – Distance traveled for inbound[2]: 91%.	– Weight transported for inbound: 2%. – Distance traveled for inbound: 9%.	0%	100% industry-average.
Waste generated in operations	100%	0%	0%	100% industry-average.
Business travel	57%	43%	0%	100% industry-average.
Employee commuting	– FTEs: 100%. – Distance traveled: 0%.	– FTEs: 0%. – Distance traveled: 100%.	0%	100% industry-average.
Downstream transportation and distribution	– Weight transported for outbound: 94%. – Distance traveled for outbound[2]: 91%.	– Weight transported for outbound: 6%. – Distance traveled for outbound: 9%.	0%	100% industry-average.
Use of sold products	98%	2%	0%	100% industry-average.
End-of-Life (EoL) treatment of sold products	98%	2%	0%	100% industry-average.

1 For more information on the source of activity data and emission factors, please see the "Data input" paragraph on p.161 and "GHG emissions calculation methodology for material scope 3 categories" section on p.158 of the Sustainability Report 2025.

2 Origins/destinations are primary data, the route in between is estimated as detailed in the "GHG emissions calculation methodology for material scope 3 categories" section on p.158 of the Sustainability Report 2025.

1 Table 7.3 available on p.70 in the "Corporate value chain (Scope 3) accounting and reporting standard" of the GHGP.

2 The percentages provided in the table are approximate values.

EXCLUDED SCOPE 3 CATEGORIES

All the GHGP scope 3 categories were assessed for their relevance. Categories 8, 10, 13, 14, and 15 were identified as insignificant or irrelevant for Sika and thus excluded from the assessment. Detailed exclusion criteria for each category are provided in the table below.

Category	Exclusion criteria
Upstream leased assets	The emissions from the operation of leased assets are included in scope 1 and 2. The emissions previously reported under this category corresponded to the upstream life cycle emissions of manufacturing or construction of leased assets and were optional according to the GHG protocol. Therefore, this category is excluded from the SBTi target boundaries and is not considered in Sika's carbon footprint.
Processing of sold product	– Final products: Emissions from application of Sika sold products fall under indirect Cat. 11 Use of sold products. – Intermediate products: From WBCSD Chemical Sector Standard recommendation, which applies to intermediate products only, "chemical companies are not required to report scope 3, category 10 emissions, since reliable figures are difficult to obtain, due to the diverse application and customer structure".
Downstream leased assets (assets owned by Sika and leased to others)	There is only one known case of downstream leased assets: dispensers (tank to store admixtures) in the USA leased to strategic partners of larger contracts. A screening estimated the CO_2 emissions at 600 tons CO_2eq. It was determined that emissions from the downstream leased assets are not significant.
Franchises	In 2025, Sika did not operate any franchises and as such, this category was deemed to be irrelevant. Franchises are not part of Sika's business model.
Investments	Sika's investment categories: – Subsidiaries: All subsidiaries with +50% equity investments are consolidated in the financial reporting and included in the scope 1, 2, and 3 assessments for FY 2025. – Shares: Sika has some minority shares (20–50%) in four small companies: Chemical Sangyo, Seven Tech, Concria Oy, Condensil Sarl. – Financial assets (>0–20%): If Sika holds shares with an ownership interest of 20% or less, those will be reported as financial assets. The majority of these investments come from the USA and have been evaluated as immaterial for the Scope 3 assessment.

OVERVIEW OF EMISSION FACTORS DOCUMENTATION PER SCOPE

Scope	Emission factor
Scope 1 GHG emissions – Direct energy	BEIS/DEFRA 2024.
Scope 1 GHG emissions – Fugitive emissions	BEIS/DEFRA 2024.
Scope 2 GHG emissions – Electricity – Market-based	– Under the market-based approach, electricity volumes covered by energy attribute certificates are considered with an emission factor of 0. For non-renewable electricity purchased, the following factors apply: – AIB 2023 European Residual mixes (residual emission factors for European locations). – 2024 Green-e residual mix emissions rates (residual emission factors for US locations). – IEA emission factors 2024 for all other locations.
Scope 2 GHG emissions – Electricity – Location-based	– US EPA eGrid 2023 Emission Rates. – IEA emission factors 2024 for all other locations.
Scope 2 GHG emissions – Purchased heat, steam, and cooling	– BEIS/DEFRA 2024 for purchased heat and steam. – Ecoinvent 3.11 for purchased cooling.
Scope 3 GHG emissions	p.161
Biogenic CO_2 emissions – Scope 1	BEIS/DEFRA 2024.
Biogenic uptake – Scope 3 cat. 1	Sphera CUP2024.2.
Biogenic CO_2 emissions – Scope 3 cat. 12	Based on the carbon content methodology.

ESRS CONTENT INDEX[1]

Disclosure Requirement		Section in the Sustainability Report 2025 (SR)/ Annual Report 2025 (AR)	Page number(s) and/or URL(s) and/or other documents	GRI reference
ESRS 2 – General requirements				
BP-1	General basis for preparation	SR – Methodological note	p.144	GRI 2-2
BP-2	Disclosures in relation to specific circumstances	SR – Methodological note	p.144	GRI 2-4
GOV-1	The role of the administrative, management and supervisory bodies	SR – Sustainability organizational structure	p.44	GRI 2-9, GRI 2-12, GRI 2-13, GRI 2-17, GRI 405-1
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies	SR – Sustainability organizational structure	p.44	GRI 2-9, GRI 2-12, GRI 2-13, GRI 2-16, GRI 2-17, GRI 2-23
GOV-3	Integration of sustainability-related performance in incentive schemes	SR – Sustainability organizational structure	p.44	GRI 2-19, GRI 2-20
GOV-4	Statement on due diligence	SR – Methodological note	p.144	
GOV-5	Risk management and internal controls over sustainability reporting	SR – Sustainability organizational structure	p.44	
SBM-1	Strategy, business model, and value chain	AR – Business model AR – Strategy 2028 SR – Value chain	p.12 p.16 p.42	GRI 2-6, GRI 2-7, GRI 2-22
SBM-2	Interests and views of stakeholders	SR – Stakeholder engagement	p.51	GRI 2-29
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	SR – Climate change SR – Pollution SR – Water SR – Resource use and circular economy SR – Own workforce SR – Workers in the value chain SR – Business conduct	p.54 p.81 p.88 p.97 p.108 p.126 p.133	GRI 3-2, GRI 3-3
IRO-1	Description of the processes to identify and assess material impacts, risks, and opportunities	SR – Double Materiality Assessment	p.47	GRI 3-1
IRO-2	Disclosure requirements in ESRS covered by this Sustainability Report	SR – ESRS Content Index	p.166	

1 Based on ESRS Set 1 (Commission Delegated Regulation (EU) 2023/2772)

Disclosure Requirement		Section in the Sustainability Report 2025 (SR)/ Annual Report 2025 (AR)	Page number(s) and/or URL(s) and/or other documents	GRI reference
ESRS E1 – Climate change				
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	SR – Sustainability organizational structure	p.44	GRI 2-19, GRI 2-20
ESRS 2 SBM-3	Material impacts, risks, and opportunities, and their interaction with strategy and business model	SR – Climate change	p.54	GRI 3-3
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks, and opportunities	SR – Double Materiality Assessment SR – Climate change	p.47 p.54	GRI 3-1
E1-1	Transition plan for climate change mitigation	SR – Climate change mitigation	p.69	
E1-2	Policies related to climate change mitigation and adaptation	SR – Climate change SR – Policies and guidelines	p.54 p.141	GRI 3-3
E1-3	Actions and resources to climate change policies	SR – Climate change adaptation SR – Climate change mitigation	p.55 p.69	GRI 3-3, GRI 305-5
E1-4	Targets related to mitigation and adaptation	SR – Climate change mitigation	p.69	GRI 3-3, GRI 302-4, GRI 305-5
E1-5	Energy consumption and mix	SR – Energy management	p.77	GRI 302-1, GRI 302-3
E1-6	Gross scopes 1, 2, and 3, and total GHG emissions	SR – Climate change mitigation	p.69	GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4
E1-8	Internal carbon pricing	SR – Climate change mitigation	p.69	
E1-9	Anticipated financial effects from material physical and transition risks, and potential climate-related opportunities	SR – TCFD recommendations	p.56	GRI 201-2
ESRS E2 – Pollution				
ESRS 2 IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks, and opportunities	SR – Double Materiality Assessment SR – Pollution	p.47 p.81	GRI 3-1
E2-1	Policies related to pollution	SR – Substances of concern SR – Policies and guidelines	p.82 p.141	GRI 3-3
E2-2	Actions and resources related to pollution	SR – Substances of concern	p.82	GRI 3-3
E2-3	Targets related to pollution	SR – Substances of concern	p.82	GRI 3-3
E2-6	Anticipated financial effects from pollution-related impacts, risks, and opportunities	SR – Substances of concern	p.82	
ESRS E3 – Water and marine resources				
ESRS 2 IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks, and opportunities	SR – Double Materiality Assessment SR – Water	p.47 p.88	GRI 3-1
E3-1	Policies related to water and marine resources	SR – Water management SR – Policies and guidelines	p.89 p.141	GRI 3-3
E3-2	Actions and resources related to water and marine resources	SR – Water management	p.89	GRI 303-1, GRI 303-2
E3-3	Targets related to water and marine resources	SR – Water management	p.89	GRI 3-3
E3-4	Water consumption	SR – Water management	p.89	GRI 303-5

Disclosure Requirement		Section in the Sustainability Report 2025 (SR)/ Annual Report 2025 (AR)	Page number(s) and/or URL(s) and/or other documents	GRI reference
ESRS E5 – Resource use and 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	SR – Double Materiality Assessment SR – Resource use and circular economy	p.47 p.97	GRI 3-1
E5-1	Policies related to resource use and circular economy	SR – Resource use and circular economy SR – Policies and guidelines	p.97 p.141	GRI 3-3
E5-2	Actions and resources related to resource use and circular economy	SR – Resource use and circular economy	p.97	GRI 3-2
E5-3	Targets related to resource use and circular economy	SR – Resource use and circular economy	p.97	GRI 3-3
E5-4	Resource inflows	SR – Resource inflows and outflows	p.98	GRI 301-1, GRI 301-2
E5-5	Resource outflows	SR – Resource inflows and outflows SR – Waste management	p.98 p.103	GRI 306-3, GRI 306-4, GRI 306-5
ESRS S1 – Own workforce				
ESRS 2 SBM-2	Interests and views of stakeholders	SR – Stakeholder engagement	p.51	GRI 2-29
ESRS 2 SBM-3	Material impacts, risks, and opportunities, and their interaction with strategy and business model	SR – Own workforce	p.108	GRI 3-3
S1-1	Policies related to own workforce	SR – Own workforce SR – Policies and guidelines	p.108 p.141	GRI 3-3
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	SR – Own workforce	p.108	GRI 2-29
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	SR – Own workforce	p.108	GRI 2-25, GRI 2-26
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities, and effectiveness of those actions	SR – Working conditions SR – Health and safety SR – Equal treatment and opportunities	p.109 p.114 p.121	GRI 3-3
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SR – Working conditions SR – Health and safety SR – Equal treatment and opportunities	p.109 p.114 p.121	GRI 3-3
S1-6	Characteristics of the undertaking's employees	SR – Working conditions	p.109	GRI 2-7, GRI 405-1, GRI 401-1
S1-7	Characteristics of non-employees in the undertaking's own workforce	SR – Working conditions	p.109	GRI 2-8
S1-8	Collective bargaining coverage and social dialogue	SR – Working conditions	p.109	GRI 2-30
S1-9	Diversity metrics	SR – Equal treatment and opportunities	p.121	GRI 405-1
S1-10	Adequate wages	SR – Working conditions	p.109	GRI 202-1
S1-11	Social protection	SR – Working conditions	p.109	GRI 401-2
S1-12	Persons with disabilities	SR – Equal treatment and opportunities	p.121	
S1-13	Training and skills development metrics	SR – Equal treatment and opportunities	p.121	GRI 404-1, GRI 404-2, GRI 404-3

Disclosure Requirement		Section in the Sustainability Report 2025 (SR)/ Annual Report 2025 (AR)	Page number(s) and/or URL(s) and/or other documents	GRI reference
ESRS S1 – Own workforce				
S1-14	Health and safety metrics	SR – Health and safety	p.114	GRI 403-8, GRI 403-9, GRI 403-10
S1-15	Work-life balance metrics	SR – Working conditions	p.109	GRI 401-3
S1-17	Incidents, complaints, and severe human rights impacts	SR – Business integrity	p.134	GRI 406-1, GRI 2-27
ESRS S2 – Workers in the value chain				
ESRS 2 SBM-2	Interests and views of stakeholders	SR – Stakeholder engagement	p.51	GRI 2-29
ESRS 2 SBM-3	Material impacts, risks, and opportunities, and their interaction with strategy and business model	SR – Workers in the value chain	p.126	GRI 3-3
S2-1	Policies related to value chain workers	SR – Labor rights SR – Policies and guidelines	p.127 p.141	GRI 3-3
S2-2	Processes for engaging with value chain workers about impacts	SR – Labor rights	p.127	GRI 2-29
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	SR – Labor rights	p.127	GRI 2-25, GRI 2-26
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	SR – Labor rights	p.127	GRI 3-3
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SR – Labor rights	p.127	GRI 3-3
ESRS G1 – Business conduct				
ESRS 1 GOV-1	The role of the administrative, management, and supervisory bodies	SR – Business integrity	p.134	GRI 2-9, GRI 2-12, GRI 2-13, GRI 2-17, GRI 405-1
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks, and opportunities	SR – Double Materiality Assessment SR – Business integrity	p.47 p.134	GRI 3-1
G1-1	Business conduct policies and corporate culture	SR – Business integrity SR – Policies and guidelines	p.134 p.141	GRI 2-16, GRI 2-23, GRI 2-24, GRI 2-26
G1-2	Management of relationships with suppliers	SR – Management of relationships with suppliers	p.139	GRI 308-1, GRI 414-1
G1-3	Prevention and detection of corruption and bribery	SR – Business integrity	p.134	GRI 205-1, GRI 205-2
G1-4	Incidents of corruption and bribery	SR – Business integrity	p.134	GRI 205-3

KPMG

Independent limited assurance report on selected Sustainability Information of Sika AG

To the Board of Directors of Sika AG, Baar

We have undertaken a limited assurance engagement on Sika AG's and its subsidiaries' (the Group) following selected Sustainability Information in the Sustainability Report for the year 2025 (hereinafter "Sustainability Information").

Our limited assurance on selected Sustainability Information consists of key performance indicators (KPIs) and disclosures in the sections Sustainability at Sika, Climate change adaptation, Climate change mitigation, Energy management, Substances of concern, Water management, Resource inflows and outflows, Waste management, Working conditions, Health and safety, Equal treatment and opportunities, Labor rights (Workers in the value chain) and Business integrity for the year 2025, which are listed in detail in the appendix "Assurance Scope 2025" of this report.

Our assurance engagement does not extend to information in respect of earlier periods or forward - looking information included in the Sustainability Report 2025, information included in the Financial Report 2025, information included in the Business Report 2025, information referenced from the Sustainability Report 2025, information referenced from the Financial Report 2025 or any images, audio files or embedded videos.

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 selected Sustainability Information is not prepared, in all material respects, in accordance with the criteria detailed in the appendix (European Sustainability Reporting Standards (ESRS) or own developed).

Understanding how Sika AG has prepared the Sustainability Information
The ESRS (ESRS Set 1 (Commission Delegated Regulation (EU) 2023/2772)) have been used as criteria references for the disclosures of the detailed KPIs and disclosures listed in the appendix. For selected KPIs and disclosures, the own developed criteria, as disclosed in

KPMG

the Methodological note of the sustainability report, were applied. Consequently, the Sustainability Information needs to be read and understood together with the 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.

Sika AG's Responsibilities
The Board of Directors of Sika AG 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 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 Sika AG.

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* and in respect of greenhouse gas emissions, with the *International Standard on Assurance Engagements (ISAE 3410) Assurance Engagements on Greenhouse Gas Statements*, 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;
- Physical and virtual site visits for overall 10 locations worldwide (inquiries and observations performed; supporting documents assessed for 2025 site data);
- 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 Sika with the other disclosures and key figures and of the overall presentation of the disclosures through critical reading of the Sustainability Report 2025.

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

Silvan Jurt Licensed Audit Expert Zug, 17 February 2026	Anna Pohle Licensed Audit Expert

Appendix: Assurance Scope 2025

Assurance Scope - 2025

Topic	Criteria	Datapoint	Data Type	Datapoint Name	Section in the Sustainability report	Page	Explanation / Limitation (*)
Sustainability at Sika	ESRS 2 SBM-1	42	Narrative	Description of the business model and value chain	Value chain Business model and risk management	42-43	
	ESRS 2 SBM-2	45	Narrative	Summarised description of its stakeholder engagement	Stakeholder engagement	51-52	
Sustainability organizational structure	ESRS E1-GOV-3	13	Narrative	Disclosure and explanation of how climate-related considerations are factored into remuneration of members of administrative, management and supervisory bodies	ESG compensation scheme for the Group Management and Senior Management	46	
	ESRS 2 GOV-3	29d	Semi-narrative	Proportion of variable remuneration dependent on sustainability-related targets and/or impacts	ESG compensation scheme for the Group Management and Senior Management	46	
Climate change	ESRS E1-SBM-3	18	Semi-narrative	Type of climate-related risks	Physical climate-related risk assessment Table: Transition risks	58-62 65-67	KPMG has reviewed the presence of the narrative descriptions, but does not provide assurance on the forward-looking statements and assessments. The climate-related physical risks assessment solely focuses on Sika's own operations and upstream value chain.
	ESRS E1-IRO-1	20b	Narrative	Description of the process in relation to climate-related physical risks in own operations and along the value chain	Physical climate-related risk assessment Risk evolution of revenue loss Risk evolution of asset damage	58-62 61-62	
	ESRS E1-1	16b	Narrative	Disclosure of decarbonisation levers and key action	Sika net zero roadmap - transition plan	71-72	
	ESRS E1-5	37	Metrics	Total energy consumption related to own operations	Table: Energy consumption and mix	79	
	ESRS E1-5	37-a	Metrics	Total energy consumption from fossil sources	Table: Energy consumption and mix	79	Fossil fuel and nuclear fuel consumptions are reported and disclosed together.
	ESRS E1-5	37-c	Metrics	Total energy from renewable sources	Table: Energy consumption and mix	79	
	ESRS E1-5	AR34	Metrics	Share of renewable sources in total energy consumption (%)	Table: Energy consumption and mix	79	
	ESRS E1-6	44	Metrics	Gross Scope 1, 2, 3 and Total GHG emissions - GHG emissions per scope	Table: Scope 1, 2, and 3 GHG emissions performance vs. 2022 baseline	75	
	ESRS E1-6	AR46d	Metrics	Scope 3 GHG emissions per category	Table: Scope 1, 2, and 3 GHG emissions performance vs. 2022 baseline	75	
	ESRS E1-6	48a	Metrics	Gross Scope 1 GHG emissions	Table: Total scope 1, 2, and 3 GHG emissions	76	
	ESRS E1-6	49a	Metrics	Gross location-based Scope 2 GHG emissions	Table: Total scope 1, 2, and 3 GHG emissions	76	
	ESRS E1-6	49b	Metrics	Gross market-based Scope 2 GHG emissions	Table: Total scope 1, 2, and 3 GHG emissions	76	
	ESRS E1-6	51	Metrics	Gross Scope 3 GHG emissions	Table: Scope 1, 2, and 3 GHG emissions performance vs. 2022 baseline	75	
Pollution	ESRS E2-1	15b	Narrative	Disclosure of whether and how policy addresses substituting and minimising use of substances of concern and phasing out substances of very high concern	Substances of concern - Policies and guidelines Sika Substance Risk Management	83-84	
	ESRS 2-MDR-P	65a	Narrative	Description of key contents of policy	Table: Policies and guidelines Substances of concern - Policies and guidelines	141-142 83	
	ESRS 2-MDR-P	65b	Narrative	Description of scope of policy or of its exclusions	Sika Substance Risk Management	84	
	ESRS 2-MDR-P	65c	Narrative	Description of most senior level in organisation that is accountable for implementation of policy	Substances of concern - Governance	82-83	
	ESRS 2-MDR-P	65d	Narrative	Disclosure of third-party standards or initiatives that are respected through implementation of policy	Substances of concern - Governance	82-83	
	ESRS 2-MDR-P	65e	Narrative	Description of consideration given to interests of key stakeholders in setting policy	Substances of concern - Governance	82-83	
	ESRS 2-MDR-P	65f	Narrative	Explanation of whether and how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it	Substances of concern - Actions	84-86	
	ESRS E2-2	18, AR13	Narrative	Actions and resources in relation to pollution	Substances of concern - Actions	84-86	
	ESRS 2-MDR-A	68a	Narrative	Disclosure of key action	Substances of concern - Actions	84-86	
	ESRS 2-MDR-A	68b	Narrative	Description of scope of key action	Substances of concern - Actions	84-86	
	ESRS 2-MDR-A	68e	Narrative	Disclosure of quantitative and qualitative information regarding progress of actions or action plans disclosed in prior periods	Substances of concern - Actions	84-86	
	ESRS 2-MDR-A	81b	Narrative	Effectiveness of policies and actions is tracked in relation to material sustainability-related impact, risk and opportunity	Substances of concern - Actions	84-86	

Assurance Scope - 2025

Topic	Criteria	Datapoint	Data Type	Datapoint Name	Section in the Sustainability report	Page	Explanation / Limitation (*)
Water	ESRS E3-3	23c	Narrative	Disclosure of whether and how target relates to reduction of water consumption	Water management - Targets	90	
	ESRS E3-4	28a	Metrics	Total water consumption	Table: Water intensity per net revenue	95	
	ESRS E3-4	28b	Metrics	Total water consumption in areas at water risk, including areas of high-water stress	Table: Water withdrawal, usage, and discharge in water stress areas	96	Excludes areas at water risk.
	Own developed criteria		Metrics	Water discharge per ton sold (and absolute numbers)	Table: Water discharge per ton sold	95	
Resource inflows	ESRS E5-4	31a	Metrics	Overall total weight of products and technical and biological materials used during the reporting period	Table: Input materials sourced	102	
Waste	Own developed criteria		Metrics	Non recoverable waste per ton sold (and absolute numbers)	Table: Non-recoverable waste per ton sold	105	
	ESRS E5-3	24e	Semi-narrative	Target related to waste management	Waste management - Targets	103	
	ESRS E5-5	37b(ii)	Metrics	Hazardous waste diverted from disposal due to recycling	Table: Breakdown of waste directed to and diverted from disposal	105	
	ESRS E5-5	37b(ii)	Metrics	Non-hazardous waste diverted from disposal due to recycling	Table: Breakdown of waste directed to and diverted from disposal	105	
	ESRS E5-5	37c	Metrics	Hazardous waste directed to disposal	Table: Breakdown of waste directed to and diverted from disposal	105	
	ESRS E5-5	37c	Metrics	Non-hazardous waste directed to disposal	Table: Breakdown of waste directed to and diverted from disposal	105	
	ESRS E5-5	37d	Metrics	Total amount and percentage of non-recycled waste	Table: Non-recycled and recycled waste	106	
	ESRS E5-5	39	Metrics	Total amount of hazardous waste	Table: Breakdown of waste directed to and diverted from disposal	105	
Working conditions	ESRS S1-6	50a	Metrics	Characteristics of undertaking's employees - total number of employees by head count, and breakdowns by gender and by country	Table: Total number of employees and breakdown per gender	112	Excludes breakdown by country.
	ESRS S1-6	50a	Metrics	Number of employees (head count)	Table: Total number of employees and breakdown per gender	112	
Health and safety	ESRS S1-14	88b	Metrics	Number of fatalities in own workforce as result of work-related injuries and work-related ill health	Table: Work-related incidents of Sika employees	120	
	ESRS S1-14	88b	Metrics	Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites	Table: Work-related incidents of contractors	120	
	ESRS S1-14	88c	Metrics	Number of recordable work-related accidents for own workforce	Table: Work-related incidents of Sika employees Table: Work-related incidents of contractors	120	
	ESRS S1-14	88c	Metrics	Rate of recordable work-related accidents for own employees per 1,000,000 hours	Table: Work-related incidents of Sika employees	120	
	ESRS S1-14	88d	Metrics	Number of cases of recordable work-related ill health of employees	Table: Work-related incidents of Sika employees	120	
Equal treatment and opportunities	ESRS S1-9	66a	Metrics	Gender distribution in number and percentage at top management level	Table: Breakdown of employees per gender and per category	124	

Assurance Scope - 2025

Topic	Criteria	Datapoint	Data Type	Datapoint Name	Section in the Sustainability report	Page	Explanation / Limitation (*)
Workers in the value chain	ESRS S2-1	16	Narrative	Policies to manage material impacts, risks and opportunities related to value chain workers	Table: Policies and guidelines Labor rights - Policies and guidelines	141-142 127	
	ESRS 2-MDR-P	65a	Narrative	Description of key contents of policy	Table: Policies and guidelines Labor rights - Policies and guidelines	141-142 127	
	ESRS 2-MDR-P	65b	Narrative	Description of scope of policy or of its exclusions	Table: Policies and guidelines Labor rights - Policies and guidelines	141-142 127	
	ESRS 2-MDR-P	65c	Narrative	Description of most senior level in organisation that is accountable for implementation of policy	Labor rights - Governance	127	
	ESRS 2-MDR-P	65d	Narrative	Disclosure of third-party standards or initiatives that are respected through implementation of policy	Labor rights - Actions	128	
	ESRS 2-MDR-P	65e	Narrative	Description of consideration given to interests of key stakeholders in setting policy	Labor rights - Process for engaging with value chain workers	128	
	ESRS 2-MDR-P	65f	Narrative	Explanation of whether and how policy is made available to potentially affected stakeholders and stakeholders who need to help implement it	Labor rights - Actions	128-131	
	ESRS S2-1	18	Narrative	Policies explicitly address trafficking in human beings, forced labour or compulsory labour and child labour	Labor rights - Actions	128, 131	
	ESRS S2-1	18	Narrative	Undertaking has a supplier code of conduct	Table: Policies and guidelines Labor rights - Policies and guidelines	141 127	
	ESRS S2-1	19	Narrative	Disclosure of whether and how policies are aligned with relevant internationally recognised instruments	Table: Policies and guidelines Labor rights - Actions	141 128	
	ESRS S2-1	19	Narrative	Disclosure of extent and indication of nature of cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve value chain workers	Labor rights - Actions	129	
	ESRS S2-3	25	Narrative	Description of the processes in place to provide for or cooperate in the remediation of negative impacts on value chain workers that the undertaking is connected with, as well as channels available to value chain workers to raise concerns and have them addressed.	Labor rights - Actions	128-129	
	ESRS S2-4	30	Narrative	Description of how it takes action to address material impacts on value chain workers, and to manage material risks and pursue material opportunities related to value chain workers and the effectiveness of those actions.	Labor rights - Actions	128-131	
	ESRS G1-2	15a	Narrative	Description of approaches in regard to relationships with suppliers, taking account risks related to supply chain and impacts on sustainability matters	Labor rights - Actions	128-131	
	ESRS G1-2	15b	Narrative	Disclosure of how social and environmental criteria are taken into account for selection of supply-side contractual partners	Labor rights - Actions	128-129	
Business integrity	ESRS S1-17	103a	Metrics	Number of incidents of discrimination	Business integrity - Metrics Table: Substantiated cases per topic (P1, P2)	138	
	ESRS G1-1	7	Narrative	Policies with respect to business conduct matters and how it fosters its corporate culture	Table: Policies and guidelines Business integrity - Policies and guidelines	141-143 135	
	ESRS G1-4	25a	Metrics	Number of confirmed incidents of corruption or bribery	Table: Substantiated cases per topic (P1, P2)	138	
	ESRS G1-4	25a	Narrative	Information about nature of confirmed incidents of corruption or bribery	Business integrity - Metrics	138	
	ESRS G1-4	25b	Metrics	Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	Business integrity - Metrics	138	
	ESRS G1-4	25c	Metrics	Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	Business integrity - Metrics	138	

(*) disclosures stipulated in the application requirements of the ESRS are excluded unless stated otherwise

LEADERSHIP

Sika's empowered organization fosters an entrepreneurial spirit and a respectful work environment.

AVERAGE YEARS WITH SIKA AMONG GROUP MANAGEMENT MEMBERS

26.5

ALL

NATIONAL SUBSIDIARIES WITH OWN PROFIT AND LOSS RESPONSIBILITY

ORGANIZATION & LEADERSHIP

Integrated management, flat hierarchies

Sika's organizational structure is decentralized. The company is characterized by its flat hierarchies and leadership structures. The regional management teams and national subsidiaries play a pivotal role in successfully operating the company.

Organizational structure

Sika organizes its worldwide activities into three regions with area-wide managerial functions. The regional heads are members of Group Management who are also responsible for either EMEA, Asia/Pacific, or the Americas. This leadership structure ensures integrated management from production to customer.

The regional and national management teams bear full responsibility for their own profit and loss, set their own growth and sustainability targets, and allocate resources based on Group strategy. An overview of Sika's organization by region for the 2025 financial year can be found on p.33–36 of this report. Sika's regional organization is based on unified economic areas and coordinated supply chain structures.

Sika serves eight target markets: Building Finishing, Concrete, Waterproofing, Roofing, Flooring, Sealing & Bonding, Engineered Refurbishment, and Industry. The company's market-oriented approach allows Sika to sharpen its customer focus, optimize its technical support capabilities, and concentrate its R&D activities on fulfilling local market needs.

ORGANIZATIONAL CHART

Sika is committed to sustainable corporate management. Business areas are developed on a long-term basis with the aim of securing lasting value enhancement for all stakeholders. A clear focus on corporate values and performance is just as fundamental as assuming social responsibility and ensuring a careful approach to the environment and resources. This forms the foundation of Sika's success.

Board of Directors
Thierry F. J. Vanlancker, Chair of the Board
Thomas Aebischer
Viktor W. Balli
Lucrèce Foufopoulos-De Ridder
Justin M. Howell
Gordana Landén
Kwok Wang (Frankie) Ng
Paul Schuler

CEO
Thomas Hasler

Communications & Investor Relations
Dominik Slappnig

Operations & EHSQ
Hendrik Heising

Digital Transformation
Cristina Mercandetti

Procurement & Supply Chain
Emilien Collard

Finance
Adrian Widmer

Asia/Pacific
Philippe Jost

Americas
Mike Campion

EMEA
Christoph Ganz

Innovation & Sustainability
Patricia Heidtman

Human Resources, Legal & Compliance
Raffaella Marzi

Construction
Ivo Schädler

Automotive & Industry
Morten Muschak

BOARD OF DIRECTORS

THIERRY F. J. VANLANCKER,
MSC CHEMICAL ENGINEER,
UNIVERSITY OF GHENT, BELGIUM
CHAIR OF THE BOARD OF DIRECTORS

Nationality: Belgian; Year of birth: 1964
Member since: 2019

2017–2022: CEO, AkzoNobel, Amsterdam, Netherlands
2016–2017: Head Specialty Chemicals and Executive Committee Member, AkzoNobel, Amsterdam, Netherlands
2015–2016: President Fluoroproducts, Chemours; President Chemours EMEA, Geneva, Switzerland and Wilmington, USA
1989–2016: Various functions within DuPont: Vice-President DuPont Performance Coatings EMEA, Cologne, Germany, Global Business & Marketing Director Fluorochemicals, DuPont, Wilmington, USA

Mandates in listed companies:
Member of the Board: Cabot Corporation, Boston, USA (member of the Audit Committee)

Mandates in non-listed companies and organizations:
Managing Director: Aliaxis Holdings S.A., Brussels, Belgium

THOMAS AEBISCHER,
CERTIFIED PUBLIC ACCOUNTANT (CPA), SCHOOL FOR
SWISS CERTIFIED ACCOUNTANTS, SWITZERLAND

Nationality: Swiss; Year of birth: 1961
Member since: 2024
Committees: Chair of Audit Committee

March 2025–now: CEO, Diethelm Keller Group, Switzerland
Jun 2023–Dec 2023: Interim CFO, Master Builders Solutions, Germany
2021–2022: CFO, RWDC Industries, USA
2016–2019: Executive Vice President and CFO, LyondellBasell Industries, USA and Netherlands
1996–2015: Various functions within Holcim: Group CFO and Member of Executive Committee, LafargeHolcim; CFO and Senior Vice President, Holcim Inc., USA; CFO and Senior Vice President, Holcim Apasco, Mexico; Head Corporate Controlling, Holcim Group Support Ltd., Switzerland
1988–1996: Audit Senior Manager, PwC, Switzerland and Hong Kong
1983–1987: Tax Specialist, cantonal tax authorities, Switzerland

Mandates in listed companies and organizations:
Member of the Board: Solvay SA, Brussels, Belgium (Chair of the Audit Committee); dormakaba Holding AG, Rümlang, Switzerland (Chair of the Audit Committee)

VIKTOR WALDEMAR BALLI,
MSC CHEMICAL ENGINEER, SWISS FEDERAL
INSTITUTE OF TECHNOLOGY ZURICH (ETH), SWITZERLAND;
M.A. ECONOMICS, UNIVERSITY OF ST. GALLEN (HSG),
SWITZERLAND

Nationality: Swiss; Year of birth: 1957
Member since: 2019
Committees: Member of Audit Committee, member of Sustainability Committee

2007–2018: CFO, Barry Callebaut Group, Zurich, Switzerland
1996–2006: Director, Niantic Group (Family Holding), Amsterdam, Netherlands
1991–1995: Principal, Adinvest AG, Zurich, Switzerland
1989–1991: Head Corporate Finance, Marc Rich & Co Holding AG, Zug, Switzerland
1985–1989: Financial Analyst and Manager, EniChem International AG, Zurich, Switzerland, and Milan, Italy

Mandates in listed companies:
Member of the Board: Givaudan AG, Vernier, Switzerland (Chair of the Audit Committee and member of the Compensation Committee); Medacta International SA, Castel San Pietro, Switzerland (Chair of the Audit and Risk Committee); KWS SAAT SE & Co. KGaA, Einbeck, Germany (Chair of the Audit Committee)

Mandates in non-listed companies and organizations:
Member of the Board: Swiss Federal Audit Oversight Authority (RAB), Berne, Switzerland; Hemro AG, Zurich, Switzerland; Louis Dreyfus Company International Holding BV, Amsterdam, Netherlands (Chair of the Audit and Risk Committee)

LUCRÈCE FOUFOPOULOS-DE RIDDER,
MSC MATERIALS ENGINEERING,
UNIVERSITY OF GHENT, BELGIUM;
MSC POLYMERS & COMPOSITES ENGINEERING,
UNIVERSITY OF LEUVEN, BELGIUM

Nationality: Belgian, Swiss; Year of birth: 1967
Member since: 2022
Committees: Chair of Sustainability Committee

2019–2023: Executive Vice President Polyolefins & Chief Technology Officer, Borealis Group, Vienna, Austria
2014–2018: Vice President and General Manager Rubber Additives & Chief Commercial Officer, Eastman Chemical, Zug, Switzerland
1996–2014: Various functions within Dow Chemical Group (incl. Rohm and Haas and Dow Corning): general/business (P&L) leadership, commercial, marketing & strategy leadership, M&A as well as research, product & application development across a broad range of industries spanning transportation, healthcare, food & nutrition, electronics, building & construction, oil & gas, and water treatment, in Belgium, France, Switzerland, China, and the United States
1992–1996: Research, Product & Application Development, Tyco, Kessel-Lo, Belgium, and Menlo Park, USA

Mandates in listed companies:
Member of the Board: Royal Vopak, Rotterdam, Netherlands (member of the Audit Committee and member of the Remuneration Committee), (until April 23, 2025); Saudi Basic Industries Corporation (SABIC), Riyadh, Saudi Arabia (member of the Board Investment Committee and member of Sustainability, Risk, and EHSS Committee), (since April 10, 2025) Amcor, Zurich, Switzerland (member of the Compensation Committee); Tronox Holdings plc, Connecticut, USA (member of the Corporate Governance and Sustainability Committee), (will step down at AGM on April 28, 2026); Quaker Houghton, Conshohocken, USA (member of the Compensation and HR Committee and member of the Sustainability Committee)

JUSTIN MARSHALL HOWELL,
LL.B AND B.C.L., MCGILL UNIVERSITY, CANADA

Nationality: Canadian, American; Year of birth: 1971
Member since: 2018
Committees: Chair of Nomination and Compensation Committee

2010–2025: Senior Investment Manager, Cascade Asset Management Company, Kirkland, WA, USA
2007–2009: Vice President Investment Banking, Bank of America Merrill Lynch, New York, NY, USA
2003–2007: Associate, Cravath, Swaine & Moore LLP., New York, NY, USA

Mandates in listed companies:
Member of the Board: Canadian National Railway Company, Montreal, Québec, Canada (member of the Governance and Sustainability Committee, member of the Human Resources and Compensation Committee)

GORDANA LANDÉN,
BSC HUMAN RESOURCE DEVELOPMENT AND LABOR RELATIONS, UNIVERSITY OF STOCKHOLM, SWEDEN

Nationality: Swedish; Year of birth: 1964
Member since: 2022
Committees: Member of Nomination and Compensation Committee

2019–2024: Chief HR Officer, Adecco Group, Zurich, Switzerland
2015–2018: Chief HR Officer, Signify, former Phillips Lightning, Amsterdam/Eindhoven, Netherlands
2008–2015: Senior Vice President Group Function Human Resources, Svenska Cellulosa Aktiebolaget SCA, Stockholm, Sweden
1992–2008: Various functions within Ericsson: Vice President HR & Organization, Business Unit Global Services, Sweden; Director HR & Organization, Market Unit Nordic & Baltics, Sweden; Regional HR Manager, Market Unit Nordic & Baltics, Sweden; Senior HR Manager, Swedish Business Unit, Market Operations Western Europe and North America & Customer Service, Sweden; Senior HR Consultant, USA

KWOK WANG (FRANKIE) NG,
BA, ECONOMICS AND ECONOMETRICS, UNIVERSITY OF ESSEX, GREAT BRITAIN

Nationality: Swiss, Chinese; Year of birth: 1966
Member since: 2025
Committees: Member of Audit Committee

1994–2024: Various functions within SGS: CEO and Operations Council Member, Switzerland; Executive Vice President of Industrial Services, Switzerland; Executive Vice President of Consumer Testing Services, Switzerland; Managing Director of US Consumer Testing Services, USA; Operations Manager, Consumer Testing Services, China; Consumer Product Division Manager, SGS-CSTC Standards Technical Services, China; Management Trainee, Switzerland
1987–1989: Quality Assurance Engineer, Sodeco S.A., Geneva, Switzerland

Mandates in listed companies:
Member of the Board: Logitech International, Lausanne, Switzerland (Chair of the Nominating & Governance Committee, member of the Compensation Committee)

PAUL SCHULER,
MBA

Nationality: Swiss; Year of birth: 1955
Member since: 2021
Committees: Member of the Sustainability Committee, member of the Nomination and Compensation Committee

2017–2021: CEO, Sika AG, Baar, Switzerland
2007–2021: Member of Group Management, Sika AG, Baar, Switzerland
2013–2017: Regional Manager EMEA, Sika AG, Baar, Switzerland
2007–2012: Regional Manager North America; General Manager, Sika USA
2003–2006: General Manager, Sika Germany
1988–2002: Product Manager, Head of Sales Industry; Marketing Manager Industry; Business Unit Leader Industry, Sika AG, Baar, Switzerland
1982–1988: International Key Account Sales Manager Switzerland, EMS Chemie AG, Switzerland
1980–1982: Project Manager Air Condition Plants, Luwa AG, Hong Kong, China
1976–1980: Production Manager, Hemair AG, Switzerland

Mandates in non-listed companies and organizations:
Chair of the Board: Swisspearl Group AG, Niederurnen, Switzerland

GROUP MANAGEMENT

Sika's Group Management is a strong team of eight experienced executive managers that fully embody the Sika Spirit. Their careers have spanned far and wide across many different countries, subsidiaries, and business units around the world.

From left to right

MIKE CAMPION
Regional Manager Americas
With Sika for 28 years
in Asia and the USA

RAFFAELLA MARZI
Head Human Resources, Legal & Compliance
With Sika for 12 years
in Switzerland and Italy

IVO SCHÄDLER
Head Construction
With Sika for 29 years
in Switzerland and the UK

THOMAS HASLER
CEO
With Sika for 37 years
in Switzerland and the USA

ADRIAN WIDMER
CFO
With Sika for 19 years
in Switzerland

PATRICIA HEIDTMAN
Chief Innovation & Sustainability Officer
With Sika for 28 years
in Switzerland and the USA

CHRISTOPH GANZ
Regional Manager EMEA
With Sika for 30 years
in Switzerland, France, and the USA

PHILIPPE JOST
Regional Manager Asia/Pacific
With Sika for 29 years
in the USA, Switzerland, and Asia

THOMAS HASLER,
DIPL. ING. CHEM. HTL, EXECUTIVE MBA
CEO

Nationality: Swiss; Year of birth: 1965
CEO since 2021
Member of Group Management since 2014

2017–2021: Head Global Business and Industry
2014–2017: CTO
2011–2013: Head Global Automotive
2008–2010: Senior Vice President Industry and Automotive, Sika USA
2005–2008: Senior Vice President Automotive North America, Sika USA
2004–2005: Automotive Manager Europe
2000–2003: Automotive Manager Switzerland
1995–2000: Business Development Manager
1992–1995: R&D Head Automotive OEM Adhesives
1989–1992: Research Chemist Industry Adhesives

Further commitments:
2025–now: Member of the Board: Gebr.Knauf KG, Germany (since January 1, 2025)
2024–now: Member of the Board: Swiss-American Chamber of Commerce, Switzerland

MIKE CAMPION,
BSC CHEMISTRY
Regional Manager Americas

Nationality: US-American; Year of birth: 1965
Member of Group Management since 2017
Regional Manager Americas since 2023

2017–2023: Regional Manager Asia/Pacific
2016–2017: Head Target Market Concrete Asia/Pacific
2015–2017: General Manager; Area Manager Greater China, Sika China
2013–2015: Senior Vice President Target Markets Concrete and Waterproofing, Sika USA
2011–2015: General Manager Sika Greenstreak, USA
1998–2011: Management Positions in Target Market Concrete and Business Unit Construction, Sika USA
1991–1998: Management Positions, Stonhard Inc., USA

CHRISTOPH GANZ,
LIC. OEC. HSG, UNIVERSITY OF ST. GALLEN (HSG), SWITZERLAND
Regional Manager EMEA

Nationality: Swiss; Year of birth: 1969
Member of Group Management since 2007
Regional Manager EMEA since 2023

2018–2023: Regional Manager Americas
2013–2018: Regional Manager North America; General Manager, Sika USA
2007–2012: Head of Corporate Business Unit Distribution
2009–2012: General Manager, Sika France; Area Manager France, North Africa, Mauritius
2003–2006: Head of Business Unit Distribution
1999–2003: Corporate Market Field Manager Distribution
1996–1999: Project Manager Distribution, Sika Switzerland

PATRICIA HEIDTMAN,
MSC SWISS FEDERAL INSTITUTE
OF TECHNOLOGY (ETH)
Chief Innovation & Sustainability Officer

Nationality: Swiss, American; Year of birth: 1973
Chief Innovation & Sustainability Officer and
member of Group Management since 2021

2017–2021: Corporate Technology Head Thermoplastic Systems
2011–2017: Vice President R&D Automotive, Sika USA
2006–2011: Director R&D, Sika USA
2004–2006: Project Manager Automotive, Sika USA
2002–2003: Product Service Manager, Sika Switzerland
2000–2002: Group Leader R&D, Sika USA
1998–2000: Chemist, Sika Switzerland

Further commitments:
2019–now: Member of the Board: Bossard Holding AG, Switzerland (Vice Chair of the Board, Chair of the Nomination Committee, member of the Compensation Committee)

PHILIPPE JOST,
MSC CIVIL ENGINEER, SWISS FEDERAL INSTITUTE
OF TECHNOLOGY (ETH), SWITZERLAND, MBA
Regional Manager Asia/Pacific

Nationality: Luxembourg, Swiss; Year of birth: 1971
Member of Group Management since 2019
Regional Manager Asia/Pacific since 2023

2019–2023: Head Construction
2015–2019: Head Human Resources
2010–2014: Corporate Target Market Manager Concrete
2006–2010: Manager Global Business Development Corporate Construction, Vice President New Market Development
1998–2006: Product Engineer, Director of Marketing, Sika USA
1997–1998: Testing Engineer, Sika Switzerland

RAFFAELLA MARZI,
J. D., LAW (CATHOLIC UNIVERSITY OF MILAN), ITALY
Head Human Resources, Legal & Compliance

Nationality: Italian; Year of birth: 1970
Member of Group Management since 2020
Head Human Resources, Legal & Compliance since 2023

2019–2023: Head Human Resources & Compliance
2016–2019: Group Compliance Officer
2014–2016: Group Compliance Officer and Legal Counsel, Sika Italy
2013–2014: Partner, Baker & McKenzie, Italy
2011–2013: Counsel, Baker & McKenzie, Italy
2009–2009: Secondment, Baker & McKenzie, Germany
2001–2009: Senior Associate, Baker & McKenzie, Italy
2000–2001: Secondments as In-house Legal Counsel, Recordati S.p.A.
1997–2000: Associate, Baker & McKenzie, Italy
1996–1997: Legal Consultant, Beiersdorf S.P.A., Italy

Further commitments:
2023–now: Member of the Board, Vetropack Holding AG, Switzerland (Chair of the Nomination and Compensation Committee)

IVO SCHÄDLER,
MSC MATERIALS ENGINEER, EXECUTIVE MBA, SWISS FEDERAL INSTITUTE OF TECHNOLOGY (ETH), SWITZERLAND
Head Construction

Nationality: Swiss, Liechtenstein; Year of birth: 1966
Member of Group Management since 2017
Head Construction since 2023

2017–2023: Regional Manager EMEA
2015–2017: Area Manager Europe South, Head Target Market Refurbishment EMEA
2012–2015: General Manager, Sika UK and Sika Ireland
1997–2012: Head Business Unit Contractors and Industry, Head Marketing Construction, Product Engineer Industrial Flooring, Deputy Manager Diagnostic Center, Sika Switzerland
1996–1997: Head Department Materials Testing and R&D, Wolfseher and Partner AG, Switzerland
1993–1995: Manager Department Materials Testing, EMS Chemie AG, Switzerland

Further commitments:
2025–now: Member of the Board: Keevalue AG, Brugg, Switzerland (since June 3, 2025)

ADRIAN WIDMER,
LIC. OEC. PUBL
Chief Financial Officer (CFO)

Nationality: Swiss; Year of birth: 1968
CFO and member of Group Management since 2014

2007–2014: Head Group Controlling and M&A
2005–2007: General Manager Construction Systems Germany/Austria/Switzerland BASF (Degussa) Construction Chemicals Switzerland
2000–2005: CFO, Degussa Construction Chemicals Switzerland Finance Director Business Line Flooring Europe; Manager Corporate Finance, Degussa Construction Chemicals, Switzerland
1997–2000: Manager M&A, Textron Industrial Products, United Kingdom/Switzerland
1995–1997: Market Development Manager, Textron Inc., USA/United Kingdom
1994–1995: Business Analyst, Nordostschweizerische Kraftwerke (NOK), Switzerland

Further commitments:
2020–now: Member of the Board: Sonova Holding AG, Switzerland (Chair of the Audit Committee)

CORPORATE GOVERNANCE

Good Corporate Governance safeguards the sustainable development and performance of the company.

New

MEMBER OF THE BOARD ELECTED AT AGM 2025

3.75

AVERAGE TENURE OF BOARD MEMBERS AS OF END 2025

CORPORATE GOVERNANCE

Commitment to openness and transparency.

Good Corporate Governance safeguards the sustainable development and performance of the company. Sika is committed to openness and transparency and provides information on structures and processes, areas of responsibility and decision procedures, as well as rights and obligations of various stakeholders. At Sika, reporting on Corporate Governance follows the SIX Swiss Exchange guidelines.

Group structure and shareholders

Sika AG, headquartered in Baar, is the only listed company within the Sika Group. Sika AG's shares are listed on SIX Swiss Exchange under Swiss security no. 41879292 and ISIN CH0418792922. At the end of the year under review, the market capitalization of Sika AG was CHF 26,093.93 million. In the year under review, the Sika Group encompassed subsidiaries in 102 countries with 257 companies included in the scope of consolidation. Companies of which Sika AG, as the holding company of the Sika Group, directly or indirectly, holds 50% or less of the voting rights are not consolidated. These are Condensil SARL, France, Chemical Sangyo Ltd., Japan, Seven Tech Co. Ltd., Japan, and Concria Oy, Finland. Detailed information on the Group companies can be found on p.256 et seq. of this report (available at https://www.sika.com/en/investors/reports-publications/financial-reports.html).

Sika conducts its worldwide activities based on countries that have been classed into regions with area-wide managerial functions. The heads of the regions are members of Group Management. The regional and national management teams bear full profit and loss responsibility, and – based on the Group strategy – set country-specific growth and sustainability targets and allocate resources.

Furthermore, Sika has geared its internal organization towards eight Target Markets, which offer products and solutions for the construction industry and for industrial manufacturing. The Target Markets are represented by one member of Group Management. Target Market responsibility is defined in the corporate organization, the regional management teams, and the national subsidiaries. The corporate Target Market managers are responsible for the definition and launch of new products, the implementation of best demonstrated practices, and the product line policies for Group products, i.e., those products offered worldwide rather than only in one country.

The heads of the central Finance, Innovation and Sustainability, as well as Human Resources, Legal and Compliance departments are likewise members of Group Management, which consists of eight members. All Group business is consolidated within Sika AG, the holding company. The organizational structures are presented on p.175–184 of the Annual Report (available at https://www.sika.com/en/investors/reports-publications/financial-reports.html).

As of the balance sheet date of December 31, 2025, Sika had received notification of three significant shareholders whose voting rights reached at least 3%: (1) BlackRock Inc., which owned 7.7% of all voting rights. (2) UBS Fund Management (Switzerland) AG, which held 5.649% of all voting rights, and (3) Norges Bank, which held 3.388% of all voting rights. The significant shareholdings reported to the Disclosure Office of SIX Swiss Exchange during the year under review can be found at https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/.

There are no cross-shareholdings exceeding 3%, either in terms of capital or votes.

Capital structure

According to the commercial register entry, the issued share capital of Sika AG as of December 31, 2025, totals CHF 1,604,792.93 and is divided into 160,479,293 fully paid-in registered shares, with a nominal value of CHF 0.01 each.

There were no changes in the capital of Sika AG in 2024 and 2025. In 2023, in connection with the conversion by bondholders of their convertible bonds (the Company had a convertible bond, issued in May 2018, listed on the SIX Swiss Exchange, security no.: 41.399.024, ISIN: CH0413990240, with an original nominal amount of CHF 1,650,000,000, which has been redeemed by the Company following the exercise of its early redemption option on September 25, 2023), 6,744,242 new fully paid-in registered shares with a nominal value of CHF 0.01 each were issued from the conditional share capital (outside the capital band), amounting to a issued share capital of Sika AG of CHF 1,604,792.93, divided into 160,479,293 fully paid-in registered shares with a nominal value of CHF 0.01 each.

In addition, as of December 31, 2025, there is a conditional share capital (within the capital band) of 7,686,752 fully paid in registered shares with a nominal value of CHF 0.01 each, representing a maximum nominal value of CHF 76,867.52, which was introduced at the Annual General Meeting on March 28, 2023, and, like the capital band, is limited in time until March 28, 2028. As of December 31, 2025, there is no further conditional share capital. The former conditional share capital outside the capital band was deleted on December 7, 2023, due to the expiry of conversion and option rights. There were no changes to the conditional share capital in 2024 and 2025.

Further information on the conditional share capital (within the capital band) can be found in art. 2 para. 5 and 6 of the Sika Articles of Association (available at https://www.sika.com/en/investors/corporate-governance-risk-management/articles-of-association.html).

A capital band with a range between CHF 1,460,482.99 (lower limit) and CHF 1,614,218.03 (upper limit) was implemented at the Annual General Meeting on March 28, 2023. Since the issuance of new fully paid-in registered shares in the course of a capital increase from conditional capital outside the capital band in 2023, Sika AG has, as of December 31, 2025, a capital band between CHF 1,527,925.41 (lower limit) and CHF 1,681,660.45 (upper limit). Within the capital band, the Board of Directors is authorized, until March 28, 2028, or until the earlier expiration of the capital band, to increase or decrease the share capital once or several times and in any amounts. The capital increase or reduction, respectively, may be effected by the issuance of up to 7,686,752 fully paid in registered shares with a nominal value of CHF 0.01 each, or by cancelling up to 7,686,752 registered shares with a nominal value of CHF 0.01 each, or by increasing or reducing the nominal value of the existing registered shares within the capital band, respectively. In the event of a capital increase, the Board of Directors shall determine the number of shares, the issue price, the type of contributions, the time of issuance, the conditions for exercising subscription rights, and the start of dividend entitlement. In this context, the Board of Directors may issue new shares by means of a firm underwriting by a bank or another third party and a subsequent offer to the existing shareholders. The Board of Directors is authorized to restrict or exclude trading in subscription rights. The Board of Directors may allow subscription rights that are not exercised to lapse or place them or the shares for which subscription rights are granted but not exercised at market conditions or otherwise use them in the interest of the company.

Further information on the capital band can be found in art. 2 para. 6 of the Sika Articles of Association (available at https://www.sika.com/en/investors/corporate-governance-risk-management/articles-of-association.html).

Sika has not issued any participation certificates, dividend right certificates, or stock options.

Option plans do not exist for members of the Board of Directors, Group Management, or employees.

With the exception of the treasury shares held by the company, each share registered with voting rights in the share register carries one vote at the General Meeting, and each share (whether or not it is entered in the share register) carries a dividend entitlement. The purchase of Sika registered shares is open to all legal persons and individuals. The company maintains a share register for the registered shares in which the legal owners and usufructuaries are registered with their name and address. Vis-à-vis the company, the person who is registered in the share register is deemed to be the shareholder or usufructuary. The company may deny registration in the share register if, upon the company’s request, the acquirer does not explicitly declare that the shares have been acquired in their own name and for their own account, that there is no agreement to take back or return the shares concerned, and that he bears the economic risk associated with the shares. After consulting the party concerned, the company may cancel the registration in the share register if the registration is the result of false information provided by the acquirer. The acquirer must be informed of the cancellation immediately. The acquirer must provide a statement declaring that the registered shares were transferred to him in due form. According to art. 7.3 para. 4 of the Sika Articles of Association (available at https://www.sika.com/en/investors/corporate-governance-risk-management/articles-of-association.html), at least a two-thirds majority of the votes represented and a majority of the nominal values of shares represented are required for the adoption of resolutions of the General Meeting that limit or facilitate the transfer of registered shares.

According to art. 4 para. 2 of the Sika Articles of Association (available at https://www.sika.com/en/investors/corporate-governance-risk-management/articles-of-association.html), acquirers of shares who do not expressly declare in the application for registration in the share register that they hold the shares for their own account (nominees) will be entered without restriction in the share register as shareholders with voting rights up to a maximum of 3% of the share capital. Above this registration limit, nominees will be entered in the share register as shareholders with voting rights if the relevant nominee discloses the names, addresses, nationalities, and shareholdings of those beneficial owners for whose account it holds 0.5% or more of the share capital and if the reporting requirements pursuant to the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (FinMIA) (as amended) are met. In 2025, no nominees with voting rights exceeding 3% were registered in the share register.

Convertible bonds/options

As of December 31, 2025, there were no convertible bonds outstanding.

As of December 31, 2025, there were no options issued to any parties, and no option plans exist for members of the Board of Directors, Group Management, or employees.

Board of Directors

The Board of Directors is Sika's highest governing body and is mainly responsible for the:
– definition of the corporate mission statement and corporate policies;
– decisions on corporate strategy and organizational structure;
– appointment and dismissal of members of Group Management;
– structuring of finances and accounting;
– assessment of risk management;
– establishment of medium-term planning as well as the annual and investment budgets.

The members of the Board of Directors are elected by the Annual General Meeting for a term of office until the conclusion of the next ordinary General Meeting following the election. They can be reelected. Detailed information on individual members of the Board of Directors as per the balance sheet date of December 31, 2025, is listed on p.178–180 of the Annual Report 2025 (available at https://www.sika.com/en/investors/reports-publications/financial-reports.html). The curricula vitae of the members of the Board of Directors over the last five years can be found in the Annual Report 2024 on p.169–171, in the Annual Report 2023 on p.159 and 160, in the Annual Report 2022 on p.162 and 163, in the Annual Report 2021 on p.151, in the Annual Report 2020 on p.71 and 72 (all available at https://www.sika.com/en/investors/reports-publications/financial-reports.html). No directorships are maintained with other listed companies on a reciprocal basis.

Further information regarding the election and the composition of the Board of Directors can be found in art. 8.1 of the Sika Articles of Association (available at https://www.sika.com/en/investors/corporate-governance-risk-management/articles-of-association.html).

The Board of Directors of Sika AG currently consists of eight members and comprises non-executive members only. None of the members of the Board of Directors was a member of Group Management or the executive management of a Sika Group company during the three preceding business years. All of them are therefore deemed to be independent according to the Swiss Code of Best Practice for Corporate Governance. Accordingly, the percentage of independent board members equals 100% in 2025. At the Annual General Meeting held on March 25, 2025, the following changes were made to the composition and leadership of the Board of Directors: Monika Ribar stepped down as a member of the Board as well as from her position as a member of the Audit Committee. The shareholders elected Kwok Wang (Frankie) Ng as a new member of the Board. Subsequently, the Board appointed Kwok Wang (Frankie) Ng as a member of the Audit Committee. All members of the Board of Directors standing for re-election were re-elected.

As of December 31, 2025, the percentage of women on the Board of Directors represents 25%. Following the election of the two candidates proposed by the Board of Directors at the Annual General Meeting on March 24, 2026, the proportion of female members on the Board will be 33%. The Board is committed to keeping the gender balance above 30%.

Neither the members of the Board of Directors nor any company nor organization represented by a member of the Board of Directors have a significant business connection with Sika AG or any of the Sika Group companies.

The duties and powers of the Chairperson of the Board of Directors are set out in the Organizational Rules of Sika AG and the Sika Group on p.6 section 4 (available at https://www.sika.com/en/investors/corporate-governance-risk-management/organizational-rules.html). In this role, the Chairperson is responsible for convening, preparing, and chairing meetings of the Board of Directors and for ensuring the proper follow-up and implementation of the Board's resolutions, unless such responsibilities are delegated to a Board committee. The Chairperson represents Sika vis-à-vis its shareholders and external stakeholders. Furthermore, the Chairperson oversees the conduct of the Group's business, coordinates the work of the Board committees, and is entitled to attend committee meetings, receiving all related invitations and minutes. The Chairperson also supervises the activities of the Group Executive Management and may attend its meetings. The CEO and the CFO report regularly to the Chairperson, with extraordinary events being reported without delay. At Sika AG, the Chairperson does not hold a full-time mandate; nonetheless, the role demands considerable availability and sustained dedication.

The Board of Directors convenes at the Chairperson's request as often as business demands. Meetings are generally held every one to two months. In the business year 2025, the Board of Directors met seven times. The meetings lasted between two and seven hours.

ATTENDANCE OF INDIVIDUAL BOARD MEMBERS

Board member	Member since	Number of meetings attended
Thierry F. J. Vanlancker (Chairperson of the Board since March 26, 2024)	2019	7 of 7
Viktor W. Balli	2019	7 of 7
Lucrèce Foufopoulos-De Ridder	2022	7 of 7
Justin M. Howell	2018	7 of 7
Gordana Landén	2022	7 of 7
Monika Ribar (member of the Board until March 25, 2025)	2011	2 of 7
Paul Schuler	2021	7 of 7
Thomas Aebischer	2024	7 of 7
Kwok Wang (Frankie) Ng (member of the Board since March 25, 2025)	2025	6 of 7

The Chief Executive Officer (CEO) participates in the meetings of the Board of Directors in an advisory capacity. The other members of Group Management take part as necessary, also in an advisory capacity. In 2025, the CEO and the Chief Financial Officer (CFO) participated in all seven and the other members of Group Management in two to four of the seven meetings. Company officers report regularly and comprehensively to the Chairperson of the Board of Directors concerning the implementation of decisions of the Board of Directors. The CEO, as well as the CFO, report to the Board of Directors in writing on the development of business at least once per month. Extraordinary events are reported immediately to the Chairperson of the Board of Directors or the Audit Committee, insofar as such events relate to the latter's area of responsibility. The Internal Audit staff report to the Chairperson of the Board of Directors, as well as the Audit Committee, within the scope of the review schedule. In 2025, the Internal Audit participated in all five meetings of the Audit Committee.

In 2025, the Board Members attended a five-day Board visit to Sika Germany. The trip included visits to plants and customers as well as meetings with various teams of the local organization. In addition, the Board Members attended between two and four days of the annual Sika Senior Management Meeting. Moreover, the Chair of the Board participated in all three multi-day Regional Senior Management Meetings and the two-day Global Area Manager Meeting.

Information regarding the number of permitted mandates of members of the Board of Directors outside the Sika Group can be found in art. 8.4 of the Sika Articles of Association (available at https://www.sika.com/en/investors/corporate-governance-risk-management/articles-of-association.html).

Board composition

A well-balanced Board composition is essential, with an independent majority and an appropriate mix of members that ensures both continuity and renewal. The Board of Directors should collectively reflect a diverse range of skills, qualifications, and experiences required to effectively fulfil its duties. Board members with a broad range of experience are valued over those with deep specialization in a single area. Where needed, the Board engages external experts to provide training or advice on specific topics. In addition to a structured onboarding program for newly elected members, regular training as well as site and customer visits form an integral part of Board's development.

The Nomination and Compensation Committee maintains a skills and experience matrix to assess current Board members and to identify potential gaps that are considered in the Board succession planning process. The required skills and experience are aligned with the company's strategy, objectives, business model, geographic footprint, risk profile, and corporate culture. These competencies are reviewed annually by the Nomination and Compensation Committee to ensure continued relevance and alignment with the company's evolving needs.

The skills and experience matrix includes the following categories, all of which are well represented within the current composition of the Board of Directors:

Experience	
Senior leadership (CEO/other Executive Management roles/chairman)	7/8
Industry experience/business model	6/8
Global organization	8/8

Skills/Expertise	
Financial/audit/accounting	4/8
Strategic planning/business development/M&A	8/8
Human capital/talent development/compensation	7/8
Brand value/marketing/sales	4/8
Technology/innovation/sustainability	4/8
Digital/e-commerce/information security	4/8
Governance/legal/risk management	4/8
Operational/manufacturing/supply chain	4/8

Information on key skills and the experience of the individual Board members is available on the website in the detailed view of each Board member (https://www.sika.com/en/about-us/organization/board-of-directors.html).

Board committees

Sika has three committees of the Board of Directors: the Audit Committee, the Nomination and Compensation Committee, and the Sustainability Committee. The members of the Nomination and Compensation Committee are elected annually by the General Meeting. Reelection is possible. The members of the Audit Committee and the Sustainability Committee, as well as the Chairperson of each committee, are (re)elected annually by the Board of Directors. Otherwise, the committees organize themselves. Detailed information on the members of the committees can be found on p.178–180 of Annual Report 2025 (available at https://www.sika.com/en/investors/reports-publications/financial-reports.html).

AUDIT COMMITTEE

The Audit Committee (AC) mainly reviews the results of internal and external audits, as well as risk management. The Committee convenes at the request of its Chairperson as often as business demands. Customarily, the Chairperson of the Board of Directors and the CFO, as well as the CEO if necessary, take part in these meetings in an advisory capacity. Meetings are generally held every two to three months, lasting between three and five hours. In the year under review, the Audit Committee met five times. Viktor W. Balli and Thomas Aebischer were present at all five meetings. Monika Ribar, member of the Audit Committee until March 25, 2025, was present at one of five meetings. Kwok Wang (Frankie) Ng, member of the Audit Committee as of March 25, 2025, was present at four of the five meetings. Thierry Vanlancker, Chair of the Board, was present at five of five meetings. The CEO, CFO, and the Internal Audit participated in all five meetings. KPMG AG, the external auditor, participated in three of the five meetings.

More detailed information regarding the competences and activities of the Audit Committee can be found in the Organizational Rules of Sika AG and Sika Group on p.6, section 7 (available at https://www.sika.com/en/investors/corporate-governance-risk-management/organizational-rules.html) and in the Charter of the Audit Committee, which is included on p.14 to 16 of the Organizational Rules of Sika AG and Sika Group (available at https://www.sika.com/en/investors/corporate-governance-risk-management/organizational-rules.html).

ATTENDANCE OF INDIVIDUAL AUDIT COMMITTEE MEMBERS

Audit Committee member	Number of meetings attended
Thomas Aebischer (AC Chairperson)	5 of 5
Viktor W. Balli	5 of 5
Monika Ribar (member until March 25, 2025)	1 of 5
Kwok Wang (Frankie) Ng (member since March 25, 2025)	4 of 5

NOMINATION AND COMPENSATION COMMITTEE

The Nomination and Compensation Committee (NCC) prepares personnel planning at the level of the Board of Directors and Group Management and handles matters relating to compensation. One of the central tasks of the Nomination and Compensation Committee is succession planning for the Board of Directors and Group Management. The Committee convenes at the request of its Chairperson as often as business demands. Usually, the Chairperson of the Board of Directors and the CEO participate in these meetings in an advisory capacity, insofar as they are not themselves affected by the items on the agenda. Meetings are generally held on a bimonthly or trimonthly basis, lasting between one and three hours. In the year under review, the Nomination and Compensation Committee held five meetings. The Chairperson of the Board of Directors and the CEO, as well as all other members of the Committee participated in all five meetings. They did not attend when their own compensation and/or performance were being discussed. The external advisor retained to provide services related to executive compensation matters participated in all five meetings of the Nomination and Compensation Committee to attend the discussions on compensation. For more information on the external advisor, reference is made to the Compensation Report on p.199 of this report (available at https://www.sika.com/en/investors/reports-publications/financial-reports.html).

More detailed information regarding the competences and activities of the Nomination and Compensation Committee can be found in art. 9 of the Sika Articles of Association (available at https://www.sika.com/en/investors/corporate-governance-risk-management/articles-of-association.html), in the Organizational Rules of Sika AG and Sika Group on p.6, section 6 and in the Nomination and Compensation Committee Charter, which is included on p.12 and 13 of the Organizational Rules of Sika AG and Sika Group (available at https://www.sika.com/en/investors/corporate-governance-risk-management/organizational-rules.html), as well as on p.198–200 of the Annual Report 2025 (available at https://www.sika.com/en/investors/reports-publications/financial-reports.html).

ATTENDANCE OF INDIVIDUAL NOMINATION AND COMPENSATION COMMITTEE MEMBERS

Nomination and Compensation Committee member	Number of meetings attended
Justin M. Howell (NCC Chairperson)	5 of 5
Gordana Landén	5 of 5
Paul Schuler	5 of 5

SUSTAINABILITY COMMITTEE

The Sustainability Committee (SC) consists of three Board Members, each of whom brings expertise in a specific ESG area. The Sustainability Committee prepares sustainability-related topics for discussion and decision-making on the Board of Directors. The SC focuses on the following areas: validating a formal ESG impact, risk, and opportunity assessment via the Double Materiality Assessment (DMA); monitoring regulatory developments and their impacts on Sika; setting measurable goals that are aligned with the company's strategy; and the approval of the annual Sustainability Report. After each meeting, a report was issued to the full Board of Directors. As a general rule, the Chairperson of the Board of Directors, the CEO, the CFO, and the Chief Innovation & Sustainability Officer attend the meetings of the Sustainability Committee in an advisory capacity. Meetings are generally held every two to three months, lasting between one and a half and two hours. In the year under review, the Sustainability Committee met five times. Lucrèce Foufopoulos-De Ridder, Viktor W. Balli, and Paul Schuler attended all five meetings. Thierry Vanlancker, Chairperson of the Board, was present at five of the five meetings. The CEO, the CFO, and the Chief Sustainability & Innovation Officer attended all five meetings. Through one of the committee members and the CFO, there is a valuable link between non-financial and financial aspects in the areas of reporting, auditing, and risk management.

ATTENDANCE OF INDIVIDUAL SUSTAINABILITY COMMITTEE MEMBERS

Sustainability Committee	Number of meetings attended
Lucrèce Foufopoulos-De Ridder (SC Chairperson)	5 of 5
Paul Schuler	5 of 5
Viktor W. Balli	5 of 5

Information and control instruments vis-à-vis Group Management

Within the framework of its non-transferable and inalienable duties, the Board of Directors of Sika supervises Group Management. The CEO and the CFO report to the Board of Directors in writing on the development of business at least once per month. Extraordinary events are reported immediately to the Chairperson of the Board of Directors or the Audit Committee, insofar as such events relate to the latter's area of responsibility. In every meeting, the Chairperson of the Board of Directors, or, at the Chairperson's instruction, the CEO, informs the Board of Directors about the ongoing business. More detailed information regarding the information and reporting rights can be found in the Organizational Rules of Sika AG and Sika Group on p.5, section 3.4 (available at https://www.sika.com/en/investors/corporate-governance-risk-management/organizational-rules.html).

Sika has comprehensive risk management as well as an Internal Audit team. Details can be found in the Risk Management Report 2025 beginning on p.24 of the Annual Report 2025 (available at https://www.sika.com/en/investors/reports-publications/financial-reports.html). As part of its audit plan, Internal Audit reports to the Chairperson of the Board of Directors as well as to the Audit Committee.

Group Management

Within the framework of the resolutions of the Board of Directors, Sika's operative leadership is incumbent on Group Management. The structure of Group Management is outlined at the beginning of the Corporate Governance section on p.186 of the Annual Report 2025 (available at https://www.sika.com/en/investors/reports-publications/financial-reports.html). The members of Group Management and their functions as per the balance sheet date of December 31, 2025, are listed on p.181 of the Annual Report 2025 (available at https://www.sika.com/en/investors/reports-publications/financial-reports.html). Detailed information on their backgrounds and activities can be found on p.182–184 of the Annual Report 2025 (available at https://www.sika.com/en/investors/reports-publications/financial-reports.html). The curricula vitae of the members of Group Management over the last five years can be found in the Annual Report 2024 on p.173–175, in the Annual Report 2023 on p.162, in the Annual Report 2022 on p.165, in the Annual Report 2021 on p.153, in the Annual Report 2020 on p.69 and 70 (all available at https://www.sika.com/en/investors/reports-publications/financial-reports.html).

Information regarding the number of permitted mandates of members of Group Management outside the Sika Group can be found in art. 10 para. 3 of the Sika Articles of Association (available at https://www.sika.com/en/investors/corporate-governance-risk-management/articles-of-association.html).

Sika has not entered into any management contracts with companies (or natural persons) outside the Sika Group.

Regulation of responsibilities

The powers, tasks, and responsibilities of the Board of Directors and Group Management are set out in detail in the Organizational Rules of Sika AG and Sika Group on p.3 to 11 (available at https://www.sika.com/en/investors/corporate-governance-risk-management/organizational-rules.html). Furthermore, for the tasks and duties of the Board of Directors and Group Management, reference is made to art. 8.2 and art. 10 of the Sika Articles of Association (available at https://www.sika.com/en/investors/corporate-governance-risk-management/articles-of-association.html).

Governance structures in connection with climate-related risks and opportunities

The Board of Directors (BoD) is Sika's highest governing body and is responsible for the assessment of its risk management. Its duties include the annual reassessment of the risk profile at Group level, and it is also the highest governing body for climate-related risks and opportunities. For more information on Sika's Task Force on Climate-related Financial Disclosures (TCFD), please see the "Climate" section on p.56 of the Sustainability Report 2025. The BoD, through the Sustainability Committee, is responsible for reviewing and endorsing the implementation of sustainability policies, while the Chair of the Board oversees climate-related topics by receiving regular updates from Group Management. The Chair of the Board is a standing guest in the Sustainability Committee and is permanently invited to add climate-related topics to the agenda of the Chief Executive Officer (CEO) and the BoD. The Board of Directors is committed to the Science Based Targets initiative (SBTi) to achieve net zero greenhouse gas emissions by 2050.

Compensation, shareholdings, and loans

With regard to the information on the compensation of the members of the Board of Directors and Group Management, reference is made to the Compensation Report beginning on p.194 of this Annual Report 2025 (available at https://www.sika.com/en/investors/reports-publications/financial-reports.html) and to art. 11 and art. 12 para. 1 of the Sika Articles of Association (available at https://www.sika.com/en/investors/corporate-governance-risk-management/articles-of-association.html). According to art. 12 para. 2 of the Sika Articles of Association (available at https://www.sika.com/en/investors/corporate-governance-risk-management/articles-of-association.html), the company does not extend any loans, credits, guarantees, or other securities to any member of the Board of Directors or Group Management.

Shareholder participation rights

Each shareholder can have their shares represented at the General Meeting by a third party. The Board of Directors shall decide on the recognition of the proxy. In addition, shareholders can be represented by the independent proxy to whom any shareholder may give, whether in writing or electronically, power of attorney and instructions. Within the discretion provided by law, the Board of Directors may determine requirements for powers of attorney and instructions. The Annual General Meeting elects the independent proxy annually for a one-year term until the conclusion of the next Annual General Meeting. Reelection is possible. For more detailed information on the participation, representation, and instruction rights of shareholders, reference is made to art. 3, art. 4, and art. 7.3 of the Sika Articles of Association (available at https://www.sika.com/en/investors/corporate-governance-risk-management/articles-of-association.html).

Information on the legal quora can be found in art. 703 et seq. of the Swiss Code of Obligations (CO); information on what constitutes a quorum under the Sika Articles of Association can be found in art. 7.3 para. 4 of the Sika Articles of Association (available at https://www.sika.com/en/investors/corporate-governance-risk-management/articles-of-association.html). The Sika Articles of Association also define the resolutions for which a qualified majority (at least two thirds of the votes represented, and an absolute majority of the nominal value of shares represented) is required. The invitation modalities and deadlines for the Annual General Meetings comply with the legal requirements (art. 699 et seq. CO).

Furthermore, during a period published by the company in the Swiss Official Gazette of Commerce, shareholders representing together at least 0.5% of the share capital or voting rights may demand that an item be put on the agenda to be discussed or request that proposals concerning agenda items be included in the invitation to the Annual General Meeting. Shareholders may submit a brief explanatory statement together with the agenda items or the proposals. This must be included in the invitation to the Annual General Meeting. The publication of the invitation to the Annual General Meeting is made in the Swiss Official Gazette of Commerce. The invitation also contains the agenda items and the proposals of the Board of Directors. In addition, the invitation to the Annual General Meeting is sent by mail to the shareholders. Shareholders will not be registered by the company two business days prior to an Annual General Meeting. Therefore, registered shares acquired or sold between such deadline and the respective Annual General Meeting are not entitled to be voted.

Change in corporate control and defense measures

The Sika Articles of Association (available at https://www.sika.com/en/investors/corporate-governance-risk-management/articles-of-association.html) do not provide for an opting out or opting up in the meaning of art. 125 and art. 135 of the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (FinMIA). There are no change of control clauses provided in the Articles of Association.

Auditor

The auditor of Sika AG is KPMG AG and was re-elected at the General Meeting of March 25, 2025. KPMG AG has been registered as auditor of Sika in the commercial register since August 19, 2022. The auditor participates regularly in the meetings of the Audit Committee, providing oral and written reports on the results of its reviews. In 2025, the auditor participated in three of the five meetings of the Audit Committee. The Audit Committee checks and evaluates the auditor and makes recommendations to the Board of Directors. For further information regarding reporting and control of the auditor, reference is made to the Charter of the Audit Committee, which is included on p.14 to 16 of the Organizational Rules of Sika AG and Sika Group (available at https://www.sika.com/en/investors/corporate-governance-risk-management/organizational-rules.html).

The independence of the auditor is ensured by various measures. The Audit Committee has defined a percentage threshold for non-audit services in relation to the audit services. Additional services received from the auditor must not exceed 70% of the audit fees in any given year and must be below 50% of the three-year average. In addition, services outside the audit that individually exceed CHF 100,000 are subject to prior approval by the Chairperson of the Audit Committee. As part of its reporting for the consolidated and statutory financial statements, the auditor confirms its independence vis-à-vis Sika AG. In accordance with legal requirements, the lead auditor is replaced after a maximum period of seven years. The current lead auditor has been responsible for the audit mandate since the General Meeting of April 12, 2022. As set out in section 2.4 of the Charter of the Audit Committee, which is included on p.14 to 16 of the Organizational Rules of Sika AG and Sika Group (available at https://www.sika.com/en/investors/corporate-governance-risk-management/organizational-rules.html), the Audit Committee reviews any potential conflicts between the audit and non-audit services of the auditor.

The performance of the auditor is evaluated by the Audit Committee as well as by employees of Sika who are in regular contact with the auditor. The assessment is based on criteria such as professional expertise and know-how, understanding of the corporate structure and company-specific risks, comprehensibility of the audit strategy proposed by the auditor, and diligence in the implementation of the proposed audit strategy, as well as the coordination of the auditor with the Audit Committee and the Finance department of the Sika Group.

In addition, the Audit Committee reviews the results of the audit, particularly the audit report for the consolidated annual financial statements and the interim financial statements.

The budget for the audit fees is proposed by the CFO and approved by the Audit Committee. During the year under review, KPMG AG invoiced CHF 8.8 million in total for its services. Thereof CHF 8.0 million related to audit services, which included the audit of the statutory financial statements of Sika AG and of practically all subsidiaries, as well as the audit of the consolidated financial statements. KPMG AG received additional fees totaling CHF 0.7 million for tax consultancy services as well as CHF 0.1 million for consultancy services related to transfer pricing and the issuance of comfort letters for bonds issued by Sika during the year under review.

Information policy

Sika provides extensive information on the development of business in its annual, half-year, and quarterly reports, at the annual media and financial analyst conference, as well as at the Annual General Meeting. The continually updated website at www.sika.com as well as media releases regarding important developments (https://www.sika.com/en/media/media-releases.html) are also integral components in Sika's communication activities. As a company listed on SIX Swiss Exchange, Sika is also obligated to comply in particular with the requirements of ad hoc disclosure, i.e., the publication of price-sensitive facts. Anyone who would like to receive ad hoc publications of Sika can register for the push service on Sika's website at: https://www.sika.com/en/investors/contact/stay-informed.html. In addition, Sika maintains a dialogue with investors and the media through special events and roadshows. Official publications of the company are made in the Swiss Official Gazette of Commerce. The contact details of the company are: Sika AG, Zugerstrasse 50, 6340 Baar, Switzerland (phone +41 58 436 68 00, sikagroup@ch.sika.com, www.sika.com).

FINANCIAL CALENDAR

58th Annual General Meeting	Tuesday, March 24, 2026
Dividend payment	Monday, March 30, 2026
Net sales first quarter 2026	Tuesday, April 14, 2026
Half-Year Report 2026	Tuesday, July 28, 2026
Results first nine months 2026	Friday, October 23, 2026
Full-year results 2026	Friday, February 19, 2027

Quiet periods

Sika AG has defined general quiet periods related to the publication of Group results during which insiders may not trade in Sika securities. An insider is anyone who has access to confidential information that can be used for insider trading. The quiet periods for the full-year results and the half-year results begin 60 and 45 days before publication, respectively. The quiet period for the first quarter and nine-month results begins 30 days before publication. If the results are available in the operational reporting system before theses dates, the respective quiet period commences on that date. The general quiet periods last until one day after publication of the results. In addition, special quiet periods apply for all events that may have a material positive or negative impact on the share price, beginning on the date of receipt of the information, or as ordered by the Board of Directors or Group Management, until one day after publication. In the year under review, the general quiet periods lasted from December 20, 2024, to February 25, 2025; March 14, 2025, to April 17, 2025; June 13, 2025, to July 31, 2025; September 24, 2025, to October 28, 2025; and December 19, 2025, to February 24, 2026.

In 2025, no exceptions from quiet periods were granted.

COMPENSATION REPORT

The compensation system is well-balanced and supports long-term value creation for Sika and its stakeholders.

Strategy 2028

COMPENSATION PLANS ALIGNED WITH STRATEGIC TARGETS

ESG targets

IN BOTH THE STI AND LTI PLANS SINCE 2024

CONTENT

COMPENSATION REPORT

Commitment to openness and transparency

The Compensation Report describes the compensation principles and programs, as well as the governance framework related to the compensation of the Board of Directors and the members of Sika's Group Management. The report also provides details regarding the compensation programs and the payments made to members of the Board of Directors and of Group Management in the 2025 business year.

The Compensation Report is written in accordance with the Swiss Code of Obligations, the standard relating to information on Corporate Governance of the SIX Swiss Exchange, and the principles of the Swiss Code of Best Practice for Corporate Governance by economiesuisse.

Introduction by the Chair of the Nomination and Compensation Committee

Dear Shareholders,

In the name of the Board of Directors and the Nomination and Compensation Committee, I am pleased to introduce the 2025 Compensation Report.

The Compensation Report outlines the compensation principles and programs, along with the governance framework related to the compensation of the Board of Directors and Group Management. It provides a detailed overview of the compensation awarded to the members of the Board of Directors and Group Management for the reporting year. Additionally, the report describes how business performance influenced the variable incentive payments awarded to Group Management under the different compensation plans. Overall, Sika delivered 0.6% growth in local currencies, reflecting continued market share gains across all regions despite ongoing challenges in the global construction market. Profitability at the EBITDA level was impacted by one-off costs related to the Fast Forward investment and efficiency program, reducing EBITDA to CHF 2,064.7 million (previous year: CHF 2,269.5 million).

At the 2025 Annual General Meeting on March 25, 2025, Kwok Wang Ng was elected as a new member of the Board of Directors and was appointed a member of the Audit Committee to replace Monika Ribar, who stepped down from the Board of Directors. Additionally, at the 2025 Annual General Meeting, a binding vote on the aggregate maximum compensation amounts for the Board of Directors and for Group Management was conducted, as was a consultative vote on the Compensation Report, so that shareholders could express their opinion on our compensation policies and principles. The shareholders approved the compensation amounts for the Board of Directors and for Group Management, as well as the consultative vote on the Compensation Report, with a very high approval rate.

These positive voting outcomes demonstrate that the company's active dialogue with investors is fruitful and that shareholders endorse the company's compensation system. We would like to thank our investors for their continued trust and support.

In the reporting year, the Nomination and Compensation Committee continued to focus on succession planning for positions on the Board of Directors and Group Management. Further, it performed its regular activities on compensation matters throughout the year, such as the annual review of the compensation programs, the performance goal-setting and performance assessment of Group Management, the determination of the compensation of the members of the Board of Directors and Group Management, as well as the preparation of the Compensation Report and the say-on-pay votes at the Annual General Meeting. In the context of the annual review of the compensation programs applicable to Group Management, the Nomination and Compensation Committee proposed to increase the maximum payout from 150% to 200% for both the short-term incentive (STI) and long-term incentive (LTI) plans in order to encourage and reward strong performance, as well as to align with prevailing market practice. To this effect, the shareholders approved a change in the Articles of Association at the Annual General Meeting in 2025. Otherwise, the Nomination and Compensation Committee concluded that the STI and LTI plans continue to be well aligned with the company strategy and the long-term interests of our shareholders, and no further change was made.

Looking ahead, we will continue to assess and review our compensation programs and governance to ensure that they are fulfilling their purpose in the evolving context in which the company operates, especially in attracting and retaining our key talents, and are aligned with the interests of our shareholders. We will also continue to maintain an open dialogue with our shareholders and their representatives. We would like to thank you for sharing your perspective on executive compensation with us, and trust that you will find this report informative.

Sincerely,

Justin M. Howell
Chair of the Nomination and Compensation Committee

Compensation governance

NOMINATION AND COMPENSATION COMMITTEE

In accordance with the Articles of Association and the Organizational Rules of Sika AG, the Nomination and Compensation Committee is composed of three members of the Board of Directors who are elected individually by the Annual General Meeting for a period of one year. At the Annual General Meeting 2025, Justin M. Howell (Chair), Gordana Landén, and Paul Schuler were elected as members of the Nomination and Compensation Committee. The Nomination and Compensation Committee is a combined committee. The disclosure in this chapter focuses on compensation matters as required by law.

It is the responsibility of the Nomination and Compensation Committee to:

- review and determine the compensation policy, including the principles for variable compensation and shareholding programs according to the provisions specified in the Articles of Association;
- propose to the Board of Directors the maximum aggregate amounts of compensation of the Board of Directors and Group Management to be submitted to the shareholders' vote at the Annual General Meeting;
- propose to the Board of Directors the compensation level for the members of the Board of Directors, the CEO, and the other members of Group Management, within the maximum aggregate compensation amounts approved by the Annual General Meeting;
- provide the Board of Directors with a performance assessment of the CEO and of the other members of Group Management, together with a recommendation for the short-term and long-term incentives to be awarded to each of them, based on the performance of the Group, its regions, and individual performance;
- propose to the Board of Directors the Compensation Report;
- prepare the succession planning of the CEO and other members of Group Management, and propose to the Board of Directors the appointment of new members of Group Management;
- prepare the succession planning of the Board of Directors and propose to the Board of Directors new candidates to the Board of Directors.

LEVELS OF AUTHORITY

	CEO	BoD Chair	NCC	BoD	AGM
Compensation policy and principles			Proposes	Approves	
Maximum aggregate compensation amounts of BoD and GM			Proposes	Reviews	Approves (binding votes)
Compensation of BoD Chair			Proposes	Approves	
Individual compensation of BoD members			Proposes	Approves	
Compensation of CEO		Proposes	Reviews	Approves	
Individual compensation of members of GM	Proposes		Reviews	Approves	
Compensation Report			Proposes	Approves	Consultative vote

CEO = Chief Executive Officer, BoD = Board of Directors, NCC = Nomination and Compensation Committee, AGM = Annual General Meeting, GM = Group Management

In 2025, the Nomination and Compensation Committee held five meetings according to the following predetermined annual agenda.

	Feb	Mar	May	Oct	Dec
Review of overall compensation policy and compensation governance					
Review of external stakeholder feedback on compensation policy and disclosure			■		
Review of overall compensation policy (including benchmarking peer group)			■	■	
Preparation (December) and approval (February of following year) of Compensation Report	■				■
Review of shareholdings of members of the Board of Directors and Group Management (shareholding ownership guideline)	■				
Preparation of say-on-pay vote for next Annual General Meeting	■				
Review of committee duties, accountabilities, and responsibilities	■				
Approval of meeting schedule of the Nomination and Compensation Committee	■				
Self-assessment by the Nomination and Compensation Committee	■				
Compensation of Board of Directors					
Determination of compensation for following compensation period (AGM to AGM)		■			
Benchmark of compensation of the Board of Directors (every 3–5 years)				■	
Compensation of Group Management					
Preliminary performance evaluation (previous year)	■				
Final performance evaluation (previous year)		■			
Determination of short-term incentive payout for previous year		■			
Determination of long-term incentive vesting (previous performance period)	■				
Preliminary compensation review for following year (including benchmarking analysis every two years)				■	
Determination of compensation (at target) for following year					■
Determination of performance objectives for following year					■
Nomination items					
Review of Board of Directors constitution			■		
Appraisal and management development plan for members of Group Management			■	■	
Succession planning for Group Management positions				■	

For details on attendance at meetings, please refer to the Corporate Governance Report on p.190.

The Chair of the Nomination and Compensation Committee reports to the Board of Directors after each meeting on the activities of the committee. The minutes of the committee meetings are made available to the members of the Board of Directors. As a general rule, the Chair of the Board of Directors and the CEO attend the meetings in an advisory capacity. They do not attend the meeting when their own compensation and/or performance are being discussed.

The Nomination and Compensation Committee may decide to consult an external advisor from time to time for specific compensation matters. In 2025, PricewaterhouseCoopers (PwC) Switzerland provided services related to executive compensation matters. PwC provides other services to Sika, and there are clear rules in place to ensure the independence of PwC consultants. In addition, support and expertise are provided by internal compensation experts, such as the Head Human Resources, Legal & Compliance, and the Head Compensation & Benefits.

SHAREHOLDER INVOLVEMENT

The role of the shareholders on compensation matters has gained importance in recent years. First of all, shareholders annually approve the maximum aggregate compensation amounts of the Board of Directors and Group Management. In addition, the principles of compensation are governed by the Articles of Association, which are also approved by the shareholders. The provisions of the Articles of Association on compensation are summarized below (please refer to https://www.sika.com/en/investors/corporate-governance-risk-management/articles-of-association.html):

- **Principles of compensation applicable to the Board of Directors** (art. 11.1, 11.3, and 11.8): The Board of Directors receives fixed compensation in cash and/or in shares.
- **Principles of compensation applicable to Group Management** (art. 11.1, 11.4 to 11.6, and 11.8): Group Management receives fixed and variable compensation. The variable compensation consists of a performance bonus paid in cash and a long-term incentive in the form of equity compensation. The maximum payout for the performance bonus (STI) is 200% of the target, while for the long-term incentive (LTI) the maximum number of shares to be allocated is 200% of the number of share units granted.
- **Binding vote by the Annual General Meeting** (art. 11.2): The Annual General Meeting annually approves the total fixed compensation amount for the Board of Directors for the period until the next ordinary Annual General Meeting and the maximum total fixed and variable compensation amount for Group Management for the next business year.
- **Additional amount for new members of Group Management** (art. 11.7): The total additional compensation for each new member of Group Management may not exceed the average total compensation of Group Management in the previous business year by more than 200%, or 400% in the event of a new election of the CEO. Proven disadvantages from a change of position may be compensated within this additional amount.
- **Pension benefits, loans, and credits** (art. 12): Pension benefits are offered only in accordance with the occupational pension plans, which are specified in the respective regulations. The company does not offer any loans, credits, guarantees, or other securities to members of the Board of Directors and Group Management.

In addition, the Compensation Report is submitted to a consultative shareholders' vote, so that shareholders can express their opinion on the compensation policy and programs.

METHOD FOR DETERMINING COMPENSATION

PERIODIC BENCHMARKING

The compensation of the Board of Directors is reviewed against prevalent market practice of other multinational industrial companies on a regular basis (every 3–5 years). In 2023, a thorough review was conducted by PwC to determine the competitiveness of the Board compensation in terms of structure and quantum. For this purpose, a peer group of Swiss multinational companies of the industry sector listed on the SIX Swiss Exchange was selected. The peer group consists of ABB, Alcon, Barry Callebaut, Geberit, Givaudan, Holcim, Kuehne+Nagel, Lindt, Lonza, Novartis, Richemont, Roche, Schindler, SGS, and Sonova. This group is well-balanced in terms of market capitalization, revenue size, and headcount. The analysis showed that the compensation structure and levels are in line with prevalent market practice.

Regarding the compensation of Group Management, a benchmarking analysis is conducted every two years with the support of an independent consultant. This analysis was performed in 2024 by PwC. For the Group Management positions, PwC provided the analysis based on the same peer group of companies as for the compensation review of the Board of Directors. PwC compiled the relevant benchmarking data in a report that served as a basis for the Nomination and Compensation Committee to analyze the compensation of the CEO and Group Management, and to set their target compensation levels for 2025. Sika's policy is to pay market median compensation for solid performance (target compensation) and to provide for compensation above the market median in the event of strong performance. For newly promoted members of Group Management, Sika's policy is to set target compensation below the market median and to subsequently increase it to market level over a period of two to three years, conditionally upon solid performance.

PEER GROUP FOR BENCHMARKING PURPOSES

in CHF thousands	**Market capitalization** (most recent at time of benchmark, 09/01/2024)	**Revenue** (most recent at time of benchmark, 12/31/2023)	**Headcount** (most recent at time of benchmark, 12/31/2023)
Sika	43,637	11,239	33,547
Upper quartile	62,466	25,429	75,681
Median	40,129	8,471	33,959
Lower quartile	21,400	6,670	16,934

PERFORMANCE MANAGEMENT

The actual compensation paid to the individual members of Group Management in a given year depends on the Group, region, and individual performance. Individual performance is assessed through the annual performance management process, which aims to align individual and collective objectives, to stretch performance and to support personal development. The objectives for a given business year for the CEO and members of Group Management are approved by the Nomination and Compensation Committee at the end of the previous business year, and achievement against those objectives is assessed at the beginning of the following year. The performance assessment of the members of Group Management is conducted by the CEO, while that of the

CEO is conducted by the Chair of the Board of Directors. The Nomination and Compensation Committee reviews the performance assessment of the CEO and the other members of Group Management before submitting them to the Board of Directors for approval. In discussing performance, the Nomination and Compensation Committee reflects on the achievement of the individual objectives of each members of Group Management. The Nomination and Compensation Committee also considers the extent to which individuals have carried out their duties in line with company values and expected leadership behavior. The individual performance assessments, together with the Group's performance, form the basis for the determination of incentive payout levels.

COMPENSATION PRINCIPLES

COMPENSATION OF THE BOARD OF DIRECTORS

In order to guarantee the independence of the members of the Board of Directors in exercising their supervisory duties, their compensation consists of fixed remuneration only. The compensation is delivered partially in cash and partially in blocked shares, and shareholding ownership guidelines are in place to strengthen the alignment with shareholders' interests.

COMPENSATION OF GROUP MANAGEMENT

Sika's compensation programs reflect a commitment to attract, develop, and retain qualified, talented, and engaged executives. They are designed to motivate executives to achieve the overall business objectives and to create sustainable shareholder value. The compensation programs are based on the following principles:

PAY FOR PERFORMANCE AND SUSTAINABLE SUCCESS

The compensation of Group Management is linked to Sika's performance (Group and regions) and to individual performance. Through a well-balanced combination of incentive programs, both annual performance and long-term success are rewarded. Furthermore, performance is measured both in absolute terms (year-on-year improvements) and in relative terms (compared to other companies subject to similar market cycles), and includes financial results as well as non-financial objectives, such as sustainability/ESG goals.

ALIGNMENT WITH SHAREHOLDER INTERESTS

A significant portion of compensation is delivered in the form of shares, and shareholding ownership guidelines are in place to align the interests of executives with those of the shareholders.

MARKET COMPETITIVENESS

Compensation is regularly benchmarked and is in line with competitive market practice.

TRANSPARENCY

Compensation programs are straightforward and transparent.

The compensation programs include key features that align the interests of executives with those of shareholders and are in line with good practice in corporate governance.

WHAT WE DO

- Conduct an annual review of the compensation policy and programs
- Maintain compensation plans with a strong link between pay and performance
- Conduct a rigorous performance management process
- Maintain compensation plans designed to align executive compensation with long-term shareholder interests
- Require that the Board of Directors, the CEO, and the other members of Group Management own a minimum number of Sika shares as a percentage of their annual compensation
- Include clawback and malus provisions in the incentives
- Offer employment contracts with a notice period of a maximum of twelve months
- Ensure pay equality and fairness in all countries in which the company operates

WHAT WE DON'T DO

- Provide discretionary compensation payments
- Reward inappropriate or excessive risk taking or short-term profit maximization at the expense of the long-term health of the company
- Pay dividend equivalents on performance-contingent deferred units that have not been earned yet based on the company's performance
- Guarantee future base salary increases or non-performance-based incentive payments
- Have prearranged individual severance agreements or special change-of-control compensation agreements

PAY EQUALITY

Sika is committed to pay equality and fairness in all countries the company operates in. The Sika compensation model promotes a "pay for performance" culture, while ensuring transparency, equality, fairness, nondiscrimination, and competitiveness of the employee's total reward. The company has implemented in most of the countries standardized job grades to facilitate a systematic approach to evaluating pay equality. Many European countries already require gender pay gap reporting for companies above certain employee thresholds. Following local legislation, Sika has completed equal pay analyses in countries like the UK, Ireland, France, and Sweden.

In preparation of the EU Pay Transparency Directive, which will make reporting expectations more consistent across EU member states, Sika has implemented a Group-wide internal pay transparency tool in 2025. This tool enables the analysis of gender pay gaps, salary distributions, and variable compensation across organizational levels and thus facilitates the timely monitoring of pay equality at Sika. Sika conducts annual salary reviews at local level, during which any gender pay gaps detected are addressed.

EXTERNAL MANDATES OF THE MEMBERS OF THE BOARD OF DIRECTORS AND GROUP MANAGEMENT IN 2025 (AUDITED) (AUDITED ACCORDING TO ARTICLE 734e OF THE SWISS CODE OF OBLIGATIONS)

Members of the Board of Directors and Group Management have the following external mandates (if no other specifications are provided, the mandate also applies to the previous year).

BOARD OF DIRECTORS

In 2025	Company	Function
Thierry F. J. Vanlancker	**Mandates in listed companies**	
	Cabot Corporation, Boston, USA	Member of the Board (member of the Audit Committee)
	Mandates in non-listed companies and organizations	
	Aliaxis Holdings S.A., Brussels, Belgium	Managing Director
Thomas Aebischer	**Mandates in listed companies**	
	Solvay S.A., Brussels, Belgium	Member of the Board (Chair of the Audit Committee)
	dormakaba Holding AG, Rümlang, Switzerland	Member of the Board (Chair of the Audit Committee)
	Mandates in non-listed companies and organizations	
	Diethelm Keller Group, Zurich, Switzerland	Chief Executive Officer
Viktor W. Balli	**Mandates in listed companies**	
	Givaudan AG, Vernier, Switzerland	Member of the Board (Chair of the Audit Committee and member of the Compensation Committee)
	Medacta International SA, Castel San Pietro, Switzerland	Member of the Board (Chair of the Audit and Risk Committee)
	KWS Saat SE & Co. KGaA, Einbeck, Germany	Member of the Board (Chair of the Audit Committee)
	Mandates in non-listed companies and organizations	
	Swiss Federal Audit Oversight Authority (RAB), Bern, Switzerland	Member of the Board
	Hemro AG, Zurich, Switzerland	Member of the Board
	Louis Dreyfus Company International Holding BV, Amsterdam, Netherlands	Member of the Board (Chair of the Audit and Risk Committee)
Lucrèce Foufopoulos-De Ridder	**Mandates in listed companies**	
	Saudi Basic Industries Corporation (SABIC), Riyadh, Saudi Arabia (since April 10, 2025)	Member of the Board (member of the Board Investment Committee and member of Sustainability, Risk, and EHSS Committe)
	Royal Vopak, Rotterdam, Netherlands (until April 23, 2025)	Member of the Board (member of the Audit Committee and member of the Remuneration Committee)
	Amcor, Zurich, Switzerland	Member of the Board (member of the Compensation Committee)
	Tronox Holdings plc, Stamford, USA (will step down at AGM on April 28, 2026)	Member of the Board (member of the Corporate Governance and Sustainability Committee)
	Quaker Houghton, Conshohocken, USA	Member of the Board (member of the Compensation and HR Committee, member of the Sustainability Committee)

BOARD OF DIRECTORS

In 2025	Company	Function
Justin M. Howell	**Mandates in listed companies**	
	Canadian National Railway Company, Montreal, Québec, Canada	Member of the Board (member of the Governance and Sustainability Committee, member of the Human Resources and Compensation Committee)
Gordana Landén	n/a	n/a
Kwok Wang (Frankie) Ng	**Mandates in listed companies**	
	Logitech International, Lausanne, Switzerland	Member of the Board (Chair of the Nominating & Governance Committee, member of the Compensation Committee)
Paul Schuler	**Mandates in non-listed companies and organizations**	
	Swisspearl Group AG, Niederurnen, Switzerland	Chair of the Board

GROUP MANAGEMENT

In 2025	Company	Function
Thomas Hasler	Swiss-American Chamber of Commerce, Zurich, Switzerland	Member of the Board
	Gebr. Knauf AG, Iphofen, Germany (since January 1, 2025)	Member of the Board
Mike Campion	n/a	n/a
Christoph Ganz	n/a	n/a
Patricia Heidtman	Bossard Holding AG, Zug, Switzerland	Member of the Board (Vice Chair of the Board, Chair of the Nomination Committee, member of the Compensation Committee)
Philippe Jost	n/a	n/a
Raffaella Marzi	Vetropack Holding AG, Bülach, Switzerland	Member of the Board (Chair of the Nomination and Compensation Committee)
Ivo Schädler	Keevalue AG, Brugg, Switzerland (since June 3, 2025)	Member of the Board
Adrian Widmer	Sonova Holding AG, Stäfa, Switzerland	Member of the Board (Chair of the Audit Committee)

Architecture of compensation of the members of the Board of Directors

In order to ensure their independence in exercising their supervisory duties, the members of the Board of Directors receive fixed compensation only, consisting of a retainer for services to the Board and an additional fee for assignments to committees of the Board, as well as a representation allowance for the Board Chair. The retainer and the committee fees are paid half in cash and half in restricted share units (RSUs), while the representation allowance is paid in cash. The RSUs are granted at the beginning of the term of office and are converted into blocked shares at the end of the term of office. The shares are blocked from trading for a period of three years. The blocking period on the shares may lapse in the event of a change of control or liquidation. The shares remain blocked in all other instances.

The cash compensation is paid shortly after the Annual General Meeting for the previous term of office, which is defined as the period between Annual General Meetings, except for the Board Chair, who receives his cash compensation in monthly installments. The members of the Board of Directors receive no additional reimbursements of business expenses beyond actual expenditure for business travel. The members of the Board do not participate in Sika's employee benefit plans. There is a legal obligation in Switzerland to offer a minimum pension coverage to members of the Board of Directors under certain circumstances (for members of the Board of Directors who are affiliated to the Swiss social security system, who have not reached retirement age, and who are not insured at another company because their mandate on the Sika Board is deemed to be their primary occupation). In such cases, the member of the Board of Directors bears the entire cost of coverage (employer and employee contributions) by means of a corresponding deduction of the annual Board retainer. The level of coverage does not go beyond the minimum legal obligation. Further, for governance reasons, the pension plan is not part of the Sika occupational benefit plan and is fully outsourced.

STRUCTURE OF BOARD COMPENSATION

in CHF	in cash	in RSUs [2]
Retainer (gross p.a.)		
Board Chair	450,000 + 30,000 allowance	450,000
Board members	125,000	125,000
Committee fees (gross p.a.) [1]		
Committee Chair	30,000	30,000
Committee members	20,000	20,000

1 The Board Chair is not eligible for committee fees.

2 Converted into RSUs based on the average closing share price in the first five trading days of the month of the beginning of the year of office (month of the Annual General Meeting). The RSUs are settled in shares that are allocated to the members of the Board of Directors shortly after the end of the year of office.

SHAREHOLDING OWNERSHIP GUIDELINE

The members of the Board of Directors are required to own at least a minimum multiple of their annual Board retainer in Sika shares within five years of their appointment to the Board of Directors (or within five years of the implementation of the guideline), as set out in the table below.

Members of the Board of Directors	200% of annual Board retainer

In the event of a substantial rise or drop in the share price, the Nomination and Compensation Committee may, at its discretion, amend that time period accordingly.

To calculate whether the minimum holding requirement is met, all shares are considered, regardless of whether they are blocked or not. Unvested RSUs do not count. The Nomination and Compensation Committee reviews compliance with the share ownership guideline on an annual basis.

Architecture of compensation of members of Group Management

COMPENSATION MODEL AND COMPENSATION ELEMENTS

The compensation for members of Group Management includes the following elements:

– fixed base salary;
– variable compensation: short-term and long-term incentives;
– benefits and perquisites.

STRUCTURE OF COMPENSATION OF GROUP MANAGEMENT

	Vehicle	Purpose	Drivers	Performance measures
Annual base salary	Monthly cash salary	Attract and retain	Position, market practice, skills, and experience	
Performance bonus (STI)	Annual bonus in cash	Pay for performance	Annual performance	Group EBITDA, Group net sales, safety (reduction of LTA), region/individual goals
Long-term incentive (LTI)	PSU with a three-year performance vesting	Reward long-term performance Align to shareholders	Business performance over three years	Relative ROCE, relative TSR ESG: Scope 1 and 2 absolute GHG emissions reduction, waste disposed per ton sold reduction, water discharge per ton sold reduction
Benefits	Pension and insurances Perquisites	Protect against risks Attract and retain	Market practice and position	

The intended compensation mix at target for members of Group Management was slightly adjusted for 2025 to a 35% annual base salary (compared to 40% in 2024), 30% target STI (unchanged), and 35% target LTI (compared to 30% in 2024), putting more weight on long-term performance and shareholder alignment. For the CEO, the compensation mix is more focused on variable compensation and continues to amount to a 30% annual base salary, 30% target STI, and 40% target LTI.

FIXED ANNUAL BASE SALARY

Annual base salaries are established based on the following factors:

- Scope, size, and responsibilities of the role, skills required to perform the role;
- External market value of the role;
- Skills, experience, and performance of the individual in the role.

To ensure market competitiveness, the base salaries of the members of Group Management are reviewed every year, taking into consideration the company's capacity to pay, benchmark information, market movement, economic environment, and individual performance.

PERFORMANCE BONUS (SHORT-TERM INCENTIVE)

The performance bonus is a short-term variable incentive, designed to reward the collective performance of the Group and its regions and individual performance over a time horizon of one year. This variable compensation allows executives to participate in the Group's success while being rewarded for their individual performance.

The performance bonus target (i.e. bonus at 100% target achievement) is reviewed annually and expressed as a percentage of base salary. It amounts to 100% for the CEO and ranges from 60% to 105% for the other members of Group Management. For the CEO and the four members of Group Management with a global role, Group performance accounts for 90% of the performance bonus, while the achievement of individual objectives accounts for 10%. For the other three members of Group Management responsible for a region, Group performance accounts for 70% of the performance bonus, while the achievement of regional objectives accounts for 20%, and that of individual objectives for 10% of the performance bonus.

GROUP PERFORMANCE

The performance measures for the Group are proposed by the Nomination and Compensation Committee and approved by the Board of Directors. The Group performance is measured in two ways:

- The relative performance of the Group compared to a peer group of companies, accounting for 60% of the performance bonus for all members of Group Management. The relative performance includes EBITDA (earnings before interest, tax depreciation, and amortization) improvement during the year, with 40% weight, and net sales growth during the year, with 20% weight;
- The absolute performance of the Group against its own set targets. The absolute performance consists of a safety target with the reduction of lost time accidents (LTAs), with a weighting of 10% for all members of Group Management, as well as an absolute EBITDA target at Group level, with a weighting of 20%, for all members of Group Management with a global role (functional roles).

RELATIVE GROUP PERFORMANCE

Relative EBITDA and net sales performance are measured based on an evaluation provided by an independent consulting firm, Obermatt. This benchmark compares and ranks Sika against the performance of a selected peer group of 21 companies, all industrial firms which were chosen because they have comparable base products, technology, customers, suppliers, or investors, and are thus exposed to similar market cycles.

PEER GROUP (OBERMATT BENCHMARK)[1]

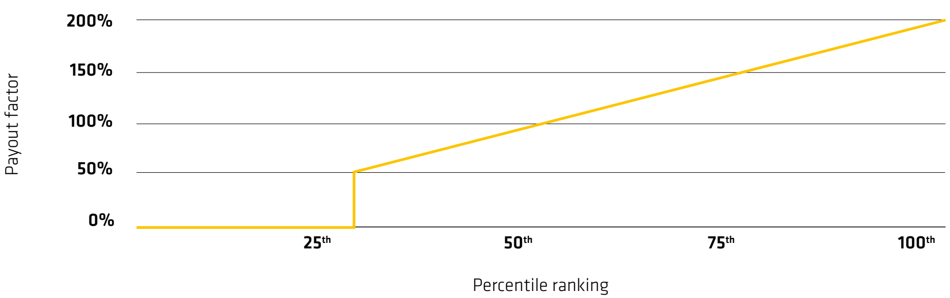
- 3M – Safety and Industrial
- Arkema – Adhesive Solutions
- Armstrong World Industries Inc.
- Ashland
- Beiersdorf – Tesa
- Carlisle Construction Materials
- EMS-Chemie Holding AG
- Forbo-Flooring Systems
- H.B. Fuller Company
- Geberit
- Henkel-Adhesive Technologies
- Hilti Corporation[2]
- Holcim – Building Solutions[3]
- Huntsman – Performance Products
- Owens Corning
- Pidilite Industries Limited
- RPM
- Saint-Gobain
- SK Kaken Co., Ltd.
- Sto AG
- Uzin Utz AG

1 Beacon Roofing was acquired by QXO in April 2025 and therefore the company was removed from the peer group as the data will no longer be available.
2 Hilti is not listed on the stock market and is therefore not included for the relative TSR in the long-term incentive plan.
3 Holcim has restructured their business segments after the Amrize spin-off. The new segment "Building Solutions" was used as a replacement for the previous segment "Solutions & Products".

The intention is to reward Group Management based on the relative performance of the Group, because absolute performance may be strongly impacted by market factors that are outside the control of Group Management.

For both EBITDA improvement and net sales growth, the objective is to reach the median performance of the peer group, which corresponds to a 100% payout factor. There is no payout for any performance below the lowest quartile of the peer group. Performance at the lowest quartile of the peer group corresponds to a payout factor of 50%. Performance at the uppermost quartile leads to a 150% payout factor, and being the best in the peer group leads to a 200% payout factor. Any payout factor between those levels is interpolated linearly. For the purpose of comparability, the performance of the peer companies is converted into Swiss francs. There are no adjustments to EBITDA or net sales calculations otherwise.

Payout curve for the Obermatt benchmark



ABSOLUTE GROUP PERFORMANCE

The safety objective recognizes the importance of Sika's employees' safety. It is an objective to promote a safety culture and to reduce accidents by increasing safety measures. For 2025, the objective was to achieve a reduction of the lost time accident (LTA) rate by 10% compared to 2024.

The Group EBITDA objective is measured as a year-on-year improvement. For 2025, the objective was to improve Group EBITDA by 7.5% compared to 2024.

REGION AND INDIVIDUAL PERFORMANCE

The region and individual performance includes performance objectives that are set as part of the annual performance management process. For the CEO and other members of Group Management, they are reviewed and approved by the Nomination and Compensation Committee.

Region performance (20% of the overall performance bonus) includes performance objectives linked to the region under responsibility. These objectives either contribute to top-line growth, bottom-line profitability, or the efficient management of the company's capital. In 2025, the Nomination and Compensation Committee decided to continue to focus on EBITDA (expressed as an improvement versus previous year).

Individual performance (with a weighting of 10% of the overall performance bonus) includes performance objectives in the area of people management or key projects (People & Projects). In 2025, the People & Projects objectives for the CEO were the implementation of Strategy 2028, which focuses on sustainable growth and increasing company value based on four key pillars: Market Penetration, Innovation & Sustainability, Acquisitions, and People & Culture, as well as the integration of MBCC Group. The People & Projects objectives for other members of Group Management also included the integration of MBCC Group, as well as goals around efficiency initiatives and talent development.

At the beginning of the following year, the actual performance achievement is compared with the objectives that were set for the business year. The level of achievement for each objective corresponds to a payout percentage for that objective, which is always between 0% and 200%.

Overview of performance objectives and respective weighting

				CEO, Corporate functions	Regional heads
Performance bonus	Group performance	Relative to peer group	**EBITDA improvement**	40%	40%
			Net sales growth	20%	20%
		Absolute	**Safety: LTA reduction**	10%	10%
			EBITDA Group	20%	
	Region performance	Absolute	EBITDA region		20%
	Individual performance	Absolute	People & Projects	10%	10%

The overall bonus payout is capped and cannot exceed 200% (compared to 150% in the previous year) of the performance bonus target. The performance bonus is paid out in March of the following year.

LONG-TERM INCENTIVE (LTI)

Sika's compensation policy is designed to align a significant portion of compensation of Group Management to the Group's long-term performance and to strengthen Group Management's alignment with shareholders' interests. The LTI target is reviewed annually and amounts to 144% of the annual base salary for the CEO, and ranges from 70% to 112% for the other members of Group Management.

The LTI plan is a performance share unit (PSU) plan. At the beginning of the vesting period, a number of PSUs are granted to each member of Group Management. The PSUs vest after a period of three years, conditionally upon fulfilling the following performance conditions: relative ROCE with a weighting of 40%, relative TSR with a weighting of 40%, and environmental targets with a weighting of 20%. Specifically, scope 1 and 2 absolute GHG emissions reduction (reflecting the Sika net zero roadmap) with a weighting of 10%, waste disposed intensity reduction with a weighting of 5%, and water discharge intensity reduction with a weighting of 5%. Both relative ROCE and relative TSR are measured in relation to a peer group as a percentile rank, and the objective is to reach the median of the peer group. The peer group consists of all companies of the peer group used for the performance bonus as disclosed on p.204, with the exception of Hilti, which is not listed on the stock market and is therefore not included for the relative TSR in the LTI. For the purpose of comparability, the performance of the peer companies is converted into Swiss francs. There are no adjustments to the ROCE or TSR calculation otherwise.

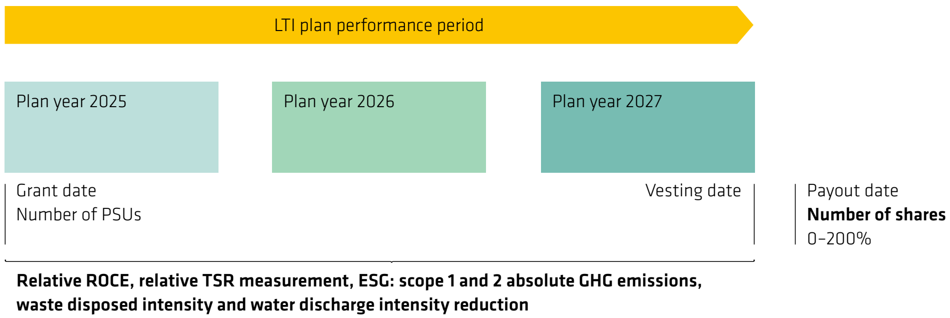
For each performance condition, the maximum vesting level is capped at 200%. The overall vesting level is likewise capped at 200% (compared to 150% in the previous year). The final share allocation is determined after the three-year performance period, based on the following vesting rules:

Performance measures	Relative ROCE (2025–2027)	Relative TSR (2025–2027)	ESG (2025–2027)
Purpose	Rewards the efficient management of the company's capital	Aligns executive compensation with shareholders' returns	Recognizes the importance of mitigating the company's impact on the environment
Weighting	40% of the PSU grant	40% of the PSU grant	20% of the PSU grant: 10% scope 1 and 2 absolute GHG emissions reduction 5% waste disposed per ton sold reduction 5% water discharge per ton sold reduction
Target level	Relative ROCE at the median of the peer group 100% payout	Relative TSR at the median of the peer group 100% payout	Scope 1 and 2 absolute GHG emissions reduction: –2% vs. PY[1] Waste disposed per ton sold reduction: –3% vs. PY Water discharge per ton sold reduction: –3% vs. PY
Maximum payout level	200%	200%	200%
	Combined maximum payout capped at 200%	Combined maximum payout capped at 200%	Combined maximum payout capped at 200%
Vesting rules	– Threshold: 25th percentile = 50% payout – Target: median = 100% payout – Maximum: best of all peers = 200% payout – Linear interpolation between threshold, target, and maximum	– Threshold: 25th percentile = 50% payout – Target: median = 100% payout – Maximum: best of all peers = 200% payout – Linear interpolation between threshold, target, and maximum	Scope 1 and 2 absolute GHG emissions reduction: – Threshold: PY = 50% payout – Target: –2% vs. PY = 100% payout – Maximum: –6% vs. PY = 200% payout Waste disposed per ton sold and water discharge per ton sold reduction: – Threshold: –2% vs. PY = 50% payout – Target: –3% vs. PY = 100% payout – Maximum: –5% vs. PY = 200% payout

1 PY = previous year

The shares are allocated at their market value (closing price at grant date on the SIX Swiss Exchange), in the month of the AGM in the year following the three-year vesting period. In some countries where the allocation of shares may be illegal or impractical, the award may be settled in cash after the performance period.

Long-term incentive plan period



In the event of termination of employment, the unvested PSUs are forfeited, except in case of retirement, disability, death, change of control, or liquidation. In the event of termination due to retirement or disability, the unvested PSUs vest at the regular vesting date, prorated for the number of months that have expired from the grant date until the termination date and based on effective performance. In the event of a termination of employment due to death, liquidation, or a change of control, unvested PSUs are subject to accelerated vesting, prorated for the number of months that have expired from the grant date until the termination date and based on an achievement of 100%.

Termination of employment (resignation, involuntary termination, etc.)	**Retirement and disability**	**Death, liquidation, or change of control**
Forfeiture of unvested PSUs	Unvested PSUs vest at the regular vesting date prorated for the number of months that have expired from the grant date until the termination date and based on the effective performance.	Unvested PSUs are subject to accelerated vesting, prorated for the number of months that have expired from the grant date until the termination date and based on an achievement of 100%.

CLAWBACK AND MALUS PROVISIONS

Clawback and malus provisions apply both to the performance bonus and to the long-term incentive plan. In the case of a financial restatement due to non-compliance with accounting standards or fraud, and/or in the case of violation of law or of internal rules by a member of Group Management, the Board of Directors may deem any performance bonus payment and/or unvested PSUs to be forfeited (malus provision), or may seek reimbursement of any paid performance bonus and/or allocated shares under the long-term incentive (clawback provision) within a period of three years after the year of restatement or of the fraudulent/non-compliant behavior.

SHAREHOLDING OWNERSHIP GUIDELINE

The members of Group Management are required to own at least a minimum multiple of their annual base salary in Sika shares within five years of their appointment to Group Management, as set out in the table below.

CEO	500% of annual base salary
Members of Group Management	200% of annual base salary

In the event of a substantial rise or drop in the share price, the Board of Directors may, at its discretion, amend that time period accordingly.

To calculate whether the minimum holding requirement is met, all vested shares are considered, regardless of whether they are blocked or not. However, unvested PSUs are excluded. The Nomination and Compensation Committee reviews compliance with the share ownership guideline on an annual basis.

BENEFITS: PENSIONS

As Group Management is international in its nature, the members participate in the benefits plans available in the country of their employment contract. Benefits consist mainly of retirement, insurance, and healthcare plans that are designed to provide a reasonable level of protection for the employees and their dependents in respect to the risk of retirement, disability, death, and illness. The members of Group Management with a Swiss employment contract participate in Sika's pension plans offered to all employees in Switzerland. These consist of the pension fund of Sika ("Pensionskasse Sika"), in which base salaries up to an amount of CHF 151,200 per annum are insured, as well as a supplementary plan, in which base salaries in excess of this limit are insured up to the maximum amount permitted by law. Sika's pension funds exceed the legal requirements of the Swiss Federal Law on Occupational Retirement, Survivors, and Disability Pension Plans (BVG). Members of Group Management under foreign employment contracts are insured commensurately with market conditions and their position. Each plan varies in line with the local competitive and legal environment and, at a minimum, in accordance with the legal requirements of the respective country.

Moreover, an early retirement plan is in place for members of the top management of Sika. The plan, entirely financed by the employer, is administered by a Swiss foundation. Beneficiaries may opt for early retirement from the age of 60, provided that they have been in a top management position for at least five years. Benefits under the plan are twofold:

- Fixed pension payment until the age of legal retirement. The amount of pension depends on the last fixed salary and the actual age at early retirement.
- Partial financing of the reduction in the regular pension due to early retirement. The amount, which may be received as a life-long pension payment or as a capital contribution, depends on the actual age at early retirement and benefits already accrued in existing pension plans. This portion of the plan is only applicable to beneficiaries insured under a Swiss pension plan.

BENEFITS: PERQUISITES

Members of Group Management are also provided with certain executive perquisites, such as a company car allowance and other benefits in kind, according to competitive market practice in their country of employment. The monetary value of these other elements of compensation is evaluated at fair value and is included in the compensation tables below.

EMPLOYMENT CONTRACTS

The members of Group Management are employed under employment contracts of unlimited duration and are each subject to a notice period of one year. Members of Group Management are not contractually entitled to termination payments or any change of control provisions, other than the early vesting of PSUs mentioned above. Their contract may foresee non-competition provisions that are limited in time to a maximum of two years and which allow compensation up to a maximum of six months.

Compensation awarded to the Board of Directors in 2025 (audited)

This section is audited according to art. 734a-f of the Swiss Code of Obligations.

In 2025, members of the Board of Directors received total compensation of CHF 3.2 million (2024: CHF 3.3 million) in the form of a retainer in cash of CHF 1.4 million (2024: CHF 1.4 million), committee fees in cash of CHF 0.2 million (2024: CHF 0.2 million), social security contributions of CHF 0.1 million (2024: CHF 0.1 million), and RSUs of CHF 1.5 million (2024: CHF 1.6 million). The compensation remained stable compared to the previous year.

COMPENSATION AWARDED TO THE BOARD OF DIRECTORS

	Cash		Value of RSUs[7]				Cash		Value of RSUs[7]			
in CHF	Retainer	Committee fees	Retainer	Committee fees	Social security[8]	Total 2024	Retainer	Committee fees	Retainer	Committee fees	Social security[8]	Total 2025
Thierry F. J. Vanlancker, Board Chair[1, 2]	401,667	16,667	379,368	16,679	7,720	**822,101**	480,000	0	450,117	0	7,517	**937,634**
Paul Hälg, former Board Chair[3]	160,000	0	150,087	0	7,720	**317,808**	n/a	n/a	n/a	n/a	n/a	**n/a**
Thomas Aebischer, AC Chair[4]	93,750	22,500	93,886	22,533	7,720	**240,389**	125,000	30,000	125,088	30,021	7,517	**317,627**
Viktor W. Balli, AC member, SC member	125,000	40,000	125,038	40,012	7,720	**337,771**	125,000	40,000	125,049	40,016	7,517	**337,582**
Lucrèce Foufopoulos-De Ridder, SC Chair[2]	125,000	32,500	125,170	32,544	7,720	**322,934**	125,000	30,000	125,088	30,021	7,517	**317,627**
Justin M. Howell, NCC Chair	125,000	30,000	125,183	30,044	0	**310,227**	125,000	30,000	125,088	30,021	0	**310,110**
Gordana Landén, NCC member[2]	125,000	20,000	125,125	20,020	7,720	**297,866**	125,000	20,000	125,078	20,013	7,517	**297,608**
Kwok Wang (Frankie) Ng, AC member[5]	n/a	n/a	n/a	n/a	n/a	**n/a**	93,750	15,000	93,788	15,006	7,517	**225,062**
Monika Ribar[6]	125,000	22,500	125,167	22,531	7,720	**302,918**	31,250	5,000	31,290	5,006	5,963	**78,510**
Paul Schuler, NCC member, SC member	125,000	30,000	125,036	30,001	7,720	**317,758**	125,000	40,000	125,049	40,016	7,517	**337,582**
Total	**1,405,417**	**214,167**	**1,374,061**	**214,363**	**61,763**	**3,269,771**	**1,355,000**	**210,000**	**1,325,636**	**210,120**	**58,586**	**3,159,341**

AC = Audit Committee, NCC = Nomination and Compensation Committee, SC = Sustainability Committee

1 Board Chair since AGM of March 26, 2024; Board member previously.

2 As legally required, those members are insured in a pension plan that is outsourced and for which they bear the entire cost of coverage.

3 Until AGM of March 26, 2024.

4 Since AGM of March 26, 2024.

5 Since AGM of March 25, 2025.

6 Until AGM of March 25, 2025.

7 Fair market value is defined as the average closing price of the first five trading days in March before the beginning of the year of office.

8 Includes social security contributions to the extent that they result in a benefit entitlement. Additional contributions that do not result in an increase of the benefit entitlement are excluded (additional contributions in the amount of CHF 134,816 in 2025 and CHF 141,091 in 2024 are excluded from the amount disclosed above).

The compensation disclosed in the Compensation Report always includes the respective calendar year (January to December). However, shareholders approve the compensation to be paid for the period between Annual General Meetings. The compensation paid for the periods between the Annual General Meetings is disclosed below, including a comparison with the compensation amount approved by the shareholders.

At the Annual General Meeting on March 25, 2025, the shareholders approved an aggregate maximum compensation amount of CHF 3,400,000 for the Board of Directors for the term of office from the 2025 Annual General Meeting until the 2026 Annual General Meeting. The compensation effectively paid for the portion of this term of office included in this Compensation Report is within the limit approved by the shareholders. A conclusive assessment for the entire period will be included in the Compensation Report 2026.

At the Annual General Meeting on March 26, 2024, the shareholders approved an aggregate maximum compensation amount of CHF 3,400,000 for the Board of Directors for the term of office from the 2024 Annual General Meeting until the 2025 Annual General Meeting. The compensation effectively paid to the Board of Directors for this term was CHF 3,153,905 and is therefore within the approved limits.

In the year under review, no compensation was paid to former members of the Board of Directors. No compensation was paid to parties closely related to members of the Board of Directors.

In accordance with the Articles of Association, loans to members of the Board of Directors are not permitted. Hence, no member of the Board of Directors was granted a loan during the reporting year. No loans were outstanding at the end of the year under review.

Compensation awarded to the CEO and to Group Management in 2025 (audited)

This section is audited according to art. 734a-f of the Swiss Code of Obligations.

For 2025, the members of Group Management received a total compensation of CHF 16.4 million (2024: CHF 19.9 million). This amount comprises fixed salaries of CHF 6.0 million (2024: CHF 5.9 million), short-term bonuses of CHF 3.3 million (2024: CHF 6.9 million), long-term incentives of CHF 4.9 million (2024: CHF 4.9 million), other expenses of CHF 0.4 million (2024: 0.5 million), contributions to social security of CHF 0.1 million (2024: CHF 0.1 million), and post-employment contributions of CHF 1.6 million (2024: CHF 1.5 million).

The highest-paid individual in 2025 was Thomas Hasler, Group CEO.

in CHF thousands (gross)[1]	**CEO 2024**	**Total 2024**[8]	**CEO 2025**	**Total 2025**[9]
Fixed base salary[2]	1,350	5,910	1,390	5,996
Performance bonus (STI) cash[3]	2,025	6,915	941	3,290
Long-term incentive (LTI)[4]	1,744	4,946	1,699	4,937
Other payments[5]	94	459	46	429
Social security[6]	12	143	12	139
Pension contributions[7]	205	1,513	213	1,610
Total	**5,431**	**19,886**	**4,301**	**16,401**

1 All compensation amounts are stated gross.
2 Includes annual base salary and children/family allowances.
3 Estimated performance bonus (STI) for the reporting year that will be paid in March of the following year.
4 Grant value of the LTI in the reporting year. The grant value is based on the Monte Carlo evaluation of the PSU (for the TSR component) and the dividend-discounted share price (for the ROCE and ESG-related components).
5 Includes all other benefits in kind and perquisites at fair value such as service anniversary payments, including cost allowances (tax equalization, housing, schooling, home leave) for international assignees and international transfers.
6 Includes social security contributions to the extent that they result in a pension entitlement. Additional contributions that do not result in an increase of the pension entitlement are excluded (additional contributions excluded from the above amounts in 2025: CHF 816,573, of which CHF 264,133 relates to the CEO; in 2024: CHF 1,054,870, of which CHF 352,006 relates to the CEO).
7 Includes contributions to company-provided pension plans, including the service cost to the pre-retirement plan.
8 On the basis of eight members, all of whom served during the full year in 2024.
9 On the basis of eight members, all of whom served during the full year in 2025.

Explanatory comments to the compensation table:

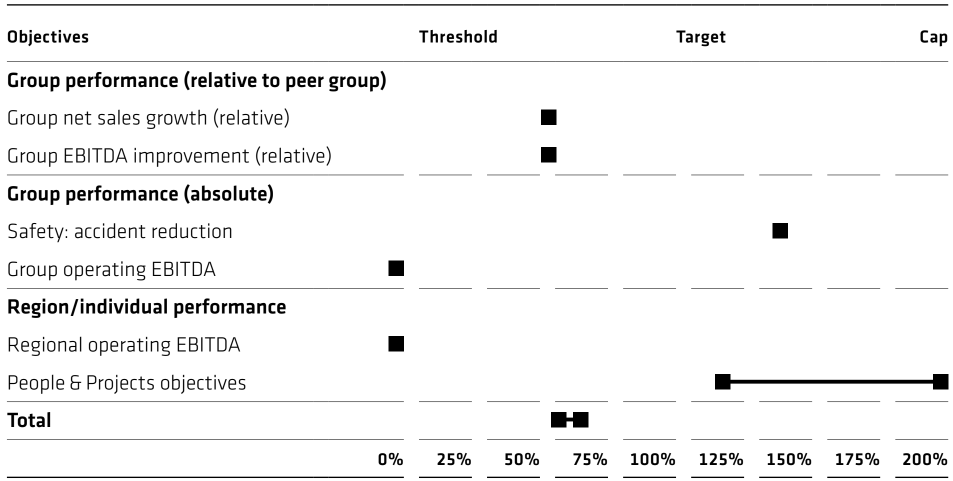
- There were eight members in Group Management in 2025, all of whom served on a full-year basis. This compares to eight members in 2024, of whom all served on a full-year basis.
- The fixed compensation and target variable compensation increased compared to the previous year, which is in line with the company's policy to set target compensation of newly promoted members below the market median at the time of promotion and subsequently increase it to market level over a reasonable period of time. Members of Group Management who have been promoted in recent years received an increase in target compensation, most of which was provided in LTI, in line with this policy.
- The "other" payments decreased slightly compared to the previous year, as the long-service anniversary payments and cost allowances related to international transfers decreased.
- The performance achievement under the performance bonus was lower in 2025 than in 2024. Further details are provided below.
- The grant value of the long-term incentive remained stable compared to the previous year.
- The social security contributions decreased slightly, driven by the overall compensation decrease compared to the previous year.
- The pension contributions increased slightly compared to the previous year, which is driven by the increase of target compensation.
- The variable compensation amounted to 190% of the annual base salary or 159% of the fixed compensation (annual base salary plus contributions to social security and pension, plus other payments) for the CEO, and to 121% of the annual base salary, or 86% of the fixed compensation for the other members of Group Management on average.

The total amount of compensation of CHF 16.4 million awarded to Group Management in 2025 is below the maximum aggregate amount of compensation of CHF 23 million approved by the shareholders at the 2024 Annual General Meeting for the business year 2025.

PERFORMANCE IN 2025 (NOT AUDITED)

In the performance bonus, Sika underperformed the peer companies in terms of net sales growth (ranked sixteenth, payout of 56%), and EBITDA improvement year on year (ranked fourteenth, payout of 56%) (best estimate at the time of publication; the relative performance factors will be calculated by Obermatt based on the annual report publications of the peer companies before the payout date in March 2026). The accident rate reduction was 14.1%, which provides for a payout of 141.0%. Group EBITDA was 9% below previous year, which corresponds to a payout factor of 0%. This compares to a solid year 2024, where Sika outperformed its peers on net sales growth (ranked sixth with a 160% payout) and outperformed the industry average in terms of EBITDA improvement year on year (ranked sixth with a payout of 152%) and with an accident rate reduction of 37% (with a payout of 200%).

Region/individual performance, which is measured by EBITDA and People & Projects objectives, ranges from 40.0% to 66.7%. Consequently, the overall bonus payout percentage ranges from 59.7% to 67.7% for members of Group Management and amounts to 67.7% for the CEO. This compares to a payout range of 132.8% to 150% for Group Management and to a payout of 150% for the CEO for 2024.



In accordance with the LTI 2025–2027, 24,831 PSUs were granted to the members of Group Management. Those PSUs had an overall grant value of CHF 4.9 million and will vest on December 31, 2027, based on relative ROCE performance, and relative TSR performance during 2025–2027, ESG targets (scope 1 and 2 reduction aligned with the Sika net zero roadmap), waste reduction per ton sold and water reduction per ton sold during 2025–2027, and the continuous employment of the participant.

In the LTI that vested in 2025 (LTI 2023–2025), the performance condition of a 26% average ROCE over the vesting period was not achieved: the average three-year ROCE, excluding acquisitions (acquisitions are excluded from the ROCE calculation in the year of acquisition and the two subsequent years), amounts to 21.0%, leading to a payout of 0.0%. Regarding the second performance condition, relative TSR, Sika outperformed 40.0% of the peer companies, leading to a payout of 80.0%. Therefore, the combined vesting level amounts to 40.0%, while the 17,220 units granted to the current members of Group Management have vested into 6,888 shares (17,220 PSUs granted, multiplied by the vesting level of 40.0%), with a vesting value of CHF 1.1 million. The value at vesting is lower than the value at grant due to the vesting level below 100% and the negative development in the share price during the vesting period (2023–2025).

OVERVIEW OF THE OUTSTANDING PSU GRANTS (INCLUDES MEMBERS OF GROUP MANAGEMENT AS OF DECEMBER 31, 2025)

Plan		Grant date (PSU)	Performance period	Vesting date (PSUs)	Number of PSUs granted	Total value at grant (CHF)	Vesting level in % of grant	Number of shares (vesting)	Total value at vesting (CHF)
LTI 2023	Group Mgt (incl. CEO)	01/01/2023	2023–2025	12/31/2025	17,220	3,558,857	40.0%	6,888	1,119,989
	CEO	01/01/2023	2023–2025	12/31/2025	5,236	1,082,124	40.0%	2,094	340,549
LTI 2024	Group Mgt (incl. CEO)	01/01/2024	2024–2026	12/31/2026	21,277	4,946,264	To be determined	To be determined	To be determined
	CEO	01/01/2024	2024–2026	12/31/2026	7,501	1,743,757	To be determined	To be determined	To be determined
LTI 2025	Group Mgt (incl. CEO)	01/01/2025	2025–2027	12/31/2027	24,831	4,936,651	To be determined	To be determined	To be determined
	CEO	01/01/2025	2025–2027	12/31/2027	8,547	1,699,229	To be determined	To be determined	To be determined

In the year under review, no compensation was paid to former members of Group Management. Further, no compensation was paid to parties closely related to members of Group Management.

In accordance with the Articles of Association, loans to members of the Group Management are not permitted. Hence, no member of Group Management was granted a loan during the reporting year. No loans were outstanding at the end of the year under review.

Shareholdings and outstanding RSUs and PSUs of the members of the Board of Directors and Group Management in 2025 (audited)

This section is audited according to art. 734d of the Swiss Code of Obligations.

At the end of 2025, members of the Board of Directors held a total of 113,619 shares of Sika AG (2024: 118,094). At the end of 2025, members of Group Management held a total of 142,092 shares of Sika AG (2024: 131,589). This figure includes both privately acquired shares and those allocated under the Group's compensation schemes. Furthermore, at the end of 2025, members of the Board of Directors held a total of 6,595 RSUs (2024: 5,968). At the end of 2025, members of Group Management held a total of 63,328 PSUs at target (2024: 49,053).

Participation	2024		2025	
Board of Directors	**Total number of shares**	**Total number of RSUs**	**Total number of shares**	**Total number of RSUs**
Thierry F. J. Vanlancker, Board Chair	4,519	1,749	6,268	1,933
Thomas Aebischer, AC Chair	0	603	603	666
Viktor W. Balli, AC member, SC member	3,289	641	3,930	709
Lucrèce Foufopoulos-De Ridder, SC Chair	1,163	603	1,766	666
Justin M. Howell, NCC Chair	3,569	603	4,172	666
Gordana Landén, NCC member	1,292	564	1,856	623
Kwok Wang (Frankie) Ng, AC member	n/a	n/a	0	623
Monika Ribar, former Board member	9,879	564	n/a	n/a
Paul Schuler, NCC member, SC member	94,383	641	95,024	709
Total	**118,094**	**5,968**	**113,619**	**6,595**

Participation	2024		2025	
Group Management	**Total number of shares**	**Total number of PSUs (at target)[1]**	**Total number of shares**	**Total number of PSUs (at target)[2]**
Thomas Hasler, Chief Executive Officer	38,294	15,889	43,138	21,284
Mike Campion, Regional Manager Americas	12,599	4,227	13,273	5,502
Christoph Ganz, Regional Manager EMEA	23,046	5,135	23,882	6,661
Patricia Heidtman, Chief Innovation and Sustainability Officer	891	3,360	1,402	4,469
Philippe Jost, Regional Manager Asia/Pacific	5,828	3,970	6,481	5,229
Raffaella Marzi, Head Human Resources, Legal & Compliance	2,658	3,443	3,169	4,552
Ivo Schädler, Head Construction	12,000	4,246	14,195	4,972
Adrian Widmer, Chief Financial Officer	36,273	8,783	36,552	10,659
Total	**131,589**	**49,053**	**142,092**	**63,328**

1 Outstanding units at target from the LTI 2022–2024, LTI 2023–2025, and LTI 2024–2026.
2 Outstanding units at target from the LTI 2023–2025, LTI 2024–2026, and LTI 2025–2027.

EQUITY OVERHANG AND DILUTION AS OF DECEMBER 31, 2025
In total as of December 31, 2025, the equity overhang, defined as the total number of share units and blocked shares outstanding divided by the total number of outstanding shares (160,479,293 registered shares), amounts to 258,592 units, or 0.16%.

The company's "burn rate", defined as the number of equities (shares and share units) granted in 2025 (109,931 units) divided by the total number of outstanding shares, is 0.07%.

KPMG

Report of the statutory auditor

To the General Meeting of Sika AG, Baar

Report on the Audit of the Compensation Report

Opinion
We have audited the Compensation Report of Sika AG (the Company) for the year ended 2025. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the sections “External Mandates”, “Compensation awarded to the Board of Directors in 2025”, “Compensation awarded to the CEO and to Group Management 2025” and “Shareholdings and outstanding RSUs and PSUs of the members of the Board of Directors and Group Management in 2025” on pages 201 to 213 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, and we have 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 audited sections 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.

KPMG

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 Remuneration 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 Remuneration Report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration 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

Toni Wattenhofer Licensed Audit Expert Auditor in Charge	Anna Pohle Licensed Audit Expert

Zug, 17 February 2026

FINANCIAL REPORT

NET PROFIT

1,045.3

OPERATING FREE CASH FLOW IN CHF MILLION

1,356.1

CONTENT

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT
for the year ended December 31

in CHF mn	Notes	%	2024	%	2025	Change in %
Net sales	1, 2	**100.0**	**11,763.1**	**100.0**	**11,201.3**	**−4.8**
Material expenses	3	−45.5	−5,347.1	−45.1	−5,047.7	
Gross result		**54.5**	**6,416.0**	**54.9**	**6,153.6**	**−4.1**
Personnel expenses	4	−18.2	−2,143.6	−19.5	−2,179.1	
Other operating expenses	5	−17.0	−2,002.9	−17.0	−1,909.8	
Operating profit before depreciation (EBITDA)	2	**19.3**	**2,269.5**	**18.4**	**2,064.7**	**−9.0**
Depreciation and amortization expenses	2, 14, 15	−4.7	−555.6	−4.8	−541.7	
Impairment	2, 14, 15	0.0	0.0	−0.3	−29.8	
Operating profit (EBIT)		**14.6**	**1,713.9**	**13.3**	**1,493.2**	**−12.9**
Interest income	7	0.2	26.6	0.2	17.3	
Interest expenses	6	−1.6	−185.9	−1.4	−157.9	
Other financial income		0.1	7.3	0.1	10.6	
Other financial expenses	6	0.0	−2.5	−0.1	−7.5	
Income from associated companies	16	0.0	3.6	0.0	0.0	
Profit before taxes		**13.3**	**1,563.0**	**12.1**	**1,355.7**	**−13.3**
Income taxes	8	−2.7	−315.4	−2.8	−310.4	
Net profit		**10.6**	**1,247.6**	**9.3**	**1,045.3**	**−16.2**

in CHF mn	Notes	%	2024	%	2025	Change in %
Net profit		**10.6**	**1,247.6**	**9.3**	**1,045.3**	**−16.2**
Profit attributable to Sika shareholders		10.6	1,245.5	9.3	1,044.0	
Profit attributable to non-controlling interests	23	0.0	2.1	0.0	1.3	
Basic earnings per share (in CHF)	9		7.76		6.51	−16.1
Diluted earnings per share (in CHF)	9		7.76		6.50	−16.2

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended December 31

in CHF mn	Notes	%	2024	%	2025	Change in %
Net profit		**10.6**	**1,247.6**	**9.3**	**1,045.3**	**–16.2**
Remeasurements of defined benefit plans	21	–0.1	–10.7	0.6	74.8	
Income tax effect	8	0.0	1.4	–0.1	–16.1	
Items that will not be reclassified to profit or loss		**–0.1**	**–9.3**	**0.5**	**58.7**	
Exchange differences taken to equity		2.7	320.6	–8.5	–955.8	
Income tax effect	8	–0.1	–6.8	0.1	12.0	
Items that may be reclassified subsequently to profit or loss		**2.6**	**313.8**	**–8.4**	**–943.8**	
Other comprehensive income		**2.6**	**304.5**	**–7.9**	**–885.1**	
Comprehensive income		**13.2**	**1,552.1**	**1.4**	**160.2**	**–89.7**
Attributable to Sika shareholders		13.2	1,549.3	1.4	159.4	
Attributable to non-controlling interests	23	0.0	2.8	0.0	0.8	

CONSOLIDATED BALANCE SHEET
as at December 31

in CHF mn	Notes	2024	2025
Cash and cash equivalents	10, 25	707.5	801.8
Accounts receivable	11, 25	2,175.0	2,012.3
Inventories	12	1,348.9	1,237.5
Prepaid expenses and accrued income[1]		122.2	121.2
Current income tax assets[1]	8	151.3	174.6
Other assets	13, 25	55.9	63.8
Current assets		**4,560.8**	**4,411.2**
Property, plant, and equipment	14	2,458.5	2,443.8
Intangible assets and goodwill	15	8,619.7	7,934.1
Investments in associated companies	16	24.1	2.9
Deferred tax assets	8	150.7	135.9
Other assets	13, 25	164.5	220.4
Non-current assets		**11,417.5**	**10,737.1**
Assets		**15,978.3**	**15,148.3**

in CHF mn	Notes	2024	2025
Accounts payable	17, 25	1,212.3	1,176.4
Accrued expenses and deferred income	18	624.3	560.7
Financial liabilities	19, 25	337.4	1,417.5
Current income tax liabilities	8	368.8	317.2
Provisions	20	44.5	55.4
Current liabilities		**2,587.3**	**3,527.2**
Financial liabilities	19, 25	5,424.8	4,131.7
Provisions	20	183.1	141.7
Deferred tax liabilities	8	338.1	311.8
Employee benefit obligations	21	357.2	331.3
Other liabilities	22	41.0	37.9
Non-current liabilities		**6,344.2**	**4,954.4**
Liabilities		**8,931.5**	**8,481.6**
Capital stock	23	1.6	1.6
Treasury shares	23	–8.8	–7.5
Reserves	23	7,040.0	6,662.3
Equity attributable to Sika shareholders	23	**7,032.8**	**6,656.4**
Non-controlling interests	23	14.0	10.3
Shareholders' equity	23	**7,046.8**	**6,666.7**
Liabilities and shareholders' equity		**15,978.3**	**15,148.3**

1 See Accounting policies for information on the change in presentation.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in CHF mn	Capital stock	Capital surplus	Treasury shares	Currency translation differences	Retained earnings	Equity attributable to Sika shareholders	Non-controlling interests	Total equity
January 1, 2024	**1.6**	**3,143.0**	**–11.9**	**–2,038.4**	**4,826.1**	**5,920.4**	**12.8**	**5,933.2**
Net profit					1,245.5	1,245.5	2.1	1,247.6
Other comprehensive income				313.1	–9.3	303.8	0.7	304.5
Comprehensive income	**0.0**	**0.0**	**0.0**	**313.1**	**1,236.2**	**1,549.3**	**2.8**	**1,552.1**
Transactions with treasury shares			3.1		–8.7	–5.6		–5.6
Share-based payments					10.5	10.5		10.5
Dividends[1]					–264.7	–264.7	–1.6	–266.3
Repayment of reserves from capital contribution[1]		–264.7				–264.7		–264.7
Inflation adjustment[2]					87.6	87.6		87.6
December 31, 2024	**1.6**	**2,878.3**	**–8.8**	**–1,725.3**	**5,887.0**	**7,032.8**	**14.0**	**7,046.8**
January 1, 2025	**1.6**	**2,878.3**	**–8.8**	**–1,725.3**	**5,887.0**	**7,032.8**	**14.0**	**7,046.8**
Net profit					1,044.0	1,044.0	1.3	1,045.3
Other comprehensive income				–943.3	58.7	–884.6	–0.5	–885.1
Comprehensive income	**0.0**	**0.0**	**0.0**	**–943.3**	**1,102.7**	**159.4**	**0.8**	**160.2**
Transactions with treasury shares			1.3		–9.2	–7.9		–7.9
Share-based payments					8.9	8.9		8.9
Dividends[3]					–288.8	–288.8	–1.8	–290.6
Repayment of reserves from capital contribution[3]		–288.8				–288.8		–288.8
Buyout of existing non-controlling interests					–1.0	–1.0	–2.7	–3.7
Inflation adjustment[2]					41.8	41.8		41.8
December 31, 2025	**1.6**	**2,589.5**	**–7.5**	**–2,668.6**	**6,741.4**	**6,656.4**	**10.3**	**6,666.7**

1 Payout per share CHF 3.30, CHF 1.65 gross dividend, CHF 1.65 repayment of reserves from capital contribution.
2 Hyperinflation accounting relates to the subsidiaries in Argentina and Turkey.
3 Payout per share CHF 3.60, CHF 1.80 gross dividend, CHF 1.80 repayment of reserves from capital contribution.

CONSOLIDATED STATEMENT OF CASH FLOWS

in CHF mn	Notes	2024	2025
Profit before taxes		1,563.0	1,355.7
Depreciation, amortization, and impairment expenses	14, 15	555.6	571.5
Increase (+)/decrease (–) in provisions/ employee benefit obligations and assets		–13.8	–17.1
Increase (–)/decrease (+) in net working capital and accruals		–162.8	66.7
Net interest expenses		159.3	140.6
Non-liquidity-related financial expenses (+)/income (–) as well as cash flow from hedging transactions		7.7	–7.7
Other adjustments	24	31.3	5.7
Income taxes paid		–397.5	–407.5
Cash flow from operating activities		**1,742.8**	**1,707.9**
Property, plant, and equipment: capital expenditures	14, 24	–331.1	–348.1
Property, plant, and equipment: disposals	14, 24	18.9	23.1
Intangible assets: capital expenditures	15, 24	–27.9	–27.3
Intangible assets: disposals	15, 24	0.2	0.5
Acquisitions less cash and cash equivalents		–256.9	–199.6
Acquisitions (–)/disposals (+) of financial assets		–8.3	–0.5
Interest received		24.4	17.3
Cash flow from investing activities		**–580.7**	**–534.6**

in CHF mn	Notes	2024	2025
Increase in financial liabilities	19	1,865.6	864.2
Repayment of financial liabilities	19	–1,460.5	–1,937.0
Repayment of lease liabilities	19	–134.5	–141.6
Repayment of bonds	19	–1,021.4	–200.0
Issue of bonds	19	399.6	1,098.6
Interest paid		–143.4	–132.0
Purchase of treasury shares		–41.4	–8.2
Sale of treasury shares		34.7	0.0
Dividend payment to shareholders of Sika AG		–264.7	–288.8
Repayment of reserves from capital contribution		–264.7	–288.8
Dividend payment to non-controlling interests		–1.6	–1.8
Buyout of existing non-controlling interests[1]		–51.6	–3.7
Cash flow from financing activities		**–1,083.9**	**–1,039.1**
Exchange differences on cash and cash equivalents		**–14.6**	**–39.9**
Net change in cash and cash equivalents		**63.6**	**94.3**
Cash and cash equivalents at the beginning of the year	10	643.9	707.5
Cash and cash equivalents at the end of the year	10	707.5	801.8

1 The buyout amounting to CHF 51.6 million was completed in 2023, with the related cash consideration settled in 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

PRINCIPLES OF CONSOLIDATION AND VALUATION

Corporate Information

Sika is a specialty chemicals company active in the development and production of systems and products for bonding, sealing, damping, reinforcing, and protecting in the building sector and the motor vehicle industry.

Accounting policies

BASIS OF PREPARATION

The financial statements of Sika have been prepared in conformity with the provisions of the International Accounting Standards Board (IASB). All standards (IAS/IFRS) and interpretations (IFRIC/SIC) applicable as of December 31, 2025, were considered. The consolidated financial statements have been prepared according to the going-concern principle. Generally, assets and liabilities are valued at historical cost except for financial assets and liabilities (including derivative instruments) at fair value through profit and loss and the defined benefit liability, which is measured at the present value of the defined benefit obligation less the fair value of plan assets.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed on p.225 of this report.

CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The accounting standards applied correspond to those valid in the previous year, with the exception of the following revised and new standards, which Sika has implemented as of January 1, 2025. The application of these standards did not have any material impact on the consolidated financial statements of the Group:

- Amendments to IAS 21 – Lack of Exchangeability

A number of new standards and amendments to standards and interpretations are effective for the financial year 2026 and later and have not been applied in preparing these consolidated financial statements. Their assessment is still ongoing. Based on analysis to date their application is not expected to have a material impact on the Group's results and financial position.

- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (applicable as of January 1, 2026)
- Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity (applicable as of January 1, 2026)
- Annual improvements (Volume 11) – Amendments to various IFRS standards with the primary goal to improve the clarity and internal consistency (applicable as of January 1, 2026)
- New standard IFRS 18 – Presentation and Disclosure in Financial Statements (applicable as of January 1, 2027) IFRS 18 replaces IAS 1 Presentation of Financial Statements. This standard sets out new requirements for the presentation and disclosure of information, but it will not affect the recognition or measurement of items in the financial statements. It will be required to classify income and expenses in the following five categories: operating, investing, financing, discontinued operations and income tax. It is required to present the new subtotal "profit or loss before financing and income taxes". Companies are required to start the cash flow statement from the operating profit subtotal when presenting cash flows from operating activities using the indirect method. The new standard establishes the term Management Performance Measures (MPMs) and sets out the related disclosure requirements. The standard is required to be applied retrospectively. Sika is currently assessing the impact of adopting IFRS 18.

New standards and interpretations are usually applied on the applicable date. However, the options for early adoption are considered individually.

To enhance transparency Sika has added the balance sheet line item Current income tax assets. The amounts presented were previously included in Prepaid expenses and accrued income. As at January 1, 2024, current income tax assets amounted to CHF 123.2 million.

Consolidation method

BASIS

The consolidated financial statements are based on the balance sheets and income statements of Sika AG, Baar (Switzerland) and its subsidiaries as of December 31, 2025, prepared in accordance with uniform standards.

SUBSIDIARIES

Companies controlled by Sika are fully consolidated. The consolidation includes 100% of their assets and liabilities as well as expenses and income; non-controlling interests in shareholders' equity and net income for the year are excluded and shown separately as part of non-controlling interests.

ASSOCIATED COMPANIES

The equity method is applied to account for investments ranging from 20% to 50%, if Sika exercises significant influence. The investments are included in the balance sheet under "Investments in associated companies" based on the Group's percentage share in net assets including goodwill; in the income statement, the Group's share in the net income for the year is disclosed in "Income from associated companies".

BUSINESS COMBINATIONS AND GOODWILL

Business combinations are accounted for using the acquisition method. The cost of an acquisition is the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interests in the acquired company. For each business combination, the acquirer measures the non-controlling interests in the acquired company either at fair value or at the proportionate share of the acquired company's identifiable net assets. Acquisition-related costs are expensed as incurred.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value on the acquisition date. Subsequent changes to the fair value of the contingent consideration will be recognized in the income statement. A contingent consideration classified as equity is not revalued, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the non-controlling interest over the identifiable net assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit and loss.

Goodwill is subject to an annual impairment test. Impairments are recognized in the income statement. The impairment is not reversed later.

When subsidiaries are sold, the difference between the selling price and the net assets including goodwill plus cumulative translation differences is recognized in the consolidated financial statements as an operating result. The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of takeover of control or up to the effective date of loss of control.

Conversion of foreign currencies

Foreign currency transactions are translated into the functional (local) currency at the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities in a foreign currency are translated into the functional currency at every balance sheet date by applying exchange rates valid at the balance sheet date. The resulting exchange rate differences are recognized in the income statement. The exception is that exchange differences arising on monetary items that form part of the net investment in a foreign operation (so-called equity-like loans) are recognized in other comprehensive income and are only recognized as profit or loss when control of the net investment is lost.

The financial statements of the foreign subsidiaries are translated into Swiss francs, with balance sheet positions translated using year-end rates and income statement positions translated at average rates. The effects from the translation of the functional currency into Swiss francs are recognized in other comprehensive income.

For subsidiaries operating in hyperinflationary economies, namely Argentina and Turkey, the annual financial statements are restated to the measuring unit current at the end of the reporting period by applying the relevant price indices. As a consequence of this restatement to year-end purchasing power, income statement positions are translated using year-end exchange rates instead of average rates.

The rates listed below were applied:

Country	Currency	Quantity	2024 Balance sheet[1] CHF	2024 Income statement[2] CHF	2025 Balance sheet[1] CHF	2025 Income statement[2] CHF
Argentina	ARS	100	0.0879	0.0879	0.0545	0.0545
Australia	AUD	1	0.5612	0.5808	0.5298	0.5349
Brazil	BRL	100	14.6500	16.3400	14.4700	14.8700
Canada	CAD	1	0.6296	0.6425	0.5789	0.5938
Chile	CLP	10,000	9.1000	9.3300	8.8000	8.7200
China	CNY	100	12.4100	12.2300	11.3200	11.5400
Colombia	COP	10,000	2.0561	2.1597	2.1000	2.0477
Czech Republic	CZK	100	3.7371	3.7907	3.8429	3.7948
Egypt	EGP	100	1.7800	1.9500	1.6600	1.6900
Eurozone	EUR	1	0.9412	0.9526	0.9314	0.9372
Great Britain	GBP	1	1.1351	1.1248	1.0674	1.0940
India	INR	100	1.0583	1.0514	0.8820	0.9523
Indonesia	IDR	100,000	5.5950	5.5510	4.7420	5.0370
Japan	JPY	100	0.5772	0.5814	0.5059	0.5552
Mexico	MXN	100	4.3674	4.7987	4.4105	4.3223
Peru	PEN	100	24.1000	23.4300	23.5700	23.2700
Poland	PLN	100	22.0200	22.1100	22.0700	22.1000
Romania	RON	1	0.1892	0.1914	0.1827	0.1859
Saudi Arabia	SAR	1	0.2416	0.2345	0.2114	0.2213
Thailand	THB	100	2.6382	2.4943	2.5026	2.5243
Turkey	TRY	100	2.5600	2.5600	1.8400	1.8400
UAE	AED	100	24.6700	23.9500	21.5800	22.6000
USA	USD	1	0.9060	0.8800	0.7927	0.8319

1 Year-end rates.
2 Average rates.

Significant accounting estimates

Explanations of the key assumptions concerning forward-looking elements and other estimation uncertainties are provided below. These include the risk that a material adjustment to the carrying amounts of assets and liabilities may become necessary within the next financial year.

IMPAIRMENT OF GOODWILL

The Group tests for impairment at least annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts of cash-generating units or groups of cash-generating units are determined based on value-in-use calculations. These calculations require the use of estimates such as expected future cash flows and discount rates.

FAIR VALUE MEASUREMENT RELATING TO ACQUISITION ACCOUNTING

In connection with acquisitions, all assets, liabilities, and contingent liabilities are valued at fair value. Newly identified assets and liabilities are also recognized in the balance sheet. Fair value is determined in part based on assumptions regarding factors that are subject to a degree of uncertainty, such as interest rates and sales.

TRADEMARKS AND CUSTOMER RELATIONS

Trademarks and customer relations are amortized over their estimated useful life. The estimated useful life is based on estimates of the time period during which this intangible asset generates cash flows. Calculation of the present value of estimated future cash flows includes significant assumptions, particularly in respect of future sales. Additionally, discounting is also based on assumptions and estimations concerning business-specific capital costs, which are themselves dependent on country risks, credit risks, and additional risks resulting from the volatility of the respective business.

DEFERRED TAX ASSETS

Deferred tax assets resulting from the carryforward of unrealized tax losses or timing differences are recognized to the extent that a realization of the corresponding tax advantage is probable. Assessing the probability of realizing the tax benefit requires assumptions based on planning data.

EMPLOYEE BENEFIT OBLIGATIONS

The Group maintains various employee benefit plans. Several statistical analyses and other variables are used in the calculation of expenses and liabilities to estimate future developments. These variables include estimations and assumptions concerning the discount rate established by management within certain guidelines. In addition, actuaries employ statistical information for the actuarial calculation of benefit liabilities such as withdrawal or death probabilities, which can deviate significantly from actual results due to changes in market conditions, the economic situation, as well as fluctuating rates of withdrawal and shorter or longer life expectancy of benefit plan participants.

PROVISIONS

The calculation of provisions requires assumptions regarding the probability, size, occurrence, and timing of a cash outflow. As long as an outflow of resources is probable and a reliable estimation is possible, a provision is recognized.

Scope of Consolidation and Acquisitions

The consolidated financial statements of the Group comprise the financial statements of Sika AG, Zugerstrasse 50, 6340 Baar (Switzerland) as well as its subsidiaries (see list starting on p.256 et seq. of this report) and associated companies (see note 16). In the year under review, the scope of consolidation was expanded to include the acquired companies (see the next pages).

The scope of consolidation was reduced to exclude the following companies:
- Sika MBCC Pakistan (Private) Limited, Karachi (Pakistan) was merged into Sika Pakistan (Pvt.) Limited, Lahore (Pakistan).
- United Gilsonite Laboratories, Inc., Dunmore/PA (USA), HPS North America Inc., Florence (USA), Sika MBCC US LLC, Lyndhurst/NJ (USA), Colorbiotics, LLC, Lyndhurst/NJ (USA), and Sika MBCC Holdings US, Inc., Lyndhurst/NJ (USA) were merged into Sika Corporation, Lyndhurst/NJ (USA).
- Sika MBCC Brasil Industria e Comercio de Quimicos para Construcao Ltda., São Paulo (Eb) (Brazil) was merged into Sika S/A, Osasco (Brazil).
- Sika MBCC Chile Limitada, Pudahuel (Chile) was merged into Sika S.A. Chile, Santiago de Chile (Chile).
- Sika Construction Chemicals for Manufacturing LLC, Dhahran (Saudi Arabia) was merged into Sika Saudi Arabia Limited (A Single Shareholder LLC), Jeddah (Saudi Arabia).
- Sika MBCC Slovakia spol. s r.o., Zilina (Slovakia) was merged into Sika Slovensko, spol.s r.o., Bratislava (Slovakia).
- MBCC France S.A.S, Courcouronnes (France) was merged into Sika France SAS, Paris (France).
- Sika MBCC Belgium NV, Ham (Belgium) was merged into Sika Belgium NV, Nazareth (Belgium).
- Sika MBCC India Private Limited, Navi Mumbai (India) was merged into Sika India Private Ltd., Mumbai (India).
- Sika MBCC CZ s.r.o., Chrudim (Czech Republic) was merged into Sika CZ s.r.o., Brno (Czech Republic).
- TPH Bausysteme GmbH, Norderstedt (Germany) was merged into Sika Deutschland CH AG & Co KG, Stuttgart (Germany).

ACQUISITIONS IN 2024

In 2024, Sika acquired Kwik Bond Polymers, LLC, USA, Vinaldom S.A.S., Dominican Republic, as well as Chema Group, Peru. The purchase price and purchase price allocation (PPA) of Kwik Bond Polymers and Vinaldom remained unchanged and are now final. Minor adjustments were applied to the Chema PPA, leading to corresponding changes in the comparative period's closing balance. The PPA of Chema is now finalized.

ACQUIRED NET ASSETS AT FAIR VALUES

in CHF mn	Chema	Other[2]
Cash and cash equivalents	1.2	1.8
Accounts receivable	14.4	7.0
Inventories	3.8	7.2
Prepaid expenses and accrued income	3.1	0.4
Property, plant, and equipment	23.4	0.9
Right-of-use assets	0.2	1.9
Intangible assets	46.7	79.8
Other assets[1]	1.5	0.1
Total assets	**94.3**	**99.1**
Accounts payable	18.8	3.5
Accrued expenses and deferred income[2]	2.6	11.0
Financial liabilities	0.1	1.9
Income tax liabilities[1]	1.7	1.6
Provisions[1]	0.8	2.8
Deferred tax liabilities[1]	14.8	0.9
Total liabilities	**38.8**	**21.7**
Net assets	**55.5**	**77.4**
Goodwill[1]	86.9	47.3
Total purchase price	**142.4**	**124.7**

1 Adjusted due to PPA revision Chema.
2 Kwik Bond Polymers and Vinaldom.

ACQUISITIONS IN 2025

In 2025, Sika acquired the following companies.

Company	Region	Type of transaction	Stake in %	Closing date
Elmich Pte Ltd, Singapore	Asia/Pacific	Share deal	100.0	01/31/2025
Cromar Building Products Limited, United Kingdom	EMEA	Share deal	100.0	02/28/2025
HPS North America, Inc., USA	Americas	Share deal	100.0	02/28/2025
Gulf Additive Factory WLL, Qatar	EMEA	Share deal	100.0	06/26/2025
Marlon Tørmørtel A/S, Denmark	EMEA	Share deal	100.0	09/30/2025
Awazil AlKhaleej Industrial Company LLC (“Gulf Seal”), Saudi Arabia	EMEA	Share deal	100.0	11/18/2025

On January 31, 2025, Sika acquired 100% of the shares of Elmich Pte Ltd, Singapore, a supplier of urban greening systems headquartered in Singapore. Elmich’s products are highly regarded by specifiers and its solutions have been used in many iconic buildings in Singapore and Australia. The acquisition complements Sika’s roofing portfolio in the region and strengthens its specification business for commercial and residential projects.

On February 28, 2025, Sika acquired 100% of the shares of Cromar Building Products Limited, a well-established supplier of roofing systems in the UK, mainly serving its customers through the distribution channel. The acquisition opens up significant cross-selling potential and will support Sika’s further expansion in the UK roofing sector.

On February 28, 2025, Sika acquired the remaining 51% stake of HPS North America, Inc., a successful supplier of building finishing materials. Since 2019, Sika has held a non-controlling equity interest in the company. HPS distributes Schönox branded products, manufactured by Sika Germany, in the US market. Fully integrating this business into Sika USA will create a strong platform for further expansion in the building finishing segment and lead to significant efficiency gains. The acquisition date fair value of the equity interest in HPS was CHF 21.5 million. A gain of CHF 3.3 million was recognized under other operating expenses as a result of remeasuring the equity interest in HPS held before the acquisition.

On June 26, 2025, Sika acquired 100% of the shares of Gulf Additive Factory LLC (GAF) in the state of Qatar. The company manufactures a wide range of construction chemical products and has a strong position in the fast-growing Qatar construction market. The acquisition strengthens Sika’s foothold in the country and provides opportunities for further expansion.

On September 30, 2025, Sika acquired 100% of the shares of Marlon Tørmørtel A/S, Denmark, a mortar manufacturer with a strong product portfolio and excellent customer service. The acquisition creates a growth platform for Sika in the Nordics, providing opportunities for further market expansion and cross-selling with Sika’s complementary solutions.

On November 18, 2025, Sika acquired 100% of the shares of Awazil AlKhaleej Industrial Company LLC (“Gulf Seal”), a leading manufacturer of bituminous waterproofing membranes based in Riyadh, Saudi Arabia. The acquisition will significantly strengthen Sika’s position in the fast-growing Saudi and GCC construction markets and expand its product offering in the region.

Since the purchase, the acquired entities have contributed sales of CHF 77.3 million. The profit was not material. Accounts receivable had a gross value of CHF 33.8 million; CHF 2.6 million was expected to be uncollectible at the date of acquisition.

ACQUIRED NET ASSETS AT FAIR VALUES

in CHF mn	Combined[1]
Cash and cash equivalents	18.4
Accounts receivable	31.2
Inventories	16.9
Prepaid expenses and accrued income	2.0
Property, plant, and equipment	25.3
Right-of-use assets	1.7
Intangible assets	68.9
Deferred tax assets	0.3
Total assets	**164.7**
Accounts payable	9.1
Accrued expenses and deferred income	4.3
Financial liabilities	5.1
Income tax liabilities	1.5
Provisions	2.3
Employee benefit obligation	0.9
Deferred tax liabilities	12.3
Total liabilities	**35.5**
Net assets	**129.2**
Goodwill	112.3
Fair value of initial investment	–21.5
Total purchase price	**220.0**
Cash in acquired assets	–18.4
Payments still due	–2.0
Net cash outflow	**199.6**

1 Elmich, Cromar, HPS, GAF, Marlon, and Gulf Seal.

If the acquisitions had occurred on January 1, 2025, consolidated pro forma net sales would have been CHF 11,259.2 million (+CHF 57.9 million), the pro forma net profit CHF 1,047.5 million (+CHF 2.2 million). The amounts have been calculated using the results of the acquired entities and adjusted for differences in the accounting policies and the additional depreciation and amortization that would have been charged assuming the fair value adjustments to property, plant, and equipment and intangible assets had applied from January 1, 2025.

Since the purchase prices and the purchase price allocations for all acquisitions still entail some uncertainty all positions except for “Cash and cash equivalents” are provisional. Product synergies as well as combined distribution channels and product portfolios justify the goodwill recognized. Goodwill is tax-deductible in the amount of CHF 7.0 million.

The directly attributable transaction costs of all acquisitions amounted to CHF 2.4 million in 2025 and were charged to other operating expenses.

SUPPORTING INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Net sales CHF 11,201.3 mn (CHF 11,763.1 mn)

Sika sells systems and products for bonding, sealing, damping, reinforcing, and protecting in the building sector and the motor vehicle industry. Sales are recognized when control of the products has been transferred to the customer, i.e., when the products have been physically transferred to the buyer and there is a right to receive payment. Revenue is recognized in the amount of the consideration expected to be received by Sika in exchange for these goods or services. A receivable from the buyer is recognized upon sale. The receivables do not bear interest and are generally due within 30 to 90 days. All proceeds from the sale of goods and services are recorded at sales prices less discounts granted.

In some cases, Sika grants retrospective volume discounts based on aggregate sales over a twelve-month period. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated volume discounts. A refund liability (included in accrued expenses and deferred income) is recognized for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

Extended warranty contracts are sold for certain products on installed roofing systems. Revenue for separately priced extended warranties is deferred and recognized on a straight-line basis over the extended warranty period. The average warranty period is twelve (eleven) years. In 2025, revenues of CHF 5.6 million (CHF 3.4 million) were recognized. The deferred revenue positions are included in accrued expenses and deferred income (see note 18) as well as in other liabilities (see note 22).

Contract revenue and contract costs are recognized in accordance with the stage of completion. An expected loss is recognized as an expense immediately.

2. Segment reporting

Sika conducts its worldwide activities according to geographical regions. Heads of the segments are members of Group Management. Group Management is the highest executive body that measures the success of the operating segments and allocates resources. The key measure of profit by which the segments are directed is operating profit before depreciation (EBITDA), which is consistent with the corresponding line in the consolidated income statement.

Financing (including financial expenses and income) and income taxes are managed on a Group-wide basis and are not allocated to the individual segments. The composition of the segments is shown on p.36 of the download version of this report.

“Corporate Services” includes expenses for Group headquarters, and income from services provided to Group companies.

NET SALES

in CHF mn	2024 With third parties	2024 With other segments	2024 Total	2025 With third parties	2025 With other segments	2025 Total
EMEA	5,095.2	172.0	5,267.2	5,028.9	165.1	5,194.0
Americas	4,096.9	5.6	4,102.5	3,878.8	5.0	3,883.8
Asia/Pacific	2,571.0	33.6	2,604.6	2,293.6	25.4	2,319.0
Eliminations		–211.2	–211.2		–195.5	–195.5
Net sales	**11,763.1**	**–**	**11,763.1**	**11,201.3**	**–**	**11,201.3**
Products for construction industry			10,061.7			9,555.0
Products for industrial manufacturing			1,701.4			1,646.3

Sika's products for the construction industry include admixtures and additives for use in concrete, cement, and mortar production, waterproofing systems, roof waterproofing, flooring solutions, sealants, adhesive tapes, assembly foams and elastic adhesives for facade construction, interior and infrastructure construction, as well as concrete protection and repair solutions.

Products for industrial manufacturing are sold to manufacturers and service providers in automotive OEM, commercial vehicles, automotive aftermarket, marine vessels, renewable energy, sandwich panels, industrial equipment, HVAC, home and commercial appliances, modular building, facades, and fenestration.

CHANGES IN NET SALES/CURRENCY IMPACT

in CHF mn	2024	2025	Change compared to prior year (in %) In Swiss francs	In local currencies	Currency impact
By region					
EMEA	5,095.2	5,028.9	–1.3	2.2	–3.5
Americas	4,096.9	3,878.8	–5.3	2.2	–7.5
Asia/Pacific	2,571.0	2,293.6	–10.8	–5.3	–5.5
Net sales	**11,763.1**	**11,201.3**	**–4.8**	**0.6**	**–5.4**
Products for construction industry	10,061.7	9,555.0	–5.0	0.5	–5.5
Products for industrial manufacturing	1,701.4	1,646.3	–3.2	1.4	–4.6

EBITDA

in CHF mn	2024	2025	Change compared to prior year	(in %)
By region				
EMEA	990.8	950.0	–40.8	–4.1
Americas	906.9	849.8	–57.1	–6.3
Asia/Pacific	538.0	410.0	–128.0	–23.8
Corporate Services	–166.2	–145.1	21.1	n.a.
EBITDA	**2,269.5**	**2,064.7**	**–204.8**	**–9.0**

OTHER DISCLOSURES

in CHF mn	2024 Depreciation/ amortization/ impairment	2024 Capital expenditures	2025 Depreciation/ amortization/ impairment	2025 Capital expenditures
EMEA	213.4	108.4	222.0	114.8
Americas	165.1	139.7	179.8	142.0
Asia/Pacific	115.9	87.7	117.9	96.3
Corporate Services	61.2	23.2	51.8	22.3
Total	**555.6**	**359.0**	**571.5**	**375.4**

The following countries had a share of greater than 10% of at least one of the Group's key figures. Switzerland is listed as the country of domicile of Sika.

in CHF mn	Net sales 2024	%	Net sales 2025	%	Non-current assets[1] 2024	%	Non-current assets[1] 2025	%
USA	2,664.4	22.7	2,531.2	22.6	3,131.7	28.2	2,811.6	27.1
China	1,226.7	10.4	993.7	8.9	1,567.7	14.1	1,248.8	12.0
Switzerland	388.1	3.3	366.8	3.3	872.2	7.9	821.0	7.9
All other	7,483.9	63.6	7,309.6	65.2	5,531.1	49.8	5,499.4	53.0
Total	**11,763.1**	**100.0**	**11,201.3**	**100.0**	**11,102.7**	**100.0**	**10,380.8**	**100.0**

1 Non-current assets less financial assets, deferred tax assets, and employee benefit assets.

3. Material expenses CHF 5,047.7 mn (CHF 5,347.1 mn)

Material expenses decreased as a percentage of net sales by 0.4 percentage points. Favorable input cost dynamics led to an increase in the material margin from 54.5% to 54.9%.

Unsaleable goods are written down to their fair value less costs of disposal, missing inventory to zero. The related cost of CHF 86.0 million (CHF 56.8 million) is included in material expenses. CHF 18.1 million of this increase is related to the Fast Forward program (see note 4).

4. Personnel expenses CHF 2,179.1 mn (CHF 2,143.6 mn)

in CHF mn	2024	2025
Wages and salaries	1,730.4	1,761.0
Social charges	413.5	418.1
Government support	–0.3	0.0
Personnel expenses	**2,143.6**	**2,179.1**

Personnel expenses include CHF 57.2 million from the Fast Forward program announced in November 2025. The measures aim to enhance profitability in persistently weak markets. The program includes, among other measures, structural adjustments and a reduction of the global workforce by close to 1,500 employees.

Personnel expenses comprise all payments to persons in an employment relationship with Sika. This item also includes expenses such as pension fund contributions, health insurance contributions, as well as taxes and levies directly related to personnel remuneration. Government grants related to employment relationships are recognized in personnel expenses when there is reasonable certainty that the grant will be received and all related conditions are met. They are recognized as income over the same period as the expenses they serve to compensate.

POST-EMPLOYMENT BENEFIT EXPENSES

in CHF mn	2024	2025
Defined benefit plans[1]	33.6	37.3
Defined contribution plans	78.0	81.4
Post-employment benefit expenses	**111.6**	**118.7**

1 Includes pension expense recognized in income statement (see note 21) without interest income/interest expenses.

EMPLOYEE PARTICIPATION PLAN – SHARE-BASED PAYMENTS

Sika operates the following share-based compensation plans. The cost of these compensation systems is recognized in personnel expenses over the period in which services are rendered by the employees.

The share-based payments are made by means of transfer of treasury shares of Sika AG or are settled in cash. Recognized personnel expenses for share-based compensation for the fiscal year 2025 totaled CHF 19.7 million (CHF 26.8 million), CHF 8.9 million (CHF 10.5 million) of which was recorded in equity and CHF 10.8 million (CHF 16.3 million) in liabilities. At year-end, liabilities from share-based compensation plans amounted to CHF 16.9 million (CHF 22.1 million). Of this, CHF 10.6 million (CHF 15.2 million) is recognized in accrued expenses and deferred income and CHF 6.3 million (CHF 6.9 million) is included in employee benefit obligations.

PERFORMANCE BONUS (SHORT-TERM INCENTIVE)

Sika Senior Management (SSM)

Part of the performance bonus of Sika Senior Management (by definition, Sika Senior Management includes the management level reporting to Group Management, managing directors of subsidiaries, and heads of central and regional functions; 136 (144) participants) is paid in Sika AG shares. The allocated shares are subject to a four-year blocking period from allocation. Sika Senior Managers can choose to receive 0%, 20%, or 40% of their performance bonus in Sika AG shares plus one bonus share for every two shares chosen. The market value of the grant was CHF 2.6 million. In the prior year, the market value of the grant amounted to CHF 4.9 million.

LONG-TERM INCENTIVE (LTI PLAN)

Group Management

The members of the top management (extended Group Management) participate in a long-term incentive plan. It consists of performance share units (PSUs). At the beginning of the vesting period, a number of PSUs is granted to each plan participant. The PSUs vest after a period of three years, conditionally upon fulfilling performance conditions. The performance share units under the 2025 and 2024 plans include components based on the relative total shareholder return (rTSR) and the relative return on capital employed (rROCE), both equally weighted 40% as well as a sustainability component weighted 20%. The rTSR and the rROCE are measured in relation to a peer group as a percentile rank and the objective is to reach the median of the peer group. The sustainability component is based on the scope 1 and 2 CO_2 reduction (weighted 10%) as well as the waste and water reduction per ton sold (each weighted 5%). Performance shares under the 2023 plan include components based on the return on capital employed (ROCE), and relative total shareholder return (rTSR), both equally weighted. Thresholds and targets are determined at the beginning of the vesting period by the Board of Directors and are measured at the end of the vesting period as the weighted average of the vesting level of each component. For all performance conditions, the maximum achievement level is capped at 200%. For the LTI plans 2023 and 2024 the overall vesting level is capped at 150%. The share-based compensation is settled in Sika AG shares.

The market value of the PSUs includes all targets and is determined once at the time of grant. Thereby, in a Monte Carlo simulation generally available market data regarding Sika, including expected dividend payments, and the peer group as well as internal estimates regarding the degree of achievement of the ROCE target are combined.

Senior Management
Sika Senior Management (see above), together with the 313 (308) members of Regional Senior Management (RSM) and Corporate Senior Management (CSM), participate in long-term incentive plans, which are structured in the same way as that for Group Management (see above), except that they are settled in cash.

The fair value of the PSUs includes all targets and is determined at the time of allocation and redetermined at each balance sheet date. Thereby, in a Monte Carlo simulation, generally available market data regarding Sika, including expected dividend payments, and the peer group as well as internal estimates regarding the degree of achievement of the ROCE target are combined. For Senior Managers who transfer to another country during the performance period, a payment based on the share price at the time of transfer is made for the portion earned up to that date. The shares are granted at market value on the grant date and are blocked until the end of the vesting period.

LONG-TERM INCENTIVE

	Number of PSUs granted	Fair value per PSU in CHF	Fair value of grant in CHF million
Group Management LTI 2024–2026	21,277	232.47	4.9
Senior Management LTI 2024–2026	37,767	232.47	8.8
Granted in 2024			**13.7**
Group Management LTI 2025–2027	24,831	198.81	4.9
Senior Management LTI 2025–2027	40,779	196.77	8.0
Granted in 2025			**12.9**

Board of Directors
Part of the compensation for Members of the Board of Directors is awarded in Sika AG shares. The entitlement to shares is allocated at the beginning of the term of office and converted into shares at the end of the term of office. The shares are subject to a three-year blocking period. For the term of office from April 2025 to April 2026, entitlements to 6,595 shares were granted at a market value of CHF 1.5 million (CHF 232.84 per share). The conversion into shares will take place in April 2026. For the term of office from April 2024 to April 2025, entitlements to 5,968 shares were granted with a market value of CHF 1.5 million (CHF 257.42 per share). The conversion into shares took place in April 2025.

5. Other operating expenses CHF 1,909.8 mn (CHF 2,002.9 mn)

in CHF mn	2024	2025
Production and operations[1]	621.6	602.7
Logistics and distribution	605.3	591.3
Sales, marketing, and travel costs	370.9	336.0
Administration and other costs[2]	405.1	379.8
Total	**2,002.9**	**1,909.8**

1 This position includes primarily costs for maintenance, repairs, energy, and subcontracting.
2 This position includes primarily costs of services and consulting in the fields of law, tax, and information technology. Furthermore, it covers training costs and government fees, costs for warranty settlements and legal claims, as well as the remuneration of the Board of Directors.

Other operating expenses remained stable at 17.0% of net sales. As part of the Fast Forward program (see note 4) one-time costs of CHF 10.8 million were incurred. In 2024, acquisition and integration costs related to the MBCC Group amounting to CHF 16.0 million were included in "Administration and other costs".

Other operating expenses include government support of CHF 6.8 million (CHF 6.5 million). Government grants are recognized where there is reasonable certainty that the grant will be received, and all attached conditions will be complied with. The grant is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Research and development expenses are not capitalized since the recognition criteria are not met. Expenditures on research and development in the Group during the year under review totaled CHF 280.8 million (CHF 278.1 million), equivalent to 2.5% (2.4%) of sales. Research and development expenses are included in personnel expenses, other operating expenses, as well as in depreciation and amortization expenses.

6. Interest expenses/other financial expenses CHF 165.4 mn (CHF 188.4 mn)

In general, interest and other financing related expenses are charged to the income statement. Interest incurred in the course of development projects, such as the construction of new production facilities or the development of software, is capitalized together with the asset created.

Interest expenses consist of interest expenses for outstanding bonds in the amount of CHF 111.1 million (CHF 126.2 million), interests on lease liabilities of CHF 25.3 million (CHF 23.9 million), other interest expenses of CHF 14.9 million (CHF 29.0 million), as well as the interest component of pension expenses of defined benefit plans of CHF 6.6 million (CHF 6.8 million).

Other financial expenses include foreign exchange gains and losses from the management of foreign currency, net gains and losses from hedging and revaluation of loans to Group companies denominated in foreign currencies, as well as the result of the application of hyperinflation accounting. Other financial expenses amounted to CHF 7.5 million (CHF 2.5 million).

7. Interest income CHF 17.3 mn (CHF 26.6 mn)

Interest income is recognized on a time-proportion basis using the effective interest method. Short-term surpluses in liquidity in various countries resulted in interest income of CHF 17.3 million (CHF 26.6 million).

8. Income taxes

in CHF mn	2024	2025
Income tax during the year under review	372.5	329.5
Deferred income tax	–48.0	–17.5
Income tax from prior years	–9.1	–1.6
Total	**315.4**	**310.4**

RECONCILIATION BETWEEN EXPECTED AND EFFECTIVE TAX EXPENSE

in CHF mn	%	2024	%	2025
Profit before taxes		1,563.0		1,355.7
Expected tax expense	**21.3**	**332.8**	**19.6**	**265.3**
Non-taxable income/non-tax-deductible expenses	1.4	21.6	1.5	20.7
Effect of changes in tax rates	–0.1	–1.2	–1.0	–13.5
Adjusted tax expense from earlier periods	–0.6	–9.1	–0.1	–1.6
Valuation adjustment on deferred tax assets	0.5	7.5	0.5	7.2
Withholding tax on dividends, licenses, and interests	2.3	36.5	2.2	29.3
Other[1]	–4.6	–72.7	0.2	3.0
Tax expense as per consolidated income statement	**20.2**	**315.4**	**22.9**	**310.4**

1 In the prior period this position included CHF 55.1 million for changes in estimates of deferred taxes related to Parex China, as well as CHF 8.9 million relating to tax-deductible impairments of subsidiaries.

The effective tax rate increased to 22.9% (20.2%). The expected average Group income tax rate of 19.6% (21.3%) corresponds with the average tax on profits of the individual Group companies in their respective fiscal jurisdictions. The expected average tax rate was calculated using absolute values. The change in the expected tax rate is attributable to changing profits of the Group companies in their respective fiscal jurisdictions and to changes in their tax rates in some cases.

CURRENT AND DEFERRED INCOME TAX ASSETS/LIABILITIES

in CHF mn	2024	2025
Assets	151.3	174.6
Liabilities	–368.8	–317.2
Net current income tax liabilities	**–217.5**	**–142.6**
Assets	150.7	135.9
Liabilities	–338.1	–311.8
Net deferred income tax liabilities	**–187.4**	**–175.9**

Current income tax liabilities include taxes due and accrued. If there is uncertainty as to whether a tax treatment will be accepted by the tax authorities, the uncertainty is reflected in the income tax payable based on a best estimate of the expected future cash outflow.

Deferred taxes are calculated using the liability method. According to this method, the effects on income taxes resulting from temporary differences between Group-internal and taxable balance sheet values are recorded as deferred tax assets or deferred tax liabilities, respectively. Deferred tax assets and liabilities are measured at the tax rates expected to apply to the period when the asset is recognized, or the liability is settled, based on the rates (and tax laws) that have been substantively enacted.

Changes in deferred tax assets and liabilities are reflected in income tax expense, the statement of comprehensive income, or directly in equity. Deferred income tax liabilities are provided for taxable temporary differences arising from investments in subsidiaries and associates, except for deferred tax liabilities where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets including those that can be applied to carried forward tax losses are recognized to the extent that their realization is probable. Deferred tax liabilities are recognized for all taxable temporary differences insofar as the accounting regulations foresee no exception.

RECONCILIATION OF DEFERRED TAX ASSETS AND LIABILITIES

in CHF mn	2024	2025
January 1	**–214.1**	**–187.4**
Credited (+)/debited (–) to income statement[1]	48.0	17.5
Credited (+)/debited (–) to other comprehensive income	1.4	–16.1
Credited (+)/debited (–) to equity	–0.1	–5.9
Exchange differences	–6.9	28.0
Acquisitions	–15.7	–12.0
December 31	**–187.4**	**–175.9**

1 Of the amounts recognized in the income statement, a debit of CHF 11.2 million (CHF 20.3 million) originates from tax losses and tax credits. In 2024, an additional CHF 55.1 million was credited in relation to temporary differences on investments.

ORIGIN OF DEFERRED TAX ASSETS AND LIABILITIES

			2024			2025
in CHF mn	Assets	Liabilities	Net	Assets	Liabilities	Net
Tax losses and tax credits	39.7		39.7	28.5		28.5
Current assets	55.1	–12.2	42.9	51.0	–15.0	36.0
Property, plant, and equipment	14.6	–177.3	–162.7	14.3	–154.9	–140.6
Other non-current assets	82.6	–337.4	–254.8	72.4	–319.0	–246.6
Liabilities	197.1	–16.3	180.8	185.1	–12.6	172.5
Temporary differences on investments[1]	0.0	–33.3	–33.3	0.0	–25.7	–25.7
Gross values	**389.1**	**–576.5**	**–187.4**	**351.3**	**–527.2**	**–175.9**
Offsetting	–238.4	238.4	0.0	–215.4	215.4	0.0
Total	**150.7**	**–338.1**	**–187.4**	**135.9**	**–311.8**	**–175.9**

1 This position includes expected withholding taxes of CHF 14.3 million (CHF 17.9 million) on undistributed dividends from Group companies. Deferred tax liabilities CHF 11.4 million (CHF 15.4 million) pertain to expected tax payments in connection with legal restructurings of the acquired MBCC companies in the coming years.

CARRY FORWARD OF TAX LOSSES FOR WHICH NO DEFERRED TAX ASSETS HAVE BEEN RECOGNIZED

in CHF mn	2024	2025
1 year or less	3.6	15.6
1–5 years	36.9	50.0
Over 5 years or non-expiring	8.6	5.4
Total	**49.1**	**71.0**

The underlying average tax rate of tax losses for which no deferred tax assets have been recognized is 25.1% (25.3%).

In the year under review, deferred tax assets from carried forward tax losses of CHF 12.4 million (CHF 25.3 million) were used and deferred carried forward tax losses of CHF 5.7 million (CHF 5.0 million) were capitalized.

PILLAR TWO INCOME TAXES

The Organization for Economic Co-operation and Development (OECD) has published Global Anti-Base Erosion (GloBE) Model Rules, which include a minimum tax of 15% by jurisdiction (Pillar Two). Various countries have enacted tax legislation to either fully or partially comply with Pillar Two. The Group is within the scope of OECD's Pillar Two.

Effective January 1, 2024, the Swiss government introduced a Qualified Domestic Minimum Top-up Tax (QDMTT) to reach the required taxation level of 15% on Pillar Two-qualifying profits of companies domiciled in Switzerland. Effective January 1, 2025, the Swiss government introduced in addition the Income Inclusion Rule (IIR), which requires Switzerland to levy taxes on Pillar Two-qualifying profits not only in Switzerland but of subsidiaries in other jurisdictions not reaching the 15% minimum rate.

The Pillar Two tax legislation resulted in tax expense of CHF 2.3 million (CHF 0.4 million).

9. Earnings per share

BASIC EARNINGS PER SHARE

	2024	2025
Net profit used to calculate basic earnings per share (CHF mn)	**1,245.5**	**1,044.0**
Weighted average number of shares issued	160,479,293	160,479,293
Treasury shares	–35,881	–23,022
Weighted average number of shares used to calculate basic earnings per share	**160,443,412**	**160,456,271**
Basic earnings per share (CHF)	**7.76**	**6.51**

DILUTED EARNINGS PER SHARE

	2024	2025
Net profit used to calculate diluted earnings per share (CHF mn)	**1,245.5**	**1,044.0**
Weighted average number of shares used to calculate basic earnings per share	160,443,412	160,456,271
Potential shares needed for share-based compensation plans	77,620	85,837
Weighted average number of shares used to calculate diluted earnings per share	**160,521,032**	**160,542,108**
Diluted earnings per share (CHF)	**7.76**	**6.50**

10. Cash and cash equivalents CHF 801.8 mn (CHF 707.5 mn)

The cash management of the Group includes cash pooling, in which cash and cash equivalents available within the Group are pooled. The item “Cash and cash equivalents” includes cash and cash equivalents with a maturity of less than three months from the date of acquisition, bearing interest at a respectively valid rate.

11. Accounts receivable CHF 2,012.3 mn (CHF 2,175.0 mn)

Receivables are recognized net of an allowance for expected credit losses over the entire lifetime. The classification and valuation principles for accounts receivable are described in note 25.

The following tables show accounts receivable, the portion of not overdue and overdue receivables including their age structure as well as the development of the allowance for doubtful debts. Accounts receivable are non-interest-bearing and are generally due within 30 to 90 days.

AGE DISTRIBUTION OF ACCOUNTS RECEIVABLE

in CHF mn	2024	2025
Not overdue	1,766.2	1,595.0
Past due <31 days	210.6	199.7
Past due 31–60 days	77.3	90.9
Past due 61–180 days	80.8	86.8
Past due 181–365 days	11.7	13.8
Past due >365 days	28.4	26.1
Net accounts receivable	**2,175.0**	**2,012.3**

MOVEMENTS ON THE ALLOWANCE FOR DOUBTFUL DEBTS

in CHF mn	2024	2025
January 1	**101.3**	**129.2**
Additions to or increase in allowances	32.2	32.0
Reversal of allowances	–6.3	–9.8
Utilization of allowances	–4.0	–16.2
Exchange differences	6.0	–14.1
December 31	**129.2**	**121.1**

The increase and decrease of allowances for doubtful debts are recognized in other operating expenses. Amounts recognized as allowances are usually derecognized when payment is no longer expected.

12. Inventories CHF 1,237.5 mn (CHF 1,348.9 mn)

in CHF mn	2024	2025
Raw materials and supplies	538.9	469.4
Semi-finished goods	71.1	68.9
Finished goods	606.1	579.4
Merchandise	132.8	119.8
Total	**1,348.9**	**1,237.5**

Raw materials and merchandise are stated at historical cost and finished and semi-finished products are stated at production cost, however not exceeding net realizable sales value. The production costs comprise all directly attributable material and manufacturing costs as well as other costs incurred in bringing the inventories to their present location and condition. Acquisition or production costs are determined using a standard cost approach, or alternatively using the weighted average cost method. Net realizable value corresponds to the estimated selling price in the ordinary course of business less the estimated costs of completion and the selling costs. Allowances are made for obsolete and slow-moving inventories.

13. Other assets CHF 284.2 mn (CHF 220.4 mn)

OTHER CURRENT ASSETS

in CHF mn	2024	2025
Derivatives (at fair value through profit and loss)	30.0	30.8
Securities (at fair value through profit and loss)	5.4	5.8
Loans (at amortized cost)	18.8	12.1
Other financial assets	**54.2**	**48.7**
Other non-financial assets[1]	1.7	15.1
Other current assets	**55.9**	**63.8**

1 Contains assets held-for-sale in the amount of CHF 15.1 million (CHF 0.7 million).

OTHER NON-CURRENT ASSETS

in CHF mn	2024	2025
Securities (at fair value through profit and loss)	79.2	83.1
Loans (at amortized cost)	23.8	21.5
Other financial assets	**103.0**	**104.6**
Employee benefit assets[1]	61.1	115.8
Other	0.4	0.0
Other non-financial assets	**61.5**	**115.8**
Other non-current assets	**164.5**	**220.4**

1 Includes the excess of assets for employee benefit plans with defined benefits, see note 21.

Other current assets consist of assets with maturities of less than twelve months. Other non-current assets have a term of more than one year. The classification and valuation principles for financial assets are described in note 25.

14. Property, plant, and equipment CHF 2,443.8 mn (CHF 2,458.5 mn)

in CHF mn	2024	2025
Own property, plant, and equipment	2,044.8	2,024.4
Right-of-use assets	413.7	419.4
Property, plant, and equipment	**2,458.5**	**2,443.8**

OWN PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment is carried at historical cost less accumulated depreciation required for business purposes. The capitalization is made based on components. Value-enhancing expenses are capitalized and depreciated over their useful lives. Repair, maintenance, and replacement costs are charged directly to the income statement. Depreciation is calculated using the straight-line method and is based on the anticipated useful life of the asset, including its operational usefulness and age-related technical viability. Property and plants include land and buildings. Equipment and vehicles include machinery, vehicles, laboratory and other equipment, furnishings and IT hardware.

OWN PROPERTY, PLANT, AND EQUIPMENT

in CHF mn	Property	Plant	Equipment and motor vehicles	Plants and buildings under construction	Total
Acquisition cost	277.9	1,080.2	2,413.6	201.6	3,973.3
Cumulative depreciation and impairment	–0.6	–529.5	–1,577.9	0.0	–2,108.0
Net values at January 1, 2024	**277.3**	**550.7**	**835.7**	**201.6**	**1,865.3**
Additions	17.6	14.8	69.1	229.6	331.1
Acquired on acquisition	7.4	9.8	7.1	0.0	24.3
Exchange differences	3.2	16.8	30.3	8.2	58.5
Disposals	–3.4	–2.2	–7.8	0.0	–13.4
Depreciation charge for the year	0.0	–39.6	–181.1	0.0	–220.7
Reclassifications[1]	–0.1	16.4	142.3	–158.9	–0.3
December 31, 2024	**302.0**	**566.7**	**895.6**	**280.5**	**2,044.8**
Acquisition cost	302.6	1,139.7	2,671.2	280.5	4,394.0
Cumulative depreciation and impairment	–0.6	–573.0	–1,775.6	0.0	–2,349.2
Net values at January 1, 2025	**302.0**	**566.7**	**895.6**	**280.5**	**2,044.8**
Additions	0.7	8.0	61.9	277.5	348.1
Acquired on acquisition	6.2	9.6	9.5	0.0	25.3
Exchange differences	–16.6	–30.3	–54.5	–25.4	–126.8
Disposals	–2.6	–4.6	–5.6	0.0	–12.8
Depreciation charge for the year	0.0	–37.7	–178.9	0.0	–216.6
Reclassifications[1]	10.1	34.1	143.6	–188.7	–0.9
Transfer to assets held-for-sale	–1.1	–8.0	–2.4	0.0	–11.5
Impairments	–1.3	–10.6	–13.3	0.0	–25.2
December 31, 2025	**297.4**	**527.2**	**855.9**	**343.9**	**2,024.4**
Acquisition cost	299.2	1,118.6	2,666.7	343.9	4,428.4
Cumulative depreciation and impairment	–1.8	–591.4	–1,810.8	0.0	–2,404.0
Net values at December 31, 2025	**297.4**	**527.2**	**855.9**	**343.9**	**2,024.4**

1 Plants and buildings under construction are reclassified after completion within property, plant, and equipment as well as intangible assets.

DEPRECIATION SCHEDULE

Plant: Buildings	25 years
Plant: Infrastructure	15 years
Equipment: Machinery	5–15 years
Equipment: Furnishings	6 years
Equipment: Laboratory and tools	4 years
Equipment: IT hardware	3–4 years
Motor Vehicles	4 years

The recoverability of property, plant, and equipment is reviewed if events or changes in circumstances indicate that the carrying amount may not be recoverable. If the carrying amount exceeds the recoverable amount, an impairment loss is recognized. The recoverable amount corresponds to the higher of an asset's fair value less costs of disposal and its value in use, which is based on discounted anticipated future cash flows. For the purpose of impairment tests, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

As part of the restructuring program announced in November 2025, impairment expenses of CHF 21.6 million were recognized on both property, plant and equipment and right-of-use assets. These impairments reflect structural adjustments in markets with persistently weak demand and are directly linked to the measures aimed at improving profitability. Further information to the restructuring program can be found in note 4.

CAPITAL COMMITMENTS

Significant capital expenditure for property, plant, and equipment contracted for as at December 31, 2025, but not recognized as liabilities is CHF 29.3 million (CHF 54.5 million).

RIGHT-OF-USE ASSETS

Sika recognizes a right-of-use (ROU) asset and a lease liability at the lease commencement date, except for short-term leases of twelve months or less, low-value asset leases of CHF 5,000 or less, and variable lease payments, which are expensed in the income statement over the lease term. The following expenses were recorded in other operating expenses:

in CHF mn	2024	2025
Expenses relating to leases of low-value assets	19.9	15.2
Expenses relating to short-term leases	31.1	35.8
Expenses relating to variable lease payments not included in lease liabilities	3.2	3.4

The cash outflow from all lease payments amounts to CHF 196.0 million (CHF 188.7 million), of which CHF 141.6 million (CHF 134.5 million) is included in financing activities and the residual amount in operating activities in the statement of cash flows.

For the asset class "motor vehicles", the non-leasing components (e.g., services included in the lease payments) are accounted for separately and are directly expensed in the income statement. For all other asset classes, Sika does not account for the non-lease components separately.

At the commencement date of the lease, the lease liability, measured at the present value of the lease payments to be made over the lease term, is recognized. The lease liability is subsequently measured at amortized cost using the effective interest rate method. The lease payments are discounted using the incremental borrowing rate. For the Group, the rate implicit in the lease cannot be readily determined.

At the commencement date of the lease, the ROU asset comprises the initial lease liability and initial direct costs. ROU assets are depreciated on a straight-line basis over the lease term. If Sika is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized ROU assets are depreciated on a straight-line basis over their estimated useful life.

Leases contractually committed but not yet commenced amount to CHF 4.5 million (CHF 12.3 million) as at December 31, 2025.

RIGHT-OF-USE ASSETS

in CHF mn	Right-of-use production sites	Right-of-use offices and warehouses	Right-of-use equipment and motor vehicles	Total
Acquisition cost	179.5	300.1	170.1	649.7
Cumulative depreciation and impairment	–63.4	–111.8	–82.5	–257.7
Net values at January 1, 2024	**116.1**	**188.3**	**87.6**	**392.0**
Additions	28.5	41.3	64.5	134.3
Acquired on acquisition	1.2	0.8	0.1	2.1
Exchange differences	2.9	4.8	0.8	8.5
Remeasurements	2.1	5.7	6.3	14.1
Disposals	–10.3	–4.4	–2.1	–16.8
Depreciation charge for the year	–22.5	–48.5	–49.8	–120.8
Reclassifications	3.0	–2.7	0.0	0.3
December 31, 2024	**121.0**	**185.3**	**107.4**	**413.7**
Acquisition cost	205.1	333.6	212.8	751.5
Cumulative depreciation and impairment	–84.1	–148.3	–105.4	–337.8
Net values at January 1, 2025	**121.0**	**185.3**	**107.4**	**413.7**
Additions	35.3	71.4	60.0	166.7
Acquired on acquisition	0.4	0.8	0.5	1.7
Exchange differences	–9.3	–13.3	–6.1	–28.7
Remeasurements	4.4	9.3	0.9	14.6
Disposals	–3.8	–9.9	–4.6	–18.3
Depreciation charge for the year	–22.9	–49.5	–52.9	–125.3
Reclassifications	2.3	–0.6	0.3	2.0
Transfer to assets held-for-sale	–2.9	0.0	0.0	–2.9
Impairments	–4.1	0.0	0.0	–4.1
December 31, 2025	**120.4**	**193.5**	**105.5**	**419.4**
Acquisition cost	219.0	371.3	233.3	823.6
Cumulative depreciation and impairment	–98.6	–177.8	–127.8	–404.2
Net values at December 31, 2025	**120.4**	**193.5**	**105.5**	**419.4**

15. Intangible assets and goodwill CHF 7,934.1 mn (CHF 8,619.7 mn)

in CHF mn	Goodwill	Software	Trademarks	Customer relations	Other intangibles	Total
Acquisition costs	6,198.9	208.3	469.8	1,799.3	408.8	9,085.1
Cumulative amortization and impairment	–4.0	–142.1	–151.5	–437.4	–132.0	–867.0
Net values at January 1, 2024	**6,194.9**	**66.2**	**318.3**	**1,361.9**	**276.8**	**8,218.1**
Additions	0.0	27.2	0.0	0.0	0.7	27.9
Acquired on acquisition	134.2	0.1	11.7	101.5	13.2	260.7
Exchange differences	243.9	0.8	7.5	74.7	0.3	327.2
Disposals	0.0	–0.1	0.0	0.0	0.0	–0.1
Amortization for the year	0.0	–21.1	–40.6	–122.6	–29.8	–214.1
December 31, 2024	**6,573.0**	**73.1**	**296.9**	**1,415.5**	**261.2**	**8,619.7**
Acquisition costs	6,577.0	232.4	478.1	1,992.9	419.7	9,700.1
Cumulative amortization and impairment	–4.0	–159.3	–181.2	–577.4	–158.5	–1,080.4
Net values at January 1, 2025	**6,573.0**	**73.1**	**296.9**	**1,415.5**	**261.2**	**8,619.7**
Additions	0.0	26.4	0.0	0.0	0.9	27.3
Acquired on acquisition	112.3	0.0	4.5	61.1	3.3	181.2
Exchange differences	–546.8	–3.1	–10.1	–129.8	–2.4	–692.2
Disposals	0.0	0.0	0.0	–0.5	0.0	–0.5
Amortization for the year	0.0	–20.6	–31.4	–122.3	–25.5	–199.8
Reclassifications	0.0	1.2	0.0	0.0	–2.3	–1.1
Impairment	0.0	0.0	0.0	–0.5	0.0	–0.5
December 31, 2025	**6,138.5**	**77.0**	**259.9**	**1,223.5**	**235.2**	**7,934.1**
Acquisition costs	6,142.5	248.7	442.5	1,877.8	408.5	9,120.0
Cumulative amortization and impairment	–4.0	–171.7	–182.6	–654.3	–173.3	–1,185.9
Net values at December 31, 2025	**6,138.5**	**77.0**	**259.9**	**1,223.5**	**235.2**	**7,934.1**

Internally generated patents, trademarks, and other rights are not capitalized. Research and development expenditures for new products are recognized in the income statement, since these do not fulfil the recognition criteria. Acquired intangible assets are generally capitalized and amortized using the straight-line method.

Development costs for software are capitalized as intangible assets, provided that the software will generate a future economic benefit through sale or use within the Group and that its cost can be reliably measured. Conditions for capitalization are the technical feasibility of the asset and the intention and ability to complete its development, as well as the availability of adequate resources.

AMORTIZATION SCHEDULE

Software	3–8 years
Trademarks	3–20 years
Customer relations	1–23 years
Other intangibles / Patents	5–10 years
Other intangibles / Technology	5–20 years

The intangible assets (except for goodwill) each have finite useful lives over which the assets are amortized. Useful life assumptions are regularly reviewed. No acquired brand's useful life had been assessed to be indefinite.

GOODWILL ITEMS TESTED FOR IMPAIRMENT

Impairment tests were performed on all goodwill items (including the still provisionally allocated goodwill items from the purchase price allocations of the acquired companies) on the level of operating segments. The operating segment is the level where benefits from synergies are manifesting and goodwill is monitored.

The impairment tests are based on the discounted cash flow method. The calculation of the value in use is based on the target figures and cash flow forecasts, which were approved by the Board of Directors. The sales growth rates used in the impairment test correspond to market expectations of the segments. The forecasting horizon extends to 2029.

The growth rates used outside the planning period (terminal growth rates) correspond to weighted expected inflation rates of the segments. The discount rates are determined based on the weighted average cost of capital of the Group, considering country- and currency-specific risks within the context of cash flows taken into consideration. The sensitivity analyses performed on the growth rate outside the planning period and the discount rates indicate that a realistic change in assumptions would not result in the realizable value falling below the carrying amount.

KEY ASSUMPTIONS AND GOODWILL POSITIONS

in CHF mn	Growth rates beyond the planning period (%)	Discount rates pre-tax (%)	Goodwill
EMEA	2.5	11.2	2,251.5
Americas	2.4	12.4	2,512.1
Asia/Pacific	2.2	9.3	1,809.4
December 31, 2024			**6,573.0**
EMEA	2.6	11.4	2,254.9
Americas	2.5	12.0	2,243.0
Asia/Pacific	2.3	8.8	1,640.6
December 31, 2025			**6,138.5**

16. Investments in associated companies CHF 2.9 mn (CHF 24.1 mn)

The following associated companies are included in the consolidated financial statements as at December 31, 2025: Condensil SARL, France (40%), Chemical Sangyo Ltd., Japan (50%), Seven Tech Co. Ltd., Japan (50%), and Concria Oy, Finland (30%). As at December 31, 2024, Sika held 49% of the shares of HPS North America, LLC, USA. – on February 28, 2025, Sika acquired the remaining 51%.

STAKE IN NET SALES AND NET INCOME OF ASSOCIATES

in CHF mn	2024	2025
Sales	19.0	2.5
Profit (+)/loss (–)	3.6	0.0

17. Accounts payable CHF 1,176.4 mn (CHF 1,212.3 mn)

Accounts payable do not bear interest and will usually become due within 30 to 60 days.

18. Accrued expenses and deferred income CHF 560.7 mn (CHF 624.3 mn)

Accrued expenses and deferred income relate to outstanding invoices and liabilities for the past financial year, including performance-based compensation payable to employees and social security expenses in the following year, as well as refund liabilities for expected volume discounts. In addition, deferred revenues for warranty extensions in the amount of CHF 4.2 million (CHF 4.2 million) are included (see note 1).

Accrued expenses in the amount of CHF 180.6 million (CHF 217.9 million) fulfil the requirements for recognition as a financial liability.

19. Financial liabilities CHF 5,549.2 mn (CHF 5,762.2 mn)

			2024			2025
in CHF mn	**Current**	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Derivatives	9.7	0.0	9.7	7.1	0.0	7.1
Bank loans	6.0	1,097.4	1,103.4	4.8	3.0	7.8
Lease liabilities	113.7	309.6	423.3	115.9	322.3	438.2
Straight bonds	199.8	3,997.2	4,197.0	1,270.3	3,801.7	5,072.0
Other financial liabilities	8.2	20.6	28.8	19.4	4.7	24.1
Total	**337.4**	**5,424.8**	**5,762.2**	**1,417.5**	**4,131.7**	**5,549.2**

Sika has access to the following credit facilities:

- Revolving credit facility of CHF 1,100.0 million, drawable in CHF, EUR, USD, or GBP. The term ends on December 13, 2028.
- Revolving credit facility of CHF 1,100.0 million, drawable in CHF, EUR, USD, or GBP. The term ends on August 9, 2030.

As at December 31, 2025, the credit facility was unused. In the prior year CHF 1,097.4 million of these credit facilities had been drawn in CHF, EUR, and USD. The liability thereof was recorded as a bank loan (see table above).

OUTSTANDING STRAIGHT BONDS

in CHF mn						2024	2025
Issuer	Bond		Nominal	Coupon	Term	Book value	Book value
Sika AG, Baar, Switzerland	Straight bond	CHF	200.0	1.900%	2022–11/28/2025	199.8	n.a.
	Straight bond	CHF	140.0	0.600%	2018–03/27/2026	140.0	140.0
	Straight bond	CHF	200.0	2.250%	2023–04/13/2026	200.1	200.0
	Straight bond	CHF	100.0	0.450%	2025–08/27/2027	n.a.	99.6
	Straight bond	CHF	150.0	0.750%	2025–09/24/2027	n.a.	149.7
	Straight bond	CHF	130.0	1.125%	2018–07/12/2028	130.4	130.3
	Straight bond	CHF	300.0	2.350%	2022–11/28/2028	299.6	299.7
	Straight bond	CHF	250.0	2.250%	2023–04/13/2029	249.6	249.7
	Straight bond	CHF	200.0	1.650%	2024–11/28/2029	199.6	199.7
	Straight bond	CHF	250.0	0.850%	2025–11/28/2030	n.a.	249.7
	Straight bond	CHF	150.0	1.100%	2025–09/24/2031	n.a.	149.9
	Straight bond	CHF	200.0	1.875%	2024–05/27/2033	200.1	200.1
	Straight bond	CHF	250.0	1.200%	2025–11/28/2034	n.a.	250.0
	Straight bond	CHF	200.0	1.350%	2025–03/22/2035	n.a.	199.6
Sika Capital B.V., Utrecht, Netherlands	Straight bond	EUR	1,000.0	3.750%	2023–11/03/2026	938.7	930.2
	Straight bond	EUR	500.0	0.875%	2019–04/29/2027	469.7	465.2
	Straight bond	EUR	750.0	3.750%	2023–05/03/2030	700.8	694.5
	Straight bond	EUR	500.0	1.500%	2019–04/29/2031	468.6	464.1
Total						**4,197.0**	**5,072.0**

CHANGE IN FINANCIAL LIABILITIES

in CHF mn	Bank loans	Bonds	Lease liabilities	Derivatives and other financial liabilities	Total financial liabilities
January 1, 2024	**673.9**	**4,765.2**	**399.0**	**111.8**	**5,949.9**
Proceeds	1,865.3	399.6	0.0	0.3	2,265.2
Repayments	–1,453.2	–1,021.4	–134.5	–7.3	–2,616.4
Cash flow	**412.1**	**–621.8**	**–134.5**	**–7.0**	**–351.2**
Acquired on acquisition	0.0	0.0	2.0	0.0	2.0
Exchange differences	–0.5	50.0	8.3	–1.2	56.6
New leases	0.0	0.0	133.0	0.0	133.0
Other changes	17.9	3.6	15.5	–65.1	–28.1
Non-cash movements	**17.4**	**53.6**	**158.8**	**–66.3**	**163.5**
December 31, 2024	**1,103.4**	**4,197.0**	**423.3**	**38.5**	**5,762.2**
January 1, 2025	**1,103.4**	**4,197.0**	**423.3**	**38.5**	**5,762.2**
Proceeds	863.9	1,098.6	0.0	0.3	1,962.8
Repayments	–1,935.8	–200.0	–141.6	–1.2	–2,278.6
Cash flow	**–1,071.9**	**898.6**	**–141.6**	**–0.9**	**–315.8**
Acquired on acquisition	3.2	0.0	1.9	0.0	5.1
Exchange differences	–1.1	–26.8	–28.7	–3.3	–59.9
New leases	0.0	0.0	162.8	0.0	162.8
Other changes	–25.8	3.2	20.5	–3.1	–5.2
Non-cash movements	**–23.7**	**–23.6**	**156.5**	**–6.4**	**102.8**
December 31, 2025	**7.8**	**5,072.0**	**438.2**	**31.2**	**5,549.2**

The classification and valuation principles for financial liabilities are described in note 25.

20. Provisions and contingent liabilities CHF 197.1 mn (CHF 227.6 mn)

Provisions required for liabilities arising from guarantees, warranties, and environmental risks as well as restructuring costs are recognized as liabilities. Provisions are only recognized if Sika has a third-party liability that is based on a past event and can be reliably measured. Contingent liabilities are not recognized in the balance sheet except when assumed in an acquisition and their value can be measured reliably. Potential losses due to future incidents are not recognized in the balance sheet.

in CHF mn	Warranties	Sundry risks	Total
Current provisions	13.8	41.6	55.4
Non-current provisions	47.9	93.8	141.7
Provisions	**61.7**	**135.4**	**197.1**
Reconciliation			
January 1, 2025	**77.4**	**150.2**	**227.6**
Additions	12.4	46.8	59.2
Assumed on acquisition	0.6	1.7	2.3
Exchange differences	–6.4	–6.0	–12.4
Utilization	–7.5	–25.0	–32.5
Reversal	–16.2	–30.9	–47.1
Transfers	1.4	–1.4	0.0
December 31, 2025	**61.7**	**135.4**	**197.1**

Warranties comprise provisions related to both existing and anticipated product- or service-related claims. Sundry risks primarily comprise provisions for existing and anticipated legal cases with a probability of occurrence exceeding 50%. They also include provisions for restructuring measures and decommissioning costs. In addition, sundry risks cover tax exposures arising from acquisitions with a probability of occurrence below 50%.

Sika AG acts as guarantor in the share and purchase agreement (SPA) regarding certain subsidiaries of the MBCC Group, executed between Sika Investments GmbH (formerly Sika International GmbH), as the seller, and the purchaser. Further to the obligations in the SPA, and as between the Sika entities, Sika AG agreed to accept all of the rights, claims, title, benefit and interest to, in and under the SPA, whether current or future, actual or contingent of Sika Investments GmbH. The recognition of risks embedded in the business acquired (mainly fiscal), as well as the fair value measurement of the contingent liabilities related thereto, led to the recognition of provisions (included in sundry risks).

The timing of cash outflows depends on when warranty claims are filed and ultimately resolved. The amounts recognized as provisions are determined based on past experience and are consequently subject to estimation uncertainty.

Of the sum of provisions, CHF 141.7 million (CHF 183.1 million) are shown as non-current liabilities, since an outflow of funds is not expected within the next twelve months. For provisions of CHF 55.4 million (CHF 44.5 million), an outflow of funds is expected during the next twelve months. These amounts are shown as current provisions.

This year, as in the previous year, several legal cases were resolved or forfeited where the amount accrued exceeded the amount required for settlement. In addition, certain legal cases were reassessed based on the current best estimates.

CONTINGENT LIABILITIES

In ongoing business activity, the Group may be involved in legal proceedings such as lawsuits, claims, investigations, and negotiations due to product liability, mercantile law, environmental protection, health, and safety, etc.

Sika is involved in two ongoing investigations into suspected antitrust irregularities. Sika supports the investigations and it has been fully cooperating with the various authorities since their start. In the UK, Turkey, and the US the authorities closed their investigations into suspected irregularities in the area of additives for concrete and cement investigations in 2025.

The Group is active in countries in which political, economic, social, and legal developments could impair business activity. The effects of such risks which can occur in the normal course of business is unforeseeable, but their probability of occurring is below 50%.

21. Employee benefit obligations

			2024			2025
in CHF mn	Assets	Liabilities	Net	Assets	Liabilities	Net
Employee benefit plans with defined benefits	61.1	223.6	162.5	115.8	202.4	86.6
Other employee commitments		133.6	133.6		128.9	128.9
Total	**61.1**	**357.2**	**296.1**	**115.8**	**331.3**	**215.5**

The Group maintains various employee benefit plans that differ in accordance with local practices. Group contributions to defined contribution plans are recognized in the income statement. Defined benefit plans are administered either through self-governed pension funds (funded) or recognized directly in the balance sheet (unfunded). The amount of the liabilities resulting from defined benefit plans is regularly determined by independent experts under application of the projected unit credit method. Actuarial gains and losses are recognized directly in the statement of other comprehensive income and are not reclassified subsequently to profit and loss. Asset surpluses of employee pension plans are considered only to the extent of possible future reimbursement or reduction of contributions.

Other long-term liabilities arise from long-service bonuses and similar benefits that Sika grants to its employees.

DEFINED CONTRIBUTION PENSION PLANS

The majority of Sika subsidiaries operate defined contribution pension plans. In these, employees and employer regularly contribute to funds administered by third parties. This does not give rise to any assets or liabilities in the consolidated balance sheet.

DEFINED BENEFIT PENSION PLANS

Defined benefit pension plans for staff exist within 46 (52) Group companies. The biggest plans are in Switzerland, accounting for 81.2% (79.8%) of Sika's entire defined benefit pension obligations and 96.6% (96.6%) of plan assets.

SWISS PENSION PLANS

Sika companies in Switzerland have legally independent foundations, thereby segregating their pension obligation liabilities. The Federal Law on Occupational Retirement, Survivors', and Disability Pensions (BVG) regulates occupational benefits in Switzerland. In the event of a significant deficit, employees and employers must jointly bear any restructuring measures, for example through additional contributions. The Swiss pension plans therefore qualify as defined benefit plans and the actuarially determined surplus or deficit is recognized in the consolidated balance sheet unless the asset ceiling applies. In accordance with local statutory requirements, Sika has no further obligations towards the pension plans beyond the regulatory contribution payments.

The Sika pension plan insures employees in Switzerland against the risks of old age, death, and disability. In addition, there is a welfare foundation which provides for further regulatory benefits. Together with the statutory requirements, the retirement regulations form the basis for occupational pension benefits. The retirement pension is calculated by multiplying the retirement assets available at the time of retirement by the conversion rates stipulated in the regulations. The employee has the option of drawing the retirement benefit as a lump sum. The employee also has the right to early retirement.

The administration of the Sika pension plan is the responsibility of the board of trustees as the supreme body, which is composed of the same number of employee and employer representatives. It is responsible for the implementation of the pension fund regulations, the financing of benefits, and the investment of assets. The investment strategy is structured so that benefits can be paid when they fall due. The Sika pension fund as well as the welfare foundation bear the investment risks and the longevity risk themselves. The pension fund has taken out congruent reinsurance for the risks of death and disability. The insurance-related and investment risks of the management pension scheme are fully reinsured.

In the current year, as in the prior year, the Swiss pension plans are showing a surplus under BVG and it is not expected that additional contributions will be necessary for the next year.

MOVEMENT IN THE NET DEFINED BENEFIT OBLIGATION

in CHF mn	Present value of obligation	Fair value of plan assets	Impact of asset ceiling	Total
January 1, 2024	**–1,103.1**	**967.3**	**0.0**	**–135.8**
Current service cost	–32.3			–32.3
Past service cost (–) and gains (+)/ losses (–) on settlements and curtailments	–1.3			–1.3
Interest expense (–)/interest income (+)	–22.4	15.7	0.0	–6.7
Total expense recognized in income statement	**–56.0**	**15.7**	**0.0**	**–40.3**
of which Switzerland	–37.5	14.1	0.0	–23.4
of which others	–18.5	1.6	0.0	–16.9
Return on plan assets, excluding amounts included in interest income		54.9		54.9
Actuarial gains (+)/losses (–) from change in financial assumptions	–56.4			–56.4
Actuarial gains (+)/losses (–) from change in demographic assumptions	–0.4			–0.4
Experience gains (+)/losses (–)	–8.8			–8.8
Change in asset ceiling			0.0	0.0
Total remeasurement recognized in other comprehensive income	**–65.6**	**54.9**	**0.0**	**–10.7**
of which Switzerland	–69.4	57.0	0.0	–12.4
of which others	3.8	–2.1	0.0	1.7
Exchange differences	–2.8	–0.1		–2.9
Contributions by employers		20.7		20.7
Contributions by plan participants	–16.7	16.7		0.0
Benefits paid	34.2	–23.6		10.6
Others	–4.8	0.7		–4.1
December 31, 2024	**–1,214.8**	**1,052.3**	**0.0**	**–162.5**
of which Switzerland	–970.0	1,016.2	0.0	46.2
of which others	–244.8	36.1	0.0	–208.7

in CHF mn	Present value of obligation	Fair value of plan assets	Impact of asset ceiling	Total
January 1, 2025	**–1,214.8**	**1,052.3**	**0.0**	**–162.5**
Current service cost	–37.2			–37.2
Past service cost (–) and gains (+)/ losses (–) on settlements and curtailments	–0.1			–0.1
Interest expense (–)/interest income (+)	–17.3	10.7	0.0	–6.6
Total expense recognized in income statement	**–54.6**	**10.7**	**0.0**	**–43.9**
of which Switzerland	–38.2	9.2	0.0	–29.0
of which others	–16.4	1.5	0.0	–14.9
Return on plan assets, excluding amounts included in interest income		42.4		42.4
Actuarial gains (+)/losses (–) from change in financial assumptions	48.5			48.5
Actuarial gains (+)/losses (–) from change in demographic assumptions	–0.2			–0.2
Experience gains (+)/losses (–)	–15.0			–15.0
Change in asset ceiling			–0.9	–0.9
Total remeasurement recognized in other comprehensive income	**33.3**	**42.4**	**–0.9**	**74.8**
of which Switzerland	17.6	42.4	–0.9	59.1
of which others	15.7	0.0	0.0	15.7
Exchange differences	7.2	–0.8		6.4
Contributions by employers		25.6		25.6
Contributions by plan participants	–17.4	17.4		0.0
Benefits paid	50.1	–36.6		13.5
Acquisitions and others	–0.5	0.0		–0.5
December 31, 2025	**–1,196.7**	**1,111.0**	**–0.9**	**–86.6**
of which Switzerland	–972.1	1,073.6	–0.9	100.6
of which others	–224.6	37.4	0.0	–187.2

The contributions expected to be paid into the defined benefit pension plans for 2026 amount to CHF 26.7 million.

The Group's total expenses for employee benefits are included in the consolidated financial statements under personnel expenses, excluding net interest that is recognized under interest expenses.

The stated deficit results mainly from the defined benefit obligation of the unfunded benefit plans of CHF 170.1 million (CHF 187.7 million). Schemes in Germany, in particular, do not have segregated assets. For the Swiss pension plan, the result is a surplus of CHF 100.6 million (surplus of CHF 46.2 million).

MAJOR CATEGORIES OF TOTAL PLAN ASSETS

			2024			2025
in CHF mn	Switzerland	Others	Total	Switzerland	Others	Total
Cash and cash equivalents	24.6	7.3	31.9	23.8	7.2	31.0
Equity instruments	414.8	0.9	415.7	442.3	0.9	443.2
Debt instruments	349.9	24.2	374.1	377.3	25.8	403.1
Real estate investments	199.9	1.4	201.3	207.0	1.6	208.6
Other assets	27.0	2.3	29.3	23.2	1.9	25.1
Total	**1,016.2**	**36.1**	**1,052.3**	**1,073.6**	**37.4**	**1,111.0**

Most of the plan assets of the pension schemes are invested in assets with quoted market prices. In the year under review, 8.6% (8.9%) of the investments in real estate as well as 12.3% (20.4%) of the other assets did not have a quoted market price.

AMOUNTS INCLUDED IN PLAN ASSETS

		2024		2025
in CHF mn	Switzerland	Others	Switzerland	Others
Shares Sika AG[1]	24.5	0.0	18.3	0.0
Property occupied by Sika	13.6	0.0	14.6	0.0
Total	**38.1**	**0.0**	**32.9**	**0.0**

1 According to Swiss law, employer shareholdings may not exceed 5% of assets.

ACTUARIAL ASSUMPTIONS – WEIGHTED AVERAGE

		2024		2025
	Switzerland	Others	Switzerland	Others
Discount rate in the year under review (%)	0.90	3.64	1.20	4.07

Significant actuarial assumptions for pension plans in Switzerland are the above stated discount rate in the year under review, interest rate on retirement savings capital of 1.2% (0.9%) as well as the life expectancy of plan participants, for which the mortality table BVG 2020 GT (BVG 2020 GT) is applied. Actuarial assumptions for pension plans outside Switzerland are individually not significant.

SENSITIVITY OF THE DEFINED BENEFIT OBLIGATION TO CHANGES IN THE ACTUARIAL ASSUMPTIONS AS AT DECEMBER 31, 2024

	Change in assumptions	DBO increase (+)/decrease (–)	
in CHF mn		Switzerland	Others
Discount rate	+0.25%	−33.4	−7.0
Discount rate	−0.25%	35.7	6.8
Life expectancy	one year increase	21.9	
Interest rate on retirement savings capital	+0.25%	9.2	
Interest rate on retirement savings capital	−0.25%	−9.0	

SENSITIVITY OF THE DEFINED BENEFIT OBLIGATION TO CHANGES IN THE ACTUARIAL ASSUMPTIONS AS AT DECEMBER 31, 2025

	Change in assumptions	DBO increase (+)/decrease (–)	
in CHF mn		Switzerland	Others
Discount rate	+0.25%	−31.6	−5.8
Discount rate	−0.25%	33.7	6.1
Life expectancy	one year increase	20.9	
Interest rate on retirement savings capital	+0.25%	2.4	
Interest rate on retirement savings capital	−0.25%	−2.3	

Each sensitivity analysis considers the change of one assumption at a time while keeping all others constant. This isolates the effect of the individual change but does not reflect interdependencies between assumptions. The method applied is consistent with the prior year.

FURTHER INFORMATION

	2024		2025	
	Switzerland	Others	Switzerland	Others
Total number of defined benefit plans	2	53	2	47
of which number of defined benefit plans funded	2	18	2	15
of which number of defined benefit plans unfunded	0	35	0	32
Average weighted duration in years	14.4	12.6	13.6	11.3

22. Other liabilities CHF 37.9 mn (CHF 41.0 mn)

Other liabilities consist of deferred revenue for warranty extensions that will not be realized within the next twelve months.

23. Shareholders’ equity CHF 6,666.7 mn (CHF 7,046.8 mn)

in CHF mn	2024	2025
Capital stock	1.6	1.6
Capital surplus	2,878.3	2,589.5
Treasury shares[1]	–8.8	–7.5
Currency translation differences	–1,725.3	–2,668.6
Retained earnings	5,887.0	6,741.4
Equity attributable to Sika shareholders	**7,032.8**	**6,656.4**
Non-controlling interests	14.0	10.3
Shareholders’ equity	**7,046.8**	**6,666.7**

1 Correspond to 40,052 (34,778) units.

Equity accounts for 44.0% (44.1%) of the balance sheet total.

CAPITAL STOCK

The capital stock is equal to the nominal capital of all issued registered shares at par value of CHF 0.01. Share capital is structured as follows:

	Units[1]	Par value in CHF
December 31, 2024	160,479,293	1,604,793
December 31, 2025	**160,479,293**	**1,604,793**

1 Includes treasury shares which do not carry voting and dividend rights.

CAPITAL SURPLUS

This item consists of the value of paid-in capital in excess of par value (less transaction costs).

TREASURY SHARES

Treasury shares are valued at acquisition cost and deducted from shareholders’ equity. Differences between the purchase price and sales proceeds of treasury shares are shown as a change in retained earnings.

CURRENCY TRANSLATION DIFFERENCES

This item consists of the differential amount that arises from the translation into Swiss francs of assets, liabilities, income, and expenses of Group companies that do not use Swiss francs as their functional currency.

RETAINED EARNINGS

Retained earnings mainly comprise accumulated retained earnings of the Group companies that are not distributed to shareholders, profit/loss on treasury shares, as well as remeasurements of defined benefit plans recognized in other comprehensive income. Profit distribution is subject to local legal restrictions.

The Board of Directors proposes to the Annual General Meeting a distribution to the shareholders in the total amount of CHF 3.70 per single-class registered share. This corresponds to a maximum possible payout of CHF 593.8 million. The payout for 2024 was CHF 3.60 per single-class registered share.

NON-CONTROLLING INTERESTS

Non-controlling interests are accounted for at the corresponding share of the respective company. There are no material companies with non-controlling interests. The capital shares of all companies are disclosed in the list of Group companies (p.256 et seq. of this report).

24. Cash flow statement

CASH FLOW ANALYSIS

in CHF mn	2024	2025
Cash flow from operating activities	1,742.8	1,707.9
Cash flow from investing activities	−580.7	−534.6
Cash flow from financing activities	−1,083.9	−1,039.1
Exchange differences	−14.6	−39.9
Net change in cash and cash equivalents	**63.6**	**94.3**

FREE CASH FLOW AND OPERATING FREE CASH FLOW

in CHF mn	2024	2025
Cash flow from operating activities	1,742.8	1,707.9
Net investment in		
Property, plant, and equipment	−312.2	−325.0
Intangible assets	−27.7	−26.8
Acquisitions less cash and cash equivalents	−256.9	−199.6
Acquisition of associated companies	0.0	0.0
Acquisitions (−)/disposals (+) of financial assets	−8.3	−0.5
Free cash flow	**1,137.7**	**1,156.0**
Acquisitions (+)/disposals (−) less cash and cash equivalents	256.9	199.6
Acquisitions (+)/disposals (−) of financial assets	8.3	0.5
Operating free cash flow	**1,402.9**	**1,356.1**

Operating free cash flow represents the cash generating capability of the Group to conduct and maintain its operations, to finance dividend payments, to repay debt, and to undertake acquisitions. Operating free cash flow is calculated as the unadjusted cash flow from operating activities after deducting net investment in property, plant, and equipment, net investment in intangible assets, and cash payments for acquisitions of associated companies.

Free cash flow is calculated as the sum of the unadjusted cash flows from operating and investing activities less interests received.

OTHER ADJUSTMENTS

in CHF mn	2024	2025
Profit (−)/loss (+) from disposals of non-financial assets	−5.6	−10.3
Personnel expenses settled with treasury shares	10.0	8.9
Hyperinflation adjustment	17.4	5.5
Others	9.5	1.6
Total	**31.3**	**5.7**

25. Financial instruments and risk management

Sika's financial instruments and the related risk management are presented in this note.

Classification and measurement of financial assets

The classification depends on the financial asset's contractual cash flow characteristics. Sika uses the following categories:

- At amortized cost – financial assets at amortized cost are measured using the effective interest method and are subject to impairment. Gains and losses are recognized in the income statement when the asset is derecognized, modified, or impaired. Financial assets measured at amortized cost mainly comprise accounts receivable as well as smaller loans and other receivables. Accounts receivable are carried at amortized cost less allowances for loss. Sika applies a simplified approach in calculating expected credit losses. Under this approach, an allowance is recognized at initial recognition and at each subsequent balance sheet date for the expected credit losses over the entire term. Sika has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors. For this purpose, the fluctuations of applicable credit default swap indexes are considered. Receivables are derecognized if they are considered uncollectible.
- At fair value through profit or loss – financial assets held for trading and derivatives are carried at fair value through profit or loss. Fluctuations in value are recognized in the income statement. The classification of equity instruments in this category is consistent with the Group's risk management and investment strategy. Sika does not apply hedge accounting.

All purchases and sales of financial assets are recognized on the settlement date. Financial assets are derecognized when Sika loses the rights to receive cash flows that comprise the financial asset. Normally, this occurs through the sale of assets or the repayment of loans and accounts receivable.

PROVISION MATRIX OF ACCOUNTS RECEIVABLE

in CHF mn	Estimated total gross carrying amount at default	Expected credit losses
Not overdue	1,769.1	2.9
Past due <31 days	213.4	2.8
Past due 31–60 days	81.1	3.8
Past due 61–180 days	96.6	15.8
Past due 181–365 days	34.3	22.6
Past due >365 days	109.7	81.3
December 31, 2024	**2,304.2**	**129.2**
Not overdue	1,595.8	0.8
Past due <31 days	202.3	2.6
Past due 31–60 days	94.8	3.9
Past due 61–180 days	103.2	16.4
Past due 181–365 days	31.9	18.1
Past due >365 days	105.4	79.3
December 31, 2025	**2,133.4**	**121.1**

Classification and measurement of financial liabilities

All financial liabilities are initially recognized at fair value, in the case of bonds and loans less directly attributable transaction costs. Subsequent measurement depends on their classification:

- At amortized cost – after initial recognition, interest-bearing bonds and loans are measured at amortized cost using the effective interest method. Gains and losses are recognized in the income statement when the liabilities are amortized or derecognized. Amortized cost is calculated taking into account any premium or discount and any fees or costs that are an integral part of the effective interest rate. Amortization using the effective interest method is included in the income statement as part of interest expense.
- At fair value through profit or loss – financial liabilities held for trading and derivative financial instruments are carried at fair value through profit or loss. Fluctuations in fair value are recognized in the income statement. Sika does not apply hedge accounting.

All purchases and sales of financial liabilities are recognized on the settlement date. A financial liability is derecognized when the underlying obligation has been fulfilled, cancelled, or expired. If an existing financial obligation is replaced by another financial liability of the same lender with substantially different contractual terms or if the terms of an existing liability are significantly changed, such an exchange or change is treated as a derecognition of the original liability and recognition of a new liability.

Fair value of financial assets and financial liabilities

The hierarchy below classifies financial instruments, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: procedures in which all input parameters having an essential effect on the registered market value are either directly or indirectly observable.
- Level 3: procedures applying to input parameters that have an essential effect on the registered market value but are not based on observable market data.

An active market is one in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing data on an ongoing basis.

Sika holds level 2 derivative financial instruments, namely swaps and forward contracts. Their fair value is based on forward exchange rates.

Although the own bonds are listed on the stock exchange, their transaction frequency does not reliably meet Sika's expectation of an active market and they are therefore assigned to level 2. The disclosed fair value is based on the prices of the last transactions at or before the balance sheet date.

Sika does not own any financial instruments requiring valuation according to level 3 procedures.

FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

in CHF mn	Level	2024 Book value	2024 Fair value	2025 Book value	2025 Fair value
Cash and cash equivalents		707.5		801.8	
Accounts receivable		2,175.0		2,012.3	
Loans (at amortized cost)		42.6		33.6	
Securities (at fair value through profit and loss)	1	84.6	84.6	88.9	88.9
Derivatives (at fair value through profit and loss)	2	30.0	30.0	30.8	30.8
Financial assets at December 31		**3,039.7**		**2,967.4**	
Bank loans		1,103.4		7.8	
Accounts payable		1,212.3		1,176.4	
Accrued expenses[1]		217.9		180.6	
Lease liabilities		423.3		438.2	
Bonds	2	4,197.0	4,250.9	5,072.0	5,109.1
Other financial liabilities		28.8		24.1	
Financial liabilities measured at amortized cost		**7,182.7**		**6,899.1**	
Derivatives (at fair value through profit and loss)	2	9.7	9.7	7.1	7.1
Financial liabilities at December 31		**7,192.4**		**6,906.2**	

1 Financial portion of accrued expenses and deferred income. Refer to note 18.

The book value of cash and cash equivalents, accounts receivable, loans, bank loans, accounts payable, lease liabilities, as well as other financial liabilities almost equal the fair value.

MANAGEMENT OF FINANCIAL RISKS

BASIC PRINCIPLES

The Group's activities expose it to a variety of financial risks: market risks (primarily foreign exchange risks, price risks, and interest rate risks), credit risks, and liquidity risks.

The corporate finance department identifies, evaluates, and hedges financial risks in close cooperation with the Group's operating units. Property, plant, and equipment of CHF 6.6 million (CHF 0.7 million) are pledged as security for own liabilities.

FOREIGN EXCHANGE RISKS

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the euro and the US dollar. Foreign exchange risks arise when commercial transactions as well as recognized assets or liabilities are denominated in a currency that is not the entity's functional currency.

The Group makes every effort to offset the impact of exchange rate movements as far as possible by utilizing natural hedges. Foreign exchange forward contracts/swaps are used to hedge foreign exchange risks. Gains and losses on foreign exchange hedges and assets or liabilities carried at fair value are recognized through profit or loss. The Group does not apply hedge accounting.

OPEN DERIVATIVES

in CHF mn	Fair value (+)	Fair value (–)	Contractual value upon maturity: Contract value	Up to 3 months	3 to 12 months
Forward contracts (foreign exchange)	2.5	–1.7	192.6	87.6	105.0
Swaps (foreign exchange)	27.5	–8.0	2,842.9	641.9	2,201.0
Open derivatives 2024	**30.0**	**–9.7**	**3,035.5**	**729.5**	**2,306.0**
Forward contracts (foreign exchange)	0.9	–1.5	173.7	85.2	88.5
Swaps (foreign exchange)	29.9	–5.6	3,345.3	1,010.9	2,334.4
Open derivatives 2025	**30.8**	**–7.1**	**3,519.0**	**1,096.1**	**2,422.9**

Losses from currency differences recognized amounted to CHF 33.5 million (loss CHF 85.5 million). Furthermore, a net gain of CHF 30.5 million (net gain of CHF 87.8 million) from currency hedging transactions was recognized. Both effects are included in financial expenses. The currency differences arise from purchases and sales as well as financing activities in foreign currencies and are recognized in the corresponding income statement account.

Sika carries out a sensitivity analysis for the dominant foreign currencies, namely the Euro and US dollar. The assumption is that the Euro and US dollar respectively change against all other currencies by +/–10%. The other currencies remain constant. The assumed possible currency fluctuations are based on historical observations and future prognoses. Incorporated into calculations are the financial instruments, Group-internal financing, and foreign currency hedge transactions in the corresponding currencies. The following table shows the sensitivity of a reasonably possible change in exchange rates in relation to the financial instruments included in the balance sheet. All other variables remain constant for this test. Changes in exchange rates can have an impact on consolidated profit before tax and, in the case of net investments in a foreign operation, on the translation differences recognized directly in other comprehensive income.

SENSITIVITY ANALYSIS ON EXCHANGE RATES

		2024		2025
Impact in CHF mn on	Profit before tax	Comprehensive income	Profit before tax	Comprehensive income
EUR: +10%	–5.5	0.0	–4.9	0.0
EUR: –10%	5.5	0.0	4.9	0.0
USD: +10%	19.5	50.4	–11.2	52.7
USD: –10%	–19.5	–50.4	11.2	–52.7

PRICE RISKS

The Group is exposed to purchasing price risks because the cost of materials represents one of the Group's largest cost factors. Purchasing prices are influenced far more by the interplay between supply and demand, the general economic environment, and intermittent disruptions of processing and logistics chains, ranging from crude oil to purchased merchandise, than by crude oil prices themselves. Short-term crude oil price increases have only limited impact on raw material prices. Sika limits market price risks for important products by means of maintaining corresponding inventories. The most important raw materials are polymers such as polyurethane, epoxy resins, polyvinyl chloride, and cementitious basic materials. Other measures such as hedging are not practical because there is no corresponding market for these semi-finished products.

INTEREST RATE RISK

Interest rate risk arises from movements in interest rates which could affect the Group's financial result or the value of the Group's equity. The interest rate risk is limited through the issue of fixed-interest long-term bonds (see note 19). The revolving credit facility, of which none (CHF 1,097.4 million) was utilized at the balance sheet date, is largely the only financial instrument exposed to variable interest rates. An increase of one percentage point in interest rates at the balance sheet date would not have an impact on the profit. In prior year, an increase of one percentage point in interest rates at the balance sheet date would have reduced profit before tax by CHF 11.0 million over a one-year period, assuming all other variables remain constant. A decrease of one percentage point would have had a beneficial effect on profit before tax in the same amount.

CREDIT RISK

Credit risks arise from the possibility that the counterparty to a transaction may not be able or willing to discharge its obligations, thereby causing the Group to suffer a financial loss. Counterparty risks are minimized by only concluding contracts with reputable business partners and banks. Accounts receivable are monitored on an ongoing basis via internal reporting procedures. Potential concentrations of risks are reduced by the large number of customers and their geographic dispersion. No individual customer represents more than 1.5% of the Group's net sales. The Group held no securities for loans and accounts receivable at year-end 2024 nor at year-end 2025. The maximum exposure to credit risk resulting from financial activities is equal to the carrying amount of the Group's financial assets.

LIQUIDITY RISK

Liquidity risk refers to the risk of Sika no longer being able to meet its financial obligations in full. Prudent liquidity management includes maintaining sufficient cash and cash equivalents and securing the availability of liquidity reserves which can be called upon at short notice. Group Management monitors the Group's liquidity reserve based on expected cash flows.

The table below summarizes the maturity profile of the Group's financial liabilities at the balance sheet date based on contractual undiscounted payments.

MATURITY PROFILE OF FINANCIAL LIABILITIES

in CHF mn	Book value	Less than 1 year	Between 1 and 5 years	Over 5 years	Total undis-counted payments
Bank loans	1,103.4	6.0	1,097.4	0.0	1,103.4
Accounts payable	1,212.3	1,212.3	0.0	0.0	1,212.3
Accrued expenses[1]	217.9	217.9	0.0	0.0	217.9
Lease liabilities	423.3	127.0	258.5	157.6	543.1
Bonds	4,197.0	303.3	2,890.0	1,443.2	4,636.5
Other financial liabilities	28.8	8.3	3.6	16.9	28.8
Financial liabilities measured at amortized cost	**7,182.7**	**1,874.8**	**4,249.5**	**1,617.7**	**7,742.0**
Financial liabilities at fair value through profit and loss	9.7	9.7	0.0	0.0	9.7
December 31, 2024	**7,192.4**	**1,884.5**	**4,249.5**	**1,617.7**	**7,751.7**
Bank loans	7.8	4.8	0.7	2.3	7.8
Accounts payable	1,176.4	1,176.4	0.0	0.0	1,176.4
Accrued expenses[1]	180.6	180.6	0.0	0.0	180.6
Lease liabilities	438.2	130.4	265.5	140.0	535.9
Bonds	5,072.0	1,381.0	2,779.3	1,327.1	5,487.4
Other financial liabilities	24.1	19.5	4.6	0.0	24.1
Financial liabilities measured at amortized cost	**6,899.1**	**2,892.7**	**3,050.1**	**1,469.4**	**7,412.2**
Financial liabilities at fair value through profit and loss	7.1	7.1	0.0	0.0	7.1
December 31, 2025	**6,906.2**	**2,899.8**	**3,050.1**	**1,469.4**	**7,419.3**

1 Financial portion of accrued expenses and deferred income. Refer to note 18.

CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy equity ratios to support its business. The Group manages its capital structure and adjusts it considering changes in economic conditions. No changes were made in the objectives, policies, or processes during the years ended December 31, 2025, and December 31, 2024. The Group monitors its equity using the equity ratio, which is shareholders' equity divided by total capital.

TAX RISK MANAGEMENT

Sika's multinational operations are taxed under the laws of the countries in which they operate. Changes in tax laws or in their application could lead to an increased risk of international tax disputes and an increase in the effective tax rate, which could adversely affect the financial results.

Other disclosures

SIGNIFICANT SHAREHOLDERS

At December 31, 2025, based on information supplied to the Group, there are three significant shareholders whose voting rights exceed 3%: (1) BlackRock Inc., which owned 7.7% of all voting rights, (2) UBS Fund Management (Switzerland AG), which held 5.6% of all voting rights, and (3) Norges Bank, which held 3.4% of all voting rights.

A list of changes in significant shareholdings reported to the Disclosure Office of SIX Swiss Exchange during the year under review can be found at https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/. There are no cross-shareholdings exceeding 3%, either in terms of capital or votes.

At December 31, 2024, based on information supplied to the Group, there are three significant shareholders whose voting rights exceed 3%: (1) BlackRock Inc., which owned 7.7% of all voting rights, (2) UBS Fund Management (Switzerland AG), which held 5.6% of all voting rights, and (3) The Capital Group Companies, which held 5.0% of all voting rights via Capital Research and Management Company, Capital Bank and Trust Company, Capital International Limited, Capital International, Inc., and Capital International Sarl.

RELATED PARTIES

EMPLOYEE BENEFIT PLANS

In Switzerland, employee benefit plans are handled through independent foundations, to which a total of CHF 39.0 million (CHF 37.6 million) was paid in the year under review. At the balance sheet date, no material receivables or payables were due from these foundations. Sika's headquarter offices are located in a building leased from the pension fund foundation. Rent for 2025 amounted to CHF 0.8 million (CHF 0.7 million).

REMUNERATION OF THE BOARD OF DIRECTORS AND GROUP MANAGEMENT

The Board of Directors and Group Management are entitled to the following remuneration:

in CHF mn	2024	2025
Short-term employee benefits	16.2	12.4
Share-based payments[1]	6.4	6.8
Post-employment benefits	1.5	1.6
Total	**24.1**	**20.8**

1 Refer to note 4, employee participation plan – share-based payments.

Information regarding participations of the Board of Directors and Group Management of Sika AG can be found in the Compensation Report (p.213 of this report).

RELEASE OF FINANCIAL STATEMENTS FOR PUBLICATION

The Board of Directors of Sika AG approved the consolidated financial statements for publication on February 17, 2026. The financial statements will be submitted for approval to the Annual General Meeting on March 24, 2026.

EVENTS AFTER THE BALANCE SHEET DATE

The following event occurred between December 31, 2025, and the release of these consolidated financial statements:

On February 2, 2026, Sika acquired Finja, a leading Swedish manufacturer of a wide range of mortars and integrated solutions that enhance efficiency and sustainability in construction. The acquisition will strengthen Sika's Nordic presence and provide major cross-selling opportunities through the highly complementary product portfolios and increased presence in the distribution channel. In addition, it will enable substantial capacity expansion, supporting future growth by bringing a wider product offering closer to Nordic customers. The family-owned company generates annual net sales of approximately CHF 60 million. The purchase consideration amounts to approximately CHF 130 million. Its allocation to the acquired assets and assumed liabilities has yet to be performed.

On February 13, 2026, Sika announced that it had reached an agreement to acquire Akkim, a leading global manufacturer of adhesives and sealants based in Turkey. This acquisition will strengthen Sika's position in the global adhesives and sealants industry and unlock substantial growth opportunities through expanded presence in the distribution channel and broader geographic reach, namely in the high-growth markets in Eastern Europe, Central Asia, the Middle East, and North Africa. Akkim will add considerable production capacity, enabling a more efficient operational footprint. With its large product portfolio, the company covers a wide range of adhesive and sealant applications and technologies for the construction sector. The offering is based on proprietary formulations developed by a strong R&D team. The company generated net sales of approximately CHF 220 million in 2025. The closing of the acquisition is subject to regulatory approval and is expected to occur in the third quarter of 2026.

LIST OF GROUP COMPANIES

Country		Company[1]		Capital stock in thousands	Voting and capital share in %	Certification
EMEA (Europe, Middle East, Africa)						
Albania	✤	Sika Albania SHPK, Tirana	ALL	96,831	100	
Algeria	❍	Sika El Djazaïr SpA, Les Eucalyptus	DZD	313,400	100*	◆★✲
	❍	Mortero Spa, Béjaia	DZD	60,000	100*	
	✤	Sika Trading DZ Sarl, Algiers	DZD	43,000	49[2]*	◆
	❍	Master Builder Solution Algeria SARL, Sidi Mousa	DZD	30,000	100*	
Angola	❍	Sika Angola (SU), Limitada, Luanda	AOA	6,219,275	100	
Austria	❍	Sika Österreich GmbH, Bludenz	EUR	2,500	100	◆★
Azerbaijan	❍	Sika Limited Liability Company, Baku	AZN	5,759	100	◆★
Bahrain	❍	Sika Gulf B.S.C., Adliya	BHD	1,000	100*	◆★✲
	▲	Sika Arabia Holding Company WLL, Manama	BHD	6,000	100	
Belarus	❍	BelINECO LLC, Brest	BYN	49,742	100	◆
Belgium	❍	Sika Belgium NV, Nazareth	EUR	10,264	100	◆★
	✤	Sika Automotive Belgium S.A., Saintes	EUR	1,649	100	
Bosnia-Herzegovina	✤	Sika BH d.o.o., Sarajevo	BAM	795	100	
Bulgaria	❍	Sika Bulgaria EOOD, Sofia	BGN	340	100	◆★✲
Cameroon	❍	Sika Cameroon SARL, Douala	XAF mn	1,058	100	◆★
Croatia	✤	Sika Croatia d.o.o., Zagreb	EUR	531	100	◆★
Czech Republic	❍	Sika CZ s.r.o., Brno	CZK	30,983	100	◆★✲
	❍	Krkonošské vápenky Kunčice, a.s., Kunčice nad Labem	CZK	19,446	100*	◆★
Denmark	❍	Sika Danmark A/S, Farum	DKK	8,000	100	◆★✲
	❍	Marlon Tørmørtel A/S, Braedstrup	DKK	1,000	100*	
	✤	Marlon Marine A/S, Braedstrup	DKK	500	100*	
	▲	Marlon Ejendomme A/S, Braedstrup	DKK	500	100*	
Djibouti	✤	Sika Djibouti FZE, Djibouti City	USD	300	100	

Country		Company[1]		Capital stock in thousands	Voting and capital share in %	Certification
Egypt	❍	Sika Egypt for Construction Chemicals S.A.E., Cairo	EGP	246,025	100	◆★✲
	❍	Sika Manufacturing for Construction S.A.E., Cairo	EGP	2,000	99.81	◆★✲
	❍	Modern Waterproofing Company S.A.E., Cairo	EGP	119,000	98.89*	◆★✲
	❍	MBCC Egypt for Construction Chemicals (SAE), Monufia – Sadat City	EGP	6,000	100	◆★
	✤	Sika MB Trading Egypt (SAE), New Cairo	EGP	5,000	100*	
Estonia	✤	Sika Estonia Oü, Tallinn	EUR	3	100	
Ethiopia	❍	Sika Abyssinia Chemicals Manufacturing PLC, Addis Ababa	ETB	260,320	100	◆★✲
Finland	❍	Oy Sika Finland Ab, Espoo	EUR	850	100	◆★
France	❍	Sika France SAS, Paris	EUR	468,018	100	◆★✲
	❍	Sika Automotive France SAS, Cergy-Pontoise Cedex	EUR	1,343	100*	◆★✲
	❍	Dexel SAS, Les Salles du Gardon	EUR	37	100*	◆
Germany	❍	Sika Deutschland CH AG & Co KG, Stuttgart	EUR	26,000	100*	◆★✲
	❍	Sika Manufacturing Deutschland GmbH, Troisdorf	EUR	4,000	100*	◆★✲
	❍	Sika Automotive Deutschland GmbH, Frankfurt am Main	EUR	1,000	100*	◆★✲
	▲	Sika Frankfurt Grundstücksgesellschaft mbH, Frankfurt am Main	EUR	25	100*	
	▲	Sika Worms Grundstücksgesellschaft mbH, Frankfurt am Main	EUR	25	100*	
	❍	Hago PU GmbH, Munich	EUR	1,000	100	◆★✲
	❍	PCI Augsburg GmbH, Augsburg	EUR	10,000	100*	◆
	❍	Wolman Wood and Fire Protection GmbH, Sinzheim	EUR	2,100	100*	◆★
	▲	Sika MBCC Oldenburger Grundbesitz GmbH, Oldenburg	EUR	25	100*	
	▲	MBCC Investments GmbH, Mannheim	EUR	25	100*	◆★
Ghana	❍	Sika Chemicals Ghana Ltd., Accra	GHS	41,767	100	

Country		Company[1]		Capital stock in thousands	Voting and capital share in %	Certification
Greece	❍	Sika Hellas ABEE, Kryoneri	EUR	9,000	100	◆ ★ ✲
Hungary	❍	Sika Hungária Kft., Biatorbágy	HUF	483,000	100	◆ ★ ✲
Iran	❍	Sika Parsian P.J.S. Co., Tehran	IRR mn	293,229	100	
Iraq	❍	Sika Company for General Trading LLC, Erbil	IQD	422,000	100	
Ireland	❍	Sika Ireland Ltd., Dublin	EUR	635	100	◆ ★
Italy	❍	Sika Italia S.p.A., Peschiera Borromeo	EUR	5,000	100	◆ ★ ✲
	❍	Sika Polyurethane Manufacturing S.r.l., Cerano	EUR	1,600	100*	◆ ★ ✲
	❍	Index Construction Systems and Products S.P.A., Castel d'Azzano	EUR	7,740	100*	◆ ★ ✲
Ivory Coast	❍	Sika Côte d'Ivoire SARL, Abidjan	XOF mn	1,942	100	
Jordan	❍	Jordanian Swiss Company for Manufacturing and Marketing Construction Chemicals Limited, Amman	JOD	372	100	
Kazakhstan	❍	Sika Central Asia LLP, Almaty	KZT	8,158,000	100	◆
Kenya	❍	Sika Kenya Limited, Nairobi	KES	50,000	100	◆
	❍	Sika MBCC Kenya Limited, Nairobi Machakos	KES	202,900	100*	
Kuwait	✜	Sika Kuwait for Construction Materials & Paints Co WLL, Shuwaikh Industrial Area	KWD	2,221	100*	
Latvia	❍	Sika Baltic SIA, Dreiliņi	EUR	1,237	100	
Lebanon	❍	Sika Near East s.a.l., Beirut	LBP mn	1,340	100	◆
Mauritius	❍	Sika (Mauritius) Ltd., Plaine Lauzun	MUR	2,600	100*	◆
Morocco	❍	Sika Maroc, Casablanca	MAD	264,000	100	◆ ★ ✲
Mozambique	❍	Sika Moçambique Limitada, Boane	MZN	565,383	100	
Netherlands	❍	Sika Nederland B.V., Utrecht	EUR	1,589	100	◆ ★ ✲
	▲	Sika Capital B.V., Utrecht	EUR	10,000	100	
Nigeria	❍	Sika Manufacturing Nigeria Limited, Lagos	NGN mn	4,537	100	
	❍	Sika MBCC Nigeria Limited, Lagos	NGN mn	2,843	100	
Norway	❍	Sika Norge AS, Skjetten	NOK	42,900	100	◆ ★ ✲

Country		Company[1]		Capital stock in thousands	Voting and capital share in %	Certification
Oman	✜	Sika LLC, Muscat	OMR	150	100	
	❍	Sika MB LLC, Muscat Misfah	OMR	150	95	◆
Poland	❍	Sika Poland Sp. z o.o., Warsaw	PLZ	12,188	100	◆ ★ ✲
	❍	Sika Automotive Zlotoryja Sp. z o.o., Zlotoryja	PLZ	6,001	100	◆ ★ ✲
Portugal	❍	Sika Portugal – Produtos Construção e Indústria SA, Vila Nova de Gaia	EUR	1,500	100	◆ ★ ✲
Qatar	❍	Sika Qatar LLC, Doha	QAR	200	100	◆ ★ ✲
	❍	Parex Group WLL, Doha	QAR	200	97*	◆ ★ ✲
	▲	Sika Factory for Construction Chemical Materials LLC, Doha	QAR	5,000	100	
	❍	Gulf Additive Factory WLL, Doha	QAR	10,000	100*	◆ ★ ✲
Romania	❍	Sika Romania s.r.l., Bucharest	RON	665,138	100	◆ ★ ✲
	❍	Adeplast S.R.L., Ploiești City	RON	157,632	100*	◆ ★ ✲
Russia	❍	Sika LLC, Lobnya	RUB	535,340	100	◆ ★
	❍	Kreps Limited Liability Company, St. Petersburg	RUB	338,379	100	
	❍	Building Systems LLC, Podolsk	RUB	100,000	100*	
Saudi Arabia	❍	Sika Saudi Arabia Limited (A Single Shareholder LLC), Jeddah	SAR	41,750	100*	◆ ★ ✲
	❍	Awazil AlKhaleej Industrial Company LLC, Riyadh	SAR	3,300	100*	
Senegal	❍	Sika Sénégal S.U.A.R.L, Dakar	XOF mn	2,979	100	◆ ★ ✲
Serbia	❍	Sika Srbija d.o.o., Simanovci	RSD	234,564	100	◆ ★ ✲
Slovakia	✜	Sika Slovensko, spol.s r.o., Bratislava	EUR	1,131	100	◆ ★ ✲
	❍	Sika Automotive Slovakia s.r.o., Zlaté Moravce	EUR	7	100	◆ ★ ✲
Slovenia	✜	Sika d.o.o., Trzin	EUR	1,029	100	◆ ★
South Africa	❍	Sika South Africa (Pty) Ltd, Pinetown	ZAR	25,000	100	◆ ★ ✲
	❍	Sika MBCC South Africa (Pty) Ltd., Johannesburg	ZAR	581,250	100	◆
Spain	❍	Sika S.A.U., Alcobendas	EUR	19,867	100	◆ ★ ✲
	❍	Sika Automotive Terrassa S.A., Barcelona	EUR	2,965	100	◆ ★ ✲

Country	Company[1]			Capital stock in thousands	Voting and capital share in %	Certifi-cation
Sweden	❍	Sika Sverige AB, Spånga	SEK	10,000	100	◆★✲
Switzerland	❍	Sika Schweiz AG, Zurich	CHF	1,000	100	◆★✲
	▲	Sika AG, Baar	CHF	1,605	100	◆★✲
	▲	Sika Services AG, Zurich	CHF	300	100	◆★✲
	▲	Sika Technology AG, Baar	CHF	300	100	◆★✲
	▲	Sika Informationssysteme AG, Zurich	CHF	400	100	
	▮	SikaBau AG, Schlieren	CHF	5,300	100	◆
	▲	Sika Finanz AG, Baar	CHF	2,400	100	
	❍	Sika Manufacturing AG, Sarnen	CHF	14,000	100	◆★✲
	✜	Sika Supply Center AG, Sarnen	CHF	1,000	100	◆★
	❍	Sika Automotive AG, Romanshorn	CHF	3,000	100	◆★✲
	▲	Sika Europe Management AG, Baar	CHF	100	100	
	▲	Sika Americas Management AG, Baar	CHF	100	100	
	▲	Sika Germany Management AG, Baar	CHF	50	100	
	❍	Polypag AG, Altstätten	CHF	700	100	◆★
	▲	Sika Venture AG, Baar	CHF	100	100	
	▲	Sika Investments GmbH, Baar	CHF	20	100	
Tanzania	❍	Sika Tanzania Construction Chemicals Limited, Dar es Salaam	TZS mn	11,700	100	◆★✲
Tunisia	✜	Sika Tunisia SARL, Douar Hicher	TND	150	100*	◆★✲
	❍	Sika Manufacturing Tunisia Sarl, Douar Hicher	TND	683	100*	◆★✲
Turkey	❍	Sika Yapi Kimyasallari A.S., Istanbul	TRY	48,700	100	◆★✲
	❍	ABC Kimya Sanayi ve Dış Ticaret Anonim Şirketi, Istanbul	TRY	165,200	100*	◆★✲
	✜	Sika Turkey Otomotiv Sanayi ve Tic. Ltd. Şti., Istanbul	TRY	5,900	100	◆
	▲	ParexGroup Yapi Kimyasallari Sanayi ve Ticaret AŞ., Istanbul	TRY	57,301	100*	
	❍	Sika MBCC Turkey Yapi Kimyasallari Sanayi ve Ticaret Ltd. Şti., Istanbul	TRY	747,825	100	◆★
UAE	❍	Sika UAE LLC, Dubai	AED	1,000	100*	◆★✲
	✜	Sika International Chemicals LLC, Abu Dhabi	AED	300	100*	◆★✲
	▲	Sumam Arabia Holding Co Limited, Dubai	AED	1	100	
	▲	MBCC Construction Chemicals FZE, Dubai	AED	1,000	100	
	✜	Sika MB Construction Chemicals L.L.C, Dubai	AED	300	100	
Ukraine	❍	LLC Sika Ukraina, Kyiv	UAH	2,933	100	
	▲	LLC Sika Property, Kyiv	UAH	4,000	100*	
United Kingdom	❍	Sika Limited, Welwyn Garden City	GBP	146,000	100	◆★✲
	▲	Everbuild Building Products Limited, Leeds	GBP	21	100*	◆★✲
	❍	Incorez Limited, Preston	GBP	1	100	◆★✲
	❍	MBCC Construction Chemicals Limited, Welwyn Garden City	GBP	0	100*	
	▲	MBCC Investments UK Limited, Welwyn Garden City	GBP	65,000	100	
	❍	Cromar Building Products Limited, Goole	GBP	9	100*	◆
Uzbekistan	❍	Sika FE LLC, Tashkent	UZS	3,800,000	100	
Americas						
Argentina	❍	Sika Argentina SAIC, Caseros	ARS	15,292	100	◆★✲
	▲	VDP Logistica SA, Ciudad de Buenos Aires	ARS	100	100*	
Bolivia	❍	Sika Bolivia SA, Santa Cruz de la Sierra	BOB	1,800	100	◆★✲
Brazil	❍	Sika S/A, Osasco	BRL	432,004	100	◆★✲
Canada	❍	Sika Canada Inc., Pointe Claire/QC	CAD	88,384	100	◆★
	✜	Sika MBCC Canada Inc., Pointe Claire/QC	CAD	4,899	100*	
Chile	❍	Sika S.A. Chile, Santiago de Chile	CLP mn	4,494	100	◆★
Colombia	❍	Sika Colombia S.A.S, Tocancipá	COP mn	14,588	100	◆★✲
Costa Rica	❍	Sika productos para la construcción S.A., Heredia	CRC mn	2,620	100	
Dom. Republic	✜	Sika Dominicana SRL, Santo Domingo Oeste	DOP	37,848	100	
	❍	Vinaldom, S.A.S., Santo Domingo Oeste	DOP	11,000	100	
Ecuador	❍	Sika Ecuatoriana S.A., Durán	USD	2,333	100	◆★
El Salvador	✜	Sika El Salvador S.A. de C.V., San Salvador	USD	2	100	◆✲

Country		Company[1]		Capital stock in thousands	Voting and capital share in %	Certification
Guatemala	❍	Sika Guatemala S.A., Ciudad de Guatemala	GTQ	2,440	100	◆★✲
Honduras	✜	Sika Honduras, S.A. de C.V., Ciudad de San Pedro Sula	HNL	236	100	◆
Mexico	❍	Sika Mexicana SA de CV, Corregidora	MXN	1,851,620	100	◆★✲
	❍	Sika MBCC Mexicana, S.A. de C.V., Ciudad De Mexico	MXN	200,050	100*	◆★
	✜	Imperarva S.A. de C.V., Cuautitlan Izcalli	MXN	300	100*	
	❍	Pinturas Thérmicas del Norte S.A. de C.V., Monterrey	MXN	80,906	100*	◆★✲
Nicaragua	✜	Sika Nicaragua, Sociedad Anonima, Managua	NIO	20,000	100	
Panama	❍	Sika Panama S.A., Panama City	USD	7,200	100	
	❍	Sika MBCC Panama S.A., Panama City	USD	10	100	◆
Paraguay	❍	Sika Paraguay S.A., Asunción	PYG mn	40	100	
	❍	Parex Group S.A., Limpio	PYG mn	5,867	67*	◆✲
Peru	❍	Sika Perú S.A.C., Lima	PEN	3,500	100	◆★
	❍	Sika MBCC Peru S.A., Lima Cercado	PEN	7,552	70*	◆★
	✜	Importadora Técnica Industrial y Comercial S.A., Lima	PEN	3,600	100	◆
	❍	Chem Masters del Perú S.A., Lima	PEN	3,600	100	◆
	❍	Industrias IGAAM S.A.C., Lima	PEN	90	100	◆
	❍	Industrias Las Tres Marías S.A.C., Lima	PEN	45	100	◆
	❍	Industrias Mapar S.A.C., Lima	PEN	5,100	100	◆
	❍	M&P Andina S.A.C., Lima	PEN	345	100	
	▲	Chema Corp S.A., Lima	PEN	15	100	
	▲	GMP Logística S.A.C., Lima	PEN	30	100	
	▲	GMP Técnica S.A.C., Lima	PEN	30	100	
	▲	GMP Marketing S.A.C., Lima	PEN	30	100	
Uruguay	❍	Sika Uruguay SA, Montevideo	UYP	22,800	100	◆★
	▲	Parex Group SA, Montevideo	UYP	18,551	100*	
USA	❍	Sika Corporation, Lyndhurst/NJ	USD	72,710	100	◆★
	✜	Sarnafil Services Inc., Canton/MA	USD	1	100*	

Country		Company[1]		Capital stock in thousands	Voting and capital share in %	Certification
	❍	Emseal Joint Systems Ltd., Westborough/MA	USD	1,040	100*	
	❍	Emseal LLC, Westborough/MA	USD	0	100*	
	❍	Parex USA, Inc., Anaheim/CA	USD	7,176	100*	
	❍	Watson Bowman Acme Corp., Lyndhurst/NJ	USD	1	100*	◆
	❍	Sika MBCC Puerto Rico Corporation, Caguas/PR	USD	3,667	100	
	▲	Sika US Urban Renewal LLC, Lyndhurst/NJ	USD	0	100*	
	❍	Kwik Bond Polymers, LLC, Benicia/CA	USD	0	100*	
Venezuela	❍	Sika Venezuela SA, Valencia	VED	0	100	
Asia/Pacific						
Australia	❍	Sika Australia Pty. Ltd., Wetherill Park	AUD	49,200	100	◆★✲
	✜	Elmich Australia Pty Ltd, Newington	AUD	30	100*	
Bangladesh	❍	Sika Bangladesh Limited, Dhaka	BDT	557,167	100	◆
	❍	Sika MBCC Bangladesh Limited, Dhaka	BDT	1,400,100	100	
Cambodia	❍	Sika (Cambodia) Ltd., Phnom Penh	KHR	422,000	100	◆✲
China	❍	Sika (China) Ltd., Suzhou	USD	50,000	100	◆★✲
	❍	Sika Sarnafil Waterproofing Systems (Shanghai) Ltd., Shanghai	USD	22,800	100	◆★✲
	❍	Sika Guangzhou Ltd., Guangzhou	CNY	80,731	100	◆★
	✜	Sika (Jiaxing) Trading Company Ltd., Jiaxing	CNY	3,723	100*	
	❍	Sika (Sichuan) Building Material Ltd., Chengdu	CNY	60,010	100*	◆★
	❍	Sika (Jiangsu) Building Material Ltd., Zhengjiang	CNY	60,010	100*	◆★✲
	❍	Sika Automotive Shanghai Co. Ltd., Shanghai	CNY	2,666	100	◆★
	❍	Sika Automotive (Tianjin) Co. Ltd., Tianjin	CNY	178,468	100	◆★✲
	❍	Ronacrete (Guangzhou) Construction Products Limited, Guangzhou	CNY	17,056	100*	◆★✲
	✜	Home of Heart (Shanghai) E-Commerce Co. Ltd., Shanghai	CNY	10,000	100*	
	✜	Sika (Shanghai) Management Co., Ltd., Shanghai	USD	10,000	100*	

Country		Company[1]		Capital stock in thousands	Voting and capital share in %	Certification
	✜	SikaDavco (Guangzhou) Management Co. Ltd., Guangzhou	USD	2,000	100*	
	✜	SikaDavco (Guangzhou) Co. Ltd., Guangzhou	USD	10,000	100*	◆★✲
	❍	SikaDavco (Guangdong) New Materials Co. Ltd., Conghua	CNY	30,000	100*	◆★✲
	❍	Changsha SikaDavco New Materials Co. Ltd., Changsha	CNY	10,000	100*	◆★✲
	❍	SikaDavco (Chengdu) New Materials Co. Ltd., Chengdu	CNY	20,000	100*	◆★✲
	❍	SikaDavco (Chongqing) New Materials Co. Ltd., Chongqing	CNY	10,000	100	◆★✲
	❍	SikaDavco (Dezhou) New Materials Co. Ltd., Dezhou City	USD	1,500	100	◆★✲
	❍	SikaDavco (Dongguan) Co. Ltd., Dongguan	CNY	10,000	100*	◆★✲
	❍	SikaDavco (Nanjing) Co. Ltd., Nanjing	CNY	10,000	100*	◆★✲
	❍	SikaDavco (Quanzhou) Co. Ltd., Quanzhou	CNY	10,000	100*	◆★✲
	❍	SikaDavco (Shanghai) Co. Ltd., Shanghai	CNY	25,000	100*	
	❍	Davco (Shijiazhuang) Co. Ltd., Shijiazhuang	CNY	10,000	100*	◆★✲
	❍	SikaDavco (Hubei) Co. Ltd., Ezhou	CNY	10,000	100*	◆★✲
	❍	Suzuka International (Shanghai) Co. Ltd., Shanghai	CNY	50,000	100*	◆★✲
	▲	Suzuka International (Shijiazhuang) Co. Ltd., Shanghai	CNY	10,000	100*	
	❍	Sika (Jiangsu) Industrial Material Ltd., Jiangsu	CNY	59,312	100*	◆
	❍	SikaDavco (Zhejiang) New Materials Co. Ltd., Zhejiang	CNY	32,760	100	◆★✲
	❍	SikaDavco (Zhanjiang) New Materials Co. Ltd., Zhanjiang	CNY	10,000	100	◆★✲
	❍	Sika Hamatite Automotive (Zhejiang) Ltd., Zhejiang	CNY	113,700	100*	◆★✲
	▲	Shenzhen Landun Holding Co. Ltd., Shenzhen	CNY	60,000	100*	
	❍	Guangdong Landun Science and Technology Star Co., Ltd., Shenzhen	CNY	38,000	100*	

Country		Company[1]		Capital stock in thousands	Voting and capital share in %	Certification
	❍	Hubei Landun Science and Technology Star Co., Ltd., Xiaogan	CNY	36,660	100*	
	❍	Sika MBCC Construction Chemicals (Shanghai) Co., Ltd., Shanghai	CNY	209,040	100*	◆★✲
	❍	Sika MBCC Construction Systems (Huzhou) Co., Ltd., Huzhou City	CNY	30,113	100*	◆★✲
	❍	Shanghai MBT & SCG Co. Ltd., Shanghai	CNY	56,000	60	◆★✲
	❍	SikaDavco (Liaoning) New Materials Co., Ltd., Liaoning	USD	1,500	100	◆★✲
	▲	Sika (Zhejiang) Novel Material Co., Ltd., Jiaxing City	USD	63,500	100	
	❍	SikaDavco (Shaanxi) New Materials Co., Ltd., Weinan City	CNY	10,695	100	
	❍	Sika (Shanghai) New Materials Co., Ltd., Shanghai	CNY	10,670	100	◆★✲
	❍	Sika Hongkong Ltd., Hong Kong	HKD	35,950	100*	◆★
	▲	Suzuka International Ltd, Hong Kong	HKD	10	100*	
	▲	MBCC Hong Kong Establishment Limited, Hong Kong	HKD	0	100	
	▲	MBCC Hong Kong Limited, Hong Kong	HKD	0	100	
India	❍	Sika India Private Ltd., Mumbai	INR	674,040	100	◆★✲
	✜	Axson India Private Limited, Pune	INR	3,000	100*	
Indonesia	❍	Sika Indonesia P.T., Bogor	IDR mn	3,282	100	◆★✲
	✜	PT Sika MBCC Indonesia, Cikarang	IDR	82,500,000	100*	
Japan	❍	Sika Japan Ltd., Minato-ku	JPY	490,000	100	◆★✲
	▮	DCS Co. Ltd., Toda-shi	JPY	30,000	100*	
Korea	❍	Sika Korea Ltd., Anseong-si	KRW mn	5,596	100	◆★
Malaysia	❍	Sika Kimia Sdn. Bhd., Kuala Lumpur	MYR	43,200	100	◆★✲
	▲	Sika Asia Pacific Services Sdn. Bhd., Kuala Lumpur	MYR	500	100	
	❍	Sika MBCC Malaysia Sdn. Bhd., Klang	MYR	92,833	100	◆★
	❍	Nautec Materials Sdn. Bhd, Johor	MYR	16,732	100	◆★✲
	✜	Elmich (Malaysia) Sdn Bhd, Selangor	MYR	100	100*	

Country	Company[1]			Capital stock in thousands	Voting and capital share in %	Certification
Mongolia	❍	Sika Mongolia LLC, Ulaanbaatar	MNT mn	7,091	100	◆ ✲
Myanmar	❍	Sika Myanmar Limited, Dagon Myothit (South) Township	USD	3,018	100	◆ ★
	✜	Sika MBCC Myanmar Ltd, Yangon	MMK	5,978,002	100	
New Zealand	❍	Sika (NZ) Ltd., Auckland	NZD	1,100	100	◆ ★ ✲
Pakistan	❍	Sika Pakistan (Pvt.) Limited, Lahore	PKR	824,786	100	◆ ★ ✲
Philippines	❍	Sika Philippines Inc., Taguig	PHP	55,610	100	◆ ★ ✲
	❍	Sika MBCC Philippines Inc., Taguig	PHP	10,500	100	
Singapore	❍	Sika (Singapore) Pte. Ltd., Singapore	SGD	6,250	100	◆ ★
	▲	Sika Asia Pacific Mgt. Pte. Ltd., Singapore	SGD	100	100	
	✜	Elmich Pte Ltd, Singapore	SGD	3,000	100*	
Sri Lanka	❍	Sika Lanka (Private) Limited, Ekala	LKR	711,506	100	◆ ★
Taiwan	❍	Sika Taiwan Ltd., Taoyuan County	TWD	40,000	100	◆ ★
Thailand	❍	Sika (Thailand) Ltd., Chonburi	THB	302,100	100	◆ ★ ✲
Vietnam	❍	Sika Limited (Vietnam), Dong Nai	VND mn	44,190	100	◆ ★ ✲

❑ Production, sales, construction contracting
❍ Production and sales
✜ Sales
▲ Real estate and service companies
▮ Construction contracting

◆ ISO 9001 (Quality Management)
★ ISO 14001 (Environmental Management)
✲ ISO 45001 (Occupational Health and Safety)

1 For associated companies see note 16.
2 Fully consolidated – control over the company through shareholder agreement.
* Company indirectly held by Sika AG.
Material changes are indicated on p.226 of this report.

KPMG

Statutory Auditor's Report

To the General Meeting of Sika AG, Baar

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Sika AG 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 and 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 218 to 261) give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated 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

VALUATION OF GOODWILL

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.

KPMG

VALUATION OF GOODWILL

Key Audit Matter

As of 31 December 2025, the consolidated financial statements included goodwill amounting to CHF 6,139 million.

Goodwill is assessed for impairment by management at least on a yearly basis by determining the value in use, which is then compared to the carrying amount.

For determining the value in use the discounted cashflow (DCF) method is applied. This requires the use of a number of key assumptions by management, including assumptions regarding expected future cash flows, long-term growth rates, future profitability levels and applicable discount rates, as well as assessments concerning the determination and allocation of assets to the cash generating units (CGUs).

In relation to total assets and net assets as per 31 December 2025, goodwill is of material importance.

In the financial year 2025 no impairment of goodwill was identified.

There is a risk that a potential impairment of goodwill is not or not adequately identified due to inappropriate assumptions.

Our response

Amongst others, we have performed the following audit procedures:

— We evaluated the determination of the CGUs by management as well as the methodological and mathematical correctness of the valuation method used for the impairment test.

— We assessed the appropriateness of the most important assumptions used to determine the value in use as well as the method applied for the cash-flow projections. This included the allocation of goodwill to the CGUs, the long-term growth rates and the determination of the discount rate based on our business understanding of the respective CGUs. In this respect, we made comparisons with publicly available market data, where possible. Our valuation specialists supported us in assessing the appropriateness of the most important assumptions.

— We gained an understanding of the business plans and made comparisons with prior-year assumptions. Also, we traced back the data used in the value in use calculation of the CGUs to the business plans approved by the Board of Directors.

— We conducted sensitivity analyses taking into account the historical forecasting accuracy.

— We assessed the appropriateness of the disclosures related to the impairment test.

For further information on the valuation of goodwill refer to the following:

— Note "Principles of consolidation and valuation" on pages 223 - 228
— Note 15 "Intangible assets and goodwill" on pages 240 – 241

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 that 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 skepticism 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 with 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.

KPMG

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

Toni Wattenhofer
Licensed Audit Expert
Auditor in Charge

Anna Pohle
Licensed Audit Expert

Zug, 17 February 2026

FIVE-YEAR REVIEWS

CONSOLIDATED INCOME STATEMENT
for the year ended December 31

in CHF mn	2021	2022	2023	2024	2025
Net sales	**9,252.3**	**10,491.8**	**11,238.6**	**11,763.1**	**11,201.3**
Material expenses	−4,461.0	−5,312.0	−5,213.8	−5,347.1	−5,047.7
Gross result	**4,791.3**	**5,179.8**	**6,024.8**	**6,416.0**	**6,153.6**
Personnel expenses	−1,635.3	−1,710.5	−2,006.8	−2,143.6	−2,179.1
Other operating expenses	−1,398.0	−1,505.1	−1,973.3	−2,002.9	−1,909.8
Operating profit before depreciation (EBITDA)	**1,758.0**	**1,964.2**	**2,044.7**	**2,269.5**	**2,064.7**
Depreciation/amortization/impairment	−366.6	−384.5	−495.6	−555.6	−571.5
Operating profit	**1,391.4**	**1,579.7**	**1,549.1**	**1,713.9**	**1,493.2**
Interest income/interest expense	−45.4	−40.4	−134.8	−159.3	−140.6
Financial income/expense and income from associated companies	−10.4	−41.1	−77.9	8.4	3.1
Profit before taxes	**1,335.6**	**1,498.2**	**1,336.4**	**1,563.0**	**1,355.7**
Income taxes	−287.1	−335.7	−273.8	−315.4	−310.4
Net profit	**1,048.5**	**1,162.5**	**1,062.6**	**1,247.6**	**1,045.3**
Free cash flow	594.9	930.8	−1,801.3	1,137.7	1,156.0
Operating free cash flow	908.4	865.2	1,441.5	1,402.9	1,356.1
Gross result as % of net sales	51.8	49.4	53.6	54.5	54.9
EBITDA as % of net sales	19.0	18.7	18.2	19.3	18.4
Net profit as % of net sales (ROS)	11.3	11.1	9.5	10.6	9.3
Net profit as % of shareholders' equity (ROE)	23.9	23.4	17.9	17.7	15.7

SEGMENT INFORMATION

					EMEA					Americas
in CHF mn	**2021**	**2022**	**2023**	**2024**	**2025**	**2021**	**2022**	**2023**	**2024**	**2025**
Net sales	4,397	4,509	4,880	5,095	5,029	2,646	3,477	3,736	4,097	3,879
EBITDA	893	959	914	991	950	531	676	808	907	850
in % of net sales	20.3	21.3	18.7	19.5	18.9	20.1	19.4	21.6	22.1	21.9
Depreciation/amortization	167	156	198	214	222	88	105	138	165	180
Capital expenditures	61	96	85	108	115	50	75	91	140	142

					Asia/Pacific					Corporate Services
in CHF mn	**2021**	**2022**	**2023**	**2024**	**2025**	**2021**	**2022**	**2023**	**2024**	**2025**
Net sales	2,209	2,507	2,623	2,571	2,293	0	0	0	0	0
EBITDA	449	492	566	538	410	–115	–162	–243	–166	–145
in % of net sales	20.3	19.6	21.6	20.9	17.9					
Depreciation/amortization	82	93	110	116	118	30	31	50	61	52
Capital expenditures	48	70	79	88	96	12	25	25	23	22

					Total
in CHF mn	**2021**	**2022**	**2023**	**2024**	**2025**
Net sales	9,252	10,492	11,239	11,763	11,201
EBITDA	1,758	1,964	2,045	2,270	2,065
in % of net sales	19.0	18.7	18.2	19.3	18.4
Depreciation/amortization	367	385	496	556	572
Capital expenditures	171	266	280	359	375

CONSOLIDATED BALANCE SHEET as at December 31

in CHF mn		2021	2022	2023	2024	2025
Cash and cash equivalents		1,175.0	1,873.3	643.9	707.5	801.8
Accounts receivable	a	1,576.8	1,719.6	2,013.1	2,175.0	2,012.3
Inventories	b	1,158.3	1,212.8	1,240.7	1,348.9	1,237.5
Other assets[1]		255.4	215.6	307.6	329.4	359.6
Current assets		**4,165.5**	**5,021.3**	**4,205.3**	**4,560.8**	**4,411.2**
Property, plant, and equipment		1,776.6	1,822.3	2,257.3	2,458.5	2,443.8
Intangible assets		4,379.9	4,229.1	8,218.1	8,619.7	7,934.1
Other assets[2]		384.8	246.5	368.5	339.3	359.2
Non-current assets		**6,541.3**	**6,297.9**	**10,843.9**	**11,417.5**	**10,737.1**
Assets		**10,706.8**	**11,319.2**	**15,049.2**	**15,978.3**	**15,148.3**
Accounts payable	c	1,033.2	1,016.6	1,108.2	1,212.3	1,176.4
Financial liabilities		343.1	303.0	1,217.9	337.4	1,417.5
Other liabilities[3]		719.9	721.8	1,089.0	1,037.6	933.3
Current liabilities		**2,096.2**	**2,041.4**	**3,415.1**	**2,587.3**	**3,527.2**
Financial liabilities		3,393.9	3,634.2	4,732.0	5,424.8	4,131.7
Non-current provisions, employee benefit obligations		418.5	317.9	530.5	540.3	473.0
Other liabilities[4]		402.3	358.6	438.4	379.1	349.7
Non-current liabilities		**4,214.7**	**4,310.7**	**5,700.9**	**6,344.2**	**4,954.4**
Liabilities		**6,310.9**	**6,352.1**	**9,116.0**	**8,931.5**	**8,481.6**
Capital stock		1.4	1.5	1.6	1.6	1.6
Treasury shares		–10.7	–15.1	–11.9	–8.8	–7.5
Reserves		4,403.1	4,979.8	5,930.7	7,040.0	6,662.3
Equity attributable to Sika shareholders		**4,393.8**	**4,966.2**	**5,920.4**	**7,032.8**	**6,656.4**
Non-controlling interests		2.1	0.9	12.8	14.0	10.3
Shareholders' equity	d	**4,395.9**	**4,967.1**	**5,933.2**	**7,046.8**	**6,666.7**
Liabilities and shareholders' equity	e	**10,706.8**	**11,319.2**	**15,049.2**	**15,978.3**	**15,148.3**

1 Prepaid expenses and accrued income, current income tax assets, other current assets, and assets classified as held-for-sale.
2 Investments in associated companies, deferred tax assets, and other non-current assets.
3 Accrued expenses and deferred income, income tax liabilities, current provisions, other current liabilities, and liabilities classified as held-for-sale.
4 Deferred tax liabilities and other non-current liabilities.

KEY BALANCE SHEET DATA

in CHF mn	Calculation	2021	2022	2023	2024	2025
Net working capital	(a+b−c)	1,701.9	1,915.8	2,145.6	2,311.6	2,073.4
Net working capital as % of net sales		18.4	18.3	19.1	19.7	18.5
Net debt[1]	f	2,547.1	2,051.6	5,219.7	5,039.6	4,734.5
Gearing in %	(f:d)	57.9	41.3	88.0	71.5	71.0
Equity ratio in %	(d:e)	41.1	43.9	39.4	44.1	44.0

1 Net debt: financial liabilities (less derivatives) less interest-bearing current assets (cash and cash equivalents and securities).

VALUE-BASED KEY DATA

in CHF mn	Calculation	2021	2022	2023	2024	2025
Capital employed[1]		7,263.0	7,366.2	11,634.3	12,544.6	11,729.4
Annual average capital employed	g	6,922.6	7,314.6	9,500.3	12,089.5	12,137.0
Operating profit	h	1,391.4	1,579.7	1,549.1	1,713.9	1,493.2
Return on capital employed (ROCE) in %	(h:g)	20.1	21.6	16.3	14.2	12.3

1 Capital employed: current assets, PPE, intangible assets less cash and cash equivalents, current securities, current liabilities (excluding bank loans and bond).

EMPLOYEES

	2021	2022	2023	2024	2025
EMEA (Europe, Middle East, Africa)[1]	**13,004**	**12,972**	**16,214**	**16,214**	**16,103**
Germany	2,256	2,168	3,469	3,245	3,240
Switzerland	1,985	1,948	2,071	2,129	2,158
France	1,375	1,396	1,515	1,581	1,485
United Kingdom	972	1,013	1,001	1,025	1,007
America[1]	**6,820**	**7,394**	**8,825**	**9,538**	**9,211**
USA	2,671	2,893	3,355	3,343	3,267
Mexico	1,061	1,046	1,711	1,704	1,540
Brazil	833	854	905	917	902
Asia/Pacific[1]	**7,235**	**7,342**	**8,508**	**8,724**	**8,393**
China	3,414	3,480	3,773	3,840	3,524
Japan	988	930	1,151	1,135	1,091
Total	**27,059**	**27,708**	**33,547**	**34,476**	**33,707**
Personnel expenses (in CHF mn)					
Wages and salaries	1,328	1,399	1,637	1,730	1,761
Social charges, other	307	312	370	414	418
Personnel expenses	**1,635**	**1,711**	**2,007**	**2,144**	**2,179**
Personnel expenses as % of net sales	17.7	16.3	17.9	18.2	19.5
Key data per employee (in CHF thousands)					
Net sales	356	383	367	346	329
Net value-added[2]	118	121	116	116	110

1 Does not correspond to the Sika segments. The employees of Corporate Services were assigned to the respective company locations, i.e. EMEA.

2 See next page, five-year reviews, value-added statement.

VALUE-ADDED STATEMENT

in CHF mn	2021	2022	2023	2024	2025
Source of value-added					
Corporate performance (net sales)	9,252	10,492	11,239	11,763	11,201
Intermediate inputs	–5,838	–6,806	–7,196	–7,267	–6,890
Gross value-added	**3,414**	**3,686**	**4,043**	**4,496**	**4,311**
Non-liquidity-related expenses					
Depreciation and amortization	–367	–385	–496	–556	–572
Change in provisions	25	20	10	14	17
Net value-added	**3,072**	**3,321**	**3,557**	**3,954**	**3,756**
Distribution of value-added					
To employees					
Wages and salaries	1,328	1,399	1,637	1,730	1,761
Social charges	309	312	370	414	418
To governments	331	390	328	383	381
To lenders (interest expenses)	55	57	159	179	151
To shareholders (dividend payout, incl. non-controlling interests)	355	446	493	531	579
To the company					
Net profit for the year	1,049	1,163	1,063	1,248	1,045
Less dividend payout	–355	–446	–493	–531	–579
Net value-added	**3,072**	**3,321**	**3,557**	**3,954**	**3,756**
Number of employees					
End of year	27,059	27,708	33,547	34,476	33,707
Annual average	25,954	27,384	30,628	34,012	34,092
Net value-added per employee (in CHF thousands)	**118**	**121**	**116**	**116**	**110**

SIKA AG, BAAR, FINANCIAL STATEMENTS

SIKA AG INCOME STATEMENT
for the year ended December 31

in CHF mn	Notes	2024	2025
Dividend income	1	586.9	681.4
Financial income	2	578.9	637.1
Other income	3	94.1	101.9
Income		**1,259.9**	**1,420.4**
Financial expenses	2	–417.9	–689.1
Personnel expenses	4	–19.3	–19.3
Other operating expenses	5	–136.7	–88.7
Operating profit before depreciation		**686.0**	**623.3**
Impairment losses (–)/reversal of impairment losses (+) on investments	9	–75.7	–81.5
Depreciation and amortization expenses		–0.1	–0.1
Net profit before taxes		**610.2**	**541.7**
Direct taxes	1	–24.4	–14.8
Net profit for the year		**585.8**	**526.9**

SIKA AG BALANCE SHEET
as at December 31

in CHF mn	Notes	2024	2025
Cash and cash equivalents	6	147.8	113.0
Securities		7.2	3.2
Other current receivables[1]	7	3,772.8	3,343.5
Prepaid expenses and accrued income		17.7	15.4
Current assets[1]		**3,945.5**	**3,475.1**
Financial assets[1]	8	881.5	830.4
Investments	9	5,965.7	6,117.4
Property, plant, and equipment		0.7	0.7
Other non-current assets		14.7	13.0
Non-current assets[1]		**6,862.6**	**6,961.5**
Assets		**10,808.1**	**10,436.6**

in CHF mn	Notes	2024	2025
Accounts payable	10	15.9	8.8
Current interest-bearing liabilities	11	991.7	1,086.6
Other current liabilities	12	2.7	0.0
Accrued expenses and deferred income	13	86.3	67.1
Current provisions	14	1.0	1.0
Current liabilities		**1,097.6**	**1,163.5**
Non-current interest-bearing liabilities	11	5,105.7	4,741.4
Other non-current liabilities		3.0	4.4
Non-current provisions	14	35.3	11.1
Non-current liabilities		**5,144.0**	**4,756.9**
Liabilities		**6,241.6**	**5,920.4**
Share capital		1.6	1.6
Legal capital reserves		2,736.2	2,447.4
Legal retained earnings		4.0	4.0
Voluntary retained earnings		121.7	121.7
Treasury shares	15	–8.8	–7.5
Profit brought forward		1,126.0	1,422.1
Net profit for the year		585.8	526.9
Shareholders' equity	16	**4,566.5**	**4,516.2**
Liabilities and shareholders' equity		**10,808.1**	**10,436.6**

1 Prior year amounts have been restated by CHF 414.9 million to classify designated loans granted to subsidiaries as non-current.

NOTES TO THE SIKA AG FINANCIAL STATEMENTS

Principles

GENERAL
The 2025 financial statements were prepared according to the Swiss Law on Accounting and Financial Reporting. The significant accounting and valuation principles applied are as described below.

SECURITIES
Securities are valued at historical costs.

RECEIVABLES
The receivables are recorded at nominal value. If necessary, an allowance for doubtful debts is made on receivables from third parties, whereas for receivables from subsidiaries no allowance for doubtful debts is considered.

INVESTMENTS
Investments are initially recognized at cost. On an annual basis, the investments are assessed individually and adjusted to their recoverable amount if required (individual value adjustment principle).

FINANCIAL ASSETS
Loans granted to subsidiaries are recognized at nominal value. For loans denominated in foreign currency, they are measured at the lower of historical cost or actual value at the balance sheet date.

OTHER NON-CURRENT ASSETS/OTHER NON-CURRENT LIABILITIES
Discounts and issue costs for bonds are recognized as other non-current assets and amortized on a straight-line basis over the bond's maturity period. Premiums (less issue costs) are recognized in other non-current liabilities and amortized on a straight-line basis over the bond's maturity period.

CURRENT AND NON-CURRENT INTEREST-BEARING LIABILITIES
Interest-bearing liabilities are recognized in the balance sheet at nominal value.

PROVISIONS
Provisions are recognized to cover general business risks based on the most probable cash outflow, considering the principle of prudence.

TREASURY SHARES
Treasury shares are recognized at acquisition cost and disclosed as a negative component within shareholders' equity. Gains and losses arising from transactions involving treasury shares are directly recorded in shareholders' equity.

SHARE-BASED PAYMENTS
For treasury shares used for share-based payment programs, the difference between the acquisition cost and the value at vesting date is recognized as personnel expenses.

INFORMATION ON BALANCE SHEET AND INCOME STATEMENT ITEMS

1. Dividend income CHF 681.4 mn (CHF 586.9 mn)

Dividends from subsidiaries are recognized in this position.

Within Direct taxes, withholding taxes on dividends amounting to CHF 16.5 million (CHF 14.8 million) are recognized.

2. Financial income CHF 637.1 mn (CHF 578.9 mn)/ Financial expenses CHF 689.1 mn (CHF 417.9 mn)

Financial income includes interest income and gains from foreign exchange transactions. Financial expenses include the interest costs on bonds, bank debts, cashpool and loan payables to subsidiaries (see note 11), as well as foreign currency losses on loans to subsidiaries and other financing costs.

			2024			2025
in CHF mn	**Income**	**Expenses**	**Net**	**Income**	**Expenses**	**Net**
Interest – 3rd party	1.4	–58.3	–56.9	0.6	–47.6	–47.0
Interest – subsidiaries	338.8	–145.0	193.8	152.7	–108.0	44.7
Realized foreign exchange result	101.7	–169.1	–67.4	107.4	–163.8	–56.4
Unrealized net foreign exchange result	136.7	–42.5	94.2	373.2	–365.9	7.3
Other financial result	0.3	–3.0	–2.7	3.2	–3.8	–0.6
Total	**578.9**	**–417.9**	**161.0**	**637.1**	**–689.1**	**–52.0**

Interest income has decreased compared to the previous year, driven by globally lower interest rate levels.

The realized and unrealized foreign exchange gains and losses are primarily attributable to the depreciation of the US dollar as well as the moderate depreciation of the euro. However, the net foreign exchange risk is limited due to largely congruent intra-group financing positions and effective hedging strategies.

3. Other income CHF 101.9 mn (CHF 94.1 mn)

Other income comprises revenue from cost allocations to subsidiaries and the recharge of external consulting costs incurred in connection with group-wide projects, to the extent that such projects benefit the respective subsidiaries. In addition, during 2025 a provision of CHF 27.2 million was released relating to potential value adjustments on intercompany transactions involving the transfer of intellectual property.

4. Personnel expenses CHF 19.3 mn (CHF 19.3 mn)

Personnel expenses include all payments to individuals in an employment relationship, as well as costs for pension fund contributions, health insurance contributions, employee participation plans, and taxes or levies directly linked to personnel remuneration. The annual cost of the long-term employee participation plan depends on Sika's share price performance.

5. Other operating expenses CHF 88.7 mn (CHF 136.7 mn)

This position includes the general expenses of the holding company. Other operating expenses primarily comprise legal and consulting fees, reimbursed employee costs, management training costs, marketing expenses, and other operational outlays.

In 2024, a provision of CHF 27.2 million was recognized to account for potential value adjustments on intercompany transactions involving the transfers of intellectual property. This provision was released in the current year (see note 3). Additionally, CHF 12.9 million (CHF 21.3 million) in costs were incurred for external consulting costs for Group-wide projects as well as integration work related to the acquisition of the MBCC Group.

6. Cash and cash equivalents CHF 113.0 mn (CHF 147.8 mn)

Bank deposits of CHF 63.5 million (CHF 115.2 million) are invested in Swiss francs and CHF 49.5 million (CHF 32.6 million) in foreign currencies.

7. Other current receivables CHF 3,343.5 mn (CHF 3,772.8 mn)

in CHF mn	2024	2025
Receivables from third parties	0.4	0.4
Receivables from subsidiaries	137.0	33.0
Cashpool receivables from subsidiaries	3.3	0.7
Dividend receivables from subsidiaries	5.1	5.8
Loan receivables from subsidiaries	3,626.0	3,302.6
Loan receivables from related parties	1.0	1.0
Total	**3,772.8**	**3,343.5**

8. Financial assets CHF 830.4 mn (CHF 881.5 mn)

in CHF mn	2024	2025
Loan receivables from subsidiaries[1]	878.2	826.4
Other financial assets	3.3	4.0
Total	**881.5**	**830.4**

1 This includes a subordinated loan to a subsidiary in the amount of CHF 463.3 million (CHF 463.3 million). Prior year amounts have been restated by CHF 414.9 million to classify designated loans granted to subsidiaries as non-current.

9. Investments CHF 6,117.4 mn (CHF 5,965.7 mn)

The change in investments is primarily the result of acquisitions, legal restructurings, and capital increases in subsidiaries. Other changes result from valuation adjustments, the formation of new companies, and liquidations. Major participations are listed in the Group companies overview beginning on p.256 of this report.

In 2025, a valuation adjustment of CHF 81.5 million (CHF 75.7 million) was recognized based on the valuation method applied to investments.

10. Accounts payable CHF 8.8 mn (CHF 15.9 mn)

in CHF mn	2024	2025
Payables to third parties	11.8	2.6
Payables to subsidiaries	4.1	6.2
Total	**15.9**	**8.8**

11. Interest-bearing liabilities current CHF 1,086.6 mn (CHF 991.7 mn)/ non-current CHF 4,741.4 mn (CHF 5,105.7 mn)

			2024			2025
in CHF mn	Current	Non-current	Total	Current	Non-current	Total
Bank debt	–	1,097.4	1,097.4	–	–	–
Cashpool liabilities to subsidiaries	351.5	–	351.5	257.9	–	257.9
Loan payables to subsidiaries	440.2	2,588.3	3,028.5	488.7	2,561.4	3,050.1
Bonds	200.0	1,420.0	1,620.0	340.0	2,180.0	2,520.0
Total	**991.7**	**5,105.7**	**6,097.4**	**1,086.6**	**4,741.4**	**5,828.0**

In 2025, the bank financing previously provided under the revolving credit facility was repaid and replaced by the issuance of new bonds. As of December 31, 2025, the revolving credit facilities remained available but unused.

OUTSTANDING BONDS

in CHF mn	Coupon	Term	2024 Book value	2025 Book value
Straight bond	1.900%	2022–11/28/2025	200.0	n.a.
Straight bond	0.600%	2018–03/27/2026	140.0	140.0
Straight bond	2.250%	2023–04/13/2026	200.0	200.0
Straight bond	0.450%	2025–08/27/2027	n.a.	100.0
Straight bond	0.750%	2025–09/24/2027	n.a.	150.0
Straight bond	1.125%	2018–07/12/2028	130.0	130.0
Straight bond	2.350%	2022–11/28/2028	300.0	300.0
Straight bond	2.250%	2023–04/13/2029	250.0	250.0
Straight bond	1.650%	2024–11/28/2029	200.0	200.0
Straight bond	0.850%	2025–11/28/2030	n.a.	250.0
Straight bond	1.100%	2025–09/24/2031	n.a.	150.0
Straight bond	1.875%	2024–05/27/2033	200.0	200.0
Straight bond	1.200%	2025–11/28/2034	n.a.	250.0
Straight bond	1.350%	2025–03/22/2035	n.a.	200.0
Total			**1,620.0**	**2,520.0**

12. Other current liabilities CHF 0.0 mn (CHF 2.7 mn)

in CHF mn	2024	2025
Payables to third parties	1.8	0.0
Payables to related parties	0.9	0.0
Total	**2.7**	**0.0**

13. Accrued expenses and deferred income CHF 67.1 mn (CHF 86.3 mn)

Accrued expenses and deferred income include pro rata interest on bonds issued of CHF 15.0 million (CHF 17.9 million) as well as accrued interest expenses on loan payables to subsidiaries and banks of CHF 34.3 million (CHF 41.0 million). Also included are employee-related accruals of CHF 4.6 million (CHF 5.9 million) and accruals for outstanding invoices.

14. Provisions current CHF 1.0 mn (CHF 1.0 mn)/ non-current CHF 11.1 mn (CHF 35.3 mn)

In 2024, a provision of CHF 27.2 million was recognized to account for potential value adjustments on intercompany transactions involving the transfers of intellectual property. This provision was released in the current year (see note 3).

15. Treasury shares CHF 7.5 mn (CHF 8.8 mn)

In general, treasury shares are used for a Group-wide employee participation program. The shares are traded on the stock exchange at current market prices.

in CHF mn	Units	Share value
January 1, 2024	**48,787**	**11.9**
Reductions	–176,168	–44.5
Additions	162,159	41.4
December 31, 2024	**34,778**	**8.8**
January 1, 2025	**34,778**	**8.8**
Reductions	–37,726	–9.5
Additions	43,000	8.2
December 31, 2025	**40,052**	**7.5**

In the year under review, the average share price was CHF 198.30 (CHF 255.59).

16. Shareholders' equity CHF 4,516.2 mn (CHF 4,566.5 mn)

The ratio of shareholders' equity to total assets amounts to 43.3% (42.3%).

in CHF mn	Capital stock	Legal capital reserves[1]	Retained earnings[2]	Treasury shares	Shareholders' equity
January 1, 2024	**1.6**	**3,000.9**	**1,515.1**	**–11.9**	**4,505.7**
Dividend payment			–264.7		–264.7
Distribution of contribution reserves		–264.7			–264.7
Transactions with treasury shares			1.3	3.1	4.4
Net profit for the year			585.8		585.8
December 31, 2024	**1.6**	**2,736.2**	**1,837.5**	**–8.8**	**4,566.5**
January 1, 2025	**1.6**	**2,736.2**	**1,837.5**	**–8.8**	**4,566.5**
Dividend payment			–288.8		–288.8
Repayment of reserves from capital contribution		–288.8			–288.8
Transactions with treasury shares			–0.9	1.3	0.4
Net profit for the year			526.9		526.9
December 31, 2025	**1.6**	**2,447.4**	**2,074.7**	**–7.5**	**4,516.2**

1 Including reserves from capital contribution.

2 Retained earnings: legal retained earnings, voluntary retained earnings, and available earnings.

The lower profit in 2025 was mainly due to reduced interest income from lower interest rates on intercompany loans and foreign exchange losses resulting from the depreciation of the US dollar, partially offset by lower operating expenses (see note 5). In April 2025, CHF 577.6 million was distributed to shareholders, comprising CHF 288.8 million from profit brought forward and CHF 288.8 million from reserves from capital contribution.

SHARE CAPITAL

The share capital corresponds to the nominal capital of all issued registered shares with a par value of CHF 0.01 each and includes treasury shares, which do not carry voting and dividend rights. The capital is fully paid, and structured as follows:

	Units	Par value in CHF
December 31, 2024	160,479,293	1,604,793
December 31, 2025	**160,479,293**	**1,604,793**

CAPITAL BAND

The Company has a capital band between CHF 1,527,925 (lower limit) and CHF 1,681,660 (upper limit). Within the capital band, the Board of Directors is authorized, until March 28, 2028 or until the earlier expiration of the capital band, to increase or decrease the share capital once or several times and in any amounts. The capital increase or reduction may be effected by the issuance of up to 7,686,752 fully paid-up registered shares with a nominal value of CHF 0.01 each or by cancelling up to 7,686,752 registered shares with a nominal value of CHF 0.01 each or by increasing or reducing the nominal value of the existing registered shares within the capital band. As at December 31, 2025, and December 31, 2024, the capital band had not been used.

RESERVES FROM CAPITAL CONTRIBUTION

The reserves from capital contribution include the premium from capital increases less repayment to shareholders.

in CHF mn	2024	2025
January 1	2,944.7	**2,680.0**
Repayment to shareholders	–264.7	–288.8
December 31	2,680.0	**2,391.2**

Due to differing practices in accounting for stamp duties and other issue costs incurred in connection with the increase in share capital, there is a deviation of CHF 20.8 million between the reserves from capital contribution reported in the statutory financial statements of Sika AG and the amount recognized by the Swiss Federal Tax Administration.

Other information

FULL-TIME EQUIVALENTS

The number of full-time equivalents for the reporting year is 47 (49) employees.

PARTICIPATIONS IN SIKA AG

Sika AG granted the following number of shares as part of employee participation plans.

in CHF thousands	Units	FV per PSU in CHF	FV of grant 2024	Units	FV per PSU in CHF	FV of grant 2025
Board of Directors	5,968	257.42	1,536.3	6,595	232.84	1,535.6
Group Management	12,586	232.47	2,925.9	14,274	198.81	2,837.8
Employees	1,239	232.47	288.0	1,469	196.77	289.1
Total	**19,793**		**4,750.2**	**22,338**		**4,662.5**

CONTINGENT LIABILITIES

Letters of guarantee are issued to finance business transactions. Sika AG guarantees for euro bonds issued by Sika Capital B.V., Netherlands (a 100% subsidiary of Sika AG), in the total amount of nominal EUR 2,750.0 million (EUR 2,750.0 million).

Letters of comfort are issued to subsidiaries, e.g., to secure rents for buildings, obligations to customers, or when required by local regulations.

in CHF mn	2024	2025
Letters of guarantee		
Issued	2,588.3	2,561.4
Used	0.0	0.0
Letters of comfort		
Issued	p.m.	p.m.
Used	0.0	0.0

Sika AG is part of Sika Schweiz AG's value-added tax group and is jointly liable to the tax authorities for the value-added tax obligations of the tax group.

Sika AG acts as the guarantor in the share and purchase agreement (SPA) regarding certain subsidiaries of the MBCC Group, executed between Sika Investments GmbH (formerly Sika International GmbH), as the seller, and the purchaser. Further to the obligations in the SPA, and as between the Sika entities, Sika AG agreed to accept all of the rights, claims, title, benefit and interest to, in and under the SPA, whether current or future, actual or contingent of Sika Investments GmbH.

NET RELEASE OF HIDDEN RESERVES

There was no net release of hidden reserves in the current year nor in the previous year.

Proposed appropriation of available earnings and repayment of reserves from capital contribution

The Board of Directors proposes to the Annual General Meeting the following appropriation of available earnings:

in CHF mn	2025
Profit brought forward	1,422.1
Net profit for the year	526.9
Available earnings	**1,949.0**
Dividend payment out of the available earnings	–296.9
To be carried forward	**1,652.1**

The Board of Directors proposes to the Annual General Meeting the following repayment of reserves from capital contribution:

in CHF mn	2025
Reserves from capital contribution	2,391.2
Repayment of reserves from capital contribution	–296.9
To be carried forward	**2,094.3**

On approval of this proposal, the following payment will be made per registered share:

in CHF	2025
Gross dividend	1.85
Repayment of reserves from capital contribution	1.85
Payout per registered share[1]	**3.70**
35% withholding tax on gross dividend	0.65
Net payout per registered share	**3.05**

1 Registered shares held by Sika AG are non-voting shares and do not qualify for a dividend.

The Board of Directors proposes to the Annual General Meeting a distribution to the shareholders in the total amount of CHF 3.70 per single-class registered share. The total distribution for 2024 was CHF 3.60 per single-class registered share.

Payment of the distribution is tentatively scheduled for Monday, March 30, 2026. Registered shareholders will receive payment of the distributed amount at the address provided to the company for the purposes of dividend distribution.

The Annual General Meeting of Sika AG will be held on Tuesday, March 24, 2026.

Baar, February 17, 2026

For the Board of Directors
The Chair of the Board:
Thierry F. J. Vanlacker

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Statutory Auditor's Report

To the General Meeting of Sika AG, Baar

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sika AG (the Company), which comprise the income statement for the year ended 31 December 2025, and the balance sheet as at 31 December 2025, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 271 to 280) 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

VALUATION OF INVESTMENTS

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.

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VALUATION OF INVESTMENTS

Key Audit Matter

As of 31 December 2025, the financial statements of Sika AG include investments in subsidiaries in the total amount of CHF 6,117.4 million.

On an annual basis, the Company assesses whether there is a need for impairment on investments in subsidiaries. The assessment of the recoverability is based on a comparison of the carrying amount with the value in use. The value in use is calculated based on EBITDA multiples whereas the EBITDA used is an average of historical and forecasted EBITDAs. This requires the use of assumptions by management.

In relation to total assets and net assets as per 31 December 2025, investments in subsidiaries are of material importance.

In the financial year 2025, an impairment expense on investments in the amount of CHF 81.5 million was recognized.

There is a risk that a potential impairment of investments is not or not adequately identified due to inappropriate assumptions.

Our response

Amongst others, we have performed the following audit procedures:

- We evaluated the methodical and mathematical accuracy of the model used for the impairment tests.
- We agreed historical EBITDAs used in the impairment tests to the numbers reported in the consolidation tool.
- We agreed forecasted EBITDAs used in the impairment tests to the business plans approved by the Board of Directors
- We challenged the multiples used and compared them with publicly available data if possible. Our valuation specialists supported us with our procedures.

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For further information on the valuation of investments refer to the following:

— Notes to the Sika AG financial statements: Principles on page 273
— Information on balance sheet and income statement items, 9. Investments on page 275

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.

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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 skepticism 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

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independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with 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 article 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 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 proposals of the Board of Directors comply with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

Toni Wattenhofer Licensed Audit Expert Auditor in Charge	Anna Pohle Licensed Audit Expert

Zug, 17 February 2026

FINANCIAL CALENDAR

58th ANNUAL GENERAL MEETING	Tuesday, March 24, 2026
DIVIDEND PAYMENT	Monday, March 30, 2026
NET SALES FIRST QUARTER 2026	Tuesday, April 14, 2026
HALF-YEAR REPORT 2026	Tuesday, July 28, 2026
RESULT FIRST NINE MONTHS 2026	Friday, October 23, 2026
FULL-YEAR RESULTS 2026	Friday, February 19, 2027

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www.sika.com/annualreport.

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