



— Our commitment to carbon neutrality and enabling the transition to net zero emissions —

The science is clear: the climate crisis creates profound challenges for our planet's health and future prosperity.¹ It necessitates bold and urgent action, including transitioning to net zero greenhouse gas emissions by advancing renewable energy, electrification, and energy efficiency in the economy, and by upscaling the use of circular-based raw materials.² These actions also reduce pressures on biodiversity and ecosystems.²

As a company with a strong and well-established sustainable growth ambition, Syensqo is committed to decisively acting in the transition to a climate-friendly economy.

This policy outlines how Syensqo engages to cut greenhouse gas emissions across the value chain and manage climate-related impacts and risks, as well as to create positive impact by avoiding emissions and advancing associated business opportunities.

Our commitment

As part of its One Planet program, Syensqo has a company-wide approach to climate change which aims to reduce emissions in its own operations and value chain.

Syensqo has committed to a carbon neutrality goal by 2040 for its operations (scope 1 and scope 2) consistent with the objective to limit global warming to 1.5°C above pre-industrial levels.³ The Company is on track to achieving its 42% reduction target for these emissions by 2030 compared to 2021.*

Furthermore, Syensqo is aiming for a 25% reduction in value chain emissions (scope 3) by 2030 in "Focus 5" categories compared to 2021. These "Focus 5" categories account for more than 73% of Syensqo's total scope 3 emissions and include (1) purchased goods and services and (2) fuel-and energy-related activities [both upstream] as well as (3) processing, (4) use and (5) end-of-life treatment of sold products [downstream].

The Company's 2030 targets have been validated by the Science Based Targets initiative (SBTi).⁴

Syensqo is also focused on advancing innovation and expanding production capacity for technologies enabling clean mobility, energy efficiency and the uptake of sustainable bio-based solutions.

Our approach

Syensqo's Climate Change Policy is in line with the goal of the Paris Agreement, as well as the United Nations' Sustainable Development Goals (SDG 13 - "Take urgent action to combat climate change and its impacts").^{3,5}

*Emissions are absolute. The target boundary includes land-related emissions and removals from bioenergy feedstocks.



The carbon neutrality goal by 2040 combines an ambition to reduce scope 1 and 2 emissions by at least 80% of the 2021 baseline and to compensate residual emissions with high-integrity carbon credits in line with the recommendations of the United Nations' High Level Expert Group on the Net Zero Emissions Commitments of Non-state entities.⁶

Mitigation

To propel emissions reductions in all scopes, Syensqo has several guidelines:

1. **Star Factory roadmaps:** Under the Company's flagship industrial transformation program, tailored energy transition roadmaps are created and managed for each Syensqo facility, supported by a team of energy transition experts who consider the unique aspects of local energy markets and regulations when developing projects.
2. **Renewable energy:** Syensqo prioritizes purchasing renewable electricity and advancing projects to switch from on-site energy generation based on fossil fuels to bioenergies (sustainable biomass or biogas) or electrification to swiftly transition energy consumption toward zero- or low-carbon sources, without compromising competitiveness and supply security.
3. **Energy efficiency:** Investing in technological and process innovations is essential to minimize energy consumption and optimize yields. It is core to Syensqo's legacy and to many projects in the Star Factory roadmaps.
4. **Engaging with suppliers:** Syensqo has launched a strategic initiative for creating and activating 2030 suppliers' roadmaps in order to reduce the carbon footprint of the Company's raw materials which represent 80% of the emissions under the scope 3 target. Through this, Syensqo leverages its own experience to offer support for suppliers to advance and align with science based targets. It also aims to increase the use of bio-based raw materials from sustainable low-emission sources.
5. **Orienting investments towards zero-carbon and increasing resilience:** The Company applies an internal carbon price of €100 per metric ton of CO₂ to greenhouse gas emissions of its operations for its capital investment decisions worldwide.

Avoided emissions

Syensqo drives innovation to deliver solutions which avoid carbon emissions for its customers and society by enabling the use of renewable energy and allowing energy efficiency and electrification in the economy. This includes advanced materials for batteries and fuel cells; solutions for green hydrogen production and infrastructure; composite materials for lightweighting in aerospace; and surfactants and additives allowing lower energy consumption by users.

The Company implements strategic orientations to accelerate the path to a low-carbon economy:



1. **Focused growth initiatives** are dedicated to battery materials, green hydrogen, renewable materials and biotechnology. For more information see [Growth Platforms](#).
2. **Investments** are upscaling production capacity of products critical to avoid emissions, aligning phasing with industry demand.
3. **Innovation** is guided by Syensqo's Sustainable Portfolio Management (SPM) Framework, which integrates greenhouse gas emissions throughout the life cycle. The assessment spans both the mitigation and avoided emissions impacts and provides clarity for optimal decisions. For more information see [SPM](#).
4. **Designing products for circularity**, using renewable and recycled raw materials, such as bio-based feedstock, recycled-based feedstock and CO₂-captured-based feedstock, as an important lever to cut carbon emissions in the chemicals value chain and contribute to the Company's target of 18% of sales of products contributing to the circular economy by 2030. For more information see the [Circular Economy Policy](#).

Adaptation

Other site-specific actions to protect from physical hazards (e.g. flooding or wind) are included in the Company's plans to improve the resilience of its sites to reach a minimum of 75% on FM Global's resilience index by 2025.⁷

Effective water stewardship is an integral part of climate adaptation.⁸ Water availability challenges for the Company's operations are managed under the 2030 Fresh Water Intake reduction target and the development of Water Stewardship Plans at 15 key sites by 2026. For more information see the [Water Policy](#).

Risks and Opportunities assessment and management

Climate-related risks and opportunities are assessed from the business transition and physical standpoints in the short, medium and long terms:

- The scenario analysis performed by the Company uses International Energy Agency (IEA) scenarios corresponding to 1.5°C and 3°C in 2030 and 2050 for its most meaningfully exposed businesses and Intergovernmental Panel on Climate Change (IPCC) models for 3°C and 4°C in 2030, 2050 and 2100 for possible impacts at the most exposed sites.^{9,10}
- The [SPM](#) framework assesses climate-related business risks and opportunities.
- Insurer models and an assessment of the sites exposed to water availability challenges inform the assessment of acute physical and chronic risks.

Syensqo's company-wide risk management process and strategic process integrate climate-related risks and opportunities. The Company quantifies and reports on the risks, opportunities and adaptation measures in its annual report.



Measurement, evaluation, and reporting

Syensqo monitors all key emissions metrics and performance indicators annually in accordance with the GHG Protocol and the World Business Council for Sustainable Development (WBCSD) guidance for the chemical sector.^{11,12} Alignment between the Company and suppliers on the carbon footprint of raw materials is advancing bilaterally and under the peer-led program of Together for Sustainability (TfS).¹³ Progress towards targets, as well as details on climate-related projects and resources allocations, are reported in the Company's annual report. Syensqo also provides data to relevant authorities and verification third parties such as the CPD (formally Carbon Disclosure Project).¹⁴

The Company is also deploying in its businesses its product carbon footprint digital solution in line with ISO 14067 standard and TfS guidelines.^{13,15} It enables Syensqo, its suppliers, and customers to identify actionable emission reductions and track progress at product level.

Performance-based remuneration

Leaders are accountable for performance on greenhouse gas emissions (scope 1 and 2) through evaluations and incentives.

Strategic partnerships

Syensqo is a Main Partner of the Climate Impulse project: a non-stop, emissions-free flight around the world in a green hydrogen-powered plane.¹⁶ Through Climate Impulse, Syensqo advances net zero emissions and sustainable air travel, providing solutions including composites for lightweighting and green hydrogen solutions for electrolyzers, fuel cells, and safe storage.

Syensqo has also partnered with DS PENSKE Formula E Team, progressing innovation and green mobility. Through this partnership, Syensqo provides materials and expertise to enhance electric vehicle efficiency and safety while promoting environmental responsibility.¹⁷

About Syensqo and implementation of this policy

Syensqo is a science company with more than 13,000 employees across 30 countries. Its solutions contribute to safer, cleaner, and more sustainable products found in homes, food and consumer goods, planes, cars, batteries, smart devices and health care applications.

Syensqo's Climate Change Policy is applicable to all of its operations and businesses.

The Climate Change Policy is communicated to all employees and potentially affected stakeholders and is published on Syensqo's corporate website. Syensqo transparently reports climate-related data in the Company's annual report and to organizations including the CDP.



Syensqo's Board of Directors has approved the Company's Sustainable Growth and Environmental Protection strategies. Syensqo's Executive Leadership Team has approved the Company's Climate Policy, and the Chief Sustainability Officer is accountable for implementation.

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