SOLENIS' TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) REPORT

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Introduction

At Solenis, we recognize the critical importance of addressing climate change and its impact on our operations, stakeholders and the broader environment. Solenis' governance is fully committed to aligning our activities with the objectives of the Paris Agreement, aiming to limit the global temperature rise to well below 2°C. We understand that our long-term success is intrinsically linked to our ability to manage climate-related risks effectively and to seize emerging opportunities.

This report outlines our approach to climate-related risks and opportunities, reflecting the governance structures and strategic initiatives implemented across the entire Solenis business.

We have set a target of achieving net-zero emissions by 2050 and have committed to setting science-based targets (SBTs) and having them validated by the Science Based Targets initiative (SBTi). Accordingly, our climate strategy is shaped around both the opportunities and the risks presented by a changing climate.

Solenis has adopted the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) which provides a clear and transparent analysis of how we identify, assess, and manage climate-related risks and opportunities. Solenis remains committed to continuously improving and evolving the disclosure of climate-related information to support better decision-making and long-term value creation.

Governance

With Solenis' acquisition by Platinum Equity Advisors, LLC in November 2021, the company implemented a governance structure in alignment to other Platinum portfolio companies. This structure consists of three bodies: the Operating Council, Solenis' Leadership Team and Solenis' Leadership Council. These three governing bodies work in close alignment with the Sustainability Leadership Team and the Solenis' Sustainability department. Together, the Sustainability Leadership Team and the Sustainability department are responsible for developing and implementing the Solenis' sustainability positions and monitoring global developments and sustainability trends to ensure that the Solenis' efforts remain relevant, competitive, and compliant with regulatory requirements. Additionally, a core competency of these governing bodies involves establishing and maintaining relationships with external authorities, government agencies, regulatory bodies, industry representatives, customers, competitors and other stakeholders.

The sustainability governing organizational structure is as follows:

Operating Council: The Operating Council is responsible for business strategy and operations oversight and measures the company's progress toward its stated goals against our Key Performance Indicators (KPIs) and targets. The Operating Council is comprised of nine members. There are three key working groups within the Operating Council: Audit; Compensation; and Sustainability.

Sustainability Committee: Operating within the Operating Council, the Sustainability Committee plays a central role in guiding the company's Environmental, Social, Governance + Customer (ESG+C™) strategy. The Committee ensures that sustainability efforts are aligned with broader business goals and regulatory expectations. The committee is responsible for approving the sustainability strategy, monitoring progress on targets, ensuring adequate resourcing, and providing regular updates to the Operating Council. The Sustainability Committee works closely with the Operating Council's independent advisor and Solenis' Chief Sustainability Officer (CSO). The CSO provides four updates per year to the Operating Council and meets bi-monthly with Solenis' independent sustainability advisor to review strategy and execution of sustainability initiatives.

Sustainability Leadership Team: Solenis' sustainability organization is led by the CSO. Solenis' CSO has the primary responsibility to develop and implement Solenis' sustainability strategy. The CSO is supported by a Sustainability Leadership Team that meets weekly to manage long-term planning and set workstream agendas in alignment with the strategy. This team comprises senior executives from various functions who collectively develop the Solenis' sustainability vision, goals and targets. Each year, the sustainability agenda is reviewed and prioritized by the Sustainability Leadership Team to influence goals and guide strategic actions. The CSO provides regular updates to the Sustainability Committee on the development and implementation of the Solenis' sustainability strategy, including progress on key metrics, risks, opportunities, and the roadmap to achieving net zero by 2050.

Supporting the CSO, this cross-functional Sustainability Leadership Team responsible for:

- Developing the sustainability strategy, goals and targets for the Company
- Providing regular updates to Operating Council, Solenis Leadership Team and Solenis Leadership Council on progress
- Monitoring ESG+C™ performance to drive progress and ensure targets are achieved:
    - *Environmental Stewardship*: water, climate, and waste
    - *Social Responsibility*: diversity and inclusion, sustainability training, workplace safety, supplier engagement and due diligence and community involvement
    - *Governance*: transparency, reporting, policies and sustainability ratings
    - *Customer Value*: ValueAdvantage™ delivery and integration into sales strategy
- Driving company culture and education around sustainability
- Identifying areas of underperformance and recommending corrective actions

- Reviewing the annual sustainability report for transparency and coverage of material issues
- Monitoring Sustainability ratings to maintain leadership position
- Ensuring that trends in sustainability are being adequately addressed
- Engaging key stakeholders to ensure material issues are being considered
- Assessing the value creation associated with sustainability efforts to ensure it contributes positively to the financial health of the Company

Sustainability Task Force: A company-wide Sustainability Task Force is comprised of 50 people representing various businesses, functions and locations throughout Solenis. This team has the primary responsibility for overseeing the work associated with Solenis' sustainability tactical plans and acts as a resource to obtain the necessary support to drive improvement. The Task Force also coordinates work on key cross functional initiatives aimed at improving Solenis' sustainability profile across the corporation. The full Task Force convenes bi-weekly and is responsible for the following:

- Driving execution of sustainability goals across Solenis
- Updating the materiality matrix on a regular basis
- Overseeing the work of cross-functional sustainability workstreams
- Identifying and recommending relevant partnerships and certifications
- Defining and implementing both internal and external sustainability communications
- Developing educational programming and training for Solenis employees

Level	Committee/forum	Attendees	Frequency	Objectives:
Board Level	Operating Council Sustainability Committee	• Platinum Equity leadership • Independent advisor, • Operating Council members, • CSO	4 times a year	• Align governance with portfolio-wide expectations • Direct Solenis' business strategy and oversight • Approve sustainability strategy, goals, and targets • Provide final review of annual sustainability results
Executive Management Level	CEO and CSO	• CEO • CSO	Monthly (CSO updates as required)	• Oversee sustainability integration in business strategy • Support sustainability strategy execution and resource allocation • Inform the Board on climate-related risks, impacts, and opportunities • Receive strategic updates from CSO
	Sustainability Leadership Team	• CSO (Chair) • 8 senior executives from key functions	Weekly	• Develop long-term vision, climate strategy, and net-zero roadmap • Drive implementation of sustainability goals • Monitor progress across business functions
Business/ Working level	Sustainability Task Force	• Leadership Team members from functions, geographies, and business units	Biweekly	• Deliver and execute roadmaps to achieve goals • Identify and act on emerging topics related to sustainability • Update double materiality matrix on regular basis • Ensure customer sustainability needs are proactively met • Oversee cross-functional workstreams

Strategy

As a global provider of water and hygiene solutions, we recognize that a broad range of climate-related physical and transition risks may affect our business and strategy across short-, medium-, and long-term time horizons. Accordingly, our strategy considers the materiality of these impacts of climate-related risks and opportunities, across the sectors, products, and geographies in which we operate.

We understand that evolving government regulations, particularly those aimed at reducing carbon emissions may affect our manufacturing processes, product development and supply chain management. However, alongside these risks, Solenis also sees substantial opportunities to contribute to and benefit from the transition to a low-carbon economy, particularly as a provider of products that help customers reduce their greenhouse gas emissions, as well as their water and energy usage. We are also seeing a significant increase in the frequency of customers requesting product carbon footprint data as they measure their Scope 3, Category 1 emissions. Our climate strategy reflects our commitment to achieving net-zero emissions by 2050 and adopting 80% renewable electricity by 2035. As part of this commitment, we are in the process of setting science-based targets (SBTi) with a goal of formal submission by September 2025.

In alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), Solenis assesses the potential impacts of climate-related risks and opportunities on our business strategy, operations and financial performance across short-, medium-, and long-term time horizons.

While individual climate-related risks and opportunities may not, in isolation, exceed our materiality thresholds, their aggregated impact is currently considered material to Solenis, consistent with the outcome of our double materiality assessment. This determination reflects the risk landscape prior to the application of mitigation and adaptation measures.

To manage these risks, Solenis has implemented a range of mitigation strategies aimed at reducing both financial exposure and operational vulnerability. These include:

- Comprehensive insurance coverage for physical assets, addressing both acute and chronic physical climate risks
- An established Facility Risk Assessment process, which regularly evaluates site-level exposure and identifies mitigation priorities
- Integration of climate-related risk into our Enterprise Risk Management (ERM) framework, ensuring alignment with broader risk oversight processes
- A Supplier Risk Protocol, which focuses on the resilience of critical raw material suppliers
- In the area of product development, innovation and product adaptation are embedded in our broader strategic framework and are reviewed regularly in response to evolving risks, client expectations and market conditions.

We acknowledge that these climate-related risks and opportunities are not unique to Solenis but are systemic in nature, affecting the broader chemical and manufacturing sectors. In response, Solenis is proactively advancing its mitigation and adaptation efforts, including targeted actions at high-risk facilities and

the ongoing refinement of resilience planning across our global operations. We also continue to collaborate closely with our Solenis' Finance function to ensure that climate-related considerations are appropriately reflected in our financial disclosures as they evolve.

As our journey progresses—and as our own and the wider industry's understanding of the impacts of climate change continues to evolve—we remain committed to refining our strategies and investing in initiatives that enable us to respond effectively to climate-related challenges. Consequently, our evaluation of climate-related risks and opportunities remains dynamic and will continue to evolve over time. We conduct periodic reviews of our climate-related frameworks, policies and evolving regulations and intend to perform assessments at least biannually or in response to triggering events to ensure that our risk and opportunity profiles remain up to date and actionable.

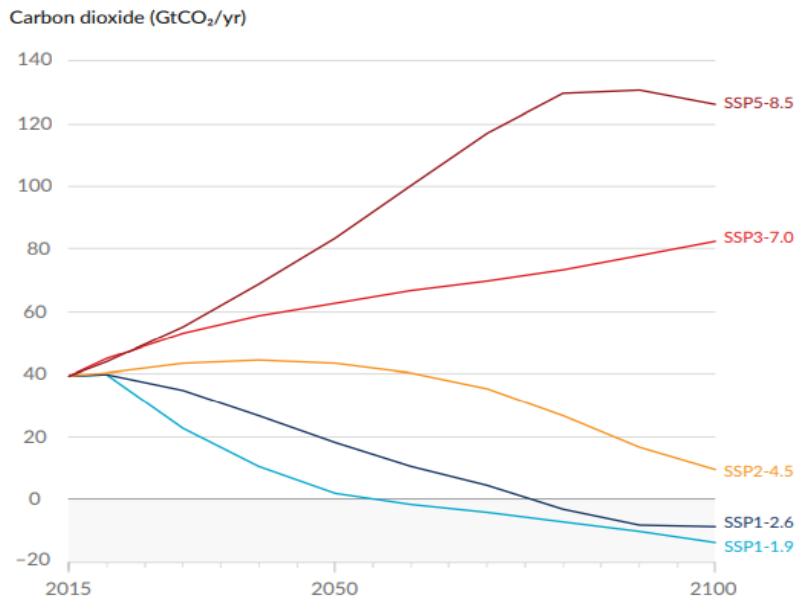
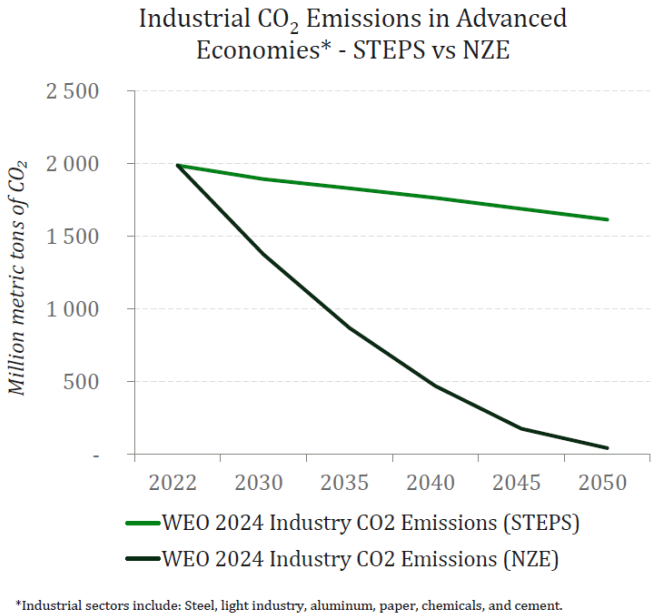
Climate Scenario Analysis: Approach and Methodology

Solenis has undertaken a structured scenario analysis to assess the potential impacts of climate-related risks and opportunities on its business under various global warming pathways. The objective of this analysis is to evaluate the strategic resilience of our operations, supply chain, and long-term planning in the face of both physical and transition risks across short-, medium-, and long-term horizons.

To comprehensively assess Solenis' climate-related risks, we partnered with third-party climate experts and utilized Climate Impact Platform (CIP), which draws on its Global Climate Database. The database incorporates the latest climate science and leverages climate models and assumptions from independent, peer-reviewed third-party sources to evaluate how physical and transition risks may evolve over time. This updated analysis provides a robust evaluation of current and future climate-related vulnerabilities, supports compliance with CSRD disclosure standards and informs strategic decision-making and sustainability planning across the company.

The analysis covered twelve key climate hazards—such as water stress, flooding, cyclones, and extreme heat—across 82 manufacturing and office locations, incorporating both internal facility data and external peer-reviewed sources. Analysis integrated the recent Diversey acquisition, including the addition of 32 new sites and aligned the analysis with CSRD requirements.

For the assessment we selected the following climate scenarios to reflect a broad range of plausible futures and to align with Solenis' commitment to achieving net-zero emissions by 2050.

Physical Risk scenario	**Transition Risk scenarios** based on the International Energy Agency's (IEA) World Energy Outlook 2024
1. SSP1-RCP2.6 – a low-emissions pathway consistent with a <2°C warming scenario 2. SSP3-RCP7.0 – a high-emissions pathway consistent with >3.5°C warming	1. Stated Policies Scenario (STEPS)- High emissions scenario. 2. Net Zero Emissions by 2050 Scenario (NZE)- Low emissions scenario
	
For physical Risks, two climate scenarios were assessed across three time horizons: • 2000s: Recent climate conditions (1985-2014) • 2030s: Short-term risks (2015-2045) • 2050s: Long-term risks (2035-2065)	These scenarios were applied across three future time horizons: • Short-term: 2024 • Medium-term: 2030 • Long-term: 2050

Scenario Analysis Outcomes

Physical Risks: Each identified risk is scored based on location-specific exposure and customized vulnerability weightings for each hazard, and risk levels are assigned from minimal to very high. Physical risks may affect Solenis' physical assets, employee safety and supply chain operations. The primary emerging climate hazards projected for 2050 are water stress and extreme heat. At the same time, opportunities may arise from the development of new products, services, and market expansion.

The table below outlines the physical climate-related risks and associated impacts under **the high-temperature scenario**. It also presents the related exposures, along with Solenis' strategic responses and mitigation actions.

Physical Risks and Impacts	Risk level	Our strategic response and mitigating actions:
Water Stress & Drought: Climate change is expected to shift precipitation patterns- some areas may get fewer precipitation events and are likely to experience a higher risk of drought. Water shortages or usage restrictions could disrupt manufacturing operations by causing production slowdowns, facility downtime and increased operational costs. Water stress in key regions may also impact the availability and cost of raw materials, leading to supply chain disruptions, pricing volatility and challenges in sourcing essential inputs and maintaining water availability for industrial processes.	**Short term**: Medium **Long term**: High	Most of Solenis' sites located in extremely high- or high-water stress areas have relatively low water use. All of these sites have an active water management plan to prioritize conservation and water reduction measures
Extreme Heat, Human Heat Stress & Wildfire Weather: The increasing frequency of hot and dry days is heightening risks related to extreme heat and wildfires. Wildfire smoke can impair worker health and disrupt operations. In high-risk areas, rapid evacuations may be required, and essential equipment left behind could be damaged or destroyed. Outdoor workers may face greater heat exposure, requiring reduced work hours or operational adjustments to ensure safety, potentially impacting overall productivity and workforce planning.	**Short term**: Medium **Long term**: High	As some of our sites are located in areas where extreme heat and wildfire events are possible. These sites have systems in place to ensure the safety of the workers and the safe operation of the manufacturing processes. Regular training and reviews of site risks are carried out as part of the Facility Risk Assessments.
Flooding: A flood can significantly impact manufacturing facilities, including damage to products, equipment, and vehicles used in chemical manufacturing operations. It may also pose health and safety risks to personnel and increase the	**Short term**: Low	The overall exposure to flooding risk is low, with a small proportion of our assets exposed to potentially damaging flood inundation levels. Where sites are located in potential flood areas, the risks and

likelihood of hazardous substances being released into the surrounding environment. Additionally, flooding may cause system-wide disruptions, including transportation delays and power outages.	**Long term**: Low	mitigation are reviewed as part of the Facility Risk Assessment process.
Tropical cyclones: A tropical cyclone can lead to the mixing of floodwaters with hazardous materials, increasing risks to local water quality, ecosystems, and nearby communities. These events can cause direct damage to Solenis manufacturing sites, equipment and logistics assets.	**Short term**: Low **Long term**: Low	The overall exposure to tropical cyclones is low, with a small proportion of our assets exposed to potentially damaging hurricane winds and flooding. Where sites are located in potential flood areas, the risks and mitigation are reviewed as part of the Facility Risk Assessment process. Solenis is planning to assess site-specific vulnerabilities and explore appropriate measures to enhance resilience, including evaluating opportunities to reduce operational disruptions, protect employee safety and minimize environmental risks associated with storm-related damage.

Transition Risk and Opportunity ratings were scored by multiplying the estimated financial impact by the likelihood of occurrence, producing a numerical score used to categorize the risk as Low, Medium, or High under different climate transition scenarios. Solenis faces transition risks associated with the decarbonization of the chemical sector, which may require increased R&D investment and could lead to reduced demand for higher-carbon products. Additionally, shifts in consumer preferences toward more sustainable alternatives may influence market dynamics.

The table below outlines the transition climate-related risks and associated impacts in **the long-term timeframe** under the STEPS and Net Zero Emissions scenarios. It also presents the related exposures, along with Solenis' strategic responses and mitigation actions.

Transition Risks and Impacts	Risk Level		Our strategic response and mitigating actions:
	IEA STEPS	IEA NZE	
Policy and Legal Risks: These include increasingly stringent regulations, carbon pricing mechanisms and mandates related to product carbon efficiency as part of the broader transition to a low-carbon economy. Carbon pricing may also contribute to long-term increases in the cost of raw materials. In particular, the potential pass-through costs of carbon pricing on Solenis' purchased goods and services (Scope 3, Category 1)—which primarily consist of chemical compounds—could increase total procurement costs by approximately 1%.	Low	High	Solenis actively monitors evolving climate policies and regulations globally and integrates these developments into its strategic and compliance planning to mitigate policy and legal risks. Solenis is currently in the process of framing emissions reduction targets under the SBTi framework with finalization expected by September 2025 which reflects its intention to align operations with a net-zero pathway by 2050. Our improvements in product carbon footprints will help mitigate risks associated with increasingly stringent emissions mandates. In parallel, Solenis is working closely with key suppliers to develop mutually beneficial solutions that support both regulatory compliance and long-term competitiveness.
Technology Risks: The rapid decarbonization of the chemical sector may require increased investment in research and development to maintain competitiveness. This transition could lead to a decline in demand for higher-carbon products, prompting the need for lower-emission production technologies—such as electrification—and the adoption of alternative, lower-carbon feedstocks, including biomass and biowaste. The shift toward a low-carbon economy will require substantial capital investment in emerging technologies. However, the availability and cost of fuel-switching technologies continue to present significant challenges for widespread adoption.	Medium	High	Solenis is targeting that 90% of its innovation projects focus on sustainability, with 30% specifically aimed at reducing product carbon footprints by 2030. Through a rigorous stage-gate R&D process and strategic partnerships with universities and external consortia, Solenis develops low-carbon, circular solutions that align with both customer expectations and emerging regulatory requirements. One example is the **LESSEAU™ dispenser and hand wash bar**, a notable innovation that uses 95% less water and features zero plastic packaging, supporting both climate goals and market trends. To address technological transition risks, Solenis is advancing the decarbonization of its operations through energy efficiency programs, renewable electricity procurement, and fuel-switching initiatives. These efforts include upgrading boilers, implementing variable-speed drives, installing LED lighting, and transitioning the company's fleet to hybrid and electric vehicles across key regions such as North America and Europe. Solenis is also expanding the use of Energy Attribute Certificates (EACs) and developing long-term Power Purchase Agreements (PPAs) to support its goal of achieving 80% renewable electricity by 2035.

			As technologies continue to evolve, Solenis will actively monitor their availability and cost and will adjust its strategy as needed to maintain competitiveness and progress toward its climate objectives.
Reputation Risks: Solenis may face increasing reputational risks driven by rising expectations from consumers, stakeholders and regulators to accelerate the transition to low-carbon, water-efficient, and sustainable solutions. These pressures may affect various aspects of the business—including production processes, customer relationships, and talent attraction and retention.	Medium	High	Solenis conducts third-party due diligence for all its suppliers to ensure responsible sourcing and alignment with our sustainability standards. We also prioritize feedback from customers and stakeholders, actively seeking ways to incorporate their suggestions where appropriate. We maintain a high level of transparency by regularly communicating our sustainability initiatives and progress through established disclosure frameworks, including CDP, TCFD, S&P Global CSA, EcoVadis, GRI, as well as other external channels. Additionally, Solenis remains committed to the Science-Based Targets initiative (SBTi), reinforcing our alignment with global climate goals. Our product innovation strategy is focused on developing circular and sustainable solutions that align with stakeholder expectations and respond to emerging market trends.
Market Risks: These can include reduced demand for higher-carbon products and rising raw material costs due to growing global demand. Shifts in consumer behavior—such as a preference for less packaging, increased reuse and greater emphasis on recycling, particularly in the plastics and paper industries—also pose potential risks. Failure to meet these evolving expectations may lead to declining sales in key market segments.	High	High	We are closely monitoring shifts in consumer behavior, particularly the growing preference for products with lower carbon footprint, reduced packaging and more sustainable practices. In response, we are actively aligning our product development and R&D efforts with these evolving market trends to stay ahead of our customer expectations. We are also actively responding to numerous customer requests for product carbon footprint data to help them establish their Scope 3, Category 1 emissions baseline. To address the potential rise in raw material costs, we have initiated research and development efforts focused on alternative, bio-based feedstocks. Our ongoing focus on reducing product lifecycle emissions and improving resource efficiency positions us well to capitalize on the expected transition in consumer preferences while mitigating related market risks.

Transition Opportunities growing demand for sustainable, low-carbon products is reshaping market dynamics and creating opportunities for revenue growth and market leadership. Solenis is well-positioned to capitalize on these opportunities through innovation in circularity, resource efficiency and low-carbon product development that support customer decarbonization—such as water treatment technologies.

The table below outlines the transition climate-related opportunities and associated impacts **in the long-term timeframe under the STEPS and Net Zero Emissions scenarios**. It also presents the related exposures, along with Solenis' strategic responses and mitigation actions.

Opportunities	**Risk Levels**		**Our strategic response and mitigating actions:**
	IEA STEPS	IEA NZE	
Resource Efficiency and Market Expansion: Given the nature of its business, Solenis is well-positioned to capitalize on opportunities by offering products that help customers reduce greenhouse gas emissions, water usage and energy consumption. There is growing demand among Solenis customers for solutions with lower environmental footprints. Our ongoing investments in energy efficiency are a core component of our strategy to reduce environmental impact and enhance overall market competitiveness.	High	High	Solenis is well-positioned to capitalize on climate-related opportunities through its strong R&D capabilities and commitment to circularity. By 2030, Solenis aims for 90% of its R&D programs to focus on circular solutions. As customers increasingly require reduced environmental intensity for the products they procure, Solenis' focus on efficiency and sustainability will play a key role in maintaining and expanding its customer base. We are expanding the reuse of materials within production processes to minimize waste and reduce operational costs. Our product innovation efforts prioritize enhanced performance with reduced environmental impact—for example, through the launch of the **LESSEAU™** solid soap hand-wash technology and expanded use of circular raw materials. Our R&D portfolio includes technologies for water conservation, smart monitoring and control systems for optimizing water and energy use, and the integration of alternative materials such as bio-renewables and circular food packaging. These initiatives not only reduce operational risk but also help customers adapt to climate impacts in vulnerable regions.
Energy Source: Under the Net Zero Emissions (NZE) scenario, the industrial sector is expected to shift away from gaseous and liquid fuels toward electrification and renewable energy. A rapid energy transition could reduce Solenis' operating costs and increase demand for low-carbon products. Public incentives and subsidies are also expected to improve returns on capital-intensive investments. As costs for on-site renewable energy and storage decline, Solenis could potentially self-	Medium	High	To support decarbonization, Solenis is implementing energy efficiency projects across key sites. These include improved condensate recovery and pipe insulation, high-efficiency electric motors and variable-speed drives, elimination of compressed air leaks, installation of heat recovery systems and efficient steam generation systems, installation of LED lighting and transitioning to electric forklifts. To reduce reliance on fossil fuels, we are developing a comprehensive renewable energy strategy that includes Power Purchase Agreements (PPAs) with utility and energy providers. These efforts support our target to achieve 80% renewable electricity by 2035. In 2024, Solenis began transitioning its commercial fleet to hybrid and fully electric vehicles, starting with the 82% of the fleet based in Europe and North America.

build or procure these options to reduce utility costs.			
Products and Services: Solenis has a strong opportunity to develop products that enable customers to conserve natural resources, reduce water and energy usage and minimize waste. Our R&D programs focused on circularity and low-carbon innovation are designed to meet rising market demand and support revenue growth through product differentiation. A dedicated team is exploring the use of alternative feedstocks to further reduce the environmental footprint of our product portfolio. These initiatives present high-value opportunities to expand into emerging markets, such as low-carbon water treatment solutions for desalination and applications in the mining sector.	High	Very High	Our innovation roadmap includes a goal to achieve a 30% share of product innovation programs that directly reduce carbon footprint by 2030. Our product carbon footprint (PCF) analyses use a cradle-to-gate approach enabling Solenis to measure and report quantifiable environmental impacts. This enables low-carbon product design and more informed customer collaborations on Scope 3 decarbonization. This strategic focus on low-carbon innovation and operational efficiency enhances the company's ability to adapt to a changing climate while capitalizing on emerging market opportunities.
Markets: As the low-carbon transition accelerates and climate change impacts intensify, new markets are expected to emerge for Solenis—particularly in sectors requiring sustainable water treatment, resource recovery and circular solutions.	High	Very High	Solenis is proactively exploring new markets aligned with global sustainability megatrends, such as: • Water stress and conservation technologies • Wastewater treatment and digital water monitoring • Food safety and hygiene innovation Our ValueAdvantage™ Hub and Unified Experience digital platforms enhance visibility into water, CO_2 and energy metrics, allowing customers to optimize processes and track progress against sustainability goals in real time. We also support customers through co-developed projects such as fiber optimization, water reuse in hospitality, and energy-efficient chemistry for geothermal and pool operations.

Assessment of Resilience

In SSP1-RCP2.6 – Low-Emissions Scenario, while physical risks such as localized water stress and heat events remain, the predominant risks under this scenario are transition-related, including regulatory tightening, carbon pricing and evolving consumer and investor expectations. Solenis' current strategic direction aligns well with this low-emissions scenario. Our decarbonization roadmap, renewable energy strategy (targeting 80% renewable electricity by 2035), and innovation goals support long-term business resilience while positioning the company to capture market opportunities associated with the low-carbon transition.

The SSP3-RCP7.0 – High-Emissions Scenario results in more severe physical risks, including extreme heat, water scarcity, flooding, and increased weather-related disruptions across Solenis' operations and supply chain. In response, Solenis is integrating site-specific adaptation measures into its strategy, including water resilience initiatives and energy efficiency improvements. Solenis is also leveraging its leadership in sustainable innovation to expand its product portfolio, focusing on water and energy-efficient solutions, which allows entry to new markets that prioritize sustainable solutions. The continued expansion of climate-resilient products, especially water treatment and conservation technologies, further supports customer adaptation needs in vulnerable regions.

Risk Management

Solenis' Enterprise Risk Management (ERM) Committee assists Management in managing risks and seizing opportunities, including climate-related risks and opportunities (CRROs)—that could impact the achievement of strategic objectives instituted and supported by Solenis' Audit Committee and Solenis' Leadership Team. Solenis' ERM Framework is built on a robust foundation of risk policies, procedures, and governance protocols designed to ensure consistent, proactive risk oversight across our organization. Sustainability strategy and climate-related risks are included in our ERM risk universe and corporate risk register, ensuring they are always considered within the risk management process and systematically factored into business decision-making. While the inherently long-term and evolving nature of climate risks presents complexity, Solenis addresses these challenges through our established risk management approach which is aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

We **identify** climate-related risks through continuous evaluation processes embedded within our ERM Framework. This approach involves collaboration with internal subject matter experts, insights from governance reviews and engagement with external advisors such as consultants and industry associations. The scenario analysis and findings from our climate risk assessments conducted with external consultants are incorporated into the climate change risks represented in our ERM risk universe.

For each identified risk, **we develop mitigation actions** and controls to manage exposures in alignment with our defined risk appetite. Our climate risk focus areas include developing and executing an enterprise-wide climate strategy, navigating evolving regulatory landscapes across multiple jurisdictions and assessing the potential impacts of climate-related events, particularly on our own operations and supply chain. As this marks our second consecutive year conducting a structured assessment of climate-related risks, we recognize that our climate risk indicators are in an ongoing phase of development. While some metrics are currently available and reported where appropriate, additional measures continue to be explored and refined.

We **monitor** climate-related risks and opportunities through continuous assessment of both internal risk mitigation actions and external developments. This includes conducting regular reviews and performing assessments at least bi-annually, or in response to triggering events such as significant regulatory changes or material changes to the company's business scope. We continue to address challenges such as quantifying financial impacts, accessing business-relevant data and tools, and developing scenarios that are decision-useful in a business context. As part of the ERM process, **we report** and present climate-related risks, opportunities, findings and progress quarterly to the Audit Committee. Additionally, updates on climate-related risk mitigation progress are provided during quarterly Board meetings by the Sustainability Committee. Any exceedance of defined risk tolerances is escalated in accordance with established governance protocols.

Our strategic response:

As Solenis, we recognize the profound impact that climate change has on our business and the critical industries in which we operate. Our analysis has highlighted the significant challenges and opportunities that lie ahead, particularly as we navigate the transition to a low carbon economy. Our commitment to sustainability and resilience is reflected in our strategy and what we do as a business, as well as how we manage climate-related risks and opportunities. We understand that our ability to innovate and adapt will be key to maintaining our competitive edge in a rapidly changing market. Through strategic investments in research and development, we are focusing on products that not only meet our customers' needs but also contribute to their sustainability efforts, which we see as a significant opportunity in the transition to a low-carbon economy. Our ongoing efforts to innovate in areas such as water conservation, renewable energy and sustainable product development position us to not only meet the evolving demands of our customers, but also to expand into new markets and help the environment. As we continue to align our operations with the principles of sustainability, we believe that our commitment to circularity and resource efficiency will be a key differentiator in the marketplace.

Moreover, Solenis is committed to the Science Based Targets initiative and is currently in the process of submitting the climate targets to the Science Based Targets initiative (SBTi) to embark on a journey towards reaching net-zero carbon impact by 2050

One of our key priorities in this next phase will be developing robust mitigation plans based on our asset climate risk profiles. These strategies will focus on enhancing our operational resilience in areas with moderate to high exposure, particularly to hazards such as water stress. Solenis will prioritize implementing targeted site-level resilience upgrades, increasing R&D investment in low-carbon technologies and continuing to evaluate the business impacts of shifting market demands. We will also pursue strategic partnerships and explore innovative solutions to enhance our adaptive capacity and effectively mitigate climate-related risks.

Metrics and Targets

To manage climate-related risks and opportunities, Solenis has set a series of targets with corresponding KPIs. These include the following:

Climate and Energy	• Net Zero GHG emissions by 2050 • 80% renewable electricity by 2035
Water	• 10% reduction in process water intensity vs. 2023 by 2035
Waste	• 100% of packaging with a materiality circularity index > 0.94 by 2035 • 5% reduction in waste disposal intensity vs. 2023 by 2035
Product Stewardship & Carbon Footprint	• 100% compliance with Solenis' Responsible Chemistry policy by 2030 • 75% of product lines with Product Carbon Footprint assessments by 2030
Innovation	• 90% of innovation projects focused on sustainability by 2030 • 30% of innovation projects aimed at reducing carbon footprint by 2030
Supplier Engagement	• 90% of direct suppliers meet sustainability requirements by 2030 • 70% of direct suppliers have a recognized engagement in environmental protection by 2030 • Maintain >7% diverse suppliers in U.S.

Solenis reports its GHG emissions according to the Greenhouse Gas Protocol as promulgated by the Greenhouse Gas Protocol Initiative for Scope 1, 2 and 3, including the following methods for Scope 3: supplier based, activity-based, hybrid, average-data, spend-based, distance-based, and waste-type-specific. Data for the sites acquired with the Diversey business are included.

Specific to the three targets noted above, Solenis measures various levels of climate-related performance via the following metrics:

Metric Description	Baseline year	Units	Baseline Value (2023)	2024
Direct Scope 1 Emissions	2023	metric tons	184,398	212,712
Scope 2 Emissions: location based	2023	metric tons	135,747	162,573
Scope 2 Emissions: market based	2023	metric tons	142,930	175,456
Scope 3 Emissions	2023	metric tons	2,781,801	6,023,575
Total Energy Consumption	2023	GJ	4,646,258	5,215,009
Energy Intensity ratio	2023	GJ/metric ton production	3.57	2.52
Water Withdrawal	2023	megaliters	7,320	7,886
Water Consumption	2023	megaliters	2,734	2,910
Water Consumption intensity	2023	m3/metric ton production	2,10	1.41

Following the acquisition of Diversey in 2023, Solenis established a new emissions baseline as 2023 to reflect the combined business footprint. As 2024 is the first reporting year using this new baseline, a year-over-year performance comparison is not yet applicable. Performance updates against targets will be reported in the next disclosure cycle.

Consistency and Adjustments

- KPIs are calculated using consistent methodologies, such as spend-based and activity-based approaches for Scope 3 emissions.
- Changes in calculation methodologies are disclosed transparently, ensuring stakeholders understand variations in reported metrics.

Please refer to the 2024 Sustainability Report for more detail and historical trends: *https://sustainability.solenis.com/globalassets/resources/sustainability--regulatory-library/105522-lit-2024sustainabilityreport-en-wb-v1.pdf*

Description of each metric:

- Scope 1 covers all direct emissions from company-owned or controlled sources, emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.
- Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating or cooling energy consumed by the company.
- Scope 3 covers all indirect emissions that occur in the value chain of the reporting company, meaning that the emissions are out of the company's operational control, including both upstream and downstream emissions.