Sika Business Year

2025

sika.com/annualreport

BUILDING TRUST

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.	

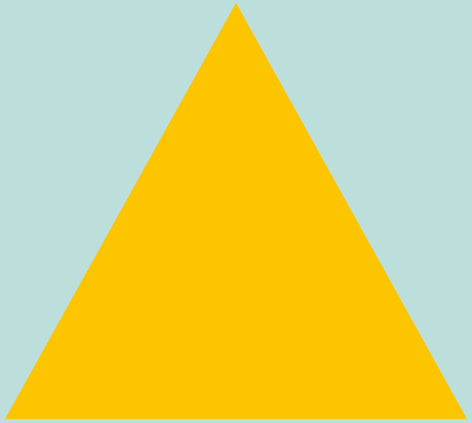
Value chain

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

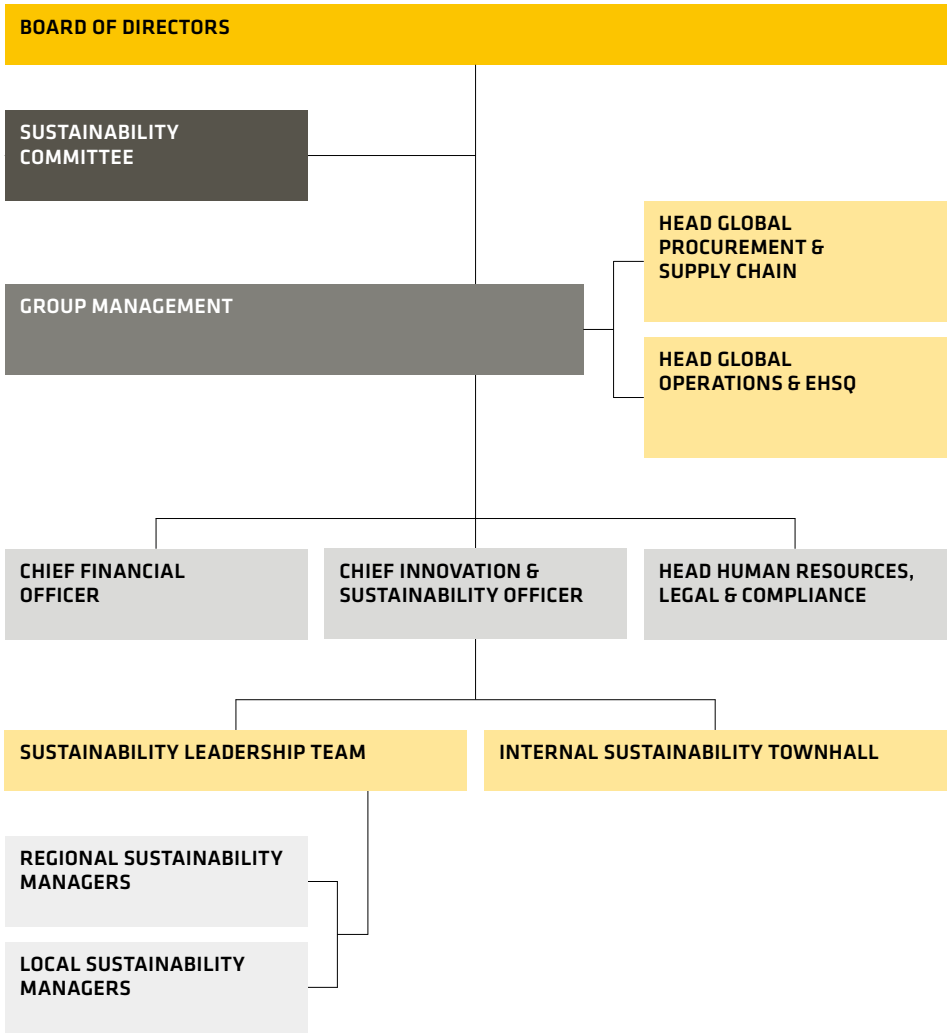
The Sustainability Leadership team orchestrates sustainability-related projects and facilitates the interaction and information exchange across functions and departments at Group and regional level, combining three areas: Controlling, Sustainable Products, and Sustainable Portfolio. The Sustainability 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				■	■	■
	Climate change mitigation	■	■	■	■	■	■
	Energy	■		■		■	
E2 – Pollution	Pollution of air						
	Pollution of water						
	Pollution of soil						
	Substances of concern	■	■	■	■	■	■
	Substances of very high concern	■	■	■	■	■	■
	Microplastics						
E3 – Water and marine resources	Water	■		■		■	
	Marine resources						
E4 – Biodiversity and ecosystems	Assessed at topic level						
E5 – Resource use and circular economy	Resource inflows	■		■			
	Resource outflows					■	
	Waste	■		■		■	
S1 – Own workforce	Working conditions			■	■		
	Equal treatment and opportunities			■			
	Other work-related rights						
S2 – Workers in the value chain	Working conditions	■				■	
	Equal treatment and opportunities	■					
	Other work-related rights	■	■				
S3 – Affected communities	Assessed at topic level						
S4 – Consumers and end-users	Assessed at topic level						
G1 – Business conduct	Assessed at topic level	■		■	■	■	

■ 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:

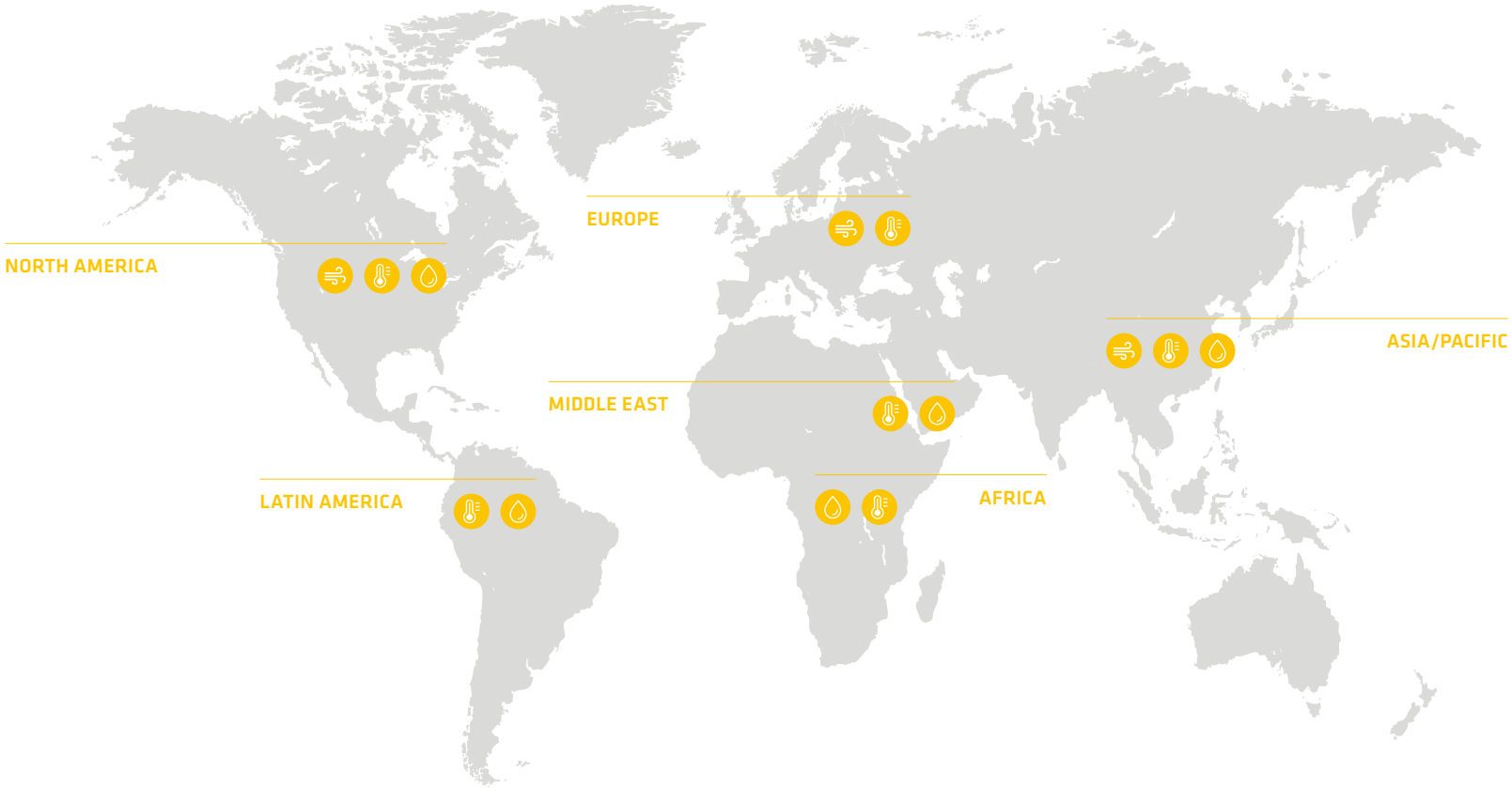
- Internal operations reporting revenues are used to estimate the potential business interruption from physical climate risks. Sales from third-party traded products[1] and parts of intercompany sales from smaller manufacturing sites were excluded.
- Insured asset values are used to assess the potential 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	●	●	↗
	Water	Sea level rise	●	●	↗
		Water stress	●	●	↗
Acute drivers	**Temperature**	Heat wave	●	●	↘
		Cold wave	●	●	↗
		Wildfire	●	●	→
	Water	Drought	●	●	↗
		Coastal flood	●	●	↗
		Hail	●	●	→
		Flood (fluvial and pluvial)	●	●	↗
	Wind	Storm	●	●	↘
		Tornado	●	●	→
		Tropical cyclone	●	●	↗
	Solid mass	Landslide	●	●	→
		Subsidence	●	●	↘

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	●	●	↗
Acute drivers	**Temperature**	Cold wave	●	●	↘
		Wildfire	●	●	→
	Water	Coastal flood	●	●	↗
		Hail	●	●	→
		Flood (fluvial and pluvial)	●	●	↗
	Wind	Storm	●	●	↘
		Tornado	●	●	→
		Tropical cyclone	●	●	↗
	Solid mass	Landslide	●	●	→
		Subsidence	●	●	↘

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).

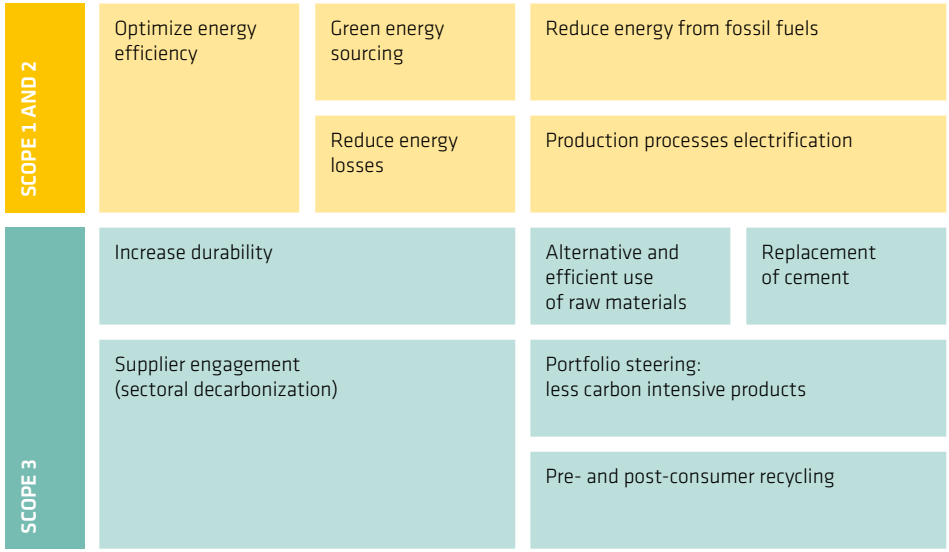
KEY DECARBONIZATION LEVERS

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 ↗ **Environmental Product Declarations 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

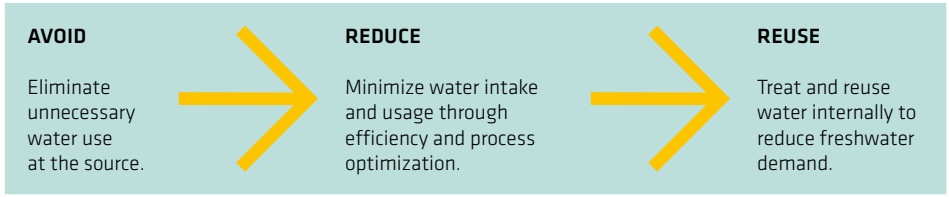
1 Verona (Italy), Sarnen (Switzerland), and Innsbruck (Austria) withdraw large quantities of water for cooling processes and then discharge it back to original sources with negligible losses or variation in quality. Hence, those three sites have been excluded from the water discharge target set under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



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.

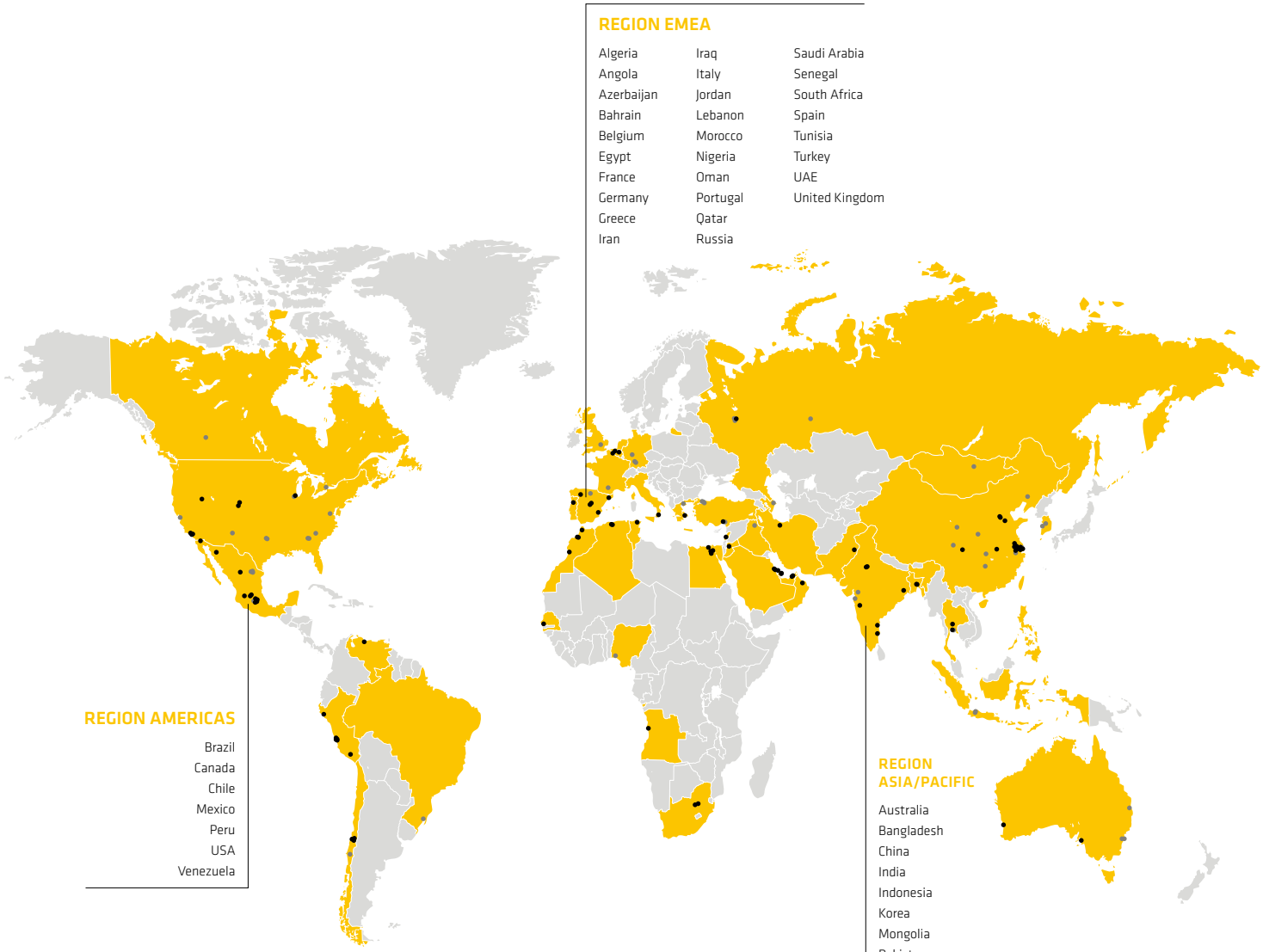
Not only water stress but also other water-related physical risks are monitored by the company. More information on the assessment of Sika's direct exposure to water-related risks is available in the "TCFD recommendations" section on p.56 of the Sustainability Report 2025.

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



- Factories located in high water stress areas
- Factories located in extremely high water stress areas

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.

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.

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

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.

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.

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.

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 m³	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 m³ (16.6% of the total Group) and 397,993 m³ 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 m³ (16.6% of the total Group) and 398,566 m³ 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 m³ (5.8% of the total Group) and 146,610 m³ 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

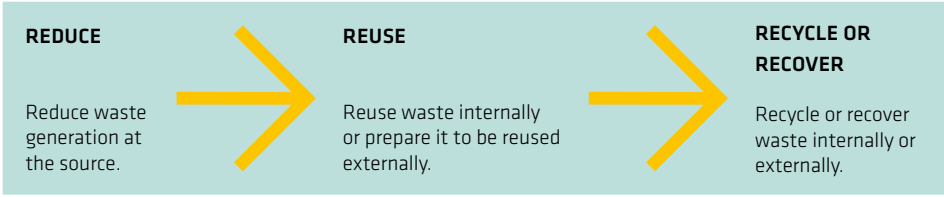
Sub-topics	Actions	Page number(s)
Waste	Waste initiatives in own operations	p.104
	Sustainability Portfolio Management (SPM)	p.104
	End-of-life of sold products	p.104

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.

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.

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%.

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.

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.

1 Including the sub-topics "Working conditions", "Equal treatment and opportunities", and "Other work-related rights".

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.

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.

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.

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.

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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

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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