

Group Annual Report 2025



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 **BOREALIS**

Cover image: Borealis Borstar® plant in Stenungsund, Sweden

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Group Management Report

Financial Management Report

Accounting restatement: As of March 2025, following the announcement of the binding agreement to combine Borealis and Borouge as Borouge Group International, Borealis will no longer report Borouge results as part of Borealis' equity accounted investments, as these have since been, and will continue to be, classified as assets held for sale. For this reason, consolidated income statements have been restated accordingly.

Safety Performance

The Total Recordable Injuries (TRI) rate per million working hours of 3.8 reported for the end of 2025 is in line with the previous year's performance (3.8) for the same period. After a poor start in the first quarter, performance was average in the next two quarters, and further improved in the fourth quarter. Notable is this year's significantly better performance at Borealis' Base Chemicals and virgin Polyolefin assets. However, overall performance was negatively impacted by an increase in the number of lower severity incidents (such as slips, trips, falls, and minor hand injuries) in Kallo (Belgium, construction of propane dehydrogenation (PDH) plant). Improvement was noted in most small assets thanks to targeted improvement activities. The Group's remote compounding assets continue to require targeted intervention to improve safety culture and performance.

In 2025, Borealis continued to strive toward industry leadership in safety performance, with specific focus on the prevention of serious injuries and fatalities (SIFs), for which new KPIs were introduced in this year. Because the mechanisms used to prevent potential SIFs are different from those applied to the prevention of incidents of lower severity, additional KPIs will be formally introduced in 2026 to embed this aim as a focus across the organization. A welcome improvement in 2025 was the significant increase in proactive reporting of potentially serious incidents and fatalities (pSIFs); knowing where such incidents may occur allows for specific interventions based on actual experience and trends. Site-specific plans for high-risk activities (working at heights, with machinery, on scaffolding, in or around transportation vehicles) continue to be priorities. A new KPI for pSIFs will also be formally introduced in 2026.

All Borealis locations are equipped with operational safety centers dedicated to providing meaningful safety training to employees and contractors during induction, including instruction in the "Life Saving Rules" approach. The "B-Safe" program emphasizes the important role each individual has to play on the ground, in their own workplace, in reducing risk, making ongoing improvements, and remaining vigilant at all times.

While there were no major process safety incidents in 2025, there has, however, been an increase in process safety events with potentially higher severity since 2024. For this reason, and after analysis of near-miss and no-impact events which have occurred since 2023, Borealis has developed a "Back-to-Basics Plan." This safety program is dedicated to improving process safety at high-risk assets (integrated base chemicals and polyolefin production locations) and

emphasizes safety leadership, operational and maintenance discipline, and safe isolation practices.

As of December 31, 2025, the Group employed 6,184 employees. Of these, 4,751 were male and 1,433 were female; no employees were reported in other or undisclosed gender categories. The workforce consists predominantly of permanent and full-time employees. Employees are mainly located in Europe, with the largest numbers in Austria, Belgium, Sweden, and Finland. Employee turnover amounted to 11% in the reporting period.

The Group focuses on structured performance management and continuous skills development. In 2024, 82% of employees took part in regular performance and career development reviews. In 2025, the average number of training hours per employee amounted to 24 hours, unchanged from 2024. Training volumes differ by employee category, reflecting varying role requirements.

Employment conditions comply with local legal requirements and are supplemented by social benefits.

Business Overview

In the midst of geopolitical crises and trade strife, Brent crude oil prices in 2025 were volatile. The average price of USD 68/bbl was significantly lower than 2024's USD 80/bbl. Overall, temporary price spikes were driven by ongoing geopolitical discord. Feeble demand was met by excess supply, the latter due primarily to OPEC+ output hikes which ensued after supply restrictions in place since 2023 were eased. Prices hit an early peak in January at USD 78/bbl, declined steadily from there on, and bottomed out in May at USD 64/bbl. Even though prices rebounded slightly at mid-year, as several geopolitical conflicts flared, they continued to drop during the third quarter, with October levels nearly as low as May's. The ramping up of new, non-OPEC supply in a stubbornly weak demand environment saw prices soften to the low USD 60/bbl range in the fourth quarter.

Naphtha prices followed a similar trajectory as crude oil, rising from USD 612/metric ton (t) in December 2024 to a 2025 peak of USD 654/t in February, before dropping gradually to USD 545/t in May. In the summer, price gains corresponded to crude, but were limited due to seasonal refinery blending constraints along with weak demand from steam crackers. Persistent demand weakness and softer crude prices saw naphtha prices fall steadily throughout the third and fourth quarters before finishing out the year at USD 505/t.

Ethylene and propylene markets reflected upstream trends, but were shaped by specific supply dynamics and weak downstream demand. Ethylene climbed from EUR 1,205/t in January to EUR 1,260/t in March, supported by tightening supply from planned and unplanned outages. Prices subsequently returned to EUR 1,205/t in April as cracker units came back online, but as demand remained soft, they fell in May to EUR 1,135/t. Ethylene prices softened steadily throughout the year, in line with the naphtha trend and weak supply/demand balances rolled over from November and ended the year at EUR 1,105/t. Propylene prices rose from EUR 1,075/t in January to EUR 1,135/t in March on the back of tight supply and modest restocking. Cheaper naphtha and weak market fundamentals, combined with persistent uncertainty around trade flows and global demand, caused prices to slump in April to EUR 1,080/t and to EUR 1,015/t in May. Prices then remained relatively stable until October before rolling over in December from November levels and ending the year at EUR 980/t.

The European polyolefins market remained subdued, weighed down by weak macroeconomic sentiment, policy uncertainty, and cautious buying behavior. Overall, the level of demand remained relatively unchanged versus 2024: stable yet anemic, due in part to persistent cost-of-living concerns. Import pressure remained high, particularly for polyethylene (PE), which is traded more extensively on the global market than polypropylene (PP). In Europe, PE plant operating rates remained weak at 74% but improved year-on-year, supported by capacity rationalization of around 7%. European PP operating rates, despite an approximate 3% capacity rationalization, weakened year-on-year by 1% to 81%. This was due to poor profitability, outages, and weak export demand.

Expansion and Transformation

As announced on March 3, 2025, OMV and ADNOC signed a binding agreement to combine Borealis and Borouge into Borouge Group International (BGI). The two partners also agreed to acquire Nova Chemicals, a North America-based polyolefins producer. The combination and acquisition, respectively, are expected to be finalized concurrently in the first quarter of 2026, pending regulatory and other approvals. BGI headquarters will be in Vienna (Austria), with regional headquarters in the UAE and corporate hubs in Canada, the US, and Singapore. Once formed, BGI will be the fourth-largest polyolefins platform in the world, with equal shareholdings for OMV and ADNOC. In preparation to the setup of BGI, Borealis sold its share in Borouge 4 to OMV and ADNOC in October 2025 and signed an agreement to sell its shares in Borouge PLC and Borouge Pte to BGI closer to the date of transaction in 2026.

In Belgium, construction on the world-scale PDH plant at existing production facilities in Kallo has reached a greenfield construction and pre-commissioning completion rate of over 97%. The final remaining construction activities involve insulation and commissioning. Plant start-up is planned for the second half of 2026. In mid-December, Borealis announced that a settlement had been reached with the IREM Group in the matter of termination of contracts in 2022 for construction work carried out on the Kallo site. The terms bring the arbitration proceedings to a close and allow Borealis to maintain its position that the termination of contracts was in accordance with contractual provisions and applicable law.

In line with its strategic commitment to enabling sustainability, Borealis has made substantial investments in its other European assets. Over EUR 100 million has been invested in its production location in Burghausen (Germany). The investment includes a new production line which will triple the plant's capacity to deliver Daploy™, an innovative high melt strength polypropylene (HMS PP) foamable solution designed for recyclability. Start-up is expected for the latter half of 2026. In Schwechat (Austria), EUR 100 million is also being invested in a new PP compounding line. With start-up planned for the second half of 2026, the new line will bolster production of specialty compounds designed to be durable, heat resistant, and/or lightweight.

Divestments

In April, Borealis reached an agreement to sell its 100% stake in mtm compact GmbH, based in Fürstenwalde (Germany), to SEPA Engineering GmbH, based in Vienna. The transaction was closed at the end of May 2025. The divestment of mtm compact, which processes end-of-life mixed post-consumer plastic waste for incineration in steel plants, was due to lack of alignment with the current Borealis strategic focus.

In preparation of the Borouge Group International setup, Borealis sold its 40% stake in Borouge 4 expansion project. The shares have been transferred to its shareholders, OMV and ADNOC in

October 2025. In December 2025 Borealis and BGI signed an agreement for the acquisition of Borealis' shares in Borouge PLC and Borouge Pte. The closing of the transaction has not yet been completed and is expected for the first quarter in 2026.

Circular Economy

Borealis tailors solutions from its broad portfolio of advanced circular polyolefins to meet the specialized requirements of its partners along the entire plastic value chain. Proprietary solutions in the circular sphere include recycled and renewable-based polymers in the Borcycle™ and Bornewables™ grade portfolios, and the renewable hydrocarbons in the Borvida™ family of base chemicals.

In December, Borealis and Borouge announced the launch of Recleo™, a global brand which unites in one portfolio a wide range of cost-efficient solutions for post-industrial recycled (PIR) and post-consumer recycled (PCR) materials. The polyolefins and compounds in the Recleo portfolio complement those in the Borcycle™ M portfolio of advanced mechanically recycled polyolefins, thus expanding the already versatile range of solutions which can help customers meet sustainability and regulatory targets in diverse sectors.

Borealis and its customers made meaningful progress toward plastics circularity in 2025. Customer-centric endeavors minimized carbon footprints, increased the share of recycled and/or renewable content in products, reduced plastic waste, and met regulatory requirements, among other beneficial effects. Recent project highlights include solutions for the automotive industry (Borcycle™ M grades for a leading manufacturer's premium SUV); healthcare (Bornewables™ ISCC PLUS-certified renewable PP for filtration devices); packaging (foamable PP created in the ReOil® chemical recycling process for reusable drinking cups, as well as the Bornewables™ version of ethylene vinyl acetate used with Queo™ plastomers for synthetic bottle corks); and apparel (low-carbon feedstock made using captured CO₂ to make foam for intimate apparel).

Borealis also continued to develop its existing assets. The successful conversion from recycled low density polyethylene (LDPE) to recycled PP took place at Integra, the mechanical recycling plant in Bulgaria acquired in 2024. Installation of a new compounding line powered by the Borcycle™ M technology was completed in Beringen (Belgium). Designed to process a wide range of recyclate flakes, the now fully-operational line produces high-quality polyolefin-based solutions containing recyclate. Since 2025, Borealis has produced PCR and PIR compound grades at Rialti S.p.A. (Italy), a leading PP compounder of recyclates acquired in 2023. These grades enable Borealis to offer its customers cost-effective alternatives to virgin materials.

Chemical recycling supplements mechanical recycling because it can be used to create circular solutions for the most demanding of applications, such as food-grade packaging materials and those governed by the EU Packaging and Packaging Waste Regulation (PPWR) directive. Borealis sources the feedstock used to make its ISCC-Plus certified Borcycle™ C grades from multiple sources, including the OMV ReOil plant and the Renasci N.V. plant in Belgium.

A strategic partnership with BlueAlp, a Netherlands-based chemical recycling technology leader, was announced in December 2025. As a reflection of the company's evolving engagement in the chemical recycling value chain, Borealis will transfer the majority of its shares in Renasci N.V. to BlueAlp while acquiring a 10% stake in it. This ensures the acceleration of scale-up and growth for BlueAlp, while also bolstering its licensing proposition.

Technological Innovation

As a pillar of the strong Borealis foundation, innovation drives transformation in all business endeavors. The recently updated We4Customers corporate strategy now places Borealis Innovation under the direct supervision of the Borealis CEO. Continuous activity and investment in research and development (R&D) is essential to deliver on the corporate mission of “Reinventing Essentials for Sustainable Living.” Borealis is steadily expanding its offer of advanced specialty polyolefins in order to capitalize on promising market opportunities in lucrative niche applications in renewable energy, mobility, healthcare, consumer packaging, and the circular sphere. In line with the customer-centric strategy, much research takes place in tandem with customers and partners. To name but one example of constructive cooperation: the new recycled PP compounding line in Beringen serves as a collaborative platform for co-development and testing of recycled plastics, thus facilitating their incorporation in high-value applications.

Polymer solutions based on proprietary technologies such as Borstar® and Borstar® Nextension Technology, and on technology brands like Borlink™, form the base of material solutions which help the industry address urgent societal and environmental issues such as decarbonization, the greenenergy transition, and waste reduction. Several such breakthroughs were showcased at the K Fair trade show in October. First, the groundbreaking Borstar® Nextension PE technology, which delivers superior performance and processability, and facilitates downgauging. It encourages design for recyclability by enabling the replacement of conventional multimaterial solutions with monomaterial ones. Three grades based on Borstar® Nextension PP were also relaunched: BorPure™ RE539MF, BorPure™ RB787MF, and Borealis HG485FB, each of which moves the healthcare industry closer to doing its part to hit the PPWR target of 100% recyclable packaging by 2030. In energy, the newly-launched, three-layer cast polypropylene concept for polymer-aluminum laminate for lithium-ion battery pouch cells ensures safety, durability, and efficient processing.

Borealis is stepping up its use of artificial intelligence (AI) and modeling in R&D and innovation, for example in polymer prediction. As announced in December, Borealis has commenced the global rollout of its AI-powered Borstar® Digital Twin program. Combining predictive analytics, real-time optimization, and process modeling, this innovative platform maximizes efficiency, reduces downtime, and ensures top product quality. Its launch signals the next phase of embedding cutting-edge digital technologies in core production processes.

At Borealis, innovation is global in scope. More than 500 people are employed in one of three innovation hubs: innovation centers in Porvoo (Finland) and Stenungsund (Sweden), and the main Innovation Headquarters in Linz (Austria), where researchers recently spearheaded a breakthrough innovation in design for recyclability with Daploy™ High Melt Strength polypropylene (HMS PP). Borealis also operates Borstar pilot plants for PE in Porvoo, and for PP in both Porvoo and Schwechat (Austria). Catalyst manufacturing plants in Linz and Porvoo are augmented by a pilot facility in Porvoo.

Consistently ranked among top Austrian innovators in the European Patent Index, Borealis continues to build on its large patent portfolio. In 2025, Borealis filed 115 new priority applications at the European Patent Office, versus 121 filed in 2024. As of December 2025, Borealis holds around 7,400 patents as well as approximately 3,200 patent applications which are subsumed in around 1,500 patent families.

Digital Transformation

To drive digital excellence across Borealis, the company's digital strategy recently became a cornerstone of the greater We4Customers strategy. The overarching aim is to embed digital capabilities across the value chain in alignment with the strategy's four interlocking areas of focus: assuring peace of mind, fostering sustainability, driving efficiency, and delivering innovative solutions. Digital resilience is to be developed in each of these focus areas using value-based, actionable initiatives in business units and business groups. Because transformation is powered by its people, Borealis has invested in AI literacy programs, digital citizenship development initiatives, and a "Digital Workforce" model which aims to equip employees with future-ready skills, and encourage the responsible use of digital technologies. Moreover, structured programs such as Innovation Academy foster creativity and accelerate time-to-market for new solutions, thus consolidating efforts to remain a leader in plastics circularity while at the same time enhancing operational efficiency.

Under the corporate motto, "AI Everywhere: From Vision to Impact," AI is being embedded ever more deeply into core processes so as to unlock measurable business value. Over 100 AI use cases have been identified and prioritized across operations, supply chains, in customer engagement, and in sustainability-related endeavors. Benefits already delivered include cost optimization, improved decision-making processes, and enhanced productivity. Good governance is a central tenet of "AI Everywhere": Borealis complies with the EU's AI Act, and upholds the principles of responsible AI, including transparency, fairness, and privacy. Keeping humans in the loop ensures the ethical and accountable deployment of AI.

In 2025, Borealis further strengthened its cybersecurity posture, achieving a maturity score that significantly exceeds global industry benchmarks. This progress reflects our ongoing commitment to best practices, continuous improvement, and robust protection of our digital operations contributing to a year free of major incidents.

Energy and Climate

Like all major industrial sectors, the chemical industry must lower greenhouse gas (GHG) emissions in both their own operations and in their value chains, while at the same time continuing to drive global economic growth and societal wellbeing.

As one of four focus areas in the updated Borealis strategy, "Enabling Sustainability" represents its dedication to reducing direct and indirect GHG emissions, and guides efforts to mitigate climate change in an effective way.¹ Borealis aims to reduce its GHG Scope 1 and Scope 2 emissions by 18% to 2 million metric tons/year by 2030 (from a 2019 baseline), even when taking into account increased emissions originating as of 2026 upon the start-up of the new PDH plant in Kallo. Overall, Borealis plans to reduce its GHG intensity (based on combined Scope 1, 2, and 3) by 24% by the year 2030. The persistently challenging market environment will, however, require Borealis to periodically reassess its individual projects and activities as to their commercial feasibility.

Key decarbonization levers include implementing energy efficiency projects at Borealis production locations, and sourcing a higher share of renewable energy for own operations. By the end of 2025, Borealis was halfway to its 2030 goal of using 100% renewable electricity at its

¹ Borealis labels and calculates emissions within the framework of the Greenhouse Gas Protocol: direct GHG emissions (Scope 1); electricity indirect GHG emissions, from purchased energy (Scope 2); and other indirect GHG emissions (Scope 3).

Polyolefins and Base Chemical production locations in Europe. Long-term power purchase agreements (PPA) signed with renewable energy providers are hastening the transition. In January, Borealis signed another in a long list of PPAs (with Belgian renewables provider Aspiravi) to supply an annual 120 gigawatt hours (GWh) of renewable wind energy to operations in Belgium starting in 2026.

To address the Scope 3 emissions originating in the value chain, which contribute significantly to the company's carbon footprint, Borealis developed in 2025 a GHG Scope 3 roadmap that identifies key emissions contributors. The highest potential for emissions reduction include lowering suppliers' own monomer and feedstock emissions; increasing suppliers' use of green energy sources in converting Borealis products; ramping up the share of circular volumes placed on the market; and exerting the company's leverage to promote climate change mitigation with its joint ventures outside of Europe, Borouge and Baystar.

In 2025, total energy consumption amounted to approximately 12.1 million MWh, reflecting the energy requirements of the Group's production processes. The energy mix continued to be dominated by fossil sources; however, the share of renewable energy rose to 15% in 2025, reflecting an increase of 2 percentage points compared to the prior year, while overall energy intensity improved to 1,589 MWh per EUR million of net revenue (1,619 MWh/M€).

Water consumption metrics were established in 2025, marking the first year of comprehensive Group-wide reporting. Total water consumption amounted to 2.7 million m³, with 1.9 million m³ relating to sites located in areas at water risk, including areas of high water stress. Water reuse and recycling accounted for 0.1 million m³. These figures provide a starting point for future monitoring and management of water-related impacts.

Climate-related emissions from the Group's own operations declined in 2025, with Scope 1 emissions decreasing to 1.54 Mt CO₂e (60 Mt CO₂e).

Combined Scope 1 and market-based Scope 2 emissions, which include direct emissions from the Group's sites and indirect emissions from purchased electricity, steam and heat based on contractual sourcing, declined to 2.21 Mt CO₂e, representing a decrease of 0.25 Mt CO₂e compared with the prior period.

In contrast, Scope 3 emissions increased to 63.7 Mt CO₂e (52.1 Mt CO₂e), reflecting higher emissions across several Scope 3 categories, including purchased goods and services, processing, use and end-of-life treatment of sold products.

Despite this increase, GHG emission intensity from the Group's own operations (Scope 1 and market-based Scope 2) improved compared with the prior year, decreasing to 0.291 kg CO₂e/EUR by 0.022 kg CO₂e/EUR compared with the prior period.

Financial Performance

In 2025, Borealis net profit fell to EUR 428 million from the EUR 566 million reported in 2024. Multiple macroeconomic factors contributing to the decline were, including continued market volatility, stubborn inflation, tariff uncertainty, and elevated energy costs, particularly in Europe. More specific factors which led to Borealis' weaker financial performance include the impairment of tangible and intangible assets, and the decline of European monomer prices, which led to inventory devaluation and elevated variable costs. However, despite the many challenges, business performance was robust in both Base Chemicals and Polyolefins, with the latter charting a 5.4% increase in sales volumes versus the previous year; on top of an already strong volume increase in 2024. Borealis successfully navigated a challenging market environment by focusing on reducing fixed costs as well as administrative and other expenses.

At-equity contribution from Baystar in 2025 stood at EUR -156 million versus the EUR -140 million reported in 2024 mainly driven by the significant decline of the US integrated margin.

The return on average capital employed (ROCE) of 5% in 2025 was lower than the 6% in 2024.

EUR million	2025	2024
Equity	598	8,701
Net Debt	568	946
Average Capital Employed	8,619	9,277
Return On Average Capital Employed (ROCE) - in %	5	6

Borealis net debt decreased from EUR 946 million in 2024 to EUR 568 million in 2025. This was due to several factors: the substantial positive shift in working capital of EUR 423 million supported by the implementation of We4Customers measures; the repayment of the Borouge 4 shareholder loan of EUR 627 million from the sale of the asset in advance of the formation of Borouge Group International (BGI); dividend payments from Borouge of EUR 413 million; and the externalization of the Baystar loan of EUR 656 million. These were partly offset by dividend payments of EUR 1.10 billion to ADNOC, OMV and BGI. On December 10, 2025 the EUR 300 million bond of Borealis was repaid.

The gearing ratio of 95% at the end of 2025 is significantly higher than the 11% at the end of 2024, mainly driven by the temporary decrease in Borealis equity in December 2025 as a consequence of the Borealis dividend resolution of EUR 6.82 billion to BGI. The dividend payable will not be paid in cash but offset against the future receivables from the sale of Borouge PLC and Borouge Pte. from Borealis Middle East Holding to BGI. The future receivable for the sale of these entities will correspond exactly to the dividend payable. The dividend payable bears interest, and the related future receivable will be adjusted at a rate of 1M EURIBOR plus a margin of 17.8 bps per annum, from December 22, 2025, being the date of the dividend resolution and the signing of the sale agreement. The same temporary effect applies to the solvency ratio which was at 4% as of December 2025, compared to 67% at year-end 2024.

Liquidity reserves, composed of undrawn committed credit facilities and cash balances, amounted to EUR 1.73 billion as of December 2025 versus EUR 2.09 billion at year-end 2024. Borealis also benefits from a well-diversified financing portfolio and a balanced maturity profile.

Review of Results

Sales

Borealis sold 4.07 million metric tons of polyolefins in 2025, representing a 5.4% increase compared to the 3.87 million metric tons sold in 2024. Overall, the European polyolefins market remained subdued under the burden of economic stagnation and tariff uncertainties. Demand for consumer goods rose slightly in the US and Europe. Demand in healthcare and consumer appliances was flat, while that for construction was markedly weak. Robust demand could be observed for specific high voltage cable applications in Borealis Energy and Mobility business areas.

Sales in Borealis Base Chemicals² decreased from 2.03 million metric tons in 2024 to 1.96 million metric tons in 2025 due to generally lower cracker operating rates (due to seasonal fluctuations, but also structural oversupply across the industry); the prolonged turnaround at the Kallo facility in the first quarter of 2025; and reduced phenol and acetone sales due to weak demand and an influx of imports into the European market.

In 2025, overall Borealis revenue amounted to EUR 7.70 billion, a decline of EUR 252 million, or 3%, compared to the EUR 7.95 billion reported in 2024, and is attributed in the main to market-led price pressures which depressed monomer prices. This relatively stable result demonstrates the company's resilience and solid fundamentals in a most challenging operating environment: fragmenting trade alliances, and lingering geopolitical risks, all of which have been a drag on growth and investment, and have constrained demand.

Cost Development

In 2025, production costs decreased to EUR 6.60 billion compared to EUR 6.62 billion in 2024, despite a 5.4% uplift in PO volumes sold and an increase in sales and distribution costs which rose from EUR 710 million in 2024 to EUR 761 million in 2025, reflecting the higher 2025 sales volumes. Administrative costs were lower in 2025, falling from EUR 267 million in 2024 to EUR 260 million by the end of the year. These cost savings were achieved by way of rigorous fixed-cost controls, the proactive implementation of cost-saving initiatives, and strict oversight of administrative expenditures.

In 2025, the Borealis Group's average number of employees (headcount) stood at 6,187.

Operating Profit

Operating profit in 2025 was EUR 50 million, compared to EUR 342 million in 2024. The decrease in 2025 is to a large extent driven by the inventory devaluation resulting from lower monomer prices on the European polyolefins market, margin contraction in the phenol and acetone market, as well as margin pressure in the European polyolefins market.

Financial Income and Expenses

Net financial income decreased from EUR 57 million (EUR 95 million including discontinued operation Bourouge) in 2024 to EUR 42 million (EUR 432 million including discontinued operation

² Sales volume for Base Chemicals covers sales volume of own produced ethylene & propylene (sold internal and external) and phenol & acetone (only sold external, all own produced). The sales volume which is used in the sustainability statement as the basis for the calculation of CO₂ emissions is limited to external sales. However, these external sales volumes include all products sold by BC, covering not only ethylene, propylene, phenol, and acetone, but also co-products (such as butadiene, pygas, and butene) and feedstock, primarily propane.

Borouge) in 2025, due to lower interest from deposits and the externalization of the Baystar loan offset by foreign exchange results.

Taxes

Income tax charges amounted to EUR -24 million (EUR -26 million including discontinued operation Borouge and NITRO, the 2023 divested Borealis nitrogen business unit including fertilizers, technical nitrogen, and melamine products), compared to 2024's EUR -127 million (EUR -127 million including discontinued operation Borouge and NITRO).

Net Results from Equity Accounted Investments

At-equity contribution from Baystar in 2025 stood at EUR -156 million versus the EUR -140 million reported in 2024 mainly driven by the significant decline of the US integrated margin.

Profit/loss from Discontinued Operation, Net of Tax

Profit from discontinued operation, net of tax, was EUR 512 million in 2025 compared to EUR 441 million in 2024, mainly related to Borouge. On March 3, 2025, Borouge investments were reclassified as assets and liabilities held for sale. Following this reclassification, these investments are no longer accounted for under the equity method. The 2025 figure includes dividends received from Borouge, contributing to the overall increase in profit from discontinued operation.

Capital Expenditure

Investments in property, plant, and equipment amounted to EUR 751 million in 2025, compared to EUR 602 million in 2024. The bulk of investment is associated with construction activities: the new world-scale PDH plant in Kallo; an upgrade to semiconductor assets in Antwerp (Belgium); a new semicon line and the XLPE Second Closed train, both in Stenungsund (Sweden); the new HMS PP production line in Burghausen; and new compounding capacity in Schwechat. Investments in intangible assets amounted to EUR 89 million in 2025, in line with the EUR 89 million in 2024.

In 2025, depreciation, amortization, and impairment amounted to EUR 447 million, an increase versus the total of EUR 423 million in 2024. It was driven by the mechanical completion of semicon units in Antwerp, and the implementation of SAP S/4HANA enterprise resource planning software, which went live in July 2025.

Net Profit and Dividends Declared

The net profit for the year amounted to EUR 428 million, compared to a net profit of EUR 566 million in 2024. In 2025, Borealis paid out EUR 1.10 billion in dividends, including a regular dividend payment of EUR 535 million in May, and a special dividend of EUR 549 million paid in September to OMV and XRG Austria GmbH (formerly MPP Holdings GmbH (ADNOC)) as well as an additional EUR 10 million dividend paid in November to the Borouge Group International (BGI).

In September, Borealis declared a dividend of EUR 408 million to OMV and XRG Austria GmbH (formerly MPP Holdings GmbH (ADNOC)) in combination with the sale of Borouge 4 to OMV and ADNOC. This dividend has not yet been paid and will be offset against the receivable for the sale of Borouge 4 in the same amount, completed in October 2025. In December 2025, Borealis declared a dividend of EUR 6.82 billion to BGI. The dividend payable will not be paid in

cash but offset against the future receivables from the sale of Borouge PLC and Borouge Pte from Borealis to BGI in the same amount.

Financial Position

At year-end 2025, total assets and capital employed stood at EUR 11.15 billion and EUR 1.17 billion, respectively. This compares to the EUR 12.70 billion and EUR 9.65 billion, respectively, reported at the end of 2024.

Cash Flows and Liquidity Reserves

Cash flow from operating activities was EUR 822 million (incl. discontinued operation), a significant increase compared to the EUR 749 million (incl. discontinued operation) reported in 2024. This increase was primarily due to a substantial positive shift in working capital of EUR 423 million supported by the implementation of We4Customers measures.

Cash flows from investing activities were positively impacted by the cashinflow in relation to the Borouge 4 shareholder loan of EUR 627 million from the sale of the asset in advance of the formation of Borouge Group International; dividend payments from Borouge of EUR 413 million; and the externalization of the Baystar loan of EUR 656 million.

Free cash flow before dividends amounted to EUR 1.45 billion (incl. discontinued operation) in 2025 versus EUR 156 million (incl. discontinued operation) in 2024. Free cash flow after dividends amounted to EUR 354 million (incl. discontinued operation) in 2025 versus EUR -939 million (incl. discontinued operation) in 2024. Net interest-bearing debt (excluding the dividend payable) from EUR 946 million at year-end 2024 to EUR 568 million at year-end 2025 (see table below).

EUR million	2025	2024
Change of net interest-bearing debt		
Cash flows from operating activities	822	749
Capital expenditure	-840	-690
Capital contributions to and financing of joint ventures	-226	-336
Dividends of joint ventures and non-consolidated subsidiaries	416	437
Acquisitions of subsidiaries, net of cash	-1	-49
Proceeds from disposal of subsidiaries, net of cash disposed	1	46
Cash inflows in relation to financing for joint ventures	1,283	0
Reclassification net debt to assets/liabilities of the disposal group held for sale	32	0
Other (mainly relating to foreign exchange differences)	29	-20
Dividends paid to equity holders of the parent and non-controlling interests	-1,099	-1,096
Additions lease liabilities and remeasurement	-39	-136
Total decrease (+)/increase (-) of net interest-bearing debt	378	-1,095

Shareholders' Equity

Shareholders' equity at year-end 2025 amounted to EUR 596 million, as opposed EUR 8.70 billion in 2024. For further information on equity, see note 13 in the consolidated financial statements.

EUR million	2025	2024
Equity opening balance	8,696	9,114
Net result attributable to the parent	425	563
Other comprehensive income	-193	101
Total comprehensive income	232	664
Dividends declared	-8,327	-1,081
Reclassification of cash flow hedges to balance sheet	-5	-1
Equity closing balance	596	8,696

Enterprise Risk Management

Borealis has a documented enterprise risk management process that ensures all parts of the Group regularly identify, assess, and address risks. This process supports both long-term strategies and short-term goals by capturing emerging and strategic risks. Borealis promotes a strong risk culture, making it more difficult for unexpected events or actions to expose the Group to risk. In its risk management efforts in 2025, Borealis maintained a strong focus on balancing growth, profitability, and sustainability. Persistent geopolitical and market volatility highlighted vulnerabilities in the global energy system and underscored the challenges of advancing the shift toward green energy and circularity. In Europe, the industry faced heightened economic uncertainty and a more demanding regulatory environment. Borealis regularly consolidates, reports, and reviews these and other risks to ensure effective oversight and response. Borealis distinguishes between various types of risks. The most relevant risk types include, but are not limited to, the following described below. Strategic risks are often related to unfavorable long-term developments in the market and/or industry; developments related to technology and innovation; changes to the competitive environment; or a threat to the reputation of the Group.

Operational and tactical risks are those unexpected short- or mid-term developments that can directly affect the Group's day-to-day business activities. These risks are systematically evaluated using established guidelines and procedures, which are managed by the relevant business functions. A proactive approach to risk prevention management has been implemented in the Operations function, covering risks in the areas of Production; Health, Safety and Environment (HSE); Product Stewardship; Plant Availability; and Quality. The risk management approach also safeguards the Responsible Care® approach toward risks in operations. The standard risk management process includes a common risk matrix and risk registers, built bottom-up from plant to portfolio level, enabling a common risk rating system for the whole of operations. In accordance with its legal obligations, Borealis assesses and discloses in its sustainability statement the potentially negative impact of its activities on the environment and society as well as corresponding mitigation measures. The HSE department analyzes environmental, social and governance (ESG) risks for Borealis, and impacts on Environment and People across all topics (E1-E5 and S1-S4) defined within the European Sustainability Reporting Standards (ESRS); these include, for example, E2 (Pollution).

To drive the transition to plastics circularity, Borealis continues to develop new circular and renewable-based products and applications; low-emission product portfolio extensions; and both value chain and stakeholder partnerships that accelerate industry efforts to achieve climate neutrality. However, one transition-related risk includes slower uptake of circular and renewable-based feedstocks due to weak demand on the basis of persistently lower prices for fossil fuel-based plastics. Climate-related physical risks are related primarily to the potential damage and disruption to assets and transportation channels caused by extreme weather events and other factors. Project-related risks at Borealis are evaluated during the project approval process and cover financial, market, technical, legal, intellectual property, strategic, operational, country-related, and political factors. The assessment considers the likelihood of timely completion, resource needs, and achievement of objectives. Project managers oversee these risks and report them to the Project Steering Committee.

Financial and market risks at Borealis include those arising from unexpected changes in market supply and demand, commodity prices, services, or financing costs. Additional risks may result from liquidity challenges, fluctuations in interest and foreign exchange rates, credit and insurance issues, or the failure of counterparties to fulfill payment or delivery obligations. These risks can also stem from incorrect assumptions or the improper use of financial models.

A detailed assessment of financial risk management is provided in note 17 of the consolidated financial statements. The Vice President Treasury & Funding and the Vice President Legal are responsible for reporting and coordinating the management of all financial risks.

Compliance risks encompass legal and regulatory requirements, adherence to codes of conduct and ethics policies, compliance with standards, and proper contracting practices. Maintaining ethical business conduct is essential for safeguarding the Group's reputation and ensuring ongoing success. Tactical or generic risks, often identified through compliance processes, typically relate to weaknesses in procedures or controls.

Information security risks concern the confidentiality, integrity, and availability of critical company data. The Vice President Digital Solutions and the Vice President Legal assist line managers in evaluating these risks and in developing and implementing appropriate mitigation measures.

The Executive Board periodically reviews the Group's key risks, defines the Group's risk tolerance levels, monitors the implementation of mitigation actions, and reports the key risks and mitigation steps to the Supervisory Board. The Executive Board safeguards the integration of risk assessment in its strategic planning.

The Supervisory Board is responsible for reviewing the effectiveness of Borealis' risk management practices and processes, risk appetite and tolerance levels, the Group's risk exposure, and the effectiveness of mitigation actions. Some of these responsibilities are delegated to the Audit Committee, a sub-committee of the Supervisory Board.

All Borealis employees are responsible for managing risk within their authority and in their field of work in order to ensure that risk management is properly embedded in the organization and reflected in daily decision-making processes.

Change of Business Structure

As announced on March 3, 2025, OMV and ADNOC signed a binding agreement to combine Borealis and Borouge into Borouge Group International AG (BGI). The two partners also agreed

to acquire Nova Chemicals, a North America-based polyolefins producer. The combination and acquisition, respectively, are expected to close simultaneously in the first quarter of 2026, subject to regulatory approvals and other customer conditions.

In preparation for the combination of Borealis and Borouge, the prior business structure of Borealis as an Aktiengesellschaft (AG) was changed to a limited liability company, or Gesellschaft mit beschränkter Haftung (GmbH), as of June 13, 2025.

On September 10, Borealis' direct shareholder OMV Downstream GmbH (wholly owned subsidiary of OMV Aktiengesellschaft) demerged its shares in Borealis (75%) into BGI under simultaneous foundation of BGI (Abspaltung zur Neugründung). Effective as of September 27, 2025 Borealis' second direct shareholder XRG Austria GmbH, (formerly MPP Holdings GmbH, a wholly owned subsidiary of Abu Dhabi National Oil Company (ADNOC) P.J.S.C.) contributed its shares in Borealis (25%) to BGI by way of a downstream contribution, ultimately resulting in a 100% shareholding by BGI in Borealis.

Supervisory and Executive Boards

As announced by OMV on May 20, 2025, Alfred Stern, currently Chief Executive Officer of OMV Aktiengesellschaft, Chairman of the OMV Executive Board, and Chairman of the Borealis Supervisory Board, will not seek reappointment as OMV CEO after the expiration of his term on August 31, 2026. More information about succession planning will be released in due course.

Corporate Strategy and Outlook

In early 2025, Borealis updated and adjusted its corporate strategy to become even more customer- and future-oriented: We4Customers originates in the purpose shared with the OMV Group, "Reinventing Essentials for Sustainable Living." The four interlocking areas of sustainability, efficiency, innovative solutions, and peace of mind guide Borealis as it strives to create value for its customers and positively impact society, by way of advanced and sustainable polymer solutions based on its proprietary technologies. Well received by customers as well as internal and external stakeholders, the strategy has guided Borealis in its efforts to enhance efficiency in its own operations while putting the needs of its customers front and center.

In 2025, substantial progress was made on key growth projects such as the PDH plant in Kallo and Borouge 4, as well as at Baystar Bay 3, the joint venture with TotalEnergies in the US. Also reported were improvements in the reliability and commercial performance of assets. Dedicated initiatives such as "Simplify to Excel" helped enhance financial performance with respect to procurement practices, fixed costs, and working capital. Finally, digital capacities have been bolstered by the implementation of the SAP S4/HANA enterprise resource planning software in tandem with multiple AI programs across the company.

In implementing the We4Customers strategy, new and potentially significant areas of improvement have been identified and subsequently incorporated into planning for 2026. Likewise, the strategy supports internal preparations for the formation of Borouge Group International (BGI). By bringing together the complementary strengths of three world-class companies – Borealis, Borouge, and Nova Chemicals – a leading polyolefins platform spanning key global markets will have been created. The substantial synergistic effects, which have been estimated as at least USD 500 million per year by 2030, with Borealis share still in assessment, include: an advantaged cost position, with access to low-cost feedstock; a diverse, value-added

portfolio built on leading-edge, proprietary technologies; and the sustainability leadership necessary to allow BGI to capitalize fully on global demand for circular and sustainable solutions.

Global overcapacity is likely to remain an issue for producers. However, lower oil prices may bring about a more favorable situation for naphtha crackers in Europe. This has the potential to offset other market-based factors which negatively impact performance. Despite ongoing geopolitical turbulence and market vicissitudes, Borealis – within the newly-formed BGI – is well positioned to expand its own position as a leader in advanced polyolefins R&D, innovation, and commercialization.

Subsequent Events – Geopolitical Developments

Subsequent to the reporting date, geopolitical tensions in the Middle East have intensified following military actions involving the United States and Israel and retaliatory actions by Iran, including incidents affecting the United Arab Emirates, where Borouge has its primary operational exposure.

At the date of authorization of these financial statements, management is closely monitoring the situation. The evolving geopolitical environment may increase risks related to regional security, logistics, energy supply, insurance coverage, and the continuity of operations at Borouge. At the date of authorization of these financial statements, no material disruptions to production or operations at Borouge have been identified.

For Borealis, whose production assets and primary markets are located predominantly in Europe, no direct operational impact has been observed. Furthermore, in certain scenarios, prolonged disruptions to Middle Eastern supply routes - such as a potential blockade or restriction of the Strait of Hormuz - could result in tighter global polyolefin supply and shifts in trade flows and could also contribute to higher and more volatile oil prices and related feedstock and energy costs. However, the extent and duration of any such effects remain uncertain and dependent on future developments.

Given the rapidly evolving nature of the situation, it is not currently possible to reliably quantify the overall financial impact, whether adverse or favorable, on Borealis, or their respective investments. Accordingly, no adjustments have been made to the financial statements as of the reporting date, as these events are considered non adjusting subsequent events.

Management will continue to monitor developments and assess potential implications for operations, financial position, and performance.

Other Information

The sustainability statement was prepared in accordance with ESRS, on a voluntary basis.

In accordance with the Corporate Sustainability Reporting Directive (CSRD), Borealis was classified as a Wave 1 entity in the reporting year 2024. Following the delisting of the Company due to the repayment of the bond on December 10, 2025, Borealis is no longer classified as such on the reporting date of December 31, 2025.

Borealis includes further information and key figures on the basis of the Taxonomy Regulation (EU) 2020/852.

		2025 excl. disc. operation / disposal group ¹⁾	2025 incl. disc. operation / disposal group ¹⁾	2024 excl. disc. operation / disposal group ¹⁾²⁾	2024 incl. disc. operation / disposal group ¹⁾
Income and profitability					
Total sales and other income	EUR million	7,700	7,700	7,951	7,951
Operating profit	EUR million	50	50	342	342
Operating profit as percentage of total sales and other income	%	1	1	4	4
Net profit ²⁾	EUR million	-85	428	125	566
Return On Average Capital Employed (ROCE)	%	-	5	-	6
Cash flow and investments					
Cash flow from operating activities	EUR million	815	822	749	749
Investments in property, plant and equipment	EUR million	751	751	602	602
Cash and cash equivalents	EUR million	668	670	1,028	1,028
Free cash flow before dividends	EUR million	633	1,453	-83	156
Free cash flow after dividends	EUR million	-466	354	-1,178	-939
Financial position					
Balance sheet total	EUR million	11,149	11,149	-	12,705
Net interest-bearing debt ³⁾	EUR million	568	600	-	946
Equity attributable to owners of the parent	EUR million	596	596	-	8,696
Gearing ³⁾	%	95	100	-	11
Other					
Total Recordable Injuries (TRI) ⁴⁾	number/ mn work hours	3.8	3.8	-	3.8
Average number of employees ⁴⁾	headcount	6,187	6,187	-	6,111

1) Discontinued operation / disposal group: Borealis divested the Borealis Fertilizers, Melamine and Technical Nitrogen (TEN) Business at the beginning of July 2023 (Nitro). For further details, please refer to note 8.1. For details on discontinued operation Borouge please refer to note 9.1. For further details on disposal group Renasci, please refer to note 8.4. // 2) Comparative information has been restated due to discontinued operation Borouge. For further details, please refer to note 9.1. // 3) The dividend payable of EUR 6,823 million is not included in the net interest-bearing debt. // 4) Disposal group Renasci is included in 2025 values.

Definitions

Capital employed: Total equity plus net debt

Return on average capital employed

(ROCE): net income plus net interest related to financing minus tax effect divided by average capital employed.

Solvency ratio: Total equity, less goodwill, divided by total assets

Net interest-bearing debt: Interest-bearing debt (loans and borrowings plus lease liabilities), less cash and cash equivalents

Gearing ratio: Net interest-bearing debt, divided by total equity

Free cash flow before dividends: Cash flows from operating activities plus Cash flows from investing activities

Free cash flow after dividends: Free cash flow before dividends less dividends paid

Sustainability Statement

General Information

ESRS 2 General disclosures

The European Sustainability Reporting Standard (ESRS) establishes a framework for standardized sustainability reporting, focusing on governance, strategy, and key processes across various fields. It emphasizes clear disclosure of impacts, risks, and opportunities (IROs), while defining disclosure for metrics. ESRS 2 ensures organizations align with regulatory requirements and stakeholder expectations through consistent and comprehensive reporting.

Basis for preparation

DR BP-1 – General basis for preparation of the sustainability statement

[ESRS 2-BP-1.5a] Borealis' sustainability statement has been prepared on a consolidated basis. [ESRS 2-BP-1.5b i] The consolidation scope is aligned with the consolidated financial statements. [ESRS 2-BP-1.5b ii] None of Borealis' subsidiary undertakings are excluded from its consolidated sustainability statement.

Borealis has chosen to:

- [ESRS 2-BP-1.5d] Withhold specific information corresponding to intellectual property, know-how or the results of innovation, in accordance with [ESRS 1 section 7.7] for investments and funding supporting the implementation of its transition plan, and the type and amount of current and future allocated resources with regards to circular economy; and
- [ESRS 2-BP-1.5e] Omit disclosure of impending developments or matters in the course of negotiation, related to investments and funding supporting the implementation of its transition plan.

[ESRS 2-BP-1.5c] The sustainability statement covers Borealis' material direct and indirect upstream and downstream business relationships. Materiality has been determined by Borealis' experts, based on every potentially relevant topic according to the sustainability matters covered in ESRS, for each step in the value chain.

Borealis has defined the value chain steps as follows, and assessed the IROs for each one:


- Upstream:
 - Fossil feedstock;
 - Renewable feedstock;
 - Waste feedstock for recycling;
 - Raw materials;
 - Energy and utilities;
 - Packaging; and
 - Technical supplies.
- Own Operations represents Borealis' two business units which have a market presence:
 - Polyolefins (polyethylene and polypropylene); and
 - Base Chemicals (including ethylene, propylene and other base chemical products).
- Downstream:
 - Transport and distribution;

- Customers and converters;
- Brand owners;
- Retailers;
- End-of-lifetime (recycling, incineration and landfill);
- Contractors; and
- End users.

The following overview shows the extent to which topics are material for the value chain:

High-Level Value Chain – Overview Borealis

Section	Upstream	Own Operations	Downstream
E1 – Climate change	Material		
E2 – Pollution		Material	
E3 – Water and marine resources	Material		
E4 – Biodiversity and ecosystems	Material		
E5 – Circular economy	Material		
S1 – Own workforce		Material	
S2 – Workers in the value chain	Material		
S3 – Affected communities	Material		
S4 – Consumers and end-users			
G1 – Business conduct	Material		

 Topic evaluated as material

DR BP-2 – Disclosures in relation to specific circumstances

Time Horizons

[ESRS 2-BP-2.9a] For the purposes of preparing the sustainability statement, Borealis has used the same time horizons as suggested in [ESRS 1, section 6.4]:

- Short term: up to one year.
- Medium term: one to five years.
- Long term: more than five years.

Value Chain Estimations

[ESRS 2-BP-2.10a, b] Estimated value chain data from indirect sources has been used to calculate Scope 3 GHG emissions, using the following bases:

- Emission factors are sourced from Ecoinvent, IEA, DBeis and GLEC;
- Papers are sourced from the University of Laxeter and the Fraunhofer Institute; and
- Estimates for activity levels at some locations are based on average values retrieved from Borealis' actual or historical corporate carbon footprint.

[ESRS 2-BP-2.10c] The use of spend-based and secondary emission factors limits the accuracy of the Scope 3 emissions calculation. [ESRS 2-BP-2.10d] To enhance this accuracy in future statements, Borealis' planned actions are to:

- Improve the performance of the ESG tool implemented in 2025;
- Align with key suppliers on providing supplier-based emission factors; and
- Hold discussions with affiliates on implementing corporate carbon accounting, in line with the GHG Protocol.

Sources of Estimation and Outcome Uncertainty

[ESRS 2-BP-2.11a, b] The following assumptions and estimations have been used in calculating topic-specific data points:

Energy consumption

For smaller sites, where complete information on energy consumption was not available due to the absence of metering, estimations and calculations were based on the available data, e.g. produced volumes.

Energy mix

The latest available published factors for the residual mixes of the grid (source: AIB) at the point of calculation was used to report on the fraction of each electricity origin which is not claimed with a guarantee of origin. For the non-European locations, information from the database Ecoinvent© was used.

Energy savings implemented

Expected savings from planned projects are based on the business case calculation, compared against business as usual.

Processed circular feedstock

For third-party locations where the input value cannot be obtained, the feedstock volume was calculated based upon the recycle volume received multiplied by the yield factor achieved in the comparable Borealis recycling assets.

For waste to pyrolysis oil conversion, a yield factor from Borealis' experience was generally applied.

For Joint Ventures, the percentage of feedstock was included in the KPI that represents the share of ownership of Borealis. For example, if Borealis has a 45% shareholding, only 45% of the feedstock is included.

Circular capacity

For third-party assets and for JVs, contracted capacity provided by Feedstock Sourcing or the Base Chemicals Optimization and Planning Manager was used to calculate the respective circular capacity.

Contractors' working hours

The locations report working hours for contractors (workers in the value chain) on a monthly basis, in a centralized database (AFO SAP based). The methodology to capture these amounts

differs between stand-alone sites, sites that are integrated into chemical parks and locations without automated registration, depending on the local registration capabilities.

For locations that do not have an automated registration application, and thus have no primary data available, the contractor hours were estimated based on:

- Ticking clock registrations;
- Number of full-time equivalents multiplied by the number of hours; or
- A hybrid approach.

These assumptions were conservative, and the deviation is in the range of 5% underestimation of the contractor hours, resulting in an over reporting of the TRIR and PSER (see S1.14 under [ESRS 2-MDR-M.77a]).

Changes in Preparation or Presentation

[ESRS 2-BP-2.13a] In FY2025, Borealis implemented a new data collection system for gathering quantitative data for energy, environment, and climate (included in the E1 chapter). While the underlying methodology remains consistent with previous years, the new system enables improved data quality by incorporating more site-specific information and reducing reliance on estimates, particularly for smaller entities. As a result of this transition, minor differences compared to FY2024 figures have been observed. These differences are primarily due to improved granularity and data validation processes rather than changes in calculation principles.

[ESRS 2-BP-2.13b] Revised comparative figures for FY2024 have not been disclosed in the E1 chapter, as it is impracticable to adjust prior-period data retrospectively given.

[ESRS 2-BP-2.13c] Restatements including the nature of the prior period error are explained for every concerned data or metric in the respective topical chapter, to keep the information in the relevant context.

[ESRS 2-BP-2.14a-c] Compared to the prior ESRS reporting period (2024), certain types of data or metrics are restated in the current sustainability statement. Metric restatements for the prior year were generated by changes to the definitions of metrics or material reporting errors. Material errors were defined as those errors that surpass a 5% materiality threshold. If the difference between the previous year's metric and the restated metric exceeded this threshold, a restatement was made.

Incorporation by Reference

[ESRS 2-BP-2.16] Within this Sustainability statement, Borealis references other sections of the Annual Report 2025, particularly the Notes to the Consolidated Financial Statements. With adherence to ESRS 1 requirement 9.1, the following disclosure requirement is included in the 1. Segment reporting (in the Notes to the Consolidated Financial Statements) - [ESRS 2-SBM-1. AR 14c]: [E1-3.28], [E1-5.43], [E1-5.AR 38], [E1-6.AR 55], [ESRS 2-MDR-M.77b] in E1, [E3-4.29] and section "Performance Indicators (KPIs)" in the EU-Taxonomy Chapter.

Disclosures Stemming from other Legislation and Use of Phase-In Provisions

[ESRS 2-BP-2.15], [ESRS 2-BP-2.17] The sustainability statement was prepared in accordance with ESRS, on a voluntary basis.

In accordance with the Corporate Sustainability Reporting Directive (CSRD), Borealis was classified as a Wave 1 entity in the reporting year 2024. Following the delisting of the company on December 10, 2025, Borealis is no longer classified as such on the balance sheet date of December 31, 2025.

Borealis includes further information and key figures on the basis of the Taxonomy Regulation (EU) 2020/852.

According to the “Quick-Fix” Delegated Regulation, the Group has elected to apply the prolonged phase-in provision for:

- [S1-7] (Characteristics of non-employees in the undertaking's own workforce);
- [S1-14.88d, e] (Cases of work-related ill-health and number of days lost to injuries, accidents, fatalities and work-related ill health);
- [S1-15] (Work-life balance metrics);
- the anticipated financial effects related to [ESRS 2-SBM-3.48e], [E1-9] (Climate change), and [E5-6] (Resource use and circular economy); and
- E4 “Biodiversity and Ecosystems” and S3 “Affected communities”, which have been identified as material.

The following sections summarize the information on E4 “Biodiversity and Ecosystems” and S3 “Affected communities”.

E4 - Biodiversity and Ecosystems

[ESRS 2-BP-2.17a] Borealis is aware that its business activities influence the state of biodiversity and ecosystems. This impact on biodiversity and ecosystems is deeply interconnected with climate change, pollution, water, and resources.

Borealis identified biodiversity as a material topic for the first time in 2025. The Double Materiality Assessment (DMA) did not identify material transition, physical, or systemic risks related to biodiversity and ecosystems.

Based on Borealis' DMA, potential negative impacts related to freshwater-use and sea-use, pollution and invasive alien species, as well as impact from microplastics and plastic waste, were identified as material. More details on the material sustainability matters can be found in the context of Borealis' IROs in [ESRS 2-SBM-3.48a, c i-iv, g].

To build a deeper understanding of biodiversity-related impacts, dependencies, risks, and opportunities, Borealis launched a biodiversity initiative in 2024, aligned with the TNFD LEAP approach. This ongoing initiative is designed to support the integration of biodiversity into strategic planning and decision-making. The first phase, “Locate”, focused on site screening and proximity to biodiversity-sensitive areas, has been completed in 2025.

The results of this initiative are essential for performing a resilience analysis and defining future strategy. Regardless of the operational risks identified to date, Borealis remains committed to acting on its biodiversity impacts in alignment with the EU Biodiversity Strategy and the Kunming-Montreal Global Biodiversity Framework (GBF), an international agreement that aims to halt and reverse biodiversity loss and set nature on a path to recovery from 2030 onwards.

[ESRS 2-BP-2.17c] Biodiversity and ecosystems are addressed in Borealis Environmental Management System (EMS), which is aligned with the ISO 14001 standard. The EMS is an integral part of Borealis' Responsible Care Policy (see E2 “Pollution”: Responsible Care Policy).

At least every three years, the Group performs an environmental risk and opportunity assessment for every plant in all locations.

The EMS requires Borealis to assess environmental impacts, risks, dependencies and performance requirements regarding a variety of environmental impacts, including impacts on biodiversity loss and ecosystem services. The EMS assesses actual or potential negative impacts on biodiversity at the site level, aiming to identify effects on species populations, changes in the extent and condition of ecosystems, and dependencies or impacts related to ecosystem services. In future, the strategy related to biodiversity and ecosystems will be further developed and integrated into relevant policies and standards.

The assessment of material impacts and dependencies on biodiversity and ecosystem services within the Environmental Standard will be refined once the evaluation phase of the ongoing biodiversity project is complete.

Additionally, the EMS includes guidance on how to meet the requirements of ISO 14001 Environmental Management at Group and location levels. In relation to nature protection, biodiversity and ecosystem services, it contains a process description on:

- Minimization of disturbances of, and impacts on, local plants and wildlife communities;
- Biodiversity and ecosystem screenings for existing installations, site expansions and new installations; and
- Biodiversity action plans.

The EMS also contains guidance on how to screen biodiversity and ecosystem services following the TNFD LEAP approach, and analyzes, as a minimum, the presence of threatened species, ecosystems and legally protected or internationally recognized areas.

Borealis will further advance its biodiversity initiative, to integrate biodiversity into its corporate strategy, policies and processes. In the next phases, Borealis plans to:

- Develop its Biodiversity Policy;
- Establish processes for managing biodiversity in major capital projects; and
- Implement operational procedures and project planning that consider biodiversity risks, dependencies, and opportunities.

[ESRS 2-BP-2.17d] As the biodiversity assessment is ongoing, Borealis has not yet established specific ESRS-aligned actions to address material IROs under “E4 Biodiversity and ecosystems”. However, Borealis is guided in its ambitions by the GBF.

As outlined in [ESRS 2-BP-2.17a], Borealis has completed the first phase, “Locate”, of its biodiversity initiative. In this phase, all operational sites under Borealis’ control were screened for proximity to biodiversity-sensitive areas, such as Natura 2000 sites, key biodiversity areas, and other protected zones. Additionally, two indicators were used:

- A biodiversity score, based on spatial overlap with key GIS (Geographical Information System) biodiversity layers; and
- A pressure score, reflecting potential site-level pressures from waste, water, air, and soil.

Both indicators align with TNFD guidance. With the help of these indicators, Borealis has chosen priority sites for further assessment, to understand their specific impacts and dependencies on nature. Further phases — “Evaluate”, “Assess”, and “Prepare” — are ongoing.

Once the biodiversity assessment is concluded, Borealis will define appropriate biodiversity related metrics.

[ESRS 2-BP-2.17b] Borealis has not yet set specific time-bound targets for biodiversity and ecosystems in line with the ESRS target definitions, as the materiality is primarily driven by the impacts of E3 “Water and Marine Resources” and E2 “Pollution” and because the LEAP assessment is still ongoing. The targets for “Water and Marine Resources” are disclosed under [E3-3.22] and the targets for “Pollution” are disclosed under [E2-3.22]. No target has been developed regarding invasive species. Borealis will set specific targets based on conclusive scientific evidence for E4 “Biodiversity and Ecosystems” once the analyses for the LEAP assessment has been completed.

S3 – Affected Communities

[ESRS 2-BP-2.17a] Borealis is aware that its operations could impact some stakeholders, including the communities where Borealis operates. In alignment with Borealis’ strategy, the Group’s social license to operate includes upholding human and labor rights and developing positive relationships with surrounding communities.

Based on Borealis’ DMA, potential negative impacts on affected groups are situated in the upstream value chain. These are defined by Borealis’ suppliers as listed below:

- Local communities, which are resident in areas adjacent to their sites and are directly impacted by their operations; and
- Remote communities, which are situated further from the primary operational sites but within the broader geographic region. They are indirectly affected by the suppliers’ activities.

The sustainability matters which have been assessed to be material can be found in the context of Borealis’ IROs in [ESRS 2-SBM-3.48a, c i-iv, g].

[ESRS 2-BP-2.17c] Borealis has no policy on addressing the management of material impacts related to affected communities in the upstream-value chain.

Borealis commits to upholding the highest standards of human rights for all communities affected by its own operations or along the value chain, corresponding to the UN Guiding Principles on Business and Human Rights. Borealis’ Human Rights Policy Statement acknowledges indigenous peoples as distinct social groups with inherent rights, who are often among the most marginalized and more likely to be in vulnerable circumstances. However, this statement only addresses affected communities in Borealis’ own operations and there is no particular policy for preventing and addressing any impact on indigenous peoples in the upstream value chain.

Business partners in the upstream value chain are expected to have adequate policies in place to manage their impacts on affected communities. [ESRS 2-BP-2.17d] While Borealis has not taken any specific actions to address material impacts related to affected communities in the upstream value chain, it encourages the usage grievance mechanisms and expects its suppliers to address issues related to affected communities in their operations through social impact assessments. Borealis expects and requests that business partners identify and manage their human rights risks and impacts, conduct appropriate training, remedy adverse human rights impacts they are involved in, cascade this due diligence requirement to their own suppliers and contractors, and report on their performance. The measures and controls carried out by business partners are to be documented and submitted to Borealis upon request.

Grievance mechanisms

Borealis has established central and local grievance mechanisms to identify and address negative impacts, especially those it has caused or contributed to. These mechanisms are not specifically for affected communities but are available for them to use. Each location must document complaints and assign responsibility for resolving them.

While communities can report issues through local channels—often anonymously—more serious grievances, such as ethics violations or human rights concerns, must be escalated to the Group's Ethics Hotline. These grievances are reviewed quarterly, tracked in a central system, and discussed in monthly meetings.

[ESRS 2-BP-2.17b], [ESRS 2-BP-2.17e], [S3-SBM-2.7] Since Borealis has not set measurable, outcome-oriented targets regarding affected communities, there are also no metrics in place to measure progress against them.

Governance

DR GOV-1 – The role of the administrative, management and supervisory bodies

[ESRS 2-GOV-1.21a] Borealis GmbH has a dual board structure, comprising the Executive Board and the Supervisory Board (SVB).

The Executive Board has five members, including the CEO and CFO.

The SVB has eight members in total: five members represent Borealis' shareholders (three members from OMV, two from ADNOC), [ESRS 2-GOV-1.21b, e] three members of the SVB are from Works Councils, representing Borealis' employees. Based on this, there are no independent Board members.

The SVB has two subcommittees, the Remuneration Committee and the Audit Committee.

Expertise and Skills of Executive Board Members

[ESRS 2-GOV-1.21c] Borealis Executive Boards' expertise and skills listed below are relevant to Borealis' material IROs, as they take into account Borealis' main sectors, products and geographic locations:

Member of the Executive Board	Sector experience	Product experience	Geographic experience
Stefan Doboczky CEO	Chemical Industry, Oil & Gas (OMV SVB member)		Europe, USA, Asia
Daniel Turnheim CFO	Oil & Gas (OMV, OMV Petrom)		Europe, Asia
Craig Arnold EVP Polyolefins, Circular Economy Solutions and Base Chemicals	Chemical Industry, Mining and Metallurgical Sector	Circular Economy	Europe, Asia, Middle East, Africa, Australia, New Zealand, USA
Wolfram Krenn EVP Operations	Oil & Gas (OMV, OMV Petrom)	Chemicals	Europe
Philippe Roodhooft EVP Joint Ventures	Chemical Industry		Europe, UAE, USA

[ESRS 2-GOV-1.21d] The Executive Board has five male members (100%). Their ages range from 50 to 62, meaning all members (100%) are 50 years old or above.

Three nationalities are represented on the Executive Board, with three Austrian members, one Belgian member and one Swiss/South-African member.

During 2025, the SVB had eight members, with one female member (12.5%), and seven male members (87.5%). The average ratio of female to male members was 1:7.

Bodies with Oversight of IROs

[ESRS 2-GOV-1.22a] The members of the Executive Board and SVB participate in or chair several councils or committees that oversee Borealis' material IROs:

ESG Governance Structure – Committees & Councils for managing material impacts, risks and opportunities

Audit Committee		Supervisory Board		Remuneration Committee
Executive Board				
Chief Executive Officer	Chief Financial Officer	EVP Polyolefins, Circular Economy Solutions and Base Chemicals		EVP Operations
Sustainability and Responsible Care Committee	Pension & Benefits Council	CES Portfolio Meeting		Energy & CO ₂ Committee
Ethics Council	Risk Coach Network			

[ESRS 2-GOV-1.22b] The SVB and the Executive Board are both the highest governance bodies responsible for reviewing and approving ESG-related material IROs and ensuring adequate actions are being taken.

The graphic below shows the responsibilities of the individual Executive Board members for Borealis' material IROs.

ESG Governance Structure – Responsibilities for topics relevant for material impacts, risks and opportunities

Audit Committee		Supervisory Board		Remuneration Committee
Executive Board				
Chief Executive Officer	Chief Financial Officer	EVP Polyolefins, Circular Economy Solutions and Base Chemicals		EVP Operations
Internal Audit & Compliance	Finance & Controlling	Circular Economy Solutions		Health, Safety, Environment & Quality (HSE&Q)
Sustainability & Public Affairs		Product Asset & Supply Chain Management		Energy & CO ₂
Strategy & Group Development		Energy & Feedstock Sourcing		Growth Projects
People & Culture		Circular Polyolefin Solutions		

The responsibilities of the SVB and Executive Board for material IROs are currently not stipulated in Borealis GmbH's governing documents, such as its Articles of Association and the Rules of Procedure of the Executive and Supervisory Board.

[ESRS 2-GOV-1.22c i] The Executive Board makes the decisions and takes the measures necessary to conduct Borealis' business, under its own responsibility.

The Executive Board's tasks include, without limitation:

- Managing, organizing and administering the Company according to Austrian law, the Articles of Association of Borealis GmbH, the resolutions of the SVB, the Rules of Procedure of the Executive Board, the budget and the business plan;
- Representing the Company according to Austrian law, the Articles of Association and the Rules of Procedure of the Executive Board, and implementing the decisions of the shareholders' meeting and the SVB's meetings;
- Developing, proposing and implementing the Group's strategy, in conjunction with and subject to the oversight of the SVB;
- Organizing and administering the Company's accounting, financial and fiscal operations and other controls;
- Implementing appropriate insurance coverage for the Company, in line with the requirements mandated by the SVB; and
- Reporting to the Audit Committee at least once a year on the auditing plan and any material findings.

The Executive Board must also immediately inform the SVB and the shareholders of all situations which are of material importance for the Group's profitability or liquidity.

[ESRS 2-GOV-1.5a] In addition to the tasks mentioned above, the role of the Executive Board regarding business conduct includes promoting the obligation of all employees to speak up about business conduct issues and creating awareness through quarterly business updates.

The Executive Board and the SVB also annually review the Compliance Management System and provide input to further enhance its effectiveness.

Management is also responsible for approving relevant policies related to business conduct, for example the Borealis Ethics & Integrity Policy.

Reporting Lines to the Executive Board

[ESRS 2-GOV-1.22c ii] The areas of responsibility of the Executive Board members are set out below, with the heads of the departments reporting directly to the respective Executive Board member:

- CEO: Communications, People & Culture, Internal Audit & Compliance, Legal, Sustainability & Public Affairs, Strategy & Group Development, Innovation, Transformation.
- CFO: Group Controlling, Group Tax, Procurement, Treasury & Funding (including Risk Management), Group Accounting, Digital Solutions, Business Services & Process Excellence.
- EVP Polyolefins, Circular Economy Solutions (CES) and Base Chemicals: Business Polyolefins, Business Base Chemicals, Global PP Compounding, Circular Economy Solutions, Marketing & New Business Development Polyolefins, Sales & Customer Experience & Business Intelligence Polyolefins.

- EVP Operations: Operations Base Chemicals & Polyolefins, Operations Joint Ventures & Special Ventures, HSE&Q, Asset Technology, Asset Management, Asset Development, Manufacturing Excellence.
- EVP Joint Ventures: Joint Venture Middle East, Joint Venture North America.

Controls and Procedures for Managing IROs

[ESRS 2-GOV-1.22c iii] Borealis does not currently have dedicated controls and procedures to manage IROs. The Group has a general system of internal controls, which is in line with EU regulations and owned by the CEO and senior management. These controls assess the robustness of the Group's systems and processes, and support the monitoring, management and reporting of related risks, including sustainability. Internal controls are defined for core processes and require control owners to complete self-assessments.

Borealis' Internal Audit function follows the Institute of Internal Auditors' guidelines.

Oversight of Target Setting Related to IROs

[ESRS 2-GOV-1.22d] The Sustainability & Responsible Care Committee (SRCC) is sponsored by the CEO and chaired by the VP Sustainability & Public Affairs. Its permanent members include all of the Executive Board members and the VP HSE&Q.

The Committee is responsible for overseeing target setting related to material IROs, managing the performance of ESG-related indicators, and implementing the sustainability elements of the We for Customers (We4C) Strategy (see [ESRS 2-SBM-1.40a i]). In addition, it monitors ESG-related regulatory requirements and decides how Borealis will implement them.

The respective corporate and business functions update the Executive Board on developments relevant for material topics, highlight risks and opportunities, and provide the information the Executive Board requires to make related decisions, such as adapting internal policies. For example, the DMA and IROs are updated annually under the lead of the VP Sustainability & Public Affairs, with input from internal experts and externally available data, aligned with the relevant Functional Leads, and subsequently brought forward for endorsement to the SRCC. The SVB is informed about the DMA and IROs in combination with the approval of the Annual Report.

Sustainability Related Expertise

[ESRS 2-GOV-1.23a] The Executive Board can leverage a wide range of sustainability-related expertise. The VP Sustainability & Public Affairs and the Executive and Senior Management functions continuously monitor emerging ESG developments and discuss them with the Executive Board members, using existing regular meetings (such as the SRCC), the Executive Board Meeting and other platforms. Internal experts and ESG consultants are invited to contribute background information on specific topics and share updates on the latest developments and trends, as well as relevant industry reports. Strategic projects are also an effective way to continuously enhance the collective knowledge, skills and experience of the Executive Board and the leadership teams. A constructive dialogue with non-governmental organizations is also important, to understand their expectations and share updates on progress, best practices and plans.

[ESRS 2-GOV-1.23b] The skills and expertise of the Executive Board members, in particular the knowledge obtained through regular reports by the respective corporate and business functions,

qualify the Executive Board to review and approve proposed new policies and adaptations to existing policies for managing material IROs.

[ESRS 2-GOV-1.5b] The skills and expertise of the Executive Board on business conduct matters are enhanced through updates and ethics-related information provided to the members by the Group Compliance & Ethics team. This information includes major new projects, a report on substantiated unethical conduct and critical concerns, updates on training conducted and any other major developments. Borealis also annually communicates its anti-corruption policies and procedures to the Executive Board and SVB. Executive Board Members also receive trainings on anti-corruption policies and procedures, human rights and the Market Abuse Regulation.

DR GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

[ESRS 2-GOV-2.26a] Executive and Senior Management functions regularly discuss strategic and operationally material topics with the Executive Board via committees. These committees are either integrated into the standing Executive Board meetings, which take place on a monthly and bi-weekly basis, or are chaired by the responsible Executive Board member. The responsible members of Senior Management also engage with the Executive Board via these committees, to align on strategies, policies, targets, metrics, due diligence and implementation plans.

[ESRS 2-GOV-2.26b] Borealis has committed itself to advancing sustainable development, assessing the positive and negative consequences of its activities on People, Planet and Profit, and taking responsible decisions. The SRCC's responsibilities include overseeing the implementation of the Group's Responsible Care Policy, which sets the guiding principles for implementing these standards, which currently does not include trade-offs. See [ESRS 2-GOV-1.22d] for information on the Committee's membership and role.

[ESRS 2-GOV-2.26c] The Executive Board has addressed all topics related to the material IROs through regular reporting from the respective corporate and business functions.

The VP Internal Audit & Compliance provides compliance updates and reports to the SVB, and to the Borealis Executive Board. The Audit Committee also receives a thorough compliance report annually.

All of these reports include an overview and trends in whistleblower reports, including case categorization, case risk assessment, disciplinary measures and estimated damages. Reports to the Executive Board, Ethics Council and Audit Committee also include a data protection status update, while reports to the Audit Committee and the Ethics Council include detailed information on major compliance cases and overall trends, developments and compliance related projects.

In addition to the above reports, the Compliance department annually presents to the Executive Board and Audit Committee on the Borealis Compliance Management System and requests approval input on its efficiency, which is required to maintain Borealis' ISO compliance certification to ISO 37001 and ISO 37301.

DR GOV-3 – Integration of sustainability-related performance incentive schemes

[ESRS 2-GOV-3.29a] Borealis has two incentive plans: the Borealis Incentive Plan (BIP), which is a short-term plan, and a Long Term Incentive Plan (LTIP). All employees of grade 12+ are

eligible to join the BIP, with local plans applying for employees below this level. All grade 15+ employees are eligible for the LTIP. (See [S1-9.AR 71] for definitions of Borealis' employee grades.)

[ESRS 2-GOV-3.29b, c] Payouts under the BIP and LTIP are linked to key performance indicators (KPIs), including multiple KPIs connected to ESG. These include HSSE performance, diversity and employee engagement, as well as environmental metrics such as Circular Economy Solutions sales volumes, Scope 1 and 2 GHG emissions and renewable energy. In addition, both the BIP and LTIP include an HSSE malus and claw back mechanism, depending on the HSSE performance in the respective plan period.

[ESRS 2-GOV-3.29d] For the Executive Board, 5% of the BIP payout and 7.5% of the LTIP payout depend on sustainability-related targets. [ESRS 2-GOV-3.29e] Target setting for incentive schemes and achievement against those targets are determined by the SVB, via the Remuneration Committee. Each year the Finance function and the Executive Board discuss the KPIs, with the proposal submitted to the Remuneration Committee for approval.

[ESRS 2-GOV-3.13] Climate-related considerations are factored into Executive Board member remuneration through the sustainability-related KPIs in the BIP and LTIP. Specifically, the Circular Economy Solutions sales volumes, Scope 1 and 2 GHG emissions and renewable energy metrics directly relate to the Group's climate impact. The sustainability KPIs in the BIP and LTIP are aligned to the sustainability targets reported in [E1-4]. Up to 5% of the payout under the BIP and 7.5% under the LTIP are linked to climate-related considerations.

DR GOV-4 – Statement on due diligence

The main aspects of the due diligence process are reflected in the sustainability statement according to the table below:

Treatment of Due Diligence in the Sustainability Report

Core Elements of Due Diligence	Paragraphs in the Sustainability Statement
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2 ESRS 2 GOV-3 ESRS 2 SBM-3
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2 ESRS 2 SBM-2 ESRS 2 IRO-1 ESRS 2 MDR-P
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1 ESRS 2 SBM-3
d) Taking actions to address those adverse impacts	ESRS 2 MDR-A
e) Tracking the effectiveness of these efforts and communicating	ESRS 2 MDR-M ESRS 2 MDR-T

DR GOV-5 – Risk management and internal controls over sustainability reporting

[ESRS 2-GOV-5.36a] The Group's risk management and internal control processes and systems in relation to sustainability reporting are defined through the Annual Report process.

This is described in two documents, which were established in 2025. One covers DMA and IRO analyses, while the other focuses on the development of the sustainability statement in general.

The key components of the Annual Report process are:

At the beginning of the reporting season, the responsibilities for sustainability reporting are determined. These include project management, content delivery, review and approval, with the Executive Board having ultimate responsibility for the sustainability statement. Each chapter of the sustainability statement is allocated to a Content Owner, a Content Provider and a second-line Content Provider. They are responsible for the content of the chapter and provide the necessary information, including data, which is converted into text by the ESG Manager and the copywriter for the sustainability statement. The Head of Group Accounting owns the process for developing the sustainability statement and aligns it with the Executive Board, while the VP Sustainability & Public Affairs is responsible for the DMA and IROs.

The main tools or workspaces for preparing the sustainability statement are SharePoint and SmartNotes, which all Content Owners and Content Providers have access to. In the future, Borealis will implement a reporting tool to be used throughout the sustainability reporting process.

The Group has established a CSRD Steering Committee, which is responsible for strategic decisions related to the Annual Report 2025, such as the timeframe, responsibilities and questions regarding the audit process. This committee meets regularly during the preparation period of the Annual Report.

Before starting the auditing process, nominated Senior Leaders approve the draft Annual Report chapters. The data is validated and checked before being inserted into the report.

[ESRS 2-GOV-5.36b] Borealis' Risk Management Policy defines the overall framework for the Group's risk management process and provides the principles, roles and responsibilities, and guidelines for risk assessment, mitigation and reporting. The risk assessment approach is made up of risk identification, risk analysis and risk evaluation, which in turn allows the risks to be prioritized. The policy on DMA and IRO processes outlines the link to and alignment with the Borealis Risk Management processes, where applicable.

[ESRS 2-GOV-5.36c] The main risks related to the sustainability statement are:

- Non-compliance with applicable national and international regulations, specifically with CSRD and EU Taxonomy;
- Reputation and image loss, and potential fines, if the Group publishes incorrect or inaccurate quantitative or qualitative data;
- Inability to deliver the report in line with legal deadlines; and
- Receiving a qualified assurance opinion.

The mitigations and controls for these risks are as follows:

- Implementation of a centralized reporting tool to ensure data quality, including controls for data collection and validation, as well as undergoing approval loops prior to publication;
- Timeline aligned with all relevant departments (Sustainability, Group Accounting, Communications, Group Controlling, and Legal); and
- Regular meetings and alignment with management and the auditor.

[ESRS 2-GOV-5.36d] The Group Risk Officer leads the Enterprise Risk Management & Internal Control System department and reports directly to the VP Treasury and Funding. Internal controls are continuously improved based on audit recommendations, design reviews and spot checks.

[ESRS 2-GOV-5.36e] The Risk Coaches Network (RCN), chaired by the CFO, is a cross-functional team with members representing all the Business Groups. It meets quarterly and is responsible for preparing, consolidating and reviewing risks. The RCN is required to report at least twice a year to the Executive Board and the Audit Committee. In 2025, the Executive Board and the Audit Committee were updated twice.

Strategy

DR SBM-1 – Strategy, business model and value chain

[ESRS 2-SBM-1.40a i] Borealis is a global leader in providing chemical and polyolefin solutions.

The significant groups of products are:

- Polyolefins.

Borealis is one of the world’s leading providers of advanced and sustainable polyolefin solutions. In Europe, Borealis is also an innovative leader in polyolefins recycling. The Group leverages its polymer expertise and decades of experience to offer value-adding, innovative and circular material solutions for key industries such as consumer products, energy, healthcare, infrastructure and mobility.

- Base Chemicals.

Base chemicals are used to manufacture the essential products and applications used by industry and consumers in daily life. Base chemicals are used in diverse sectors, including aviation, mobility, renewable energy, consumer appliances, advanced packaging, healthcare, and many others.

In 2025, the We4C Strategy was approved by the Borealis SVB and subsequently launched to reinforce Borealis’ purpose of “Re-inventing Essentials for Sustainable Living”. The strategy is an evolution of the Strategy 2030 defined in 2022, and reflects the more challenging market environment, providing a clear roadmap for success, emphasizing how to create even more value for customers.

Reinventing Essentials for Sustainable Living

Borealis Strategy. We4C – We4Customers



The strategy builds on four main pillars:

- Enabling Sustainability – helping customers to reach their sustainability ambitions.
- Delivering Innovative Solutions – enabling customers to enhance their offerings.
- Assuring “Peace of Mind” – being a trustworthy partner who upholds safety, integrity, compliance, and product stewardship.
- Driving Efficiency – lowering system costs through innovation, helping customers to achieve more with less.

In addition, the strategy defines three “non-negotiables”, which act as guardrails for all activities. They define the minimum standards that cannot be compromised and ensure that the company’s growth and transformation remain responsible and resilient:

- **Safety:** Protecting people and assets is fundamental. Borealis commits to a zero-harm culture, embedding health and safety into every process and decision to safeguard employees, partners, and communities.
- **Compliance:** Integrity and adherence to laws, regulations, and internal standards are non-negotiable. Compliance ensures trust with stakeholders and shields Borealis from operational and reputational risks.
- **Sustainability:** Borealis integrates sustainability into its business model, focusing on circular solutions, climate action, and responsible resource use to create long-term value for customers and society.

Together, these principles are not optional—they are the foundation for delivering on the company’s purpose and enabling innovation, efficiency, and peace of mind for customers. They guide Borealis in balancing performance with responsibility, ensuring that every strategic decision supports a safe, compliant, and sustainable future.

[ESRS 2-SBM-1.AR 14c] When preparing disclosures relating to its business model and value chain, Borealis considered the cost structure and revenue of its business segment in line with IFRS 8 disclosures as reported under Segment 1 in the Notes to the Consolidated Financial Statements.

Significant Customer and Industry Groups

[ESRS 2-SBM-1.40a ii] Borealis’ significant customer or industry clusters are:

- Healthcare (pharmaceutical packaging, medical and diagnostic devices);
- Consumer products (appliances, fibers, flexible packaging, rigid packaging, foam solutions);
- Mobility (vehicle interiors and exteriors, battery applications, front-end carriers, e-boxes);
- Energy (cables, energy storage, solar);
- Infrastructure (pipes and fittings solutions); and
- Solutions for polymers (polymer modifiers, masterbatch and compound carrier resins, structured products, foam solutions).

Borealis’ strategy emphasizes the importance of serving the rapidly growing Asian market and expanding the Group’s footprint in North America.

Headcount by Geographical Area

[ESRS 2-SBM-1.40a iii] The headcount of Borealis' employees by geographical areas is shown in the table below (as of December 31):

Country	Number of employees (headcount)	
	2025	2024
Austria	1,469	1,470
Belgium	1,250	1,265
Finland	940	943
Sweden	1,023	986
Other Europe	875	884
Non-Europe	627	625

Activities Related to Fossil Fuels

[ESRS 2-SBM-1.40d i] Borealis' feedstock includes light naphtha, butane, propane, ethane and some refinery streams. The Group also sources and supplies energy (in the form of natural gas, electricity or steam) as a utility to all its plants in the EU.

The Group's hydrocarbon production plant in Porvoo (Finland) consists of a steam cracker using naphtha, butane, LPG mix and refinery streams as feedstock, as well as cumene, phenol and acetone plants.

The steam cracker in Stenungsund (Sweden) uses ethane, propane, butane and naphtha as feedstock and operates the largest LPG storage facility in Europe, enabling global sourcing.

The propane dehydrogenation plant in Antwerp (Belgium) is supplied via an external logistics service provider which can import using large propane ships and is connected by propylene pipelines with all of the main Amsterdam/Rotterdam/Antwerp producers and consumers, including Borealis' polypropylene plants in Kallo and Beringen.

The olefin supplies to Burghausen (Germany) and Schwechat (Austria) are mainly sourced from nearby OMV production plants, with some propylene also imported via rail cars.

The Group had fossil related revenues in 2025 (EUR 270 million), as non-core business, mainly driven by temporary mitigation efforts due to the delayed PDH2 start-up in Kallo and valorizing co-products from cracker operations.

Sustainability-Related Matters for Significant Products and Services

[ESRS 2-SBM-1.40e] Borealis' sustainability related goal in relation to significant product groups and services is to increase its sales of circular products and solutions to 1.2 million metric tons globally by 2030. There are no other sustainability related goals in relation to significant groups of products and services, customer categories, geographical areas and relationships with stakeholders.

[ESRS 2-SBM-1.40f] Borealis has opted to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation [ESRS 1 section 7.7], relating to the

assessment of its current significant products and/or services, and significant markets and customer groups, in relation to its sustainability-related goals.

[ESRS 2-SBM-1.40g] Borealis is dependent on external factors to achieve its production capacity targets, such as economic conditions and their impact on market demand, as well as regulatory developments, in particular the lack of acceptance of mass balance principles for chemical recycling and the absence of supporting policies for biobased plastics. The resulting high feedstock costs are strongly hindering market adoption of those circular solutions. Even though the Group faces the above dependencies, it will continue to endeavor to close the gap to its strategic targets.

Business Model and Value Chain

[ESRS 2-SBM-1.AR 14d] In preparing disclosures on its business model and value chain, the Company considered potential impacts, risks, and opportunities in its significant sectors and their relationship to the company's own operations.

Inputs to Borealis' Business Model

[ESRS 2-SBM-1.42a] Borealis' main inputs are as follows:

- Fossil feedstock;
- Renewable feedstock;
- Waste feedstock for recycling;
- Raw materials;
- Energy and utilities;
- Packaging; and
- Technical supplies.

The Group's product stewardship is responsible for evaluating and selecting suppliers referring to feedstock and raw materials and takes account of factors such as:

- Security and sustainability of supply;
- Supply and demand balance;
- Quality requirements;
- Number of suppliers available;
- Production capacity;
- Applied production technology;
- Availability of alternative or equivalent materials;
- Compliance with REACH; and
- Political and financial stability in the supply market.

Materials are subsequently segmented on the Group's "criticality grid" according to the combined cost/value versus the composite risk they present. This results in four categories of supplier: strategic, bottleneck, leverage, and non-critical, allowing focused supplier management.

A dedicated feedstock team is in place to secure long-term feedstock agreements regionally, for supply to the various recycling operations.

Outputs and Outcomes from Borealis' Business Model

[ESRS 2-SBM-1.42b] Borealis' value-adding polyolefin products form the basis of many valuable plastics applications that are an intrinsic part of modern life. Borealis works closely with its customers and industry partners to provide innovative and value-creating plastics solutions in a variety of industries and segments. These solutions make end products safer, lighter, more affordable, durable and circular. In short: they enable more sustainable living.

As a leading innovator in its industries, Borealis continuously invests in its employees, which increases their skills, career development and opportunities. The Group also invests in proprietary technologies (such as Borstar®) and its working processes, both internally and with external partners. The result is continuous technological improvement, to create even greater benefits for customers and for society more generally.

Borealis continuously identifies and anticipates unmet market needs so it can develop the corresponding solutions. Using its proprietary technologies, innovative tools and leveraging expertise acquired over many years, Borealis unlocks materials' molecular properties and creates tailor-made products. Borealis enhances this process with in-depth market knowledge, a cross-functional approach and an emphasis on open innovation.

[ESRS 2-SBM-1.42c] The main suppliers (upstream value chain) are from industries listed in [ESRS 2-SBM-1.42a].

Borealis' own operations produce Polyolefins and Base Chemicals, as described in [ESRS 2-SBM-1.40a i].

The main business actors for Borealis (downstream value chain) are:

- Transport and distribution;
- Customers and converters;
- Brand owners;
- Retailers;
- Recycling, incineration and landfill; and
- Contractors.

Industries served by Borealis' applications are described in [ESRS 2-SBM-1.40a ii].

DR SBM-2 – Interests and views of stakeholders

[ESRS 2-SBM-2.45a i-iv, b] As a responsible company that aims to lead the transformation towards circularity and climate neutrality, Borealis creates constructive and respectful dialogues with internal and external stakeholders as listed below. This is essential for achieving its vision and implementing its We4C Strategy, including its related sustainability goals.

Borealis therefore places importance on regular exchanges with stakeholders, to learn about their views and concerns, listen to their expectations of Borealis, and communicate about the Group's activities in a transparent and informed manner. The identification and engagement of relevant stakeholders and interest groups play an important role in preparing the DMA. Stakeholder perspectives are systematically considered in Borealis' materiality assessment, ensuring that stakeholder views inform the prioritization of material IROs. For further details, please refer to the section "DR IRO-1 Description of the processes to identify and assess material IROs".

Borealis' business activities and sustainability issues involve a diverse and complex range of stakeholders at global, regional and national levels, with different interests and concerns. The Group therefore uses a broad range of engagement channels, driven by Borealis' respective functional departments.

Mapping and prioritizing Borealis' stakeholders is a continuous and dynamic process. Borealis regularly runs stakeholder mapping and related IRO assessments at Group level and at its major locations. At Group level, stakeholder mapping and engagement is the responsibility of the respective business areas, such as Procurement, People & Culture, Innovation, Communications and Public Affairs. At a local level, this is the responsibility of location leaders.

Borealis' key stakeholders and Borealis' understanding of their interests and views regarding sustainability topics are:

Internal Stakeholders:

- Employees:
 - Company vision, strategy, targets and performance;
 - Individual and team contribution to the Group's success, as well as sustainability topics;
 - Safe and healthy workplace;
 - Work-life balance;
 - Career opportunities;
 - Equal and fair remuneration;
 - Opportunity to engage;
 - Job security; and
 - Diversity, equality and inclusiveness.
- Works Council:
 - Employee health, safety and wellbeing;
 - Working conditions;
 - Termination of employment and recruiting of new staff;
 - Company strategy and related implications on workforce;
 - Organizational changes; and
 - Opportunity to provide input and raise concerns.
- Owners:
 - Group strategy and business plan;
 - Financial performance, both short- and long-term, in particular in terms of return on investment;
 - Environmental, social and governance (ESG) related performance, risks and opportunities;
 - Group policies and related compliance;
 - Remuneration, including for the Executive Board and Senior Management;
 - Internal and external audits; and
 - Internal controls and risk management.

External Stakeholders:

- Customers:
 - Life Cycle Assessments, the carbon footprint of Borealis' products, and in particular the circular product portfolio; and

- Borealis' sustainability strategy and related commitments.
- Suppliers, contractors and other business partners:
 - Advancing sustainability and the transition to a circular economy;
 - Reducing the environmental footprint;
 - Compliance with environmental and social standards; and
 - Adherence to the Borealis Ethics & Integrity Policy for Business Partners.
- Capital market participants (financial institutions and banks):
 - Sustainable finance/Taxonomy and credit rating aspects; and
 - ESG strategy, commitments, performance, risks and opportunities and their management.
- Non-Governmental Organizations:
 - Borealis' activities and views on sustainability aspects; and
 - Social impact and compliance.
- Authorities (governments and regulators):
 - Borealis' targets and performance regarding climate change and the circular economy; and
 - Reduction of pellet loss.
- Communities:
 - Plastic waste;
 - Climate change; and
 - Recycling and circular economy.
- Industry and trade associations and networks:
 - Industry transformation towards a circular economy and climate neutrality.
- Media:
 - Borealis' sustainability performance, with regard to the circular economy and climate change; and
 - Borealis' views and opinions on relevant sustainability, industry and company issues.
- Academia, science and research:
 - Generating scientific background and knowledge to advance the circular economy and tackle climate change.

[ESRS 2-SBM-2.45a v] The Executive Board considers the outcomes of engagement through regular interactions with Sustainability & Public Affairs, which shares results from its stakeholder engagement and reports concerns. In addition, Executive Board members directly participate in dialogue with the Group's key stakeholders, or are themselves Board members of industry associations, such as Plastics Europe.

[ESRS 2-SBM-2.45c i iii] Two of Borealis' most important stakeholder groups are its owners and customers. The interests of those stakeholders are taken into account whenever the Group reassesses its strategy. During the second half of 2024, Borealis developed its new We4C Strategy and submitted it to its owners, receiving final approval from the SVB in the first quarter of 2025. The We4C Strategy represents a strategic shift toward enhanced customer-centricity. By placing customer needs at the core of its operations, Borealis aims to support their climate objectives and operational efficiency through advanced, sustainable solutions. In response to growing complexity in the global landscape, the We4C Strategy commits Borealis to be an even

more reliable partner in the industry, ensuring safety, integrity, regulatory compliance, and responsible product stewardship.

[ESRS 2-SBM-2.45c ii] The background for updating the strategy is that market environment has changed significantly since the launch of the Borealis Strategy 2030 in April 2022. Since then:

- The geopolitical situation, in addition to causing a humanitarian crisis, has increased energy and feedstock prices in Europe, and caused supply chain disruptions that lowered European competitiveness;
- The cost base of the European economy increased by more than 25% between 2020 and 2025, driven by inflation;
- GDP and PO demand growth are slowing in Europe and globally, and the potential recovery curve has moved from the previously experienced “V” shape to an “L” shape; and
- The circularity transition is delayed and supporting regulation is not fully in place (such as mass balancing rules for chemical recycling), resulting in commercial value not being consistently provided.

[ESRS 2-SBM-2.45d] As described above, the Executive Board is informed about the views and interests of affected stakeholders through regular interactions with Sustainability & Public Affairs.

In addition, the Executive Board and, on a selective basis, the SVB receive summaries of the results of the Group’s main stakeholder engagement. This includes, for example, the yearly Pulse Check/Temperature Check employee engagement survey and the annual customer engagement survey.

[S1-SBM-2.12] Outcomes of the Pulse Check/Temperature Check are shared at all levels of the business organization. Borealis also systematically engages with the Works Council, which provides feedback on employees’ views and interests. These channels allow the interests, views and rights of people in Borealis’ own workforce to inform the strategy and business model. See [S1-2] for further information on employee and Works Council engagement.

[S2-SBM-2.9] The interests, views and rights of value chain workers do not directly flow into Borealis’ strategy and business model.

DR SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

[ESRS 2-SBM-3.48a, c i iii iv, d], [E1-SBM-3.18] Borealis' material IROs are disclosed in the table below. Further descriptions of policies, actions and targets can be found in the respective chapters on each material topic.

E1 – Climate Change

Topic/ subtopic	IRO Type	Description	Time horizon	Value chain	Financial effects	Policies	Actions	Targets
Climate Mitigation Energy	Impact (actual negative)	Borealis and its value chain may fail to gradually decrease their carbon footprints. As a result, the carbon footprint of Borealis' products remains high, especially Scope 3 emissions and at end-of-life. Borealis' suppliers may continue to base their business models primarily on fossil resources, such as oil and gas. This could lead to GHG emissions remaining the same or even increasing in the long term, resulting in greater contribution to global warming and its related impacts on society.	L	U O D		Responsible Care Policy HSE Management System Policy	General actions And actions related to: Energy efficiency Electrification Resource efficiency Carbon capture and storage (CCS) Hydrogen & biofuels 100% Renewable energy Less CO ₂ -intensive purchased steam and heat Purchased goods and services (Scope 3.1) Transportation & logistics (Scope 3.4) Processing of sold products (Scope 3.10) End-of-life treatment of sold products (Scope 3.12)	Targets related to: GHG Reduction Energy Intensity/Efficiency Renewable Energy Scope 1, 2 and 3
Climate Mitigation Energy	Impact (actual, positive)	Borealis puts innovative products on the market that reduce GHG emissions, by increasing energy efficiency and accelerating the transition from fossil-based to renewable energy. For example: - Borealis' lightweight plastic materials can improve fuel efficiency, by reducing the weight of both vehicles and products that are transported - Borealis can help accelerate renewable energy production by providing plastic parts for solar panels and wind turbines, and energy cable insulation products that reduce energy loss during long-distance transmission, such as from offshore wind and solar parks	S	O D		Responsible Care Policy	General actions	
Climate Mitigation Energy	Risk, transitional	The core businesses of Borealis, its suppliers and its value chain partners may continue to be based mainly on fossil feedstock and energy (steam, natural gas). As a result, they fail to invest or act to reduce their carbon footprints and consequently fail to	L	O	EUR 5 mn	Responsible Care Policy Mergers and Acquisitions (M&A) Policy	General actions And actions related to:	Targets related to: GHG Reduction

Topic/ subtopic	IRO Type	Description	Time horizon	Value chain	Financial effects	Policies	Actions	Targets
		<p>achieve climate neutrality.</p> <p>Borealis will not achieve its climate change targets, as its product footprint and Scope 1, 2 and 3 emissions remain high. This could lead to:</p> <ul style="list-style-type: none"> - Reputational damage and loss of customers; - Non-compliance with regulations; and/or - Increased costs due to the need to purchase more CO₂ certificates, higher emission prices, abatement costs or fines, and continued high energy consumption 				<p>Energy Management System Policy</p> <p>Commercial Operations for Energy, Utilities and CO₂ Emission Allowances Policy</p>	<p>Energy efficiency</p> <p>Electrification</p> <p>Flaring</p> <p>Carbon capture and storage (CCS)</p> <p>Hydrogen & biofuels</p> <p>100% Renewable energy</p> <p>Less CO₂-intensive purchased steam and heat</p> <p>Purchased goods and services (Scope 3.1)</p> <p>Transportation & logistics (Scope 3.4)</p> <p>Processing of sold products (Scope 3.10)</p> <p>Use of sold products (Scope 3.11)</p> <p>End-of-life treatment of sold products (Scope 3.12)</p> <p>Investments (Scope 3.15)</p>	<p>Energy Intensity/Efficiency</p> <p>Renewable Energy</p> <p>Scope 1, 2 and 3</p>
Energy	Risk, transitional	<p>The price of renewable energy may go up, because demand is growing faster than supply, increasing Borealis' OPEX.</p> <p>The shortage of grid connections for energy supply could mean Borealis has insufficient electricity to progress towards climate neutrality.</p>	S	O	EUR 5 mn	<p>Commercial Operations for Energy, Utilities and CO₂ Emission Allowances Policy</p> <p>Energy management System Policy</p>	<p>General actions</p> <p>And actions related to:</p> <p>Energy efficiency</p>	<p>Targets related to:</p> <p>Energy Intensity/Efficiency</p> <p>Renewable Energy</p>
Climate Mitigation Energy	Opportunity	<p>Future business will be based on carbon-neutral production and sustainable products.</p> <p>Borealis could enhance its reputation and secure its market position, by being a leader of the transition towards climate neutrality by being compatible with limiting climate change to 1.5°C</p>	L	O		Responsible Care Policy	<p>General actions</p> <p>And actions related to:</p> <p>Energy efficiency</p> <p>Electrification</p> <p>Flaring</p> <p>CCS</p> <p>Hydrogen & biofuels</p> <p>100% Renewable energy</p> <p>Less CO₂-intensive purchased steam and heat</p>	<p>Targets related to:</p> <p>GHG Reduction</p> <p>Energy Intensity/Efficiency</p> <p>Renewable Energy</p> <p>Scope 1, 2 and 3</p>

Topic/ subtopic	IRO Type	Description	Time horizon	Value chain	Financial effects	Policies	Actions	Targets
							Purchased goods and services (Scope 3.1) Transportation & logistics (Scope 3.4) Processing of sold products (Scope 3.10) Use of sold products (Scope 3.11) End-of-life treatment of sold products (Scope 3.12) Investments (Scope 3.15)	

E2 - Pollution

Topic/ subtopic	IRO Type	Description	Time horizon	Value chain	Financial effects	Policies	Actions	Targets
Microplastics	Impact (actual, negative)	Lack of OCS management may lead to unintentional pellet loss from Borealis' operations. Plastic pollution to water and soil can harm biodiversity, marine life and other living organisms, and the wellbeing of local communities. It could also affect the food supply.	S	O D		Responsible Care Policy OCS Standard	Obtaining and maintaining OCS certification (European, non-recycling)	Limit pellet spill, obtain and maintain OCS certification for European sites, (non-recycling)

E3 – Water and Marine Resources

Topic/ subtopic	IRO Type	Description	Time horizon	Value chain	Financial effects	Policies	Actions	Targets
Water consumption – Water stress	Impact (actual negative)	Some of Borealis' operations are in water-stressed areas. Borealis' production processes need high volumes of cooling water. While this water is all discharged, it might not be returned to the source of extraction. Extracting water beyond ecological thresholds impacts water cycles, increases water scarcity and can affect biodiversity, wildlife and ecosystem services.	S	U O		Responsible Care Policy Environmental Management Process	Enhancing water management process Assessing areas at water risk and priority locations Capturing water-related data Creating Water Network Team	

E4 – Biodiversity and Ecosystems

Topic/ subtopic	IRO Type	Description	Time horizon	Value chain	Financial effects	Policies	Actions	Targets
Direct impact drivers of biodiversity loss Impacts and dependencies on ecosystem services - Freshwater-use and sea-use	Impact (potential, negative)	Extracting water for cooling and processing beyond ecological thresholds could increase water stress already caused by climate change, which may harm ecosystems and biodiversity, and might lead to natural habitat loss and changes in species movement and land use.	M	U O D		Environmental Management System (EMS)		
Direct impact drivers of biodiversity loss - Pollution	Impact (potential, negative)	Borealis' supply chain may cause pollution to water or soil, for example through: - Spills of drilling fluids, oil or other substances during operations, due to lack of or inefficient water-management practices or ruptured pipelines; - Offshore structures being left in place, leading to corrosion; or - Producers unintentionally releasing oil during road and ship transportation. The potential impacts of this pollution include: - Degradation of biodiversity and ecosystems, including natural habitat loss and changes in species movements; - Impacts on marine species; - Ecosystems being unable to regulate water flow and quality; and/or - Damage to fishing equipment and navigational hazards to shipping.	M	U				
Direct impact drivers of biodiversity loss - Invasive alien species	Impact (potential, negative)	The operations of Borealis' fossil oil suppliers could lead to the unwanted introduction of invasive species and pathogens, harming native species and ecosystems	M	U				
Impacts and dependencies on ecosystem services - Microplastics / plastic waste	Impact (actual, negative)	Plastic pollution in soil or water can arise from microplastics, including pellets that are unintentionally spilled into the environment, as well as plastic waste. This can result in biodiversity loss and harm to marine species (for example by causing starvation or entanglement), as well as damaging corals. In turn, this can impact the health and economic wellbeing of communities dependent on fresh water and ecosystem services, such as the fishery industry and tourism.	S	O D				

E5- Resource Use and Circular Economy

Topic/ subtopic	IRO Type	Description	Time horizon	Value chain	Financial effects	Policies	Actions	Targets
Resource Outflow (Resource Inflow) - Products based on fossil resources	Risk	<p>The majority of Borealis' product portfolio may continue to be based on fossil resources, because:</p> <ul style="list-style-type: none"> - Mechanically recycled feedstock cannot be used for certain applications, due to substances in the original plastic products that cannot be traced back; - Consumers, end-users and value-chain partners are not currently prepared to pay more for products based on recycled or renewable plastics; - Renewable feedstock might not be available, as regulations and subsidies for biofuel make it more attractive than bioplastics; - Renewable feedstock might not be available at an affordable price and quality, meaning fossil feedstock is still cheaper; and/or - Borealis faces limitations in sourcing feedstock for mechanically recycled plastics, due to the lack of infrastructure for collection and sorting. <p>Continuing to mainly use fossil feedstock could limit Borealis' product portfolio and mean it would not be able to achieve a rapid transformation or its circularity targets, potentially resulting in:</p> <ul style="list-style-type: none"> - Decreased demand for Borealis' products and loss of market share; - Loss of reputation, trust and license to operate; - Increased competition; - Lower margins or higher prices for customers; and/or - Unavailability of feedstock when needed, due to disruption of the supply chain. 	L	O	EUR 14 mn	Overarching Circular Economy Policy	Actions related to the supply chain and production capabilities (M&A, R&D)	
Resource Outflow - Products based on fossil resources	Impact (actual, negative)	<p>Most plastic products are still based on fossil resources. The use of fossil resources can contribute to:</p> <ul style="list-style-type: none"> - Resource exploitation / unavailability for recycling; - Continued high GHG emissions, with a negative impact on climate change; - Potential changes in land use, triggered by oil and gas exploration, with a consequent impact on biodiversity and the unavailability of resources to society; and - Environmental pollution 	S	U O D				Target for sales of circular products: - 2030: 1.2 million metric tons
Resource Outflow - Products based on recycled or renewable resources	Opportunity	<p>Borealis leads the transformation to a circular economy, offering a broad range of circular product solutions, such as Borcycle, Borvida and Bornewable, with:</p> <ul style="list-style-type: none"> - Advanced mechanical recycling providing high-quality ('near to virgin') recyclate, which better matches customer requirements than standard mechanical recycling; - Chemical recycling providing food-contact quality recyclates, as well as a drop-in solution for critical products in the automotive, infrastructure and medical businesses; - Value-chain partners supporting Borealis in developing more circular products, including co-design and design for circularity; and - Legislative standards changing in favor of circularity. 	L	O	EUR 14 mn			

Topic/ subtopic	IRO Type	Description	Time horizon	Value chain	Financial effects	Policies	Actions	Targets
		This may lead to Borealis gaining market opportunities that are untapped by competitors, resulting in increased market share and profits.						
Resource Outflow - Products based on recycled or renewable resources	Risk	The legislative situation regarding bio-based and recycled feedstock is unclear, as new laws and regulations are under development. This may mean long-term investments are difficult and risky, resulting in Borealis' innovation projects slowing down, capex projects being delayed and their costs increasing, limiting Borealis' ability to grow volumes and achieve a rapid transformation in time (2028/2030).	L	O	EUR 12 mn			
Resource Inflow - Products based on recycled or renewable resources	Risk	Lack of infrastructure for collecting and sorting plastic waste may mean there is limited availability of plastic waste feedstock or such feedstock is not available at an affordable price and suitable quality. This impacts Borealis' ability to produce mechanically recycled plastics and also affects suppliers who convert plastic waste into oil (such as OMV Reoil). This may mean Borealis cannot fulfill the demand for plastics based on recycled feedstock, and consequently the Group: - Is slower to upscale its recycling volume and slower to achieve its transformation; - Loses market share or misses market opportunities; and/or - Faces increased market prices for recycled plastics versus fossil-based plastic raw materials.	S	O	EUR 14 mn		Actions related to the supply chain to ensure enough feedstock and production capabilities (R&D) to enhance sorting capabilities	
Resource Inflow - Products based on recycled or renewable resources	Risk	The majority of Borealis' product portfolio may continue to be based on fossil resources, because: - Mechanically recycled feedstock cannot be used for certain applications, due to substances in the original plastic products that cannot be traced back; - Consumers, end-users and value-chain partners are not currently prepared to pay more for products based on recycled or renewable plastics; - Renewable feedstock might not be available, as regulations and subsidies for biofuel make it more attractive than bioplastics; - Renewable feedstock might not be available at an affordable price and quality, meaning fossil feedstock is still cheaper; and/or - Borealis faces limitations in sourcing feedstock for mechanically recycled plastics, due to the lack of infrastructure for collection and sorting. Borealis would not be able to achieve a rapid transformation, which potentially leads to a decrease in demand for its products, and loss of reputation, trust, license to operate and market share.	L	O	EUR 14 mn			
Resource Inflow - Products based on fossil resources	Impact (potential, negative)	Borealis, its suppliers and its value chain might continue to use mostly fossil resources. This may result in: - Environmental pollution; - Continued high GHG emissions; - Resource exploitation; and/or - Potential land-use change triggered by oil and gas exploration, with a consequent impact on biodiversity and the unavailability of resources to society.	L	U O D			Actions related to the value chain	
Resource Outflow - Products based on fossil resources	Impact (actual, negative)	Plastic waste can end up in the environment if it is not collected, sorted and disposed of properly, resulting in: - Pollution of soil and water, impacting biodiversity and human	S	D				

Topic/ subtopic	IRO Type	Description	Time horizon	Value chain	Financial effects	Policies	Actions	Targets
Products based on recycled or renewable resources		health (for example, caused by dumped or burned plastic waste); - Impacts on economic development and tourism, putting jobs at risks in certain industries, such as the fishing industry; and - Costs to society from clean-ups and ecosystem degradation.						
Resource Outflow - Products based on fossil resources Products based on recycled or renewable resources	Impact (actual, positive)	Borealis has developed and implemented a program (Project STOP) to support the downstream value chain (municipalities, waste management companies, recyclers and consumers) with establishing circular waste management systems. Project STOP contributes to increased resource efficiency and the reduction of harmful impacts on the environment and public health. It also protects tourism and fisheries and creates new green jobs in the waste management and recycling business.	S	D				

S1 – Own Workforce

Topic/ subtopic	IRO Type	Description	Time horizon	Value chain	Financial effects	Policies	Actions	Targets
Working Conditions - Secure employment / Health & safety/ Freedom of association / Social dialogue	Impact (potential, negative)	Borealis may fail to address the economic and social consequences of releasing staff, for example due to organizational changes, or provide only a short notice period for dismissals. Employees who are unable to get a new job may face significant economic loss, impacting their mental health and their ability to meet their financial commitments. A short notice period could also increase the period of unemployment. Inadequate health and safety and process safety management might result in injuries to employees that cause fatality or a permanent disability. Failing to respect freedom of association or other employee representation, such as work councils, decreases employees' ability to speak-up and fight for their rights. Failing to encourage a speak-up culture or not having an effective grievance mechanism mean employees are less likely to raise their voices and take action to improve their situation, potentially decreasing their motivation and identification with the Company.	S	O		People Policy and a set of Group procedures and operative instructions Responsible Care Policy Management System Policy Incident Management Policy Learning from Incidents Policy Code of Conduct Ethics & Integrity Policy	Actions related to: Pulse Check 2024 Training and competencies HSE culture Occupational safety Preventive health programs Safe behavior and compliance	
Working Conditions - Secure employment	Risk	Borealis may have key functions that are unfilled or have only a short handover period between employees in these roles, for example when an employee retires or resigns. This may lead to production sites being unable to operate reliably or losing valuable know-how, resulting in business declining.	M	O		People Policy and a set of Group procedures and operative instructions Code of Conduct		
Working Conditions - Adequate wages	Impact (actual, positive)	Borealis offers attractive salaries, bonus schemes and voluntary benefits for employees, compared to the market. This gives employees the opportunity to increase their financial wealth and feel that their performance is appreciated, leading to increased satisfaction and mental wellbeing	S	O		Ethics & Integrity Policy		
Equal Treatment & Opportunities for all - Diversity / Employment and inclusion of persons with disabilities	Impact (potential, negative)	Borealis may fail to promote diversity and inclusion effectively, or not pay equally for equal work. This could impact employees' wellbeing, motivation and ability to live a decent life, as a result of: - Social injustice;	S	O			Actions related to: Equal pay/unfair remuneration Training programs	Increase in the number of employees with a disability

Topic/ subtopic	IRO Type	Description	Time horizon	Value chain	Financial effects	Policies	Actions	Targets
/ Gender equality/ Equal pay for work of equal value / Measures against violence and harassment in the workplace		- Unequal treatment or discrimination against people; - Unemployment of people with disabilities; and - Employees' frustration due to unfair treatment. Borealis' failure to prevent violence and harassment in the workplace may lead to employees feeling unsafe and potentially result in an increase in incidents.						
Equal Treatment & Opportunities for all - Training and skills development	Impact (actual, positive)	Borealis offers a broad range of training and skills development opportunities to its employees, including online trainings, multi-year leadership programs, mentoring and coaching sessions. This contributes to employees' professional and personal growth and provides career opportunities. Borealis' transformation towards circularity means employees can access newly emerging roles.	S	O			Actions related to: Career opportunities	

S2 – Workers in the Value Chain

Topic/ subtopic	IRO Type	Description	Time horizon	Value chain	Financial effects	Policies	Actions	Targets
Working conditions / Freedom of association / Adequate wages / Health & safety	Impact (potential, negative)	Inaccessible or ineffective grievance channels or lack of trade union representation may mean workers cannot raise complaints and improve their situation, for example regarding unfair or unequal treatment, poor working conditions or failure to pay equally for equal work. This can result in reduced dignity and increases in inequality and social injustice, the risk of health and safety incidents, and mental stress and demotivation. Worker wellbeing could also be affected by a lack of: - Health and safety measures, such as appropriate safety equipment, safety rules and trainings, especially when handling SOC/SVHC, working at heights or with energized equipment; or - Proper health protection, especially during pandemics. Lack of health and safety measures can result in accidents (including road accidents during transportation) and process safety incidents, potentially resulting in fatalities, injuries or work-related illness.	S M	U		Ethics & Integrity Policy Borealis Code of Conduct Social Compliance Framework	Embedding Code of Conduct in supplier processes and audits Performing supplier audits and EcoVadis assessments with external partners Training all employees on human rights via e-learning (three-year cycle) Updating Borealis' Ethics & Integrity Policy and Code of Conduct Reviewing Social Compliance Framework Ensuring site checks are performed and raising awareness of whistleblowing mechanisms Strengthening due diligence for third-party ethics risks	Through OMV, be an active member of TFS and run sustainability evaluations for selected suppliers: 80% of Procurement spend by 2025 and 2030
Equal treatment and opportunities for all - Gender equality / Equal pay for equal work / Employment and inclusion of persons with disabilities / Training and skills development / Measures against violence and harassment in the workplace	Impact (potential, negative)	Suppliers may fail to: - Pay adequate wages or pay equally for equal work, increasing injustice among employees, and affecting their wellbeing and motivation. - Employ and include people with disabilities or ensure diversity among employees. This may lead to social and economic injustice and marginalization, impacting their mental health and wellbeing and their ability to live a decent life. Suppliers may fail to prevent violence and harassment at work, or fail to prevent retaliation when workers report incidents. Workers may feel unsafe and unprotected, with an impact on their mental health and potentially their physical health, in cases of violence or harassment.	S M	U				
Other work-related rights - Adequate housing / Child labor	Impact (potential, negative)	Suppliers may fail to: - Provide their workers with appropriate housing. Workers may get little or no sleep, so they cannot recover from daily stress. Having little or no privacy and a potentially unhygienic	S M	U				

Topic/ subtopic	IRO Type	Description	Time horizon	Value chain	Financial effects	Policies	Actions	Targets
		environment may lead to loss of dignity and have negative impacts on workers' health and safety. - Respect human rights and prevent child labor. Employing children means they cannot develop as they should or attend school, affecting their physical and mental health, including traumatization, restricting their hopes for a prosperous future.						
Working Conditions - Social injustice / Freedom of association / Adequate wages / Health & safety Equal treatment and opportunities for all - Gender equality / Equal pay for equal work / Employment and inclusion of persons with disabilities / Training and skills development / Measures against violence and harassment in the workplace Other work-related rights - Child labor / Adequate housing	Risk	Borealis' suppliers may fail to adhere to the Group's principles for ethical business conduct, legal compliance and respect for human rights, leading to incidents such as human trafficking or threatening their workers. Sourcing from suppliers with low working standards may expose Borealis to blame for accepting or even benefiting from those conditions, as those suppliers can offer better prices. This may lead to Borealis suffering: - Reputational damage; - Downgrades to its ESG ratings; - Lower employee morale and motivation; - Business disruption while finding an alternative supplier or contractor; and/or - Increased costs, due to ongoing construction being forced to stop.	M	O	EUR 5 mn		Ensuring site checks are performed and raising awareness of whistleblowing mechanisms Strengthening due diligence for third-party ethics risks	

S3 – Affected Communities

Topic/ subtopic	IRO Type	Description	Time horizon	Value chain	Financial effects	Policies	Actions	Targets
Communities' economic, social, cultural and human rights - Adequate food / Water and sanitation / Land-related impacts / Security-related impacts	Impact (potential, negative)	Production of fossil, renewable or recycled feedstock could cause environmental pollution to water or soil, as a result of leaks or spills of substances, inefficient water treatment or ruptured pipelines. Environmental pollution may result in communities having limited or no access to clean drinking water or to recreational and agricultural land, impacting their health and wellbeing. Suppliers' competition for land use may harm communities, including if suppliers fail to compensate them adequately or avoid involuntary resettlements. This could lead to social injustice, economic impacts, loss of dignity, and loss of access to housing and land for agricultural use. Suppliers who employ private security forces might lack sufficient control over them. This could pose a risk of human rights abuses against communities, leading in the worst cases to severe injuries.	S, M	U				

Topic/ subtopic	IRO Type	Description	Time horizon	Value chain	Financial effects	Policies	Actions	Targets
Civil and political rights - Freedom of assembly / Freedom of expression / Impacts on human rights defenders / Grievance mechanism	Impact (potential, negative)	Suppliers might fail to consult the community about actions they intend to take that could have a negative impact on community members' wellbeing or quality of life. Suppliers might also restrain or suppress community protests. These actions would limit community members' opportunity to refuse or negotiate a compromise. Protests or threats may also affect their mental and physical health. Suppliers might fail to respect the rights of people who are defending human rights, who may face physical or verbal threats, attacks or retaliation. Suppliers may not offer adequate grievance mechanisms to local communities. As a result, community members' interests and concerns might not be heard, resulting in them having little or no power or influence to fight for their rights.	S M	U				
Rights of Indigenous - Cultural rights	Impact (potential, negative)	Suppliers may disturb cultural heritage sites. This could lead to impacts on mental health, and the loss of cultural heritage and traditional lifestyles.	S	U				

G1 – Business Conduct

Topic/ subtopic	IRO Type	Description	Time horizon	Value chain	Financial effects	Policies	Actions	Targets
Protection of whistleblowers and prevention	Impact (potential, negative)	Borealis' might fail to deploy effective whistleblowing channels or properly protect whistleblowers, meaning employees and workers feel they are not protected from retaliation and have limited trust in the Company.	S	U O D		Ethics & Integrity Policy Code of Business Ethics		
Corruption & bribery	Impact (potential, negative)	Borealis, a supplier or a value-chain partner could be involved in a corruption or bribery incident. Corruption and bribery can have wide ranging consequences, such as hindering economic development, undermining the rule of law, unfair distribution of wealth and society losing trust in its governments and institutions. It can also lead to other impacts such as environmental pollution or human rights breaches, for example if corruption and bribery is used to overcome emission permit levels or disguise a non-compliance	S	U O D		Code of Conduct	Running awareness trainings	
Corporate culture	Impact (positive, actual)	Borealis has established and promotes a strong corporate culture based on joint values such as fostering inclusion, diversity and equality. Promoting the culture is part of the People & Culture strategy and is led by example by top management. Borealis demonstrates the importance of its employees through regular employee surveys and improvement actions. A strong corporate culture embedded in the DNA of a company significantly increases employees' identification with the company, contributing to greater employee retention, motivation and engagement, as well as supporting their mental and physical wellbeing.	S	U O D				

The following abbreviations have been used: S: short term; M: medium term; L: long term; U: upstream; O: own operations; D: downstream.

[ESRS 2-SBM-3.48a, c ii] The impacts related to E1, E2, E3, E4, E5, G1, and S3 are connected to Borealis' strategy and business model. For S2, the connection is more indirect as it primarily relates to Borealis' suppliers. Within S1, the topic of health and safety shows a direct link with strategy and the business model, as does the impact concerning working conditions, focusing on adequate wages. Additionally, the theme of equal treatment and opportunity, in the context of training and skill development, also has a clear strategic relevance for Borealis.

[ESRS 2-SBM-3.48b] In general, Borealis updates its strategy every three to five years and its business plan each year. Within the reporting year, the Group identified and assessed material IROs for the second time, which contributed to the formulation of its We4C Strategy (see [ESRS 2-SBM-1.40a i]). There were no changes to Borealis' business model in 2025.

[ESRS 2-SBM-3.48d] Disclosures of current financial effects of material risks and opportunities are included in the table above. [ESRS 2-SBM-3.48f]

In 2025, Borealis conducted a resilience analysis to understand the vulnerability of its assets to climate change until 2100. This showed limited risk of climate-related physical damage of Borealis' assets. Under both the realistic intermediate-emission 2.5°C scenario and the pessimistic high-emission 4°C scenario, only 0.4% of the asset portfolio value is at risk in 2030, rising to just 0.5% in 2050, and 0.6 / 0.8% in 2100.

Borealis has not assessed the resilience of its business model with regard to other material impacts, risks, and opportunities, except insofar as these were addressed within the scope of the DMA. Please refer to [ESRS 2-IRO-1.53a–h].

[ESRS 2-SBM-3.48g] In 2025, Borealis conducted an IRO update. In comparison to 2024, the IROs were grouped and condensed, resulting in fewer IROs. New IROs were identified for “E3 Water and Marine Resources” and “E4 Biodiversity and Ecosystems”.

[ESRS 2-SBM-3.48h] No entity-specific topics have been identified.

E1 – Climate Change

[E1-SBM-3.19], [E1-SBM-3.AR 6] Based on the analysis disclosed under [E1-IRO-1.20], physical climate-related risks are no longer considered material compared with the previous reporting year. Borealis has not yet conducted a resilience analysis for the identified material transition risks. Borealis is aiming to conduct a more in-depth analysis of the potential, climate-related physical risks the Group's assets might face, including their financial impacts. This analysis will be carried out over the coming years.

S1 – Own Workforce

[S1-SBM-3.13a i] The impacts on the Group's own workforce are connected to Borealis' People & Culture (P&C) Strategy 2030, which is titled “People Make it Happen”. The P&C Strategy consists of four pillars (employee experience, new ways of working, organizational evolution and growing talent), all of which are powered by transformational leadership.

Borealis' global P&C organization provides people-related support and guidance to leaders and employees throughout their careers and ensures proper administration of all P&C processes and P&C data. See [S1-1.19a-g] for more information. [S1-SBM-3.13a ii] Together with the Executive Board, the Senior Vice President (SVP) P&C identifies how P&C can best support the Group's strategy and initiatives.

[S1-SBM-3.13b] Some of Borealis' material risks arise from impacts and dependencies on its own workforce. For example, if key functions are not filled or are filled with only short handover periods, production sites may not be able to operate reliably, causing business decline.

There is a direct relationship between positive impacts on the Group's own workforce, as these can increase employees' productivity and engagement, and Borealis' attractiveness as an employer.

[S1-SBM-3.14] All people in Borealis' own workforce who could be materially impacted by Borealis are included in the scope of its disclosure under ESRS 2.

[S1-SBM-3.14a] The types of employees and non-employees that are subject to material impacts in Borealis' operations are:

- Employees:
 - People who have a contract with Borealis and receive a salary, wage or compensation from Borealis:
 - Permanent and temporary employees, including summer workers
 - Apprentices; and
 - Trainees, including summer trainees.
- Non-employees:
 - People employed by a third party or who are self-employed and paid via an invoice:
 - Leasing employees;
 - Contractors; and
 - Freelancers.

[S1-SBM-3.14b i] With the exception of impacts related to “Secure Employment and Diversity / Employment and inclusion of persons with disabilities” which are systemic, all other impacts are classified as widespread.

[S1-SBM-3.14c] Borealis' employee training and development programs and provision of adequate wages result in material positive impacts for employees.

Borealis looks to routinely train and develop employees, as well as external people who work with and for the Group. Providing appropriate training for technical, functional and workplace skills that are rooted in Borealis' values, safety and ethics ambitions helps the Group to protect the health and safety of all employees, conduct business ethically and ensure relevant competencies for its production processes and product compliance. It also helps employees to advance their skills, competences and careers within Borealis.

Some training programs are developed and delivered jointly across the OMV Group. Other joint programs include cross-company succession and development discussions and language offers, and the Online Learning Library provided by LinkedIn Learning.

Offering meaningful learning opportunities and ways to unlock people's potential is essential for attracting and retaining a highly skilled, qualified and diverse workforce. The Borealis Talent Management process focuses on attracting, identifying, promoting and developing people with the potential for critical leadership and expert positions. The Group's leadership and expert talent management programs focus on developing the tools, skills and experiences the

employee needs for their future role, along with the respective core competencies and expectations. A strong link between talent management and succession planning secures an appropriate pipeline for the Group's key positions.

Safety centers have been opened at all locations, to provide experience-based training on lifesaving rules. The training addresses the major aspects of each rule and its practical implementation, and participants can discuss their challenges when applying the rules in the field. The training is provided to Borealis' own employees and contractors, by a person experienced in the lifesaving rules, in a maximum group size of 15 people. A three-year program has been established to train all operational personnel through the Safety centers. In addition, a virtual training application has been developed using game-based technology to reach a broader community.

[S1-SBM-3.14d] Material risks arising from Borealis' impacts and dependencies on its own workforce are disclosed in [ESRS 2-SBM-3.48a]. No material opportunities have been identified in this context.

[S1-SBM-3.14e] Borealis has not identified any material impacts on its own workforce that arise from its transition plans for reducing negative impacts on the environment and achieving greener and climate-neutral operations.

[S1-SBM-3.14f i] Borealis is committed to respecting any local labor laws and to working in accordance with its Ethics & Integrity Policy. As a result, there is no operation at significant risk of forced or compulsory labor. [S1-SBM-3.14f ii] Borealis maintains the same standards in countries without relevant local legislation, which means there are no countries or areas with operations considered at risk of forced or compulsory labor.

[S1-SBM-3.14g i] None of Borealis' operations are at significant risk of incidents of child labor. The Group does not allow people under the age of 16 to enter its production locations. The only exception might be apprentices who enter an educational relationship with the Group. These apprentices are mainly in Austria and Germany and fall under special legal protection. [S1-SBM-3.14g ii] Borealis maintains the same standards in countries without relevant local legislation, which means there are no countries or areas with operations considered at risk of incidents of child labor.

[S1-SBM-3.15] Borealis has a vision to become an organization where differences are embraced, and diversity of thought and experience is used as a catalyst for growth and creativity. The Group aims to actively remove barriers to providing equitable opportunities, allowing each individual to grow and contribute to its success.

Borealis has determined that groups of people in its own workforce with particular characteristics may be at greater risk of harm:

- Identification of at-risk groups:
 - Gender;
 - Generations;
 - Disability;
 - LGBTQIA+;
 - Cross culture and ethnicity; and
 - Parents and care givers.

- Methodology for identifying risks:
 - Pulse/Temperature Check and feedback;
 - Data analysis;
 - Ethics hotline; and
 - Works council.
- Measures implemented to mitigate risks:
 - Training and awareness programs;
 - Grievance mechanisms and reporting, through the Ethics hotline; and
 - DE&I playbook.
- Monitoring and continuous improvement:
 - Regular assessments via the Pulse/Temperature Check; and
 - Reporting and transparency.

[S1-SBM-3.16] Some of Borealis' risks relate to specific groups of people. For example:

- Ensuring and promoting gender equality and equal pay for work of equal value relates specifically to women; and
- The Group looks to foster employment and inclusion of people with disabilities, and has set a target to increase support for employees with disabilities as part of its DE&I vision.

The Group's approach to DE&I also focuses on (but is not limited to) colleagues in the other at-risk groups listed above.

S2 – Workers in the value chain

[S2-SBM-3.10a i] Borealis' business model, which is based on global sourcing and subcontracting, can influence working conditions in the value chain. Aligned with the Efficiency pillar of the We4C strategy, cost-focused procurement practices and customer-centric delivery may create pressure on suppliers, potentially leading to inadequate wages and unequal pay. Additionally, sourcing for circular and sustainable solutions often involves regions with weaker labor protections, which may be associated with weaker worker representation and inadequate health and safety measures.

[S2-SBM-3.10a ii, b] Consideration of impacts on value chain workers contributed to Borealis' approach to developing its We4C Strategy. Recognizing that global sourcing and subcontracting can create risks related to workers in the value chain, the Group has strengthened its commitment to sustainable procurement, which is embedded in the Enabling Sustainability and Assuring Peace of Mind pillars of the We4C Strategy. Borealis integrates environmental, social, and human rights standards into its sourcing processes through audits, assessments, and sustainability criteria. These measures aim to prevent potential negative impacts on workers in the value chain and address the resulting material risks for Borealis, such as reputational damage, lower employee morale and motivation, or business disruption.

[S2-SBM-3.11] All workers in the value chain materially impacted by Borealis are included in the scope of the disclosure under ESRS 2.

The types of workers Borealis materially affects are situated in the upstream value chain.

Borealis' workforce in its own operations is covered in S1. [S2-SBM-3.11a iii] Based on the materiality assessment, Borealis does not materially impact downstream value chain workers.

[S2-SBM-3.11a i ii] Workers materially affected by Borealis in the upstream value chain are divided into the following categories:

- Services: Workers of Tier 1 contractors and their subcontractors performing services at Borealis' sites or at other locations on Borealis' behalf. These services may include transportation, maintenance, engineering, facilities management, catering, security, and consultants working from their own offices.
- Products: Workers of Tier 1 suppliers delivering goods and materials to Borealis, for example feedstock, raw materials such as additives, or technical parts such as pipes or engines.

A contractor is a company which has been selected based on its bid, and has the necessary expertise and specific knowledge to provide the services or works in the scope of the contract, in a safe and efficient manner.

A subcontractor is an entity engaged by the contractor to perform services or work packages that are part of the contract between Borealis and the contractor, without being a party to this contract.

A supplier is a third-party company delivering goods or materials to Borealis, but no services are associated with it.

[S2-SBM-3.11a iv] Workers in Borealis' joint ventures who are potentially vulnerable to negative impacts are:

- Migrant workers;
- People with special needs;
- Minorities;
- Women;
- Young and elderly workers;
- Workers from indigenous communities;
- Workers in hazardous roles;
- Workers in high-risk locations, such as conflict zones or remote areas;
- Workers with care responsibilities; and
- Workers who are LGBTQIA+.

[S2-SBM-3.11a v] Workers who are particularly vulnerable to negative impacts are migrant workers.

[S2-SBM-3.11b] While Borealis considers high-risk countries from an overall human rights perspective, for the reporting year 2025, the Group does not have sufficient or granular data available to identify specific geographies or commodities within its value chain that may pose a significant risk of child, forced, or compulsory labor.

[S2-SBM-3.11c] All potential negative impacts related to workers in the value chain are potentially widespread or systemic.

Some impacts are individual incidents that can occur, for example related to health and safety conditions or harassment.

[S2-SBM-3.11e] The identified material risk does not arise from impacts and dependencies on value chain workers, as it refers to suppliers with low working standards.

[S2-SBM-3.12] Borealis regards grievance mechanisms as a crucial tool for preventing and managing adverse impacts on local communities, employees, and other stakeholders, including workers in the value chain. Following the UN Effectiveness Criteria, the Group aims to address all grievances received, whether they arise from real or perceived issues and whether the complainant is identified or anonymous. These mechanisms provide a channel for identifying potential or actual adverse impacts, resolving grievances, and offering remedies to rightsholders where Borealis has caused or contributed to a negative impact. The Group recognizes that these mechanisms do not impede stakeholders' rights to access judicial or other remedies. Each value chain worker's reported grievance is thoroughly investigated, with a commitment to confidentiality, data protection, protection against retaliation, equal treatment, objectivity, and impartiality. Wherever Borealis has caused or contributed to a negative human rights impact, it takes remedial actions to counteract or mitigate it, for example through financial or non-financial compensation, restitution, restoration, rehabilitation, or other remedial actions. Borealis engages with the affected rightsholder while implementing the proposed remedy and ensures that the remedy is rights compatible and does not lead to secondary harm. The following channels are available for value chain workers to raise their concerns: the Speak Up Channel (on the Group's Integrity Platform) and Borealis' Community Grievance Mechanisms. These channels are all established by Borealis.

Identified risk groups are listed below, all of which are more likely to be exposed to harm in the context of poorly regulated or monitored labor laws and standards. These Groups were identified through Borealis employees' experience, rather than through a systematic approach:

- Migrant workers might be at greater risk of harm because of their dependency on a specific job to keep their residence permit and because of the higher likelihood of not having their supporting social and family network close.
- People with special needs might depend on separate precautions to have equal opportunities that are not automatically provided, for example barrier-free access to facilities.
- Minorities, women, LGBTQIA+ people or workers from indigenous communities might face unequal opportunities and conditions of work in contexts where they are structurally or routinely discriminated against.
- Young workers are often more dependent on their job because they lack experience. Similarly, elderly workers may have limited options to find an alternative job if needed, which heightens their vulnerability.
- Lone workers lack opportunities for professional exchange and are thus more at risk of harm.
- Workers exposed to substances of concern, working at heights, or in other challenging contexts are more exposed to health and safety impacts than others.
- Workers in high-risk locations such as conflict zones or remote areas face risks of harm to their security, and their physical and mental health.
- Workers with care responsibilities are more vulnerable because of the challenge of balancing professional and care responsibilities, especially when caring for elderly people or for someone with a permanent or long-term illness, or where a single caretaker bears the sole responsibility for their dependent.

Borealis looks to protect the interests of these groups through monitoring and regular assessments, such as workplace audits, supplier and contractor audits, and employee feedback.

[S2-SBM-3.13] Borealis has not broken down the risks and opportunities relating to specific groups of workers in the value chain. The material risks that arise from impacts and dependencies on the value chain therefore relate to all value chain workers.

DR IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities

[ESRS 2-IRO-1.53a] Borealis' 2025 IRO review considered all entities where Borealis is the operator or has a stake of more than 50% and exerts controlling influence. The DMA is therefore based on the same entities as the rest of the Annual Report.

In 2024, Borealis conducted its first DMA according to ESRS requirements, which considered the IROs as well as stakeholder expectations. These steps involved were:

- Developing a long list and short list of topics to evaluate;
- Interviews with internal experts to identify IROs, alongside consulting different sector and industry standards;
- Engagement with key stakeholder groups, to understand their material issues;
- Workshop sessions with internal experts, to assess and score the IROs; and
- Definition of the material topics, based on the outputs of the earlier steps.

The assessment and scoring of IROs was based on the scales listed below:

Scales impact materiality

Scale: 1-5: Catastrophic – 5, Widespread – 4, Medium – 3, Concentrated-2, Limited – 1

Scope: 1-5: Global – 5, high – 4, Medium – 3, Low – 2, Minimal – 1

Likelihood: 1-5: Guaranteed – 5, Very likely – 4, Likely – 3, Possible – 2, Unlikely – 1

Remendability 1-5: Irreversible – 5, Very difficult to remedy or long-term – 4, Difficult to remedy or mid-term – 3, Remediable with effort - 2, Relatively easy to remedy - 1

In addition, Borealis included a human-rights factor, to account for social and environmental impacts linked to human rights.

Scales financial materiality

Magnitude: 1-3: High – 3, Medium – 2, Low -1

Probability: 1-5: Guaranteed – 5, Very likely – 4, Likely – 3, Possible – 2, Unlikely 1

Each IRO was assessed using the most appropriate time horizon, either short-term (up to one year, medium-term (one to five years) or long term (more than five years).

In 2025, the Group reviewed the 2024 IRO assessment done as part of the DMA.

[ESRS 2-IRO-1.53h] The DMA was conducted for the first time for Borealis' Annual Report 2024, in line with ESRS requirements. In 2025, the process was updated through an IRO review. The next revision of the materiality assessment is planned for 2026.

[ESRS 2-IRO-1.53b i ii] The 2025 IRO review covered the Group's business activities related to the upstream value chain, own operations and downstream value chain.

For the upstream value chain, the following sectors were included:

Oil & Gas feedstock:

- Renewable feedstock;
- Recycled feedstock (mechanical, chemical);
- Raw materials;
- Energy & utilities;
- Packaging & technical supplies; and
- Contractors.

Given that most of Borealis' upstream supplies today are based on fossil input, the majority of the IROs identified relate to this sector.

Within its own operations, Borealis distinguished between the two business divisions, Polyolefins and Base Chemicals.

For the downstream value chain, the following categories have been included:

- Transportation;
- Customers;
- Converters;
- Brand owners;
- Retailers;
- Consumers & end-users; and
- End of life (recycling, incineration, heat recovery, landfill).

During the 2025 IRO review, Borealis used, to a certain extent and where feasible, Maplecroft country data relevant for the Borealis upstream and downstream value chains. The DMA/IRO process followed both a top-down as well as a bottom-up approach. Over the coming years, Borealis intends to deepen its assessment of its upstream and downstream value chains.

[ESRS 2-IRO-1.53b iii] The assessment in 2024 was based on the stakeholder feedback gained through the stakeholder survey done for the DMA 2024. No new stakeholder engagement was done for the IRO review in 2025. See the details in [ESRS 2- IRO-1.53a, b]

However, in 2025 feedback from community grievance mechanisms was considered in the assessment of impacts, as well as input from subject matter experts based on their contacts with stakeholders such as the media, authorities and universities. The interests of these stakeholders were considered in the process, even if they did not respond to the online survey in 2024.

The stakeholder groups engaged with during the process in 2024 were:

- Employees;
- Customers and business partners;
- Suppliers and contractors;
- Capital market participants;
- Non-Profit organizations;
- Authorities;
- Communities;
- Associations; and

– Media.

[ESRS 2-IRO-1.53b iv] Borealis prioritized the negative impacts considered in the materiality assessment, based on their relative severity and likelihood (as described in [ESRS 1 section 3.4]). In cases of potential negative human rights impacts, the severity of the impact took precedence over its likelihood. Positive impacts were prioritized based on their relative scale, scope and likelihood.

During the evaluation of the 2024 online survey results, Borealis applied a weighting to the stakeholder groups to avoid distortions due to group membership. Employees were given a 50% weighting, with a 50% weighting applied to the average of the other stakeholder groups. The weighted average was used for further analysis.

[ESRS 2-IRO-1.53c i] During the 2025 IRO review, Borealis implicitly considered the connections of all impacts and dependencies with risks and opportunities, by initially defining the impacts and subsequently, if appropriate, deriving the risks and opportunities arising from the impacts and dependencies. In addition, where relevant, risks and opportunities independent from identified impacts were also assessed.

[ESRS 2-IRO-1.53c iii] Borealis did not prioritize different types of risks in its 2024 DMA and 2025 IRO review. All risks were treated in the same way.

[ESRS 2-IRO-1.53c ii] The risk management principles outlined in ESRS were applied in the 2024 DMA and 2025 IRO review process. As described in [ESRS 2-IRO-1.53a], the IROs were qualitatively analyzed based on a scale of 1 to 3, using a risk matrix consisting of probability of occurrence and the magnitude of the financial effect.

Appropriate thresholds are necessary to determine which risks and opportunities are material for reporting purposes. Borealis has defined its financial materiality threshold as 1.5, which classes high financial effects and the upper range of medium financial effects as material.

[ESRS 2-IRO-1.53d] The decision-making process involved different internal and external consultants in workshops, where topics were identified, assessed and discussed.

The changes in the 2025 IRO review versus the 2024 DMA were shared with the relevant (S)VP (for example from HSE&Q, People & Culture and Procurement) as well as to the Executive Board, which ultimately signed off on the 2024 DMA and updates in 2025.

[ESRS 2-IRO-1.53e, f] Borealis has established a Group Risk Management process and tool, in compliance with its Risk Management Policy. The IRO assessment and the enterprise risk management (ERM) process have different objectives and consequently different scopes and assessment granularity. While the ERM covers certain environmental and social impacts and risks, it does not, for example, include an assessment across the full value chain and mainly focuses on the outside-in perspective.

Borealis does not therefore intend to fully integrate the ESRS IRO assessment process and methodologies into its existing ERM process. Instead, IRO assessments will incorporate impacts and risks identified by the ERM process and vice versa, where applicable, leveraging synergies, avoiding discrepancies and allow cross-information, as well as complementing each other where feasible and necessary.

[ESRS 2-IRO-1.53g] When establishing the Company's first DMA according to ESRS requirements, Borealis used the list of relevant (sub-sub-) topics from [ESRS 1, Appendix B, AR

16] as a basis for preparing the long-list of sustainability topics. In addition, topics were added to the long list by consulting the ESRS ED – Oil and Gas (Draft 3.2023), GRI 11 Oil and Gas, SASB Standards (Oil & Gas: Refining and Marketing), SASB Standards (Oil & Gas: Exploration and Production), SASB Standards (Chemicals), IPIECA and SBTN Sector Materiality by UNEP-WCMC. In 2024, this was extended by geographic data provided by Maplecroft, as well as the outcome of two in-depth studies run in 2024/25 to better understand potential physical climate risks, as well as potential biodiversity impacts.

E1 – Climate Change

[E1-IRO-1.20a] Impacts have been identified within the sub-topics “Climate change mitigation” and “Energy” within the upstream, core and downstream value chains. While the risk assessment covers all time horizons, the long lead time of climate impacting activities means the focus has been given to long-term impact (i.e. 2030, 2050, 2070).

As described under [ESRS 2-IRO-1.53a-h], the impacts caused by Borealis’ GHG emissions were assessed against the following categories: scale, scope, remediability and likelihood.

[E1-IRO-1.AR 9a] Actual and potential GHG emission sources were identified by screening Borealis’ activities and plans for own operations, and the upstream and downstream value chains.

[E1-IRO-1.AR 9b] The actual and potential impacts on climate change were assessed through a climate risk study conducted across Borealis locations, as part of the materiality assessment process and IRO review in 2025.

[E1-IRO-1.20b i-ii], [E1-IRO-1.AR 11a-d] Borealis commissioned a study on climate risks at site level for its own operations in 2025. It assessed hazards, vulnerabilities and risks, with regard to physical risks such as extreme temperatures, drought, wildfire, coastal flooding, fluvial flooding, water stress and tropical cyclones, combined with a sophisticated understanding of the vulnerability of 17 production sites to each type of hazard. The scenarios modeled were RCP 8.5, RCP 6.0, RCP 4.5 and RCP 2.6, focusing on the 2030, 2050 and 2070 decades. The actual risk was also assessed to create a baseline for the expected risk increase. The identification of climate related hazards and the assessment of exposure and sensitivity, including consideration of likelihood and magnitude, has therefore been informed by a high-emissions climate scenario.

The methodology is built on principles similar to catastrophe risk models, but is also driven by climate model and socioeconomic model data, which are relevant for Borealis. Inputs include terabytes of climate and socioeconomic data on hazards from public sources (including IPCC, NASA, and NOAA), as well as academic and commercial sources, and proprietary TCS models.

The time horizons used for the climate vulnerability study were 10, 30 and 50 years. These horizons reflect the most relevant cornerstones for the different IPCC climate scenarios, as well as the long-term characteristic of Borealis’ asset strategies. Capital allocation plans were out of scope.

The potentially most-affected sites and the types of physical risks are:

- Burghausen (Germany): surface water flooding
- Renasci (Belgium): coastal inundation
- Linz (Austria): surface water flooding, riverine flooding

- Stenungsund (Sweden): soil movement
- Porvoo (Finland): soil movement

The study was taken into consideration during the 2025 IRO review. No material physical risks were identified, while Borealis' business activities were not considered in detail. In addition, the study did not reveal any material transition events regarding the shift to a low-carbon economy.

[E1-IRO-1.20c i-ii], [E1-IRO-1.AR 12a-d] When conducting the study on climate risks for Borealis' own operations, transitional risks and opportunities were not assessed. However, the DMA and IRO review addressed the analysis of these transitional risks and opportunities, which can be found in the IRO table [ESRS 2-SBM-3.48a, c i-iv, g] within the column "IRO Type". As shown in [IRO-1.53a], the long-term horizon covers more than five years. No scenario analysis has been used to identify transition risks.

To be compatible with a transition to a climate-neutral economy, Borealis is reducing its Scope 1 and 2 GHG emissions by investing in energy efficiency projects and replacing components reaching end of life with more carbon-friendly solutions, until 2030. Furthermore, Borealis is increasing the share of renewable electricity to 100% by 2030. On the path towards climate neutrality, new technologies such as electrification of crackers need to be developed and assessed for their feasibility in large-scale chemical plants. For hard-to-abate emissions, carbon capture technologies will be needed to reach net zero by 2050.

[E1-IRO-1.AR 15] The consolidated financial statements incorporate critical climate-related assumptions within the scope of the impairment test. Based on the planning data, Borealis Group will need to purchase additional emission certificates from 2028 onward. These costs are incorporated into the Group's Mid-Term Plan (MTP) 2026-2030 and allocated to the respective cash-generating units (CGUs) for the impairment test. Furthermore, Borealis' Management projects higher margins starting from 2028, to partly offset carbon-related expenses.

The climate scenarios used in the assessment described above are not fully aligned with the critical climate-related assumptions made in the consolidated financial statements.

E2 - Pollution

[E2-IRO-1.11a] Borealis has not performed a specific IRO assessment on individual operational sites or business areas. The IRO assessment was informed by Borealis continuously monitoring its emissions to air, water and soil at all its production locations. These emissions are documented and shared with location management, who take action where needed. This information and learning, consolidated across all operational sites, fed into the IRO assessment.

Borealis has not conducted a specific IRO/ESRS assessment for the value chain for this report. The IRO assessment was informed as follows:

- The IRO assessment on E2 for the upstream value chain for fossil-based suppliers was mainly based on information provided by OMV, which is generally valid for all fossil-based suppliers.
- The IRO assessment on E2 for the upstream value chain for renewable-based suppliers was based on common knowledge of the potential negative impacts of agricultural activities.
- The IRO assessment on E2 for the downstream value chain regarding the impact of plastic waste on the environment was based on common knowledge, using multiple studies from

renowned institutions such as the UN, and IUCN, as well as national environmental agencies.

[E2-IRO-1.11b] Borealis has not conducted additional formal consultation with affected communities during the DMA, in relation to Borealis' actual or potential impact on pollution, beyond the regular interaction between location management and communities. However, discussions with representatives relating to Operation Clean Sweep (specifically the EU Commission, NGOs and other EU Member States, as they are part of the OCS SteerCo) were held as described in chapter E2.

[E2-IRO-1.AR 9] The list of site locations and business activities associated with material IROs can be found in [E2 2.18].

E3 – Water and marine resources

[E3-IRO-1.8a], [E3-IRO-1.AR 15] The assessment of IROs was conducted as described under [IRO-1.53a-h]. In carrying out the assessment, assets, activities, geographical areas, marine-resource-related commodities and sectors and segments were screened implicitly, but not in a more detailed and structured process.

[E3-IRO-1.AR 6] Borealis considered river basins in its risk assessment of its own operations. For the supply chain, a river-basins-related assessment was not possible, as this would require Borealis to know the exact locations of the production sites from which it receives the goods it purchases. This information is not available.

[E3-IRO-1.AR 7] Borealis uses the WWF Water Risk Filter for assessing the water body status. This takes the EU Water Framework Directive into account for Europe, and also provides data for non-European sites.

[E3-IRO-1.AR 10] Borealis' dependency on marine resources is limited to the extraction of cooling water in some locations. In other locations, the Group uses ground water. Marine-resource-related dependencies, including commodities such as gravels and seafood products, are not relevant for Borealis.

[E3-IRO-1.8b] The DMA was based on regular and ongoing interaction and community engagement in the Group's locations of operation. No special consultations with affected communities were conducted during the DMA process.

E5 - Resource use and the circular economy

[E5-IRO-1.11a], [E5-IRO-1.AR 1-13] The assessment of IROs was conducted as described under [IRO-1.53a-h]. Sub-topics related to resource use and circular economy have been considered as part of the DMA. Assets and activities, as well as impacts and risks of continuing business as usual, have been screened implicitly, but not in a more detailed and structured process.

[E5-IRO-1.11b] No consultations were conducted with affected communities beyond the regular interactions between location management and communities.

G1 – Business Conduct

[G1-IRO-1.6] IROs in relation to business conduct matters were assessed as described under [IRO-1.53a-h].

DR IRO-2 – Disclosure requirements in ESRS covered by the undertaking’s sustainability statement

[ESRS 2-IRO-2.56]

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List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure requirement	Datapoint	Paragraph	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page
IRO-2-56 ESRS 2	IRO-2-56	IRO-2-56	IRO-2-56	IRO-2-56	IRO-2-56	IRO-2-56	IRO-2-56	
GOV-1	Board's gender diversity	paragraph 21 (d)	Indicator number 13 of Table 1 of Annex 1		Commission Delegated Regulation (EU) 2020/181627, Annex II		material	27
GOV-1	Percentage of board members who are independent	paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		material	26
GOV-4	Statement on due diligence	paragraph 30	Indicator number 10 Table 3 of Annex 1				material	31
SBM-1	Involvement in activities related to fossil fuel activities	paragraph 40 (d) i	Indicators number 4 Table 1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/245328 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		not material	
SBM-1	Involvement in activities related to chemical production	paragraph 40 (d) ii	Indicator number 9 Table 2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		not material	
SBM-1	Involvement in activities related to controversial weapons	paragraph 40 (d) iii	Indicator number 14 Table 1 of Annex 1		Delegated Regulation (EU) 2020/181829, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		not material	
SBM-1	Involvement in activities related to cultivation and production of tobacco	paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		not material	
E1								

Disclosure requirement	Datapoint	Paragraph	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page
E1-1	Transition plan to reach climate neutrality by 2050	paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	material	88-94
E1-1	Undertakings excluded from Paris-aligned Benchmarks	paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		material	95
E1-4	GHG emission reduction targets	paragraph 34	Indicator number 4 Table 2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		material	112
E1-5	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	paragraph 38	Indicator number 5 Table 1 and Indicator number 5 Table 2 of Annex 1				material	113
E1-5	Energy consumption and mix	paragraph 37	Indicator number 5 Table 1 of Annex 1				material	113
E1-5	Energy intensity associated with activities in high climate impact sectors	paragraphs 40 to 43	Indicator number 6 Table 1 of Annex 1				material	114
E1-6	Gross Scope 1, 2, 3 and Total GHG emissions	paragraph 44	Indicators number 1 and 2 Table 1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		material	115-116
E1-6	Gross GHG emissions intensity	paragraphs 53 to 55	Indicators number 3 Table 1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		material	110

Disclosure requirement	Datapoint	Paragraph	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page
E1-7	GHG removals and carbon credits	paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	material	120
E1-9	Exposure of the benchmark portfolio to climate-related physical risks	paragraph 66				Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	not material	
E1-9	Disaggregation of monetary amounts by acute and chronic physical risk	paragraph 66 (a)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			not material	
E1-9	Location of significant assets at material physical risk	paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			not material	
E1-9	Breakdown of the carrying value of its real estate assets by energy-efficiency classes	paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			not material	
E1-9	Degree of exposure of the portfolio to climate-related opportunities	paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		not material	
E2								
E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	paragraph 28	Indicator number 8 Table 1 of Annex 1 Indicator number 2 Table 2 of Annex 1 Indicator number 1 Table 2 of Annex 1 Indicator number 3 Table 2 of Annex 1				not material	

Disclosure requirement	Datapoint	Paragraph	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page
E3								
E3-1	Water and marine resources	paragraph 9	Indicator number 7 Table 2 of Annex 1				material	128
E3-1	Dedicated policy	paragraph 13	Indicator number 8 Table 2 of Annex 1				material	128
E3-1	Sustainable oceans and seas	paragraph 14	Indicator number 12 Table 2 of Annex 1				material	130
E3-4	Total water recycled and reused	paragraph 28 (c)	Indicator number 6.2 Table 2 of Annex 1				material	132
E3-4	Total water consumption in m3 per net revenue on own operations	paragraph 29	Indicator number 6.1 Table 2 of Annex 1				material	132
E4								
SBM-3 – E4		paragraph 16 (a) i	Indicator number 7 Table 1 of Annex 1				material	23
SBM-3 – E4		paragraph 16 (b)	Indicator number 10 Table 2 of Annex 1				material	23
SBM-3 – E4		paragraph 16 (c)	Indicator number 14 Table 2 of Annex 1				material	23
E4-2	Sustainable land / agriculture practices or policies	paragraph 24 (b)	Indicator number 11 Table 2 of Annex 1				not material	
E4-2	Sustainable oceans/ seas practices or policies	paragraph 24 (c)	Indicator number 12 Table 2 of Annex 1				not material	
E4-2	Policies to address deforestation	paragraph 24 (d)	Indicator number 15 Table 2 of Annex 1				not material	
E5								
E5-5	Non-recycled waste	paragraph 37 (d)	Indicator number 13 Table 2 of Annex 1				not material	
E5-5	Hazardous waste and radioactive waste	paragraph 39	Indicator number 9 Table 1 of Annex 1				not material	
S1								
SBM-3 – S1	Risk of incidents of forced labour	paragraph 14 (f)	Indicator number 13 Table 3 of Annex 1				material	53
SBM-3 – S1	Risk of incidents of child labour	paragraph 14 (g)	Indicator number 12 Table 3 of Annex 1				material	53
S1-1	Human rights policy commitments	paragraph 20	Indicator number 9 Table 3 and Indicator number 11 Table 1 of Annex 1				material	141-142

Disclosure requirement	Datapoint	Paragraph	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page
S1-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		material	141
S1-1	Processes and measures for preventing trafficking in human beings	paragraph 22	Indicator number 11 Table 3 of Annex I				material	142
S1-1	Workplace accident prevention policy or management system	paragraph 23	Indicator number 1 Table 3 of Annex I				material	141-161
S1-3	Grievance/complaints handling mechanisms	paragraph 32 (c)	Indicator number 5 Table 3 of Annex I				material	163
S1-14	Number of fatalities and number and rate of work-related accidents	paragraph 88 (b) and (c)	Indicator number 2 Table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		material	171
S1-14	Number of days lost to injuries, accidents, fatalities or illness	paragraph 88 (e)	Indicator number 3 Table 3 of Annex I				material	172
S1-16	Unadjusted gender pay gap	paragraph 97 (a)	Indicator number 12 Table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		material	156
S1-16	Excessive CEO pay ratio	paragraph 97 (b)	Indicator number 8 Table 3 of Annex I				material	156
S1-17	Incidents of discrimination	paragraph 103 (a)	Indicator number 7 Table 3 of Annex I				material	157
S1-17	Non-respect of UNGPs on Business and Human Rights and OECD	paragraph 104 (a)	Indicator number 10 Table 1 and Indicator n. 14 Table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		material	157
S2								
SBM-3 – S2	Significant risk of child labour or forced labour in the value chain	paragraph 11 (b)	Indicators number 12 and n. 13 Table 3 of Annex I				material	55
S2-1	Human rights policy commitments	paragraph 17	Indicator number 9 Table 3 and Indicator n. 11 Table 1 of Annex 1				material	173-174

Disclosure requirement	Datapoint	Paragraph	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page
S2-1	Policies related to value chain workers	paragraph 18	Indicator number 11 and n. 4 Table 3 of Annex 1				material	173
S2-1	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	paragraph 19	Indicator number 10 Table 1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		material	174
S2-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		material	174
S2-4	Human rights issues and incidents connected to its upstream and downstream value chain	paragraph 36	Indicator number 14 Table 3 of Annex 1				material	182
S3								
S3-1	Human rights policy commitments	paragraph 16	Indicator number 9 Table 3 of Annex 1 and Indicator number 11 Table 1 of Annex 1				material	25
S3-1	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		material	25
S3-4	Human rights issues and incidents	paragraph 36	Indicator number 14 Table 3 of Annex 1				material	26
S4								
S4-1	Policies related to consumers and end-users	paragraph 16	Indicator number 9 Table 3 and Indicator number 11 Table 1 of Annex 1				not material	
S4-1	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	paragraph 17	Indicator number 10 Table 1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		not material	

Disclosure requirement	Datapoint	Paragraph	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page
S4-4	Human rights issues and incidents	paragraph 35	Indicator number 14 Table 3 of Annex 1				not material	
G1								
G1-1	United Nations Convention against Corruption	paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				material	189
G1-1	Protection of whistle-blowers	paragraph 10 (d)	Indicator number 6 Table 3 of Annex 1				material	189, 191-193
G1-4	Fines for violation of anti-corruption and anti-bribery laws	paragraph 24 (a)	Indicator number 17 Table 3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		material	196
G1-4	Standards of anti-corruption and anti-bribery	paragraph 24 (b)	Indicator number 16 Table 3 of Annex 1				material	196-197

[ESRS 2-IRO-2.58] Substances of concern and substances of very high concern, as well as pollution of air (NO_x, VOC, dust and hydrocarbons) and pollution of water, soil, living organisms and food resources (for example, by PFAS) are not material for Borealis because of the low likelihood of incidents, due to high process safety standards, prevention of contamination and strict regulatory requirements. This assessment is based on data and information such as incidents data, and taking EU legislation into account. Furthermore, regulatory conditions (such as permits and inspections) and mitigation measures are also in place in all locations, partly also governed by the rigid Seveso requirements.

All Borealis' produced and purchased products are certified, and safety datasheets are publicly disclosed on the Group's website.

[ESRS 2-IRO-2.59] To determine which of the ESRS data points Borealis must report, the material IROs are assigned to the sustainability material matter and disclosure requirements of the ESRS topic standards. EFRAG (European Financial Reporting Advisory Group) guidance was taken into account.

Matters and disclosures to which none of the identified material IROs can be assigned are considered not material, which means that Borealis is not required to disclose any information on them.

Matters and disclosures that can be attributed to one or more of the identified material IROs are classified as material to Borealis and are further analyzed and considered in the reporting process. The data points were reviewed for applicability to Borealis and company-specific data points were defined where necessary.

Environmental Information

EU Taxonomy

Regulation (EU) 2020/852 established an EU classification system for environmentally sustainable economic activities (EU Taxonomy) which came into force on July 12, 2020. The EU Taxonomy is part of the European Commission's Sustainable Growth Financing Action Plan and a key instrument for the EU to encourage companies, investors and policymakers to channel investments to where they are most needed for sustainable development. The EU Taxonomy Regulation will therefore play an important role in scaling up sustainable investments and implementing the European Green Deal.

As part of the EU Commission's Omnibus Initiative I of 2025, Delegated Regulation (EU) 2026/73, published in the Official Journal on January 8, 2026, also amended delegated Regulation (EU) 2021/2178 to Article 8 of the EU Taxonomy Regulation (EU) 2020/852, resulting in reductions in the scope of the reporting templates and, under certain conditions, simplifications of the valuation of covered economic activities as well as financing and investments. In Article 4 of the delegated Regulation (EU) 2026/73, the possibility has been created as a transitional provision for financial years beginning between January 1 and December 31, 2025 to disclose the required disclosures for this financial year in accordance with the EU Taxonomy Regulation in the version in force on December 31, 2025. Borealis makes use of this transitional provision and will still report under the previous provisions as of the reporting date. Since there are still uncertainties in the legal interpretation of parts of the provisions, the legal interpretations of the EU Commission, which it has published in its notices in the Official Journal, will be used to the extent that this is deemed appropriate.

The EU Taxonomy has six environmental goals according to Article 9 of the EU Taxonomy Regulation:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control; and
- protection and restoration of biodiversity and ecosystems.

The EU Taxonomy delegated acts established the technical screening criteria for determining when an economic activity contributes substantially to one of these environmental goals and complies with the Do No Significant Harm (DNSH) criteria for the others.

Following a request from the European Parliament, the so-called minimum safeguards stated in point c) of Article 3 of the EU Taxonomy Regulation have been implemented. These safeguards ensure that entities carrying out taxonomy-aligned activities also meet certain minimum governance standards and do not violate social norms, as laid out in Article 18 of the EU Taxonomy Regulation. In other words, companies claiming taxonomy-alignment must comply with certain fundamental social and human rights, labor principles and minimum governance standards. If companies cannot show that they have adopted adequate measures to reduce human rights concerns in accordance with international standards, their "green activities" will not be considered environmentally sustainable (taxonomy-aligned).

Reporting Requirements According to Regulation (EU) 2020/852

Applying the EU Taxonomy enables Borealis to be transparent about its sustainable economic activities and to demonstrate the sustainability performance of all business areas within the Group. According to the EU Taxonomy Regulation, Borealis must disclose how, and to what extent, its activities are classified as sustainable. For the Annual Report 2025 Borealis needs to distinguish between three types of economic activities:³⁾

- taxonomy-aligned economic activity, which means an economic activity that complies with the requirements laid down in Article 3 of Regulation (EU) 2020/852;
- taxonomy-eligible economic activity, which means an economic activity that is described in the Climate Delegated Act (EU) 2021/2139 and Environmental Delegated Act (EU) 2023/2486, irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in the delegated acts; and
- taxonomy-non-eligible economic activity, which means any economic activity that is not described in the delegated acts.

Eligible Activities for Borealis and Performance 2025

Borealis' core business consists primarily of economic activities 3.17 "Manufacture of plastics in primary form" (in the Polyolefin (PO) segment) and 3.14 "Manufacture of organic base chemicals" (in the Base Chemicals segment). The Group also derives revenue from activity 5.9 "Material recovery from non-hazardous waste".

For Borealis:

- activity 3.17 represents the manufacturing of resins, plastics materials and non-vulcanizable thermoplastic elastomers, as well as the mixing and blending of resins on a custom basis;
- activity 3.14 mainly relates to the production of high-value chemicals (ethylene and propylene); and
- activity 5.9 refers to the turnover for accepting plastic waste as input material for the mechanical recycling of plastics, at mtm plastics GmbH, Ecoplast Kunststoffrecycling GmbH and Integra Plastics AED.

The leasing of company cars falls under economic activity 6.5 "Transport by motorbikes, passenger cars and light commercial vehicles".

Parts of Base Chemicals production are non-eligible economic activities, namely the phenol and acetone business, as well as Borealis' catalyst business and technology transfer.

Taxonomy-Alignment Assessment

Borealis assessed the taxonomy alignment for its activities using available data wherever possible. If the necessary documentation was not available, it was obtained via interviews with Borealis' experts. Borealis' economic activities included in the EU Taxonomy alignment assessment are all related to the environmental objective of climate change mitigation.

The alignment assessment was conducted against the EU Taxonomy's Technical Screening Criteria (TSC) for climate change mitigation. This involved verifying that each activity meets the performance thresholds and requirements set out in the TSC. In addition, Borealis confirmed compliance with the Do No Significant Harm (DNSH) criteria and the minimum social

³ See: Regulation (EU) 2021/2178

safeguards. These checks ensure that activities do not adversely affect other environmental objectives and adhere to social and governance standards.

Minimum Social Safeguards

Additional information on the minimum social safeguards can be found in chapters G1 and S1. The Supervisory board and Executive Board diversity information can be found in chapter ESRS 2. Gender pay gap is described in chapter S1.

Key Performance Indicators (KPIs)

Borealis' figures for taxonomy-related activities are derived from the Group's consolidated IFRS financial statements. Subsidiaries that are not fully consolidated and joint ventures are excluded, as required by the EU Taxonomy Regulation. Turnover, CAPEX and OPEX avoid double counting by making sure each posting that is in the scope of the EU Taxonomy is assigned only once. For example, the figures exclude maintenance cost centers that are later allocated to production cost centers.

The turnover KPI is based on Borealis' Consolidated Net Sales (see: Consolidated Income Statement). Government grants have been excluded according to ESMA's Advice on Article 8 of the EU Taxonomy Regulation.⁴ In general, turnover was linked to the revenue streams of the products or services and assigned to the respective economic activity in the EU Taxonomy Regulation.

The CAPEX KPI was derived according to the definition in the Summary of Significant Accounting Policies, as described in the Notes to the Consolidated Financial Statements. CAPEX was assigned to economic activities at project level, based on the Borealis CAPEX reporting. Projects with CAPEX below EUR 0.5 million in 2025 were automatically allocated to the economic activity of the associated location.

The OPEX KPI consists of research and development (R&D) expense, building renovation measures, maintenance and repair costs, other direct expenditure related to day-to-day servicing of assets and short-term leases. Every OPEX category was evaluated individually in the EU Taxonomy assessment.

Turnover

For Borealis' turnover KPI, 83% can be classified as taxonomy-eligible. The largest share of turnover relates to economic activity 3.17 and reflects the activities of the Polyolefins segment. The second largest turnover share stems from economic activity 3.14, which reflects part of the external revenue of the Base Chemicals business.

Non-eligible activities include the trading of Borouge products, feedstock trading and the manufacture of non-eligible products, such as phenol and acetone, catalysts or turnover from technology transfer.

Of the eligible turnover, 0.4% (0.3% of total turnover) are taxonomy-aligned. Activities contributing to the taxonomy-aligned turnover are driven by the sales of circular products by Ecoplast Kunststoffrecycling GmbH (Ecoplast). Since 2023, Borealis has obtained previously missing data related to the Do No Significant Harm (DNSH) criteria for its mechanical recycling

⁴ See: ESMA Final Report, 2021 – note 58

sales from Ecoplast, and, as a result, reports the relevant revenues as taxonomy-aligned under activity 3.17.

The fossil-based revenue reported under activity 3.17 cannot be claimed as taxonomy-aligned. The mechanical recycling sales in mtm plastics GmbH and Integra Plastics AED cannot be reported as taxonomy-aligned yet, as the water management plans required to demonstrate compliance with Appendix B of the DNSH criteria were not available. Similarly, the recycling-related turnover generated in the compounding operations of Rialti S.p.A. cannot be reported as taxonomy-aligned, as the required water management plan is not yet in place. Borealis will continue to work on these matters in 2026. The eligible turnover reported under activity 3.14 is not taxonomy-aligned, as either the substantial contribution criterion is not fulfilled or the necessary evidences for the DNSH criteria are not available.

CAPEX

For the capital expenditures (CAPEX) KPI, 81% of Borealis' total CAPEX can be classified as taxonomy-eligible. A major part of CAPEX can be allocated to economic activities 3.14 and 3.17. The capitalized leasing of company cars represents another investment of Borealis into a taxonomy-eligible activity.

Of the eligible investments, 50% (41% of total CAPEX) are taxonomy-aligned. The taxonomy-aligned investments are the investments for the Kallo (Belgium) Propane Dehydrogenation Unit 2 (PDH2), the CAPEX for the mechanical recycling plant Ecoplast in Wildon (Austria) as well as the CAPEX for the new compounding line in Beringen (Belgium). Compared to 2024, activities 3.17 (2025: 37.0% vs. 2024: 34.1%) show a higher share of taxonomy-eligible CAPEX, while activity 3.14 (2025: 44.2% vs 2024: 50.0%) records a lower share. This development is mainly driven by the high taxonomy-aligned CAPEX associated with the Kallo PDH2 project and the fact that the project is progressing towards its final stage.

<u>Environmental objective ¹⁾</u>	<u>Economic activity</u>	<u>CAPEX 2025 in EUR mn</u>	<u>CAPEX 2026-2028 in EUR mn</u>
Climate change mitigation	3.14 Manufacture of organic base chemicals	341	6
Climate change mitigation	3.17 Manufacture of plastics in primary form	7	1

1) CAPEX plan numbers are based on the latest approved business plan whereas time horizon reflects the maximum five-year period for a CAPEX plan mentioned in Annexes 1-5 to the commission delegated regulation (EU) 2020/852.

All of the taxonomy-aligned CAPEX is registered as an addition to property, plant and equipment. According to the definition in point 1.1.2.2. of Annexes 1-5 to Regulation (EU) 2020/852, the CAPEX for Ecoplast belongs to "(a) related to assets or processes that are associated with Taxonomy- aligned economic activities" whereas the Kallo PDH2 and the new compounding line in Beringen belong to "(b) part of a plan to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned". The remaining 50% of taxonomy-eligible investments (59% of total CAPEX) cannot be claimed as aligned, as the majority of investments do not fulfill the substantial contribution criterion.

Aligned and eligible CAPEX can be split into additions to the different asset classes as per the table below.

EUR mn	Aligned	Eligible (not-aligned)	Not eligible	Total
Additions to property, plant & equipment	349	320	105	775
Additions to capitalized development costs	0	15	22	37
Additions to other intangible assets	0	14	35	49

As the Kallo PDH2 and the new compounding line in Beringen projects are still in the construction phase, there is no turnover or OPEX linked to them.

OPEX

For operational expenditures (OPEX), 92% within the scope of the EU Taxonomy Regulation are related to taxonomy-eligible activities. For the OPEX KPI, the different cost types were assessed separately, so the shares of OPEX attributable to eligible activities vary between the different cost types.

Plant maintenance and repair costs account for the largest share of the taxonomy-eligible OPEX (EUR 196 million). Short-term leases amount to EUR 1.7 million which are assigned to eligible activities, with the difference from the reported figure in note 6. Leases (in the Notes to the Consolidated Financial Statements) stemming mainly from eliminations of short-term leases for Group functions. The research and development (R&D) costs total EUR 9 million, matching the non-capitalized R&D cost as part of the R&D cost reported in note 3. Research and Development (in the Notes to the Consolidated Financial Statements) excluding impairment costs, and 78% is assigned to eligible activities. In line with the turnover KPI, Borealis declares the OPEX of Ecoplast Kunststoffrecycling GmbH as taxonomy-aligned (0.6% of the taxonomy-eligible OPEX and 0.6% of total OPEX).

Summary

Location	KPI share			Substantial contribution	DNSH	Minimum social safeguards
	CAPEX	OPEX	TO			
Kallo PDH2	49.9%	-	-	✓	✓	✓
PO Beringen	1.0%	-	-	✓	✓	✓
Ecoplast	0.1%	0.6%	0.3%	✓	✓	✓

Outlook

The Borealis Executive Board demonstrates a clear commitment to sustainability, firmly anchored in the “We4Customers” Strategy, introduced in 2025. This strategic framework is deeply aligned with the OMV Group’s shared purpose - “Reinventing Essentials for Sustainable Living” - which serves as the guiding principle for all current and future Borealis operations. This

commitment will be reflected in the taxonomy-aligned numbers over the coming years, as they are projected to increase steadily.

One of Borealis' key goals for the following years is to obtain any outstanding information, in order to raise the taxonomy-alignment further. The Group also intends to keep involving key supporters in the relevant business and production functions to further increase awareness of taxonomy criteria in the decision making process. Another medium-term goal beyond 2025 is to evaluate opportunities for automating the EU Taxonomy reporting process.

The biggest lever to increase taxonomy-alignment in the long run is making taxonomy-aligned investments, which lead to taxonomy-aligned turnover and OPEX. Looking at the years 2022 until 2025, Borealis has increased its taxonomy-aligned investments steadily from 16% in 2022 to 41% in 2025.

The publication of the EU Taxonomy KPIs according to the reporting forms as specified in Delegated Regulation 2023/2486 can be found in the chapter EU Taxonomy KPIs.

EU Taxonomy KPIs

EU Taxonomy overview

in EUR mn	2025					
	Turnover		CAPEX		OPEX	
Environmentally sustainable (taxonomy-aligned) activities	23	0.3%	349	40.6%	1	0.6%
Taxonomy-eligible, but not taxonomy-aligned activities	6,241	82.2%	349	40.6%	204	91.2%
Taxonomy-non-eligible activities	1,328	17.5%	162	18.9%	18	8.2%
Total	7,592	100.0%	861	100.0%	223	100.0%

in EUR mn	2024					
	Turnover		CAPEX		OPEX	
Environmentally sustainable (taxonomy-aligned) activities	21	0.3%	336	35.0%	2	0.8%
Taxonomy-eligible, but not taxonomy-aligned activities	6,595	84.0%	476	49.6%	223	89.0%
Taxonomy-non-eligible activities	1,236	15.7%	149	15.5%	29	10.2%
Total	7,852	100.0%	960	100.0%	254	100.0%

in EUR mn	2023					
	Turnover		CAPEX		OPEX	
Environmentally sustainable (taxonomy-aligned) activities	24	0.3%	279	22.9%	2	0.8%
Taxonomy-eligible, but not taxonomy-aligned activities	6,054	85.5%	764	62.9%	218	89.4%
Taxonomy-non-eligible activities	1,004	14.2%	173	14.2%	24	9.8%
Total	7,082	100.0%	1,216	100.0%	244	100.0%

EU Taxonomy – summary per environmental objective

Environmental objectives: climate change mitigation (CCM); climate change adaptation (CCA); sustainable use and protection of water and marine resources (WTR); transition to a circular economy (CE); pollution prevention and control (PPC); protection and restoration of biodiversity and ecosystems (BIO).

in %	2025					
	Proportion of turnover/Total turnover		Proportion of CAPEX/Total CAPEX		Proportion of OPEX/Total OPEX	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.3	82.5	40.6	81.1	0.6	91.8
CCA	0.0	0.0	0.0	81.1	0.0	91.8
WTR	0.0	0.0	0.0	0.0	0.0	0.0
CE	0.0	0.0	0.0	0.0	0.0	0.0
PPC	0.0	0.0	0.0	0.0	0.0	0.0
BIO	0.0	0.0	0.0	0.0	0.0	0.0

in %	2024					
	Proportion of turnover/Total turnover		Proportion of CAPEX/Total CAPEX		Proportion of OPEX/Total OPEX	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.3	84.3	35.0	84.6	0.7	88.4
CCA	0.0	0.0	0.0	84.6	0.0	88.4
WTR	0.0	0.0	0.0	0.0	0.0	0.0
CE	0.0	0.0	0.0	0.0	0.0	0.0
PPC	0.0	0.0	0.0	0.0	0.0	0.0
BIO	0.0	0.0	0.0	0.0	0.0	0.0

in %	2023					
	Proportion of turnover/Total turnover		Proportion of CAPEX/Total CAPEX		Proportion of OPEX/Total OPEX	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.3	85.8	22.9	85.8	0.7	90.1
CCA	0.0	0.0	0.0	85.8	0.0	90.1
WTR	0.0	0.0	0.0	0.0	0.0	0.0
CE	0.0	0.0	0.0	0.0	0.0	0.0
PPC	0.0	0.0	0.0	0.0	0.0	0.0
BIO	0.0	0.0	0.0	0.0	0.0	0.0

Proportion of turnover from products or services associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of the Taxonomy Regulation – disclosure covering year 2025

Economic activities (1)	2025		Substantial contribution criteria							DNSH criteria (Does not significantly harm)							Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover year 2024 (18)	Category (enabling activity) (19)	Category (transition activity) (20)
	Code(s) (2)	Turnover (3)	Proportion of turnover 2025 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)			
	EUR mn	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of plastics in primary form	CCM 3.17.	22.8	0.3	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.3		T
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		22.8	0.3	0.3	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.3		
Of which Enabling		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0								0.0		
Of which Transitional		22.8	0.3	0.3						Y	Y	Y	Y	Y	Y	Y	0.3		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										

	2025		Substantial contribution criteria							DNSH criteria (Does not significantly harm)					
	CCM														
Manufacture of organic base chemicals	CCM 3.14.	840.1	11.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL					12.2	
Manufacture of plastics in primary form	CCM 3.17.	5,391.7	71.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL					71.7	
Material recovery from non-hazardous waste	CCM 5.9.	9.2	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL					0.1	
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		6,240.9	82.2	82.2	0.0	0.0	0.0	0.0	0.0					84.0	
A. Turnover of Taxonomy- eligible activities (A.1 + A.2)		6,263.8	82.5	82.5	0.0	0.0	0.0	0.0	0.0					84.3	
B. Taxonomy-non-eligible activities															
Turnover of Taxonomy- non-eligible activities (B)		1,328.1	17.5												
Total (A + B)		7,591.8	100.0												

Y: Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective // N: No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective // EL: eligible, Taxonomy-Eligible but not environmentally sustainable activities // N/EL: not eligible, Taxonomy non-eligible activity for the relevant environmental objective

Comment: numbers are rounded to the nearest hundred thousand Euro for all three tables.

Proportion of CAPEX from products or services associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of the Taxonomy Regulation – disclosure covering year 2025

Economic activities (1)	2025		Substantial contribution criteria							DNSH criteria (Does not significantly harm)							Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CAPEX year 2024 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)	
	Code(s) (2)	CAPEX (3)	Proportion of CAPEX 2025 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)				
	EUR mn	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T	
A. Taxonomy-eligible activities																				
A.1 Environmentally sustainable activities (Taxonomy-aligned)																				
Manufacture of organic basic chemicals	CCM 3.14.	341.3	39.7	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	33.7			T
Manufacture of plastics in primary form	CCM 3.17.	7.7	0.9	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.3			T
CAPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		349.0	40.6	40.6	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	35.1			
Of which Enabling		0.0	0.0	0.0													0.0			
Of which Transitional		349.0	40.6	40.6						Y	Y	Y	Y	Y	Y	Y	35.1			T
A.2 Taxonomy-eligible but not environmentally sustainable				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL											

	2025		Substantial contribution criteria							DNSH criteria (Does not significantly harm)						
activities (not Taxonomy-aligned activities)																
Manufacture of organic base chemicals	CCM/CC A 3.14.	38.7	4.5	EL	EL	N/EL	N/EL	N/EL	N/EL							16.3
Manufacture of plastics in primary form	CCM/CC A 3.17.	310.5	36.1	EL	EL	N/EL	N/EL	N/EL	N/EL							32.8
Transport by motorbikes, passenger cars, light commercial vehicles	CCM/CC A 6.5.	0.0	0.0	EL	EL	N/EL	N/EL	N/EL	N/EL							0.4
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		349.3	40.6	40.6	0.0	0.0	0.0	0.0	0.0							49.5
Total (A.1 + A.2)		698.3	81.1	81.1	0.0	0.0	0.0	0.0	0.0							84.6
B. Taxonomy-non-eligible activities																
CAPEX of Taxonomy-non-eligible activities (B)		162.3	18.9													
Total (A + B)		860.6	100.0													

Y: Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective // N: No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective // EL: eligible, Taxonomy-Eligible but not environmentally sustainable activities // N/EL: not eligible, Taxonomy non-eligible activity for the relevant environmental objective

Proportion of OPEX from products or services associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of the Taxonomy Regulation – disclosure covering year 2025

Economic activities (1)	2025		Substantial contribution criteria							DNSH criteria (Does not significantly harm)							Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OPEX year 2024 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
	Code(s) (2)	OPEX (3)	Proportion of OPEX 2025 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)			
	EUR mn	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T	
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of plastics in primary form	CCM 3.17.	1.3	0.6	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.7		T
Electricity generation using solar photovoltaic technology	CCM 4.1.	0	0.0	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0		
OPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1.4	0.6	0.6	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.7		
Of which Enabling		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0								0.0		
Of which Transitional		1.4	0.6	0.6						Y	Y	Y	Y	Y	Y	Y	0.7		T
A.2 Taxonomy-eligible but not environmentally				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										

	2025		Substantial contribution criteria							DNSH criteria (Does not significantly harm)						
sustainable activities (not Taxonomy-aligned activities)																
Manufacture of organic base chemicals	CCM/CC A 3.14.	45.9	20.5	EL	EL	N/EL	N/EL	N/EL	N/EL							22.0
Manufacture of plastics in primary form	CCM/CC A 3.17.	157.9	70.6	EL	EL	N/EL	N/EL	N/EL	N/EL							65.6
OPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		203.7	91.2	91.2	0.0	0.0	0.0	0.0	0.0							87.7
Total (A.1 + A.2)		205.1	91.8	91.8	0.0	0.0	0.0	0.0	0.0							88.4
B. Taxonomy-non-eligible activities																
OPEX of Taxonomy-non-eligible activities (B)		18.4	8.2													
Total (A + B)		223.5	100.0													

Y: Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective // N: No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective // EL: eligible, Taxonomy-Eligible but not environmentally sustainable activities // N/EL: not eligible, Taxonomy non-eligible activity for the relevant environmental objective

Nuclear related activities	YES/NO
The undertaking carries out, funds or has exposures to the research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using the best available technologies.	NO
The undertaking carries out, funds or has exposures to the safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities	YES/NO
The undertaking carries out, funds or has exposures to the construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

ESRS E1 Climate Change

Climate change poses an existential threat to ecosystems, economies, and communities worldwide. Rising global temperatures, driven largely by greenhouse gas emissions, are intensifying extreme weather events, disrupting food and water systems, and threatening biodiversity. The fossil-based industry has played a central role in this crisis: for over a century, it has been the primary source of carbon dioxide emissions through the extraction and combustion of coal, oil, and natural gas. While these industries have powered economic growth and development, they have also contributed significantly to the accumulation of greenhouse gases in the atmosphere. Their legacy underscores the urgent need for a transition to low-carbon energy systems and more sustainable industrial practices.

Borealis is therefore committed to reducing emissions from its operations, as well as reducing and avoiding emissions in its value chain, during the life cycle of its products.

Strategy

DR E1-1 – Transition plan for climate change mitigation

[E1-1.16a], [E1-1.14] Borealis has a transition plan for both direct and indirect emissions, featuring two roadmaps that show the emission reduction pathways with separate mid- and long-term targets. One roadmap ⁵⁾ covers Scope 1 and Scope 2 (market-based) emissions, while the other addresses Scope 1 and 2 (market-based) plus Scope 3 (excluding Scope 3.15), with a mid-term target and 2050 emissions orientation. Details on both roadmaps and their targets are provided below in section [E1-4]. As mentioned in [E1-1.17], the transition plan is not in line with the Paris Agreement.

As Borealis is part of OMV Group, the actual and forecasted emissions of all Scopes (1, 2 and 3) are included in OMV Group's reporting, roadmap and transition plan, where increases in Borealis' emissions are expected to be compensated for by decreases in OMV Group's emissions, respectively.

The decarbonization levers employed by Borealis are detailed in the following section, with corresponding actions enumerated in [E1-3].

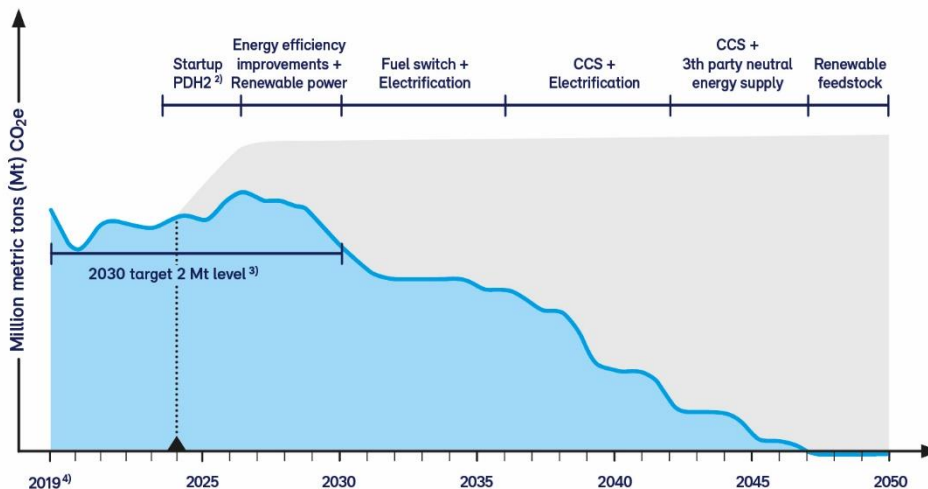
The combined Scope 1 and 2 emissions target ⁶⁾ corresponds to a reduction in emissions of 18% by 2030 against Borealis' base year of 2019, despite significant organic business growth due to the completion of a new dehydrogenation plant (Kallo, Belgium) planned for 2026.

⁵ Strategic plan that outlines the steps, actions, and timelines the Group plans to take to reduce greenhouse gas emissions and achieve its specific climate target or level.

⁶ Excluding emissions of time-based leased ships.

Borealis has identified the following levers to enable it to implement its roadmap for Scopes 1 and 2 in the period to 2050 ⁷⁾:

Net zero roadmap: Borealis operations – Scope 1 + Scope 2 ¹⁾



■ Net zero roadmap of Borealis ■ Emissions assuming no reduction initiatives and unchanged power grid intensity

1) Calculated as defined in GHG protocol – Scope 2 is market based // 2) Dehydrogeneration plant Kallo (Belgium) // 3) 2 Mt level is calculated without emission of time based leased ships // 2019 is the Borealis base year

During 2025, Borealis has developed a roadmap for Scope 1, Scope 2 (market-based) and Scope 3 (excluding Scope 3.15) emissions. This roadmap is highly dependent on the decarbonization roadmaps of value chain partners. The Group has opted to define only a mid-term target based on this roadmap. Borealis has excluded Scope 3.15 from its target, as the reduction in Scope 3.15 emissions requires closer alignment with the related JV partners. Due to supply limitations, financial and regulatory restrictions, and step-change innovations needed, Borealis estimates that there will still be a significant amount of residual emissions by 2050. This is why the transition plan is not in line with the Paris Agreement.

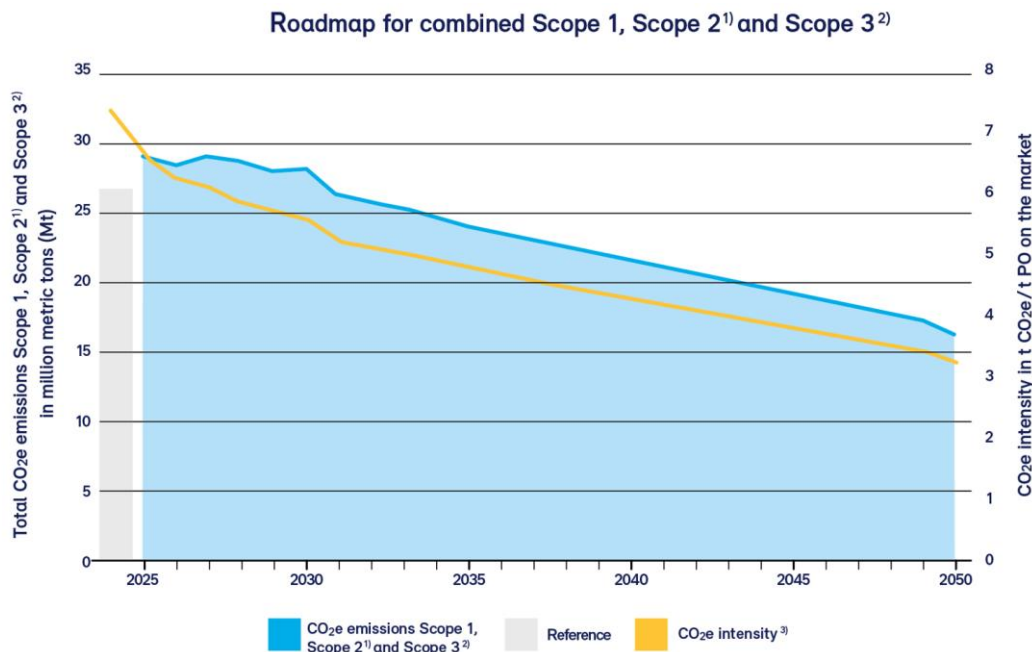
The Group's mid-term target is to keep its Scope 1 and 2 (market-based) and Scope 3 (excluding Scope 3.15) emissions at the same level (+/-5%) in 2030, despite 39% growth in sales of polymers. This means Borealis' CO₂ intensity will decrease by more than 24% by 2030, driven by higher product sales.

Borealis believes that the polymers it produces are essential for addressing climate change, as they enable technologies that support the energy transition and contribute to emission reductions through lightweight construction. The Group's view is that:

- The materials' lightweight nature enhances fuel efficiency in transportation;
- Their application in building insulation helps lower energy consumption;
- Polymers play a critical role in renewable energy systems such as solar panels, and are important for advanced battery technologies used in energy storage and transport;
- In agriculture, polymer-based irrigation and protective films conserve water and increase productivity; and

⁷⁾ Roadmap shows Borealis' potential to become Net Zero for its own emissions and emissions related to sourced energy.

- Infrastructure incorporating polymers is more resilient to extreme weather, thereby supporting climate adaptation.



1) Roadmap for combined Scope 1, Scope 2 (market-based) // 2) Scope 3 excluding Scope 3.15. // 3) Intensity calculated using total sales of polymer

Scope 1

Energy Efficiency

Energy consumption accounts for a significant proportion of Borealis' total production costs. The Group sees energy efficiency as a major driver of Scope 1 reductions and a cornerstone of its climate ambition, as it will lead to less CO₂ being emitted. This is in line with the “energy efficiency first” principle, which is a priority for the EU and is supported by EU Commission's recommendation (EU) 2021/1749.

Borealis' initiatives include energy teams at each production location that drive the locations' energy planning process, increase awareness, act as a forum for energy issues and ensure ISO 50001 compliance. To progress beyond this baseline, all Borealis locations run energy screening programs at least every four years, often with third-party support, to evaluate their performance and identify ways to improve.

Electrification

Borealis is looking toward electrification of its boilers, heaters and furnaces at multiple sites. To achieve this, it is important to have safe and technically secure solutions, with affordable and continuously available renewable power. Borealis believes that more sources of renewable power as well as future-proof electrical grids will be needed if industries such as petrochemicals are to electrify further.

Carbon Capture Utilization and Storage (CCUS)

Borealis sees this technology as an enabler after 2030 for its major sites, especially at locations with direct access to maritime transport. To enable the deployment of CCS, a supportive legislative framework is key. Carbon capture and utilization (CCU) can be an addition to CCS, to turn captured CO₂ into an alternative feedstock. Borealis will evaluate the possibilities when technologies mature and become economically feasible. In addition to a supportive legislative framework, applying CCU also requires Borealis to find the right industrial and business partners for developing and applying carbon capture technologies, operating the related assets and supporting infrastructure, and to share running costs.

Hydrogen and Biofuels

Borealis is looking to switch to low-carbon energy sources, such as hydrogen and biofuels, as heat input for its cracking processes. Hydrogen can be produced on-site as a byproduct of cracking processes. Borealis is also exploring options for sourcing green hydrogen externally and for increasing the use of bio-based feedstocks in its crackers, which produce biogenic methane as a byproduct. Using biogenic methane for heating the cracking process can significantly reduce CO₂ emissions compared to traditional methane derived from fossil fuels.

The final choice of the lever, or a combination of several, will depend on enabling conditions, such as the extension of the power grid, infrastructure for transporting and storing CO₂, hydrogen pipelines, CO₂ pricing, commodity pricing, and relevant legislation. Furthermore, the business cases will only become positive if the value chain and end-consumers will share the cost, by accepting the required price premium for carbon-optimized products.

Resource Efficiency

A small part of Borealis' Scope 1 emissions is the result of flaring. Reducing non-emergency flaring benefits resource efficiency, by avoiding unnecessary combustion of feedstock or product, and reduces CO₂ emissions.

Scope 2

100% Renewable Power

Borealis' current ambition is to source 100% of its electricity from renewable sources by 2030. To achieve this goal, the Group will use on-site investments where technically and economically feasible, as well as long-term contracts known as power purchase agreements (PPAs), which source power from as close as possible to the Borealis locations where the power is used. Where this is not possible, Borealis will purchase high-quality Guarantees of Origin (GoO) and Renewable Energy Certificates (REC).

Less CO₂-Intensive Steam and Heat

Scope 2 emissions will also be reduced by encouraging external suppliers of heat and steam to decarbonize their production processes. This may also involve changing suppliers; however, due to the need to be integrated or at least close to the Borealis assets, the choice of alternative suppliers is limited.

Scope 3

[ESRS 2-MDR-T.81] Borealis has established a medium-term target and roadmap for combined Scope 1, Scope 2 (market-based), and Scope 3 (excluding Scope 3.15) emissions. Scope 3.15 emissions are excluded, as Borealis can only influence these indirectly through its minority shareholdings. The implementation of this roadmap depends on feedstock supply constraints, economic factors, and regulatory frameworks.

The reduction of Scope 3 emissions requires Borealis to work with the value chain. While this can unlock opportunities for collaboration and innovative approaches in the long term, the Group faces several challenges in reducing its Scope 3 emissions. In particular:

- A significant portion of feedstock supply originates from regions and suppliers without net zero goals for emissions, as their business strategies are influenced by different priorities. A large share of feedstock sourced by Borealis originates from US, where the suppliers face limited regulatory and political pressure to reduce their emissions, while there is limited availability of EU-based feedstock with sufficiently competitive pricing.
- Currently, there is limited customer demand for products with a lower carbon footprint compared to fossil alternatives, given the typically higher cost of lower carbon products. Even customers, who would be interested in increasing the share of circular content in their products, are currently hesitant due to the economic downturn and market uncertainties.
- Additionally, the absence of a globally harmonized regulation for net zero products has the potential to impact fair competition on a global scale.
- Legislation on mandatory recycling rates can have a significant impact on climate neutrality but the lack of globally harmonized regulation here can again lead to disturbances. The negotiation of a globally binding Plastic Treaty to accelerate circular economy and limit plastic waste leakage stalled in 2025, after three years of negotiations between the UN member states.
- The plastics value chain is complex with significant variability in feedstock sources, production technologies, and energy mixes. Using different industry average emission factors can lead to significant over- or underestimation of actual emissions, due to differences in resin production, transportation, and end-of-life treatment. Following the GHG Protocol accounting standards, the challenges for Scope 3 emission accounting commonly lie in the limited availability of granular and robust data from the value chain. Primary (i.e. supplier specific) data methods would deliver the most accurate results and would enable a direct comparison of the companies' performances. As primary data is not always available, secondary data such as average spend-based approaches or industry averages are used. This leads to distortion of actual individual performances.

Considering current market and geopolitical factors, Borealis estimates that achieving a net zero value chain will not be possible until after 2050. The Group will nevertheless continue to explore all options to improve its climate transition roadmap.

The following levers have been identified that can lead to lower Scope 3 emissions for Borealis. Some of the actions could result in a change in baseline emissions, because of changes in calculation methodology.

Scope 3

Purchased Goods and Services (Scope 3.1)

Borealis conducted an in-house analysis of the contribution of major feedstock suppliers to its Scope 3.1 emissions and the expected decarbonization profile compared with climate scenarios defined by IPCC. Reducing Scope 3.1 emissions can be achieved by selecting less-carbon-intensive goods, combined with choosing suppliers with a more-favorable roadmap to reducing their climate impact. This can be achieved by:

- Geographical identification of suppliers, which will allow a shift from using global emission factors to more-specific regional emission factors in Borealis' Scope 3.1 emissions calculation, and potentially a move to less-carbon-intensive suppliers;
- Aligning with suppliers on primary emission factors, in combination with planned efforts to reduce the climate impact of suppliers;
- Engaging with key suppliers to understand their climate transition plans as basis to evaluate future emission reduction potential.

Transportation and Logistics (Scope 3.4)

Borealis is collaborating with transport providers to receive primary emissions data and to transition to low-carbon transportation methods. This involves shifting to less CO₂-intensive modes of transport (for example, through electrification) and utilizing intermodal solutions, which combine different modes of transport.

Processing of Sold Products (Scope 3.10)

Borealis' customers mainly use electricity to power their machinery and convert plastic pellets into products. As the power market transitions to renewable energy sources, Borealis expects emissions to decrease accordingly. In addition, Borealis aims to collaborate with customers to increase data accuracy through customer-specific emission factors.

Use of Sold Products (Scope 3.11)

Some of Borealis' byproducts are put on the market as fuels, although this is not a core business. Borealis expects that demand for these fossil-based fuels will decline in the medium term. Furthermore, Borealis wants to increase data accuracy, obtain customer emission factors, and offer bio-based products as an alternative. Better understanding the downstream use of products and retrieving specific emission factors from customers, depending on their processing technology and target application, could further increase data accuracy compared to global industry averages.

End-of-Life Treatment of Sold Products (Scope 3.12)

Borealis expects that the future demand for recycled plastics will lead to higher recycling rates, driven by related EU regulation, such as PPWR (Packaging & Packaging Waste Regulation) and ELV (End-of-Life Vehicles) Directive. Recycling plastics helps avoid emissions associated with their end-of-life disposal, in particular incineration. Borealis is implementing mechanical recycling solutions, as well as investing in chemical recycling. While mechanical recycling is more energy efficient, it has limitations regarding product quality and therefore is not suited for high-end applications. In contrast, chemical recycling consumes more energy but can produce quality comparable to virgin feedstocks, allowing recycled polymers to be used even in sensitive

applications such as food packaging and healthcare. Additionally, Borealis is working to increase the biogenic carbon content in its products, which also reduces Scope 3.12 emissions.

Investments (Scope 3.15)

Borealis can influence Scope 3.15 emissions by promoting decarbonization in the companies where it holds a minority stake. This can be achieved through training and coaching, as well as sharing experiences and best practices. Having a presence on the boards of these companies also provides opportunities to drive decarbonization initiatives. Additionally, an assessment of climate impact has been integrated into Borealis' M&A approach, to ensure that the effects on all Borealis' emission scopes are understood before making any M&A decisions (see [ESRS 2-MDR-P.65a-f], [E1-2.24]). However, Borealis' impact on strategy execution and operational management in its joint ventures is limited, and Scope 3.15 was therefore not included in the Group's climate transition roadmap.

Scope 3 (Sub-)Category	Decarbonisation Lever
Scope 3.1 cracker feedstock	- Increase data accuracy - Request supplier-based emission factors
Scope 3.1 monomer sourcing	- Assess suppliers' transition plans
Scope 3.1 polymer sourcing	- Shift to less CO ₂ -intensive suppliers
Scope 3.1 other purchased goods and services	
Scope 3.4 upstream transportation of base chemicals	- Close data gaps on transportation emissions - Request real emission data from transport service providers
Scope 3.4 upstream transportation of polymers	- Shift to intermodal and low-emission transport
Scope 3.10 processing of sold products	- Increase data accuracy
Scope 3.11 use of sold products	- Request customer-specific emission factors
Scope 3.12 end-of-life treatment of sold products	- Increase circular content in final product - Increase biogenic content in final product
Scope 3.15 joint ventures	- Drive transparency on corporate carbon footprint and product carbon footprint of major joint ventures - Assess transition plans of joint ventures - Leverage presence in JV Boards to embed net zero into the JVs' strategic plans

Investments and Funding Supporting the Transition Plan

[E1-1.16c] Borealis has made use of the option to omit disclosure of impending developments or matters in the course of negotiation related to investments and funding supporting the implementation of its transition plan until 2050. However, investments planned until 2030 are indicated under [E1-3].

Locked-In GHG Emissions

[E1-1.16d] Borealis' locked-in GHG emissions from its key assets and products come directly from cracker and dehydrogenation plants, and indirectly from steam provided by suppliers under long-term contracts. Upstream emissions result from CO₂-intensive feedstocks sourced globally, while downstream end-of-life emissions persist due to insufficient market demand for recycling and lack of regulations supporting circularity. Locked-in emissions, which cannot be removed by direct decarbonization measures by 2050 (due to limited technical or commercial feasibility), will be offset by carbon credits and BECCS (Bioenergy with Carbon Capture and Storage).

Alignment with EU Taxonomy

[E1-1.16e] A large share of Borealis' activities is eligible for the EU Taxonomy (see chapter EU Taxonomy). Borealis' main economic activities contributing substantially to climate change mitigations are high-value chemical (HVC) production, as defined in chapter 3.14 (Manufacture of organic basic chemicals) and chapter 3.17 (Manufacture of plastics in primary form) of EU Delegated Regulation (EU) 2021/2139. In its roadmap towards net zero, Borealis will reduce its direct emissions from producing high-value chemicals. This will increase the alignment with climate mitigation. The use of renewable feedstock can also contribute to this goal. For production of plastics, Borealis will increase biogenic (renewable) feedstock and circular content, which will increase the alignment of manufacturing of plastics in primary form.

Investment in Coal, Oil or Gas-Related Activities

[E1-1.16f] Borealis did not undertake any investments in coal, oil or gas-related activities.

Eligibility for EU Paris-Aligned Benchmarks

[E1-1.16g] Borealis is not excluded from the EU Paris-aligned benchmarks.

Alignment of Transition Plan with Overall Business Strategy

[E1-1.16h] Borealis sees many opportunities as its customers, value chain partners and society demand more sustainable solutions, in support of their efforts to reduce their product carbon footprints; yet the willingness to pay a reasonable premium for products with lower carbon footprint is limited due to lack of enforcing regulation and limited market pull due to unfavorable economic conditions in Europe. The Group's vision is to become a global leader in advanced and sustainable chemicals and materials solutions. Sustainability is anchored in the Borealis We4C strategy as a "non-negotiable", next to safety and compliance, and as one of the four strategic pillars, including the reduction of GHG emissions (in particular through energy management), innovation to develop circular solutions, and driving design for recycling jointly with customers.

Implementing this strategy will improve Borealis' GHG emissions performance across Scopes 1, 2 and 3. In Scopes 1 and 2, Borealis is fully committed to reducing the carbon footprint of its operations and to achieving net-zero⁸⁾ operations by 2050. As part of this journey, the We4C strategy did not lead to an adjustment of Borealis' target to reduce absolute Scope 1 and 2 emissions to 2 Mt CO_{2e} by 2030⁹⁾. Furthermore, the roadmap for combined Scope 1, 2 and 3 is embedded in the We4C strategy and as such informs the financial planning for the next five years.

Approval of the Transition Plan

[E1-1.16i] The Executive Board and the Supervisory Board have approved the implementation of the Scope 1 and 2 roadmap up to 2030, as part of Borealis' overall business strategy. This includes the associated CAPEX framework included in the business plan for 2026-30. The roadmap for Scope 3 was developed in 2025 and has been aligned with the Executive Board, with Supervisory Board alignment still to be done.

⁸ Net zero: Achieving a balance between the amount of greenhouse gases (GHGs) emitted and the amount removed from the atmosphere.
⁹ Excluding emissions of time-based leased ships.

Progress with Implementing the Transition Plan

[E1-1.16]] During 2025, Borealis has implemented several projects that reduce Scope 1 and 2 emissions which are disclosed in [E1-3].

In total, Borealis realized a saving of 9,488 t CO₂e per year of Scope 1 and 2 emissions, excluding emissions from public grid sourced power.

[E1-1.17] Borealis' climate transition plan is not aligned with the Paris Agreement, as detailed in chapter [ER-1.16]. Additionally, the combined Scope 1, 2 (market-based) and 3 (excluding 3.15) roadmap lacks a long-term target. Borealis is fully engaged in further work to develop towards net zero.

Impact, risk and opportunity management

DR E1-2 – Policies related to climate change mitigation and adaptation

Borealis has several policies that relate to climate change mitigation. [ESRS 2-MDR-P.65a], [E1-2.24] Their key contents are set out below, while the connection to the related impacts, risks and opportunities can be seen in the IRO table in [ESRS 2-SBM-3].

Responsible Care Policy

[ESRS 2-MDR-P.65a], [E1-2.24] This policy commits Borealis to adhere to the Responsible Care Global Charter. The Responsible Care Policy statement, along with the guiding principles for the Group-wide implementation of Responsible Care at Borealis, reflects the Group's commitment to protecting people and the environment, by enhancing HSE standards in its facilities, processes, and technologies, and cultivating a leadership culture that prioritizes safe chemical management.

The key objectives of the policy include:

- Corporate Leadership Culture: Supporting safe chemical management globally.
- Safeguarding People and the Environment: Improving performance (including environmental and energy efficiency performance) and safety throughout the supply chain.
- Strengthening Chemicals Management Systems: Participating in developing and implementing chemical safety legislation and best practices.
- Influencing Business Partners: Promoting safe chemical management in their operations.
- Engaging Stakeholders: Understanding their concerns, communicating openly on performance and product safety.
- Contributing to Sustainability: Improving performance (including improvement in waste management, GHG emissions and the efficient use of resources), economic opportunities, and developing innovative solutions to societal challenges.

Key elements of the monitoring process are:

- Sustainability and Responsible Care Committee (SRCC): The SRCC sets the strategic direction and guiding principles for Responsible Care, and decides on and reviews key programs and issues, to further improve Borealis' approach to Responsible Care. The Committee ensures the availability of all information needed to take strategic decisions and the necessary resources to achieve objectives and targets. This Committee is chaired by the CEO and includes the whole Executive Board, the VP HSE&Q and the VP Sustainability & Public Affairs. The Committee periodically reviews the Group's Responsible Care

performance and monitors the implementation of Borealis' Responsible Care programs and initiatives.

- CEO: [ESRS 2-MDR-P.65c], [E1-2.24] The CEO owns the policy and is accountable for implementing Responsible Care, setting related targets and evaluating the results. The CEO also reports to the Supervisory Board on Borealis' Responsible Care performance against its targets, if needed.

[ESRS 2-MDR-P.65b], [E1-2.24] The policy applies to all Borealis entities and affiliates where Borealis' Executive Board decides if the policy applies. For entities where Borealis does not have direct management control, such as joint ventures, Borealis will work with the joint venture to ensure the key objectives of this policy are met through the locally directed management system.

The scope of the policy extends beyond Borealis' own operations. It also aims to drive improvement in chemical product safety and stewardship throughout the supply chain and to influence business partners to promote the safe management of chemicals within their own operations. It also emphasizes engaging stakeholders to understand and respond to their concerns and expectations for safer operations and products, as well as communicating openly on Borealis' performance and products.

The Responsible Care Policy indirectly addresses IROs by establishing values that align with Borealis' corporate strategy. For IROs related to GHG emissions, the strategic goals themselves serve as a de facto policy. These goals are further assessed through the management system (stated in the HSE Management System Policy - see below), which forms the basis for the annual strategy review. A more detailed description of the strategy is provided in [ESRS 2-SBM-1].

[ESRS 2-MDR-P.65d], [E1-2.24] The policy is aligned with the Responsible Care® Global Charter (RCGC), an industry initiative to promote safe chemicals management and excellence in HSE and sustainability. Borealis signed the RCGC in 2006 and the updated version in 2014. In the policy, Borealis also commits to managing the safety of chemical products in accordance with the expectations of the International Council of Chemical Associations' (ICCA) Global Product Strategy (GPS).

[ESRS 2-MDR-P.65f], [E1-2.24] Borealis communicates all its policies through internal channels, to ensure all employees are aware of and understand the content relevant for their work. Certain policies and certifications are also published on Borealis' website, including the Responsible Care Policy.

HSE Management System Policy

[ESRS 2-MDR-P.65a], [E1-2.24] This policy emphasizes Borealis' commitment to the highest standards of responsibility in its operations, to safeguard the environment, climate, assets, public health, and employee safety. It highlights Borealis' ambition to be a recognized leader in HSE performance within the industry and establishes the framework for an integrated HSE management system, which is required to fulfil this ambition.

The key objective of the policy is that each legal entity within Borealis establishes an HSE management system with identified owners for processes and documents, in line with the Responsible Care Policy.

[ESRS 2-MDR-P.65b], [E1-2.24] This policy applies to all Borealis' entities and affiliates. The scope of the integrated management system is described as: the design, development, manufacturing, and marketing and sales of polyolefin products, its compounds, olefins and base chemicals.

[ESRS 2-MDR-P.65c], [E1-2.24] The VP HSE&Q is accountable for implementing the HSE management system at Borealis and is responsible for:

- Ensuring that HSE management system requirements are established, implemented, maintained and continually improved;
- Reporting on HSE performance and the performance of the HSE management system to top management; and
- Promoting awareness of the Responsible Care Policy and HSE objectives at all levels of the organization.

[ESRS 2-MDR-P.65d], [E1-2.24] The policy incorporates the requirements of ISO 14001 for environmental management systems, ISO 50001 for energy management systems, and ISO 45001 for occupational health and safety management systems.

[ESRS 2-MDR-P.65a, e], [E1-2.24] Borealis' HSE management system is collaboratively developed with local HSE teams and key internal stakeholders, guided by a core team of subject matter experts. Borealis incorporates a thorough approval and review process before the official release of any processes and procedures. Additionally, each location has a designated individual responsible for overseeing the implementation and updates of these HSE practices, ensuring they are effectively rolled out and maintained across Borealis' operations. The HSE management system is integrated into the Borealis Management System (BMS), consisting of a Group BMS and local BMSs for each location, in the local language.

Energy Management System Policy

[ESRS 2-MDR-P.65a], [E1-2.24] This policy underscores Borealis' commitment to tackling climate change, achieving excellent energy performance and minimizing its environmental impact. The key objective of the policy is to implement an effective energy management system, in line with the Responsible Care Policy. [ESRS 2-MDR-P.65d], [E1-2.24] The policy describes how energy management is embedded in the organization to comply with ISO 50001 requirements for energy management systems and to deliver continuous energy improvements. The system involves daily monitoring of plant energy performance using dashboards and regular meetings to define and document corrective actions. Energy data is collected and validated through designated corporate tools, with accuracy ensured by calibration and review mechanisms. Performance is tracked using key performance indicators, normalization processes, and benchmarking against historical baselines, with results communicated to stakeholders and integrated into continuous improvement cycles.

[ESRS 2-MDR-P.65b, f], [E1-2.24] The locations to which this policy applies are published on the Borealis corporate website under "Standards & Certifications". The scope of the energy management system is aligned with the scope of the integrated management system, as described above. [ESRS 2-MDR-P.65c], [E1-2.24] The VP HSE&Q is accountable for implementing the energy management system at Borealis.

Commercial Operations for Energy, Utilities and CO₂ Emission Allowances Policy

[ESRS 2-MDR-P.65a], [E1-2.24] This policy highlights Borealis' commitment to growing the share of renewable energy within its energy consumption. Its key objective is to provide the required quantities of energy to Borealis' sites with the optimal combination of sustainability, security of supply, quality and cost. It describes different processes within energy sourcing, including renewable energy sourcing through PPAs and trading of emission allowances.

The requirement of the policy is monitored by financial impact, and the portfolio management of CO₂ emission allowances is monitored by the business unit's Energy and Utility team. The target for sourcing renewable energy reflects CO₂ accounting and is monitored in the Group's mid-term planning as Scope 2 emissions. Planning and forecasting are monitored on yearly basis.

[ESRS 2-MDR-P.65b], [E1-2.24] The policy covers Borealis' energy sourcing activities for all its Hydrocarbons and Polyolefin sites in Europe. [ESRS 2-MDR-P.65c], [E1-2.24] The SVP Base Chemicals is accountable for implementing the sourcing processes covered in this policy. [ESRS 2-MDR-P.65d], [E1-2.24] The policy is not aligned to any third-party standards.

Mergers and Acquisitions (M&A) Policy

[ESRS 2-MDR-P.65a], [E1-2.24] The objective of this policy is to outline the minimum requirements for the planning, approval and execution of M&A projects at Borealis. It also includes requirements around climate change mitigation and adaptation during an M&A project. According to the policy, the impact of M&A projects on Borealis' corporate carbon footprint, transition plan and climate change mitigation and adaptation risks needs to be assessed during due diligence. Evaluations are done during multiple phases of the M&A process and are reported in the approval process.

[ESRS 2-MDR-P.65b], [E1-2.24] The policy applies to the following M&A projects within Borealis:

- Acquisition of all or parts of the shares or assets of entities not under the control of Borealis;
- Divestments of Borealis-controlled tangible and intangible assets or shares; and
- Mergers involving contribution of shares or existing assets.

[ESRS 2-MDR-P.65c], [E1-2.24] The VP Strategy & Group Development is accountable for implementing the policy. Any material deviation from the procedure must be brought forward by the project owner and approved by the Executive Board.

[ESRS 2-MDR-P.65d], [E1-2.24] This policy does not refer to third-party standards.

Areas Addressed by Borealis' Policies

[E1-2.25a, b] The policies listed above positively contribute to climate change mitigation through improving energy efficiency and increasing renewable energy deployment. In addition, the Mergers and Acquisitions Policy requires the due diligence phase of an M&A project to assess its impact on Borealis' corporate carbon footprint, to define a transition plan and address risks related to climate change mitigation.

[E1-2.25c] The following policies address Borealis' approach to energy efficiency:

- Responsible Care Policy: Addresses energy efficiency as part of its commitment to continuously improving performance of Borealis' facilities, processes, and technologies.

- HSE Management Policy: Addresses energy efficiency by establishing a framework for an integrated health, safety and environmental management system.
- Energy Management Policy: Addresses energy efficiency by defining a process for an energy management system, with the goal to achieve continuous energy efficiency improvement. It includes process steps such as executing energy screenings, identifying significant energy uses and developing energy improvement potentials.

[E1-2.25d] The Commercial Operations for Energy, Utilities and CO₂ Emission Allowances Policy addresses renewable energy deployment by defining a process for sourcing renewable energy through PPAs.

[E1-2.25e] No other areas were identified.

DR E1-3 – Actions and resources in relation to climate change policies

[ESRS 2-MDR-A.68a-c], [E1-3.28], [E1-1.16b] The following tables describe Borealis' most-important decarbonization levers, along with their scope and their time horizon. For information on the relationship between targets and actions, see also [ESRS 2-MDR-T.80], [E1-4.32]:

General actions

Decarbonization lever	Key actions	Scope (Activity & Geography)	Status	Time horizon	Expected outcomes/Related Policy	Achieved outcomes/Progress
General actions	Set up a climate strategy implementation and governance team	Group	Implemented	2025	Coordinated efforts between several emission scopes over Borealis' value stream and long-term development. Related policy: Responsible Care Policy	Team has been set up under the lead of the VP Sustainability & Public Affairs and coordinates the implementation of Borealis' climate strategy
General actions	Implement a digital platform for reporting on climate and energy data, supporting the principle of single source of truth reporting	Group	Planned	2026	Transparent calculation and reporting on ESG parameters in an integrated tool across all sites, in line with ESRS requirements Related policies: HSE Management System Policy, Energy Management System Policy	First locations are being reported from new platform. Implementation ongoing.
	Expand scope of available product carbon footprints	Group	Implemented	2025	Development of advanced version of existing tool to create transparency for customers on the product carbon footprints for most grades produced by Borealis Related policies: Responsible Care Policy, HSE Management System Policy	More than 1,100 grades are now available in product carbon footprint tool
	Set internal Scope 3 sub-targets	Group	Partially implemented	2025	Scope 3 internal sub-targets for selected categories (see [E1-1.17] for further information) Related policy: Responsible Care Policy	Target for Scope 3 is based on sub-target calculations, but sub-targets are not explicitly set
	Finalize the analysis of the resilience of Borealis' assets, in relation to the physical, transitional and financial risks of climate change; define locations with significant risks	Group	Implemented	2025	Align on requirements of [E1-SBM-3.19a, AR 6]; Overview of the Borealis locations with assets at significant physical risk from climate change. Related policies: Responsible Care Policy,	Quantification of climate-related risks and expected damage for 20 assets in scope until 2100; no major risk for actual locations that would trigger

Decarbonization lever	Key actions	Scope (Activity & Geography)	Status	Time horizon	Expected outcomes/Related Policy	Achieved outcomes/Progress
					HSE Management System Policy	short-term actions for Borealis
	Assess feasibility of aligning with SBTi Chemical Sector Guidance (once final version is published)	Group	Planned	2026	Decision on implementation of SBTi Chemical Sector Guidance Related policy: Responsible Care Policy	Action is postponed due to delay in publication of SBTi Chemical Sector Guidance
	Assess economic potential of ISO14068 implementation	Group	Implemented	2025	Decision on implementation of ISO14068. Related policy: HSE Management System Policy	Decision was taken to not implement for the moment, due to lack of market demand
	Develop overall Scope 3 target and transition plan	Group	Partially implemented	2026	Overall Scope 3 target and transition plan Related policies: Responsible Care Policy	Roadmap on Scopes 1, 2 and 3 developed
	Determine the Group-wide carbon balance	Group	Planned	2026	Overview of how carbon enters the Group (attributed by amount, type and origin) and how it leaves the Group (CO ₂ emitted, stored, in products) as defined in applicable legislation. Related policies: Responsible Care Policy, HSE Management System Policy	Development not started due to business priorities
	Set up dedicated policy document for climate management	Group	Implemented	2026	Define policy document on climate management framed in Borealis Management system Related policies: Responsible Care Policy (and new Climate Management Policy)	Implemented and published in the Borealis Management System (applicable from 2026)

[ESRS 2-MDR-A.68a-c], [E1-3.28] Actions that lower Scope 1 and 2 emissions support the Responsible Care Policy and help meet mid-term reduction targets for these emissions. The scope for all Scope 1 and 2 actions is production sites under operational control.

[ESRS 2-MDR-A.68c], [E1-3.28] Sourcing renewable electricity and implementing energy efficiency projects are focus areas for 2030. Electrification of equipment requires significant CAPEX and, in some cases, technologies that are not yet commercially available. Therefore, electrification becomes a focus area only after 2030 and is currently in the investigation phase.

Scope 1

See [E1-1.16] for a description of each of Borealis' Scope 1 decarbonization levers. Specific actions relating to these levers are set out below:

Energy Efficiency

Energy efficiency optimization is the first lever for direct CO₂ emissions reduction. These actions are mainly focused on improving the performance of equipment that consumes steam or electricity. Examples include product compressor improvements (17 GWh per year final energy improvement and 3.8 kt CO₂e reduction) and reduced leakage from furnaces (13 GWh per year final energy improvement and 3 kt CO₂e reduction).

Improving energy recovery is also included in this lever, such as improved recovery of heat from the boiler stack (26 GWh per year final energy improvement and 5.9 kt CO₂e reduction), and

replacement of heat exchangers, which will save 20 GWh per year of final energy and 4 kt CO₂e per year.

Electrification

Electrification projects can reduce Scope 1 emissions by shifting from combustion of fossil fuels to use of power. For example, Borealis has investigated a potential project that is able to save 73 kt CO₂e per year by replacing the steam turbine of a product gas compressor with an electrical drive.

Replacing conventional fuel driven steam boilers with electrical boilers is a possibility. Borealis is investigating this option with a potential saving of 114 kt CO₂e per year. Replacing conventional cracker furnaces with electric furnaces can save up to 96 kt CO₂e per year.

Resource Efficiency

Avoiding flaring will reduce direct CO₂ emissions. This consists of multiple projects to avoid or reduce the amount of gas that is generated and needs to be flared. The full roadmap will save 25 kt CO₂e per year.

The following further efficiency projects were further realized in 2025:

- Steam consumption reductions in Schwechat (3,500 t CO₂e/year).
- Reactor pre-heating in Stenungsund (1,100 t CO₂e/year).
- Improvement to the chemical heat pump in Antwerp (930 t CO₂e/year).

Carbon Capture and Storage (CCS)

Borealis is investigating CCS to reduce the direct CO₂ emissions of multiple plants across Europe, for a total saving of 1,300 kt CO₂e per year. The solution will be used in pre-combustion or post-combustion applications.

Hydrogen and Biofuels

Borealis is investigating replacing fossil fuel with hydrogen at multiple places, with a reduction potential of 59 kt CO₂e per year.

Replacing fossil natural gas with biogas can reduce fossil CO₂ emissions, with a potential saving of 101 kt CO₂e per year.

Adding biogenic feedstock to cracker furnaces can potentially reduce CO₂ emissions by 45 kt CO₂e per year.

This lever also includes reducing emissions from shipping activity, which could save 100 kt CO₂e per year.

Scope 2

See [E1-1.16] for a description of each of Borealis' Scope 2 decarbonization levers. Specific actions relating to these levers are set out below:

100% Renewable Power

Borealis will continue setting up PPAs with suppliers, in combination with sourcing unbound Guarantees of Origin and Renewable Energy Certificates for renewable power. This will cover all sourced power by 2030, saving around 600 kt CO₂e per year. In 2025 a PPA was signed in Belgium for 120 GWh electricity.

Less CO₂-Intensive Purchased Steam and Heat

This lever consists of negotiating with suppliers of steam and heat, to obtain supplies that are less CO₂ intensive. Reduced consumption of sourced energy will also contribute to this lever; for example, increasing diameter of a suction line of a compressor will reduce final energy consumption by 33 GWh per year, saving 7 kt of indirect CO₂ emissions per year. Replacing a reboiler will save 26 GWh per year of final energy and 5 kt of indirect CO₂ emissions per year. Steam saving on butene columns will save 12 GWh per year of final energy and 3 kt of indirect CO₂ emissions per year.

Scope 3

See [E1-1.16] for a description of each of Borealis' Scope 3 decarbonization levers. Specific actions relating to these levers are set out below. See also [MDR-T.80a, b], [E1-4.32], [E1-4.33] for the relationship between targets and actions.

Reducing emissions of suppliers will lead to a net reduction of 3.3 Mt CO₂e per year by 2050. This includes moving to the use of regional emission factors and primary emission data, as well as selecting suppliers that follow an ambitious CO₂ emission reduction profile. In 2026, the focus will be to engage with the key feedstock suppliers in the EU and US to discuss their primary emission factors and to understand their climate transition plans as basis for a more accurate Scope 3.1 emission reporting to inform business decisions.

By implementing the strategy on circular products, Borealis is aiming to save 4 Mt CO₂e per year by 2050, in end-of-life treatment.

The emissions of customers processing Borealis' final products are expected to be reduced by a net 2.5 Mt CO₂e per year by 2050, due to global decarbonization trends.

Borealis is also expecting that transport will become fully decarbonized by 2050, reducing net emissions by 0.7 Mt CO₂e per year.

Financial Resources

[ESRS 2-MDR-A.69a], [E1-3.28] Borealis has access to a broad range of attractive funding instruments. To meet its financing needs in 2026 and beyond, Borealis will continue to explore various suitable financial instruments when needed, including sustainable finance options, aligning with its strategy. Additionally, Borealis maintains a robust and diversified liquidity position through its fully committed EUR 1 billion Syndicated Revolving Credit Facility (RCF), which remained undrawn at the year end.

[ESRS 2-MDR-A.69b], [E1-3.28] The amount of current financial resources allocated to implementing the Group's actions are included as aligned in the EU Taxonomy.

For the Group's total CAPEX refer to the Chapters "Capital Expenditure" and "Cash Flows and Liquidity Reserves" in the Financial Management Report and "Consolidated Cash Flow" in the Consolidated Financial Statements. For the Group's total OPEX refer to "Consolidated Income Statement" in the Consolidated Financial Statements.

[ESRS 2-MDR-A.69c], [E1-3.28] The amount of future financial resources allocated to implementing the Group's actions are shown by Scope below:

Scope 1

Borealis' focus until 2030 is on energy efficiency projects.

CAPEX allocated to decarbonization levers in Scope 1 until 2030:

Category	Amount (EUR thousand) ¹⁾
CAPEX (2026-2030)	60,328

1) Estimates from projects in study for implementation until 2030. Projects will be executed when economically feasible.

From 2030 to 2050, Borealis will invest in larger electrification and CCS projects as needed to reach net zero by 2050. Due to the preliminary status of these projects, Borealis is not publishing the related CAPEX.

Scope 2

No significant CAPEX has been allocated specifically for decarbonization levers in Scope 2 between 2025 and 2030.

Scope 3

No significant CAPEX has been allocated specifically for the Scope 3 actions.

Section [ESRS 2-MDR-A.68a], [E1-3.28] contains information on:

- [E1-3.29a] Key actions by decarbonization lever; and
- [E1-3.29b] Achieved and expected GHG emission reductions.

[E1-3.29c i] See [ESRS 2-MDR-A.69b], [E1-3.28b].

[E1-3.29c ii] Investments in the reporting year

On future investments, Borealis' activities in the area of base chemicals production are covered by "3.14 Manufacturing of Organic Chemicals" under the Taxonomy Regulation (Commission Delegated Regulation 2021/2139). By reducing the GHG emissions of its crackers and dehydrogenation plants in accordance with its transition plan, Borealis will reduce the emissions intensity of HVC production. By 2030, Borealis anticipates that approximately 50% of its turnover will align with these criteria, with the threshold defined in 2024.

Additionally, a key component of Borealis' growth strategy involves expanding its mechanical and possible chemical recycling activities, covered by "3.17 Manufacturing Plastics in Primary Form" under the Taxonomy Regulation. By enhancing its mechanical recycling operations, Borealis aims to increase the alignment of its plastic production activities with EU Taxonomy criteria.

Dependence of Availability and Allocation of Resources

[E1-3.AR 21] Borealis has access to a wide range of financing options, as described in [ESRS 2-MDR-A.69a], [E1-3.28].

Competitiveness in the international market, including the EU zone, is crucial for Borealis. To maintain its market competitiveness, Borealis can only invest in financially feasible projects and actions. To drive climate mitigation, a stable legislative framework and adequate CO₂ pricing schemes are therefore essential. This is particularly the case for the EU market but also relevant for international markets.

For circularity, R&D in mechanical and chemical recycling technologies that are economically feasible is key. Developing the market and increasing the supply of recycled materials is necessary (see chapter E5 for more information).

For electrification, stable power grids with sufficient supply of renewable electricity are important. Additionally, the development of CO₂ transportation grids and storage facilities is needed for CCS to be part of Borealis' transition plan.

Metrics and targets DR from ESRS E1

[ESRS 2-MDR-M.77a, b] Borealis evaluates its performance and effectiveness using the following metrics:

Metric	Unit	Methodology	Validation
Corporate carbon footprint (CCF)	GHG emissions (t CO ₂ e) ¹⁾	Borealis calculates its corporate carbon footprint following the GHG Protocol, taking into account all consolidated companies. Borealis' GHG reporting is in line with the requirements of ESRS, covering operational and financial boundaries. See [E1-6.AR 39b] for a detailed description.	There is no independent validation of the CCF calculation, other than from the assurance provider. Borealis has implemented a new reporting tool, which will enable it to evaluate the calculation through an independent third-party audit and potentially obtain certification of the calculation.
GHG intensity	t CO ₂ e/t production	CO ₂ e emitted by crackers operated by Borealis (in Porvoo, Finland, and Stenungsund, Sweden) and by the reactor section of the dehydrogenation plant (in Kallo, Belgium) is divided by the HVC (high value chemicals) volumes produced from these assets, excluding polyolefins.	The majority of the emissions is part of ETS system and is audited by independent verifiers. Also production amounts are audited as they are basis for free allocation in ETS.
Energy consumption and mix	MWh	Energy consumption is continuously monitored in Borealis' plants. The figures are processed locally and then uploaded each month to a Group environmental database, where they are aggregated to calculate the Group's monthly energy performance and allow follow-up of any variations. For smaller sites, where complete information on energy consumption was not available due to absence of metering, estimations and calculations were based on the available data, such as produced volumes. For each electricity origin, which is not claimed with a Guarantee of Origin, Borealis uses the published factor for the residual mixes of the grid, according to AIB. For the non-European locations, information from the database Ecoinvent© was used.	The validation of figures related to energy performance monitoring is part of the third-party ISO 50001 audit. Energy measures used for ETS reporting are described in the monitoring plan. These measurements are part of the yearly ETS verification audit.
Energy savings	GWh	For planned projects, the savings estimation is based on the business case calculation, compared with business as usual. There is no independent validation of the CCF	

Metric	Unit	Methodology	Validation
		calculation, other than from the assurance provider. Borealis is implementing a new reporting tool, which will enable it to evaluate the calculation through an independent third-party audit and potentially obtain certification of the calculation.	
Energy intensity	MWh/mn EUR	Energy intensity is calculated on ratio between total energy consumption & total net revenue, split based on NACE code is not available for 2025.	The validation of figures related to energy monitoring is part of the third-party ISO 50001 audit. Energy measures used for ETS reporting are described in the monitoring plan. These measurements are part of the yearly ETS verification audit. For the validation of the total revenue, please refer to the consolidated financial statements (see: consolidated income statements).

1) Disclosed in metric tons, kt CO₂e stands for thousand metric tons, Mt CO₂e stands for million metric tons

DR E1-4 – Targets related to climate change mitigation and adaptation

[ESRS 2-MDR-T.80a, b], [E1-4.32] and [E1-4.33] Borealis' target levels for GHG emissions are shown below, along with:

- [ESRS 2-MDR-T.80c], [E1-4.32] Their scope;
- [ESRS 2-MDR-T.80d], [E1-4.32] Their baseline values and base year;
- [ESRS 2-MDR-T.80e], [E1-4.32] The period for each target; and
- [ESRS 2-MDR-T.80j], [E1-4.32] The performance against disclosed target.

GHG reduction targets

Target	Scope	Baseline	2025 Performance	2024 Performance	Related policies	Actions
Limit ETS emissions to 1.510 Mt CO ₂ e in 2025	Europe, activities as defined in EU-ETS 1 for industry	n/a	1.404 Mt CO ₂ e	1.470 Mt CO ₂ e ³⁾	Responsible Care Policy	Process improvements for energy efficiency
Limit ETS emissions to 1.747 Mt CO ₂ e in 2026	ETS emissions Europe, activities as defined in EU-ETS 1 for industry	n/a	n/a	n/a		
Net Absolute Scope 1 & 2 emissions 2,056 kt CO ₂ e emissions in 2025 ⁴⁾	All Scope 1 and 2 - excluding emissions of Dehy II plant in Kallo and time leased ships. (77% Scope 1 and 23% Scope 2)	2019: 2.43 Mt CO ₂ e (65% Scope 1 and 35% Scope 2)	2.094 Mt CO ₂ e (68% Scope 1 and 32% Scope 2)	2.091 Mt CO ₂ e		Process improvements for energy efficiency, electrification by technology change, flaring reduction process improvements, integrating CCS, considering hydrogen & biofuels, sourcing renewable energy, purchase of less-CO ₂ intensive steam, other general actions (mainly management and strategy)
Net Absolute Scope 1 & 2 emissions of 1,920 kt CO ₂ e emissions in 2026	All Scope 1 and 2 - Excluding emissions of Dehy II plant in Kallo and leased ships (77% Scope 1 and 23% Scope 2)	2019: 2.43 Mt CO ₂ e (65% Scope 1 and 35% Scope 2)	n/a	n/a		
Net Absolute Scope 1 & 2 emissions of 2,416 kt CO ₂ e emissions in 2027	All Scope 1 and 2 - Including emissions of dehydrogenation plant II in Kallo and excluding	2019: 2.43 Mt CO ₂ e (65% Scope 1 and 35% Scope 2)	n/a	n/a		

Target	Scope	Baseline	2025 Performance	2024 Performance	Related policies	Actions
	emissions of leased ships (78% Scope 1 and 22% Scope 2)					
Achieve 2.0 Mt CO ₂ e emissions in 2030 ¹⁾	All Scope 1 and 2 ¹⁾ (Scope 1 88% and Scope 2 12%)	2019: 2.43 Mt CO ₂ e (65% Scope 1 and 35% Scope 2)	2,094 Mt CO ₂ e (68% Scope 1 and 32% Scope 2)	n/a		
Achieve net zero ²⁾ by 2050	All Scope 1 and 2 (market based)	2019: 2.43 Mt CO ₂ e (65% Scope 1 and 35% Scope 2)	2.211 Mt CO ₂ e (70% Scope 1 and 30% Scope 2)	n/a		

1) Excluding leased ships, since these were only moved from Scope 3 to Scope 1 in 2024, after the target-setting process was completed. // 2) Net zero means 90% reduction in GHG emissions and 10% neutralization through GHG removals. // 3) Updated after final verification EU // Scope 2 is always based on market-based calculation // Correction of published value

Energy Intensity and Efficiency Targets

Target	Scope	Baseline	2025 Performance	2024 Performance	Related Policies	Actions
Limit CO ₂ intensity to 0.7282 t CO ₂ e/t of HVC in 2025 Limit CO ₂ intensity to 0.7337 t CO ₂ e/t of HVC in 2026	Scope 1, Production of HVC in crackers and dehydrogenation plant I in Kallo Scope 1, Production of HVC in crackers and dehydrogenation plant I in Kallo	n/a	0.7472 t CO ₂ e/t HVC	0.754 t CO ₂ e/t HVC	Responsible Care Policy Energy Management Policy	Process improvements for energy efficiency, electrification by technology change, flaring reduction process improvements, integrating CCS, considering hydrogen & biofuels, sourcing renewable energy, purchase of less-CO ₂ intensive steam, other general actions (mainly management and strategy)
Limit CO ₂ intensity to 0.7337 t CO ₂ e/t of HVC in 2026	Scope 1, Production of HVC in crackers and dehydrogenation plant I in Kallo	n/a	n/a	n/a		
Implement projects in 2025 resulting in an expected 115 GWh annual energy savings	All sites within the ISO 50001 energy management system, as defined by internal policies and published on Borealis' website	n/a	Implemented projects in 2025 resulting in an expected 53 GWh annual saving	Implemented projects in 2024 resulting in an expected 35 GWh annual saving		
Implement energy savings of 10% of 2015 consumption, by 2030	All sites within the ISO 50001 energy management system, as defined by QUA2001 and published on Borealis' website	2015: consumption (12,700 GWh)	Borealis realized 6.0% savings of the 2015 energy consumption by the end of 2025	Borealis realized 5.5% savings of the 2015 energy consumption by the end of 2024		

Renewable Energy Targets

Target	Scope	Baseline	2025 Performance	2024 Performance	Related Policies	Actions
Source 40% renewable power by 2025	All sites, electricity sourced from public grids and private lines	n/a	60% by end of 2025	By end of 2024, Borealis already achieved >50% of renewable power sourced, well ahead of the 2025 target	Responsible Care Policy Commercial Operations for Energy, Utilities and CO ₂ Emission Allowances Policy	Sourcing renewable energy as a decarbonization lever, using PPAs as the main vehicle
Source 100% renewable power by 2030	All sites, electricity sourced from public grids and private lines	n/a	n/a			

Scope 1, 2 and 3 Targets

Target	Scope	Baseline	2025 Performance	2024 Performance	Related policies	Actions
Scope 1, 2 and 3 emissions at the same level (+/- 5%) in 2030 as 2019	Scope 1 + Scope 2 (market based) + Scope 3 (excluding Scope 3.15), (7% Scope 1; 1% Scope 2 and 92% Scope 3)	2019: 25.6 Mt CO ₂ e (6% Scope 1, 3% Scope 2 and 91% Scope 3)	32,826 Mt (5% Scope 1, 2% Scope 2 and 93% Scope 3)	n/a	Responsible Care Policy	<p>Collaboration with suppliers in value chain to assess supplier-specific emission factors and understand their net zero plans, as a basis to reflect in future supplier selection.</p> <p>Drive circularity together with customers, by innovation towards design for bioeconomy, for reuse, and for recycling.</p>

Yearly Targets

[ESRS 2-MDR-T.80f, g], [E1-4.32] Yearly targets (for example, targets related to ETS emissions and CO₂ intensity) are based on actual forecasts of production levels and planned actions for the upcoming year and are therefore not based on conclusive scientific evidence.

Mid-term Target (2030)

[ESRS 2-MDR-T.80f], [E1-4.32] Borealis' GHG emission reduction target for 2030 is based on the actions Borealis assumes will be economically feasible, considering its mid-term planning and the growing market demand for Borealis' products. [ESRS 2-MDR-T.80g], [E1-4.32] The target of 2 Mt for Scope 1 and 2 (market based) is not in line with the Paris Agreement. See [E1-4.34e, AR 26] for further information.

[ESRS 2-MDR-T.80i], [E1-4.32] Leased ships were moved from the Scope 3 GHG inventory to Scope 1 in 2024. However, they were not included in the Scope 1 and 2 GHG emission reduction targets.

A new target has been introduced based on the sum of Scope 1, Scope 2 (market based) and Scope 3 (excluding Scope 3.15).

Long-Term Target (2050)

[ESRS 2-MDR-T.80g], [E1-4.32] Borealis' net-zero Scope 1 and 2 target for 2050 is set in line with the goal of the Paris Climate Agreement to be net zero in 2050.

[ESRS 2-MDR-T.80h], [E1-4.32] All strategic targets have been approved by the SRCC (see [E1-2]) and were agreed with Borealis' Supervisory Board. The target of the Scope 3 roadmap has been shared with the Executive Board for endorsement, but was not yet discussed with the Supervisory Board.

[ESRS 2-MDR-T.80j], [E1-4.32]

Monitoring, Review and Performance Analysis of the Targets

Yearly targets

Target: Limit ETS emissions to 1.510 Mt CO₂e in 2025

- Monitoring: Borealis monitors its emissions by following the regulated framework, as set up by the local authority in line with EU legislation. Emissions are calculated monthly.
- Review: The target is reviewed by the Climate Coordination Team and is part of the HSE database.
- Performance analysis: Achievement in 2025 was slightly better than target due to reduced production volumes due to market restrictions.

Target: Limit CO₂ intensity to 0.7282 t CO₂e/t HVC production in 2025

- Monitoring: Three Borealis plants produce HVC: the crackers in Stenungsund (Sweden) and Porvoo (Finland), and the dehydrogenation plant in Kallo (Belgium). Their emissions are calculated monthly. Scope 1 emissions (both ETS and non-ETS emissions) are divided by the production of HVC.
- Review: The target is reviewed by the Climate Coordination Team and is part of the sustainability target embedded into the Group Scorecard.
- Performance analysis: Achievement in 2025 was slightly higher as target as result of technical issues and reduced production volumes due to market restrictions.

Target: Net Absolute Scope 1 & 2 (market based) emissions below 2.056 kt in 2025

- Monitoring: Based on annual corporate carbon footprint calculation. The majority of the Scope 1 emissions are part of the EU ETS system. Market-based Scope 2 emissions are calculated with the inclusion of attribution certificates. The target excludes emissions of Dehy II plant in Kallo and of time-leased ships.
- Review: The target is reviewed by the Climate Coordination Team and is part of the sustainability LTIP.
- Performance analysis: The target has not been achieved, primarily because Borealis is not surrendering Guarantees of Origin of renewable power in the regions where it has the highest CO₂ intensity/MWh impact. Borealis aims to surrender the Guarantees of Origin or renewable power bundled with supply of power.

Target: Source 40% renewable power by 2025

- Monitoring: Based on retirement of Attribute certificates (Guarantee of Origin in Europe and Renewable Energy Certificates outside Europe) for power sourced.

- Review: The target is reviewed by the Climate Coordination Team and is part of the internal target of the Base Chemicals business unit.
- Performance analysis: Achievement in 2025 was better than target, having reached 60% versus the target of 40%.

Targets: Implement 115 GWh of energy savings in 2025, and energy savings of 10% of 2015 consumption by 2030

- Monitoring: Borealis uses a dashboard that displays the energy improvements that are implemented to monitor its progress towards this target. Energy savings are expressed in terms of final energy savings per year, compared with a business-as-usual scenario. The savings are accumulated through to the end of 2030.
- Review: The Operations Leadership team reviews performance on a quarterly basis.
- Performance analysis: Target not achieved in 2025, implemented 53 GWh of energy savings in 2025. Resulting in 6.0% savings of the 2015 energy consumption by implementing energy savings projects from 2015 until end of 2025.

Mid-term target

Target: Achieve 2.0 Mt CO_{2e} emissions in Scope 1 and 2 by 2030

- Monitoring: Monitoring is partly based on the EU-ETS emissions scheme, with the addition of non-ETS emissions that are calculated based on information derived from each location on a monthly basis.
- Review: A yearly management review assesses the realization of measures in the roadmap to 2030.
- Performance analysis: In 2025 Scope 1 and 2 emissions were slightly lower than in the year 2024 due to the increased level of renewable power. One challenge Borealis is encountering is the significant increase in electricity-related emissions at locations where it currently cannot source renewable power, due to the deteriorating residual mix emission factor.

Keep Scope 1, Scope 2 (market based) and Scope 3 (excluding Scope 3.15) emissions at the same level (+/- 5%) in 2030 as 2019

- Monitoring: Based on CCF calculation.
- Review: A yearly management review assesses the realization of measures in the roadmap to 2030.
- Performance analysis: Not yet applicable, as the roadmap was developed in 2025, while performance will be started to be monitored in 2026. See also [E1-6.53-54].

Long-term target

Target: Achieve net-zero for Scopes 1 and 2 by 2050

- Monitoring: Emissions are calculated yearly.
- Review: The review process will start after achieving the mid-term target.
- Performance analysis: See mid-term target.

See the table in [ESRS 2-MDR-T.80b], [E1-4.32] for more information on target performance in 2025.

[E1-4.34a], [E14.AR 23] GHG emission targets are disclosed in absolute values, see the table in [ESRS 2-MDR-T.80a, b] for reference.

[E1-4.AR 24] Scope 1 and 2 (market based) emissions of the full Group are covered by the target, with exception of the emissions from ships leased on time bases. Borealis has forecasted Scope 3 emissions to 2050 but this is not an explicit target.

[E1-4.34b], [E1-4.AR 24] The targets include all Scope 1 and 2 emissions as reported under [E1-6], with the exception of leased ships, which were only moved from Scope 3 to Scope 1 in 2024. The Scope 1, 2 (market based) and 3 target include all categories except category 15 of Scope 3 emissions, as reported by Borealis. Both targets are reported under [E1-6].

The targets are gross targets, not including GHG offsetting, carbon credits, or avoided emissions as a means of GHG emission reduction. In the current roadmap, Borealis plans to achieve its targets with own and value chain actions; however, in case needed in future, Borealis will allow for 10% external GHG compensation [E1-7]. For further information on the potential use of carbon credits see [E1-7].

[E1-4.AR 25a] Borealis has chosen 2019 as its base year. This year is considered representative because it was the last year before the COVID-19 pandemic, without any major turnarounds at the Group's plants, and the plants were operating at design capacity. This base year also aligns with that of Borealis' majority shareholder, OMV. [E1-4.34c] More information on the base year and baseline values is disclosed in [E1-4.34a], [E1-4.AR 23].

[E1-4.AR 25b] In 2023, Borealis divested its Fertilizers, Melamine, and TEN business, prompting a recalculation of the base year emissions. This divestment is not considered to be a climate change mitigation action.

[E1-4.34e], [E1-4.AR 26] Borealis' Scope 1 and 2 reduction target for 2030 is currently not in line with limiting global warming to 1.5°C, as defined in the Absolute Contraction Approach by the Science Based Targets Initiative (SBTi) or the Chemicals Pathway by the One Earth Climate Model (OECM). This is due to rising demand for Borealis' products, including polyolefin solutions required for technologies driving the energy transition, as well as the slower than expected progress in recycling technologies and markets. However, Borealis' Scope 1 and 2 reduction ambitions are nearly aligned with the reduction requirements outlined in SBTi's Draft Chemical Sector Guidance.

Borealis' Scope 3 reduction targets are not in line with the Paris Agreement.

Borealis will work to further align its reduction targets with a 1.5°C pathway when the SBTi Chemical Sector Guidance is finalized.

The targets have not been externally assured.

[E1-4.34f] Expected decarbonization levers in the period to 2030 are mainly energy efficiency and use of renewable energy, while beyond 2030 electrification will be the major lever.

[E1-4.34f], [E1-4.AR 30a]

GHG Emission Reduction Targets for Scope 1 and 2:

	2019	2030 Business as usual	2030 target	2050 target
GHG Scope 1 [kt CO ₂ e]	1,569	2,995	2,000	Net zero for Scopes 1 and 2, including removals and offsetting. Gross zero is 90% reduction compared to the base year.
GHG Scope 2 market-based [kt CO ₂ e]	864			
Energy efficiency (Scope 1) [kt CO ₂ e]			-32	Borealis has adopted the "energy efficiency first" principle. The outcomes post-2030 will depend on technological developments, heat integration, and other opportunities. Being ISO 50001 certified, Borealis will identify these opportunities through energy efficiency screenings.
			-13	
Energy efficiency (Scope 2) [kt CO ₂ e]				
Electrification (Scope 1) [kt CO ₂ e]			0	-370
Resource efficiency (Scope 1) [kt CO ₂ e]			-6	-54
CCS (Scope 1) [kt CO ₂]				-1,272
Hydrogen & biofuels (Scope 1) [kt CO ₂ e]			-78	-377
Renewable power (Scope 2) [kt CO ₂ e]			-780	-780
Less CO ₂ -intense purchased heat and steam (Scope 2) [kt CO ₂ e]				-99
Other				

GHG Emission Reduction Target contribution for Scope 3:

	2019	2024	2030 target contribution	Expected level/reduction for 2050
GHG Scope 3 [kt CO ₂ e]	47,681	52,130	63,100	39,820
Scope 3 target (excluding 3.15) [kt CO ₂ e]	23,185	26,799	25,900	13,340
Supplier decarbonization action [kt CO ₂ e]			-2,800	-7,100
Customer decarbonization action [kt CO ₂ e]			-300	-2,400
EOL treatment (including biogenic content in products and circularity) [kt CO ₂ e]			0	-5,320
Others [kt CO ₂ e]			-655	-1,500
Growth ¹⁾			2,800	2,800

1) Growth activities will increase some Scope 3 categories temporarily (e.g. sourcing more material and more end of life emissions) // Borealis has set targets on Scope 1 + 2 (market based) + Scope 3 (excluding scope 3.15), table reflects the contribution of Scope 3 categories to this target.

[E1-4.AR 30b] Borealis monitors the development of new technologies and their respective technology readiness levels, to assess their potential inclusion in its climate transition plan.

The Group's roadmap on Scope 1 and 2 to 2050 includes CCS. While CCS is an established technology in other sectors, its application in the chemical industry is very new. [E1-4.AR 57a] The CO₂ stream envisaged for CCS originates from a combustion process. The sequestration aspect of CCS is still under development, and transporting CO₂ to storage sites also remains a technological challenge. [E1-4.AR 57b] Technology and type of storage to be selected depends on technological readiness, availability and commercial negotiation.

Additionally, Borealis aims to electrify crackers for the production of HVC. However, this technology has not yet been developed on a commercial scale.

[E1-4.AR 30c] Borealis did not develop roadmaps in line with different climate scenarios.

DR E1-5 – Energy consumption and mix

[E1-5.39], [E1-5.AR 34]: Non-renewable energy production and renewable energy production in MWh

- [E1-5.37a] Fossil sources, broken down by:
 - [E1-5.38a] Coal and coal products;
 - [E1-5.38b] Crude oil and petroleum products;
 - [E1-5.38c] Natural gas;
 - [E1-5.38d] Other fossil sources;
 - [E1-5.38e] Purchased or acquired electricity, heat, steam, or cooling from fossil sources;
- [E1-5.37b] Nuclear sources; and
- [E1-5.37c i-iii] Renewable sources.

Energy consumption and mix	2025	2024
(1) Fuel consumption from coal and coal products (MWh)	0	0
(2) Fuel consumption from crude oil and petroleum products (MWh)	7,767,845	8,241,476
(3) Fuel consumption from natural gas (MWh)	535,602	607,411
(4) Fuel consumption from other fossil sources (MWh)	0	0
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	1,680,536	1,993,289
(6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	9,983,983	10,842,176
Share of fossil sources in total energy consumption (%)	83	85
(7) Consumption from nuclear sources (MWh)	217,016	226,483
Share of consumption from nuclear sources in total energy consumption (%)	2	2
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	0	0
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	1,860,872	1,636,567
(10) Consumption of self-generated non-fuel renewable energy (MWh)	3,639	3,722
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	1,864,511	1,640,289
Share of renewable sources in total energy consumption (%)	15	13
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	12,065,511	12,708,948

[E1-5.40], [E1-5.41], [E1-5.AR 36a-e], [E1-5.42] The sector used to calculate energy intensity associated with activities in high climate impact sectors is C.20.16 - manufacture of plastics in primary forms.

[E1-5.AR 37] Energy intensity

Energy intensity per net revenue	2025	2024
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/mn EUR) ¹⁾	1,589	1,619

1) Split based on NACE code is not available for 2025. Intensity is calculated on total revenue and total energy consumption.

[E1-5.43], [E1-5.AR 38] Reconciliation to the relevant line item or notes in consolidated financial statements of net revenue from activities in high climate impact sectors:

	2025	2024
Total net revenue (EUR thousand) (consolidated financial statements) ¹⁾	7,591,833	7,851,864

1) Split based on NACE code is not available for 2025. Intensity is calculated on total revenue and total energy consumption.

DR E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions

[E1-6.AR 39b] Borealis calculates its corporate carbon footprint following the GHG Protocol, taking into account all consolidated companies. Borealis' GHG reporting is in line with the requirements of ESRS, covering operational and financial boundaries.

[E1-6.AR 43c, e] The calculation includes EU ETS emissions, which totaled 1,403,687 t CO₂e, in 2025, equating to 91% of total Scope 1 emissions.

[E1-6.AR 43c, b] The Group uses a broad range of emission factors, which are a means to calculate the GHG emissions produced by a given source. Each EU member state has its own emission factors, so natural gas use in Austria, for example, would have the specific Austrian emission factor applied to it. Other emission factors are standard factors from scientific literature or inventories, or are measured by a certified laboratory. All EU ETS emission factors are permitted and approved by the relevant authorities.

[E1-6.AR 39b] Scope 1 involves direct emissions from Borealis' sites and includes internally generated power and steam (before furnaces) and flaring, which make up a large part of Borealis' Scope 1 emissions. Borealis takes into account all greenhouse gases in the Scope 1 calculation, as defined in the GHG Protocol (CO₂, N₂O, SF₆, HFC, PCF and CH₄).

Scope 2 emissions involve indirect CO₂e emissions caused by Borealis' consumption of externally generated electricity, external steam and energy that the Group purchases and brings into its facilities from other sources. It is expressed as market-based or location-based emissions, as defined in the GHG Protocol. Some emissions from energy (Scope 2 – market-

based) can only be estimated when data from suppliers are final, at the end of Q1 of the following year.

Borealis uses general mass- and spend-based emissions factors to calculate Scope 3 emissions. In future reporting, the Group will strive to include supplier and customer-based emission factors, when they become available. The Group's first interaction on the topic is planned at the earliest in 2026, with key feedstock suppliers (see [ESRS 2-MDR-A.68a], [E1-3.28]).

[E1-6.AR 43a, c] Borealis' GHG emissions from stationary combustion, mobile combustion, process emissions and fugitive emissions are shown in table [E1-6.44-52].

[E1-6.AR 43c] The Group does not report direct biogenic CO₂ emissions because biomass in the feedstock is mostly allocated to the product using ISCC mass balancing. The remaining direct biogenic CO₂ emissions, for example from the biodiesel share of fuels used for the Group's car fleet, are negligible in 2025.

[E1-6.AR 43c, d] Removals, carbon credits or GHG allowances were not included in the GHG inventory.

[E1-6.47] Emissions of the Fertilizers, Melamine and TEN division were originally included in the base year emissions. As this part of the organization was divested, these emissions have been fully excluded from the base year emissions.

[E1-6.44-52], [E1-6.48], [E1-6.AR 43-44], [E1-6.49], [E1-6.AR 45], [E1-6.51], [E1-6.AR 46], [E1-6.52], [E1-6.AR 47] Gross Scope 1, 2 and 3 and total GHG emissions in t CO_{2e}.

	Retrospective				Milestones and target years			
	Base year (2019)	2024	2025	% N / N-1	2025	2030	2050	Annual % target / Base year
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (t CO _{2e})	1,569,016	1,599,059	1,536,798	96%	n/a	n/a	n/a	n/a
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	99%	91.7%	91%	94%	n/a	n/a	n/a	n/a
Scope 2 GHG emissions								
Gross location-based Scope 2 GHG emissions (t CO _{2e})	632,454	870,919	548,267	63%	n/a	n/a	n/a	n/a
Gross market-based Scope 2 GHG emissions (t CO _{2e})	863,800	858,264	674,038	79%	n/a	n/a	n/a	n/a
Gross scope 1 and market-based Scope 2 GHG Emissions (t CO_{2e})	2,432,816⁴⁾	2,457,323	2,210,835	90.0%	n/a	2,000,000	n/a	1.52%
Significant Scope 3 GHG emissions								
Total Gross indirect (Scope 3) GHG emissions (t CO _{2e})	47,681,047 ²⁾	52,129,991 ²⁾³⁾	63,679,632	122%	n/a	n/a	n/a	n/a
1 Purchased goods and services	8,124,272 ²⁾	9,623,244 ²⁾	10,314,309	107%	n/a	n/a	n/a	n/a
Optional sub-category: Cloud computing and data center services	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2 Capital goods	343,390	382,856 ¹⁾	376,691	98%	n/a	n/a	n/a	n/a

	Retrospective				Milestones and target years			
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	145,896	104,161	134,054	129%	n/a	n/a	n/a	n/a
4 Upstream transportation and distribution	324,194	1,067,890	580,560	54%	n/a	n/a	n/a	n/a
5 Waste generated in operations	128,430	82,130	65,421	80%	n/a	n/a	n/a	n/a
6 Business traveling	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
7 Employee commuting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
8 Upstream leased assets	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
9 Downstream transportation	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
10 Processing of sold products	2,366,726	4,143,546	4,963,558	120%	n/a	n/a	n/a	n/a
11 Use of sold products	n/a	844,014	2,052,050	243%	n/a	n/a	n/a	n/a
12 End-of-life treatment of sold products	11,752,165	10,551,266	12,128,671	115%	n/a	n/a	n/a	n/a
13 Downstream leased assets	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
14 Franchises	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
15 Investments	24,495,977	25,330,884 ³⁾	33,064,319	131%	n/a	n/a	n/a	n/a
Total GHG emissions								
Total GHG emissions (location-based) (t CO ₂ e)	49,882,517 ²⁾	54,599,969 ²⁾³⁾	65,764,697	120%	n/a	n/a	n/a	n/a
Total GHG emissions (market-based) (t CO ₂ e)	50,113,863 ²⁾	54,587,314 ²⁾³⁾	65,890,467	121%	n/a	n/a	n/a	n/a

1) Correction done on reporting of IFRS16 investments, allocated to scope 3.2 // 2) Correction of emission factors // 3) Correction due to underreporting of investments // Correction compared to Annual Report 2024

The calculation excludes biogenic emissions of CO₂ from the combustion or biodegradation of biomass [E1-6 .AR 43c].

[E1-6.50] Scope 1 and 2 emissions, split into Consolidated Group and not fully consolidated entities with operational control.

	Scope 1	Scope 2 (market-based)	Scope 2 (location-based)
Consolidated Group	1,536,740 t CO ₂ e	673,981 t CO ₂ e	548,210 t CO ₂ e
Not fully consolidated entities with operational control	57.4 t CO ₂ e	56.9 t CO ₂ e ¹⁾	56.9 t CO ₂ e

1) Due to limited data availability for Scope 2 emissions the methodology for market and location based is equal

[E1-6.AR 45d] Borealis has the following contractual instruments related to the purchase of energy:

Borealis has engaged in multiple power purchase agreements that are 100% based on a combined delivery of power and attribute certificates (physical PPA). In total, the company will for 2025 surrender energy attribute certificates for 1,867,585 MWh. In Europe this is following the attribution with Guarantees of Origin as defined in Art 19 of Directive 2018/2001 (Red II). This accounts for 1,849,407 MWh of which 82.5% were bundled (combined with contractual power delivery) and 17.5% unbundled (only delivery and surrendering of certificate on offtake point)

For 18,178 MWh of renewable energy certificates were claimed outside Europe (as defined by I-REC foundation). In total 1,633,159 MWh energy attribute certificates were used of renewable energy, the remaining were from non-renewable production of power.

[E1-6.AR 45e] Emissions for Scope 2 market-based approach are reported in fossil CO_{2e} and biogenic CO₂ emissions.

[E1-6.AR 46g] When calculating Scope 3 emissions, most activity data is retrieved from the Group's ERP, energy reporting (ISO 50001) and environmental reporting (ISO 14001) systems.

Emission factors are applied using the following hierarchy of accuracy:

- Supplier- or customer-based emission factors (primary data);
- Mass-based average emission factors from internationally recognized data sources, such as Ecoinvent®, Sphera and GLEC;
- Spend-based average emission factors from an internationally recognized data source (DBEIS); and
- Estimates based on reference plants.

The share of emissions calculated using supplier- and customer-based emission factors (primary data) is 0%.

[E1-6.AR 46i] For Borealis, the following Scope 3 categories (out of 15 listed in the GHG Protocol) are material and therefore included in the calculation under the GHG Protocol:

- 1 Purchased goods and services;
- 2 Capital goods;
- 3 Fuel and energy-related activities not included in Scope 1 or 2;
- 4 Upstream transportation and distribution;
- 5 Waste generated in operations;
- 8 Upstream leased assets;
- 10 Processing of sold products;
- 11 Use of sold products;
- 12 End-of-life treatment of sold products; and
- 15 Investments.

Categories 6, 7, 9, 13 and 14 are not included in the calculation, as they are not material for Borealis.

[E1-6.AR 46j] Biogenic CO₂ emissions are calculated over the value chain.

High-level estimates of biogenic emissions, where data is available, are shown below:

Biogenic emissions (kt CO ₂)		2025	2024
Scope 1		0	0
Scope 2	Location based	71	267
Scope 2	Marked based	89	179
Scope 3	Category 1 ¹⁾	113	96
	Category 5	0.686	1
	Category 10	0.485	0.423 ²⁾
	Category 11	25.438	n/a
	Category 12	42.232	29

1) No biogenic emissions factors for spend-based calculation methodology available // Correction of reporting unit

[E1-6.AR 46h] **Scope 3 Category 1**

For calculating Scope 3.1 emissions, the following sources are used:

- Procurement records: All purchases by Borealis are linked with the applicable emission factors (spend- or mass-based). This accounts for approximately 2% of overall Scope 3 emissions.
- ERP system: Feedstock (cracker feed, monomer and polymer) sourcing data is primarily multiplied by mass-based emission factors. This accounts for approximately 20% of overall Scope 3 emissions.

Scope 3 Category 2

Data is retrieved from Group Accounting for CAPEX investments (including IFRS16) over the year. The amount (in EUR) is multiplied by a spend-based emission factor.

Scope 3 Category 3

Energy data from the energy management system (ISO 50001 certified) is multiplied by appropriate emission factors from the IEA or other sources, on a country basis. This calculation includes transmission losses and indirect emissions.

Scope 3 Category 4

Emissions from the transport of feedstock and final products are calculated based on registered movements of products, using tons and distance. Additionally, 3% of Scope 3.1 emissions are added to Scope 3.4 to account for the transportation of other supplied goods.

Scope 3 Category 5

Waste data from the environmental management system (ISO 14001 certified) is multiplied by appropriate emission factors. This also includes emissions from wastewater disposal.

Scope 3 Category 10

Information from the sales department (ERP system) reflects sold products. Each product family is split based on the conversion technology used by customers, and amounts are multiplied by the applicable emission factors of the technology. This includes polymer products imported from

affiliates. The amount of hydrocarbon products sold to customers is retrieved from the sales department (ERP system) and multiplied by an estimated emission factor, based on external databases and internal expert know-how.

Scope 3 Category 11

Sales amounts of fuels are retrieved from the sales department (ERP system) and multiplied by the specific emission factor. When fuels are attributed as biogenic, the emissions are reported as biogenic CO₂. When polymers are used in applications, where CO₂ is generated from the direct use of plastic, the amount retrieved from the sales department (ERP) is multiplied by the applicable emission factor.

Scope 3 Category 12

The Group calculates Scope 3 category 12 (end-of-life treatment of sold products) based on the recycled and biogenic content of its products. This conservative and transparent approach, known as the circular product offering cut-off methodology, means that Borealis does not rely on the efforts of other organizations to achieve net zero or drive its circularity, as it assumes the burden of recycling and end-of-life emissions in its own GHG calculation.

Scope 3 Category 15

A major part of Borealis' Scope 3 emissions falls into category 15 (investments). This includes the Group's stake in Borouge, as a result of which 36% of Borouge's Scope 1, 2 and 3 emissions are taken into account. Borouge's Scope 3 emissions are extrapolated by using the same ratio of Scope 3 to the total of Scopes 1 and 2 as Borealis, while excluding category 15. A similar approach is taken for Borealis' financial stake in Baystar™ in Texas, US, where Borealis owns 50% of the shares.

[E1-6.53-54], [E1-6.AR 53] Disclosure of GHG emissions intensity (total GHG emissions per net revenue)

GHG emission intensity		2025	2024
Scope 1	kg CO ₂ e/EUR	0.202	0.204
Scope 1+2 Location based	kg CO ₂ e/EUR	0.275	0.315
Scope 1+2 Market based	kg CO ₂ e/EUR	0.291	0.313
Scope 1+2 Location based + Scope 3	kg CO ₂ e/EUR	8.663	6.953 ¹⁾
Scope 1+2 Market based + Scope 3	kg CO ₂ e/EUR	8.679	6.952 ¹⁾

1) Correction due to underreporting of investment

[E1-6.AR 55] The reconciliation of the net revenue used to calculate GHG intensity to the relevant line item or notes in the consolidated financial statements is as follows:

Net revenue used to calculate GHG intensity (EUR thousand)	7,591,833
Net revenue (other)	0
Total net revenue (in consolidated financial statements) (EUR thousand)	7,591,833

DR E1-7 – GHG removals and GHG mitigation projects financed through carbon credits [E1-7.60], [E1-7.61b] Borealis is fully committed to reducing the carbon footprint of its operations and to achieving net zero for Scopes 1 and 2 (market based) by 2050 or sooner. Borealis will limit GHG neutralization to 10% of its current base-year emissions; however, in the current GHG roadmap carbon offsetting and carbon credits are not planned and are seen as a last resort in case direct emission reduction actions would be delayed. The current roadmap for Scope 1 and 2 emissions does not foresee additional GHG neutralization. If needed (for neutralization of residual or hard to abate emissions) this will be achieved through purchasing high-quality GHG removal credits from recognized providers or generating GHG removals within Borealis' own operations through BECCS (bioenergy with carbon capture and storage).

DR E1-8 – Internal carbon pricing

[E1-8.62], [E1-8.63a] Borealis has an internal carbon pricing scheme, which uses a shadow price to reflect future ETS prices and drive the financial benefit of projects that reduce CO₂ emissions covered in the ETS system. [E1-8.63c] Borealis uses CO₂ forecast prices, following a base scenario. The base carbon scenario process is informed by the IEA's Announced Pledges Scenario, the IEA's Stated Policies Scenario (STEPS) and other external and market analyses, while the "net zero emissions by 2050" case prices are largely based on the IEA's net zero emissions by 2050 (NZE) scenario. Internal carbon pricing has not been validated by a third party.

[E1-8.63b, d] Scope of internal carbon pricing scheme

Internal Carbon Prices

Types of internal carbon prices	Volume at stake (Mt CO ₂ e)	Prices applied (EUR/t CO ₂ e)	Perimeter description
CAPEX shadow price	1.403	129-162	EU-ETS

Only ETS emissions (part of Scope 1) are covered by internal carbon pricing.

[E1-8.63d] Percentage of GHG emissions covered by the internal carbon pricing scheme

	CAPEX shadow price
GHG Scope 1	91%

Borealis has no internal pricing for Scope 2 emissions (0%).

[E1-8.AR 65] Based on the planning data, Borealis will need to purchase additional emission certificates from 2028 onward. These costs, following the assessment described in [E1-8] are incorporated into the Mid-Term Plan (MTP) 2025-2030 and allocated to the respective cash generating units for the impairment test. Furthermore, Borealis' management projects higher margins starting from 2028, to partly offset carbon-related expenses.

ESRS E2 Pollution

Every Borealis polyolefin (PO) production site produces microplastics in the form of plastic pellets. Microplastics also occur as flakes, powder, “angel hair” and dust. Microplastics are usually smaller than 5 mm and can accumulate in the environment because they are not biodegradable. This accumulation is causing growing concern about the potential long-term negative impacts on both ecosystems and human health.

Impact, risk and opportunity management

DR E2-1 – Policies related to pollution

[ESRS 2-MDR-P.65a], [E2-1.14], [E2-1.15a] Most microplastics Borealis produces leave its production sites as products, which are packaged within primary containment. A loss of primary containment incident may result in microplastics being unintentionally emitted to the environment, which could result in pollution to air, water and soil. Borealis has identified this as a negative material impact, which it manages through its Responsible Care Policy.

Responsible Care Policy

Responsible Care is the chemical industry’s standard for HSE management. Borealis is a signatory of the Responsible Care Global Charter, which sets out several commitments for managing chemicals safely, and has established its Responsible Care Policy to meet these commitments. The policy obliges the Group to continuously monitor and improve its HSE management performance, and includes guiding principles for Group-wide implementation. Borealis has an Integrated Management System (IMS), which is aligned with the ISO 14001 standard, and is an integral part of the Responsible Care Policy.

The IMS incorporates the requirements of the Operation Clean Sweep (OCS) Standard. OCS is a voluntary industry initiative, specifically designed to reduce and prevent plastic pellet, flake, or powder loss to the maximum extent. It applies throughout the plastics value chain, from production to handling and transport, committing participants to best practices when handling plastic pellets, and requiring external certification of compliance with the standard. [E2-1.15c] By following the Group’s operational instruction on the OCS Standard, Borealis’ PO sites can avoid incidents and emergency situations regarding unintentional loss of plastic pellets, and control and mitigate any losses that do occur.

The key content and objectives of the policy include:

- Deploying the OCS Standard at all of Borealis’ PO sites;
- Obtaining external OCS certification of all PO sites in Europe (recycling plants are currently excluded from the certification process);
- Implementing the following pellet loss hierarchy, as a guiding principle for avoiding pellet spills to the environment:
 - Zero loss of pellets from primary containment;
 - Mitigation of impacts in case of pellet spills; and
 - Cleaning up spillage to prevent unrecoverable pellet loss to the environment;
- Implementing the six key OCS requirements at every PO site, which are:
 - Improving the worksite setup, to prevent and address pellet spills;
 - Creating and publishing internal procedures to achieve zero pellet loss;
 - Providing employee training and accountability for spill prevention, containment, clean-up and disposal;
 - Auditing performance regularly;

- Complying with all applicable local and national regulations governing pellet containment; and
- Encouraging partners to pursue the same objectives.

Every location is also required to establish and annually review a risk management plan. The plan includes protocols and procedures to prevent and address spills, for example:

- Preventive measures, such as preventive maintenance and double sealings;
- Containment measures, such as catch trays and housings; and
- Cleaning or reaction measures, including vacuum cleaners and street sweepers.

This plan also sets out responsibilities, actions, timeframes and documentation in case pellets are found outside the designated primary containment, so it is clear:

- Who is responsible;
- Who takes care of the cleanup and how; and
- Who reports and follows up within Borealis and externally, for example with the authorities.

Each location conducts internal audits according to its internal audit plan. External audits are performed annually, with compliance is confirmed through certification.

Scope and Implementation of the Responsible Care Policy

[ESRS 2-MDR-P.65b], [E2-1.14] The Responsible Care Policy covers all Borealis entities and affiliates that process, handle or manage polyolefins (PO sites). Newly acquired entities follow an integration plan, which includes implementing Responsible Care and the OCS Standard.

[ESRS 2-MDR-P.65c], [E2-1.14] The Chief Executive Officer (CEO) owns the policy and is therefore accountable for implementing it and the OCS Standard at all PO sites. [ESRS 2-MDR-P.65d], [E2-1.14] The policy is aligned to the third-party standards described in [ESRS 2-MDR-P.65a], [E2-1.14] [E2-1.15a].

Consideration of Stakeholders' Interests

[ESRS 2-MDR-P.65e], [E2-1.14] In setting its Responsible Care Policy, Borealis considered the interests of key stakeholders in the form of its owners, through consultation with the SVB, and its employees, through consultation with members of the Works Council Vienna.

The OCS Standard is administered by a steering committee that consists of the European Commission, representatives of EU member states, and NGOs, and therefore takes account of their interests and views.

[ESRS 2-MDR-P.65f], [E2-1.14] Within Borealis, the OCS Standard is implemented in the Group-wide management system and translated to local languages and contexts to be accessible for affected employees. Affected employees are trained on how to comply with the OCS Standard.

The policy is not accessible for external stakeholders.

Integration with Borealis' Management System

Borealis' management system consists of five levels. The first level sets the framework for the area. Environment, Health & Safety and Product Stewardship are all covered in the Responsible Care Policy, as well as in the handbook (level 2) called "HSE Management System". Level 3 describes processes, and level 4 contains instructions. Level 5 covers meeting charters.

DR E2-2 – Actions and resources related to pollution

[ESRS 2-MDR-A.68a-c, e], [E2-1.18] The table below shows key actions taken and planned, along with their scope and time horizons, outcomes, policies and progress. See also [ESRS 2-MDR-T.80], [E2 3.22] for the relationship between targets and actions:

Category	Key Actions	Scope (Activity & Geography) ¹⁾	Status	Time Horizon	Expected Outcomes / Related Policy	Achieved Outcomes / Progress
Certification	Achieve or maintain the external OCS certification	Borealis Antwerpen N.V. – Belgium	Successful external audit 13.10.2025	1.1.2025 to 31.12.2025	The OCS program is aimed at prevention and all actions are focused on avoiding plastic pellets leaking into the environment.	Compliance achieved. However, zero pellet loss has not been achieved so far, and all OCS activities therefore fall into the "reduce pollution" category.
		Borealis Polymers N.V. – Belgium	Successful external audit 18.11.2025			
		Borealis Polymere GmbH – Germany	Successful external audit 06.10.2025			
		Borealis Plastomers B.V. –The Netherland	Successful external audit 04.03.2025			
		Borealis Kallo N.V. – Belgium	Successful external audit 14.10.2025			
		Borealis Polyolefine GmbH – (Linz) Austria	Successful external audit 07.10.2025			
		Borealis Italia S.p.A. – Italy	Successful external audit 17.11.2025			
		Borealis Polymers Oy Porvoo – Finland	Successful external audit 19.09.2025			
		Borealis Polyolefine GmbH – (Schwechat) Austria	Successful external audit 08.10.2025			
		Borealis AB – Sweden	Successful external audit 07.05.2025			

1) The key actions are focused on Borealis' own operations at its polyolefin production sites worldwide, where it has operational control.

[E2-2.AR 13] Borealis believes there is negligible risk of microplastics emissions upstream of its own operations. The only plastic material the Group sources is post-consumer waste for its

recycling plants, which it receives in pieces substantially larger than the maximum of 5 mm for classification as a microplastic.

Borealis has therefore not taken action related to pollution occurring in the upstream value chain, other than conducting regular supplier assessments and ratings by external providers, covering pollution-related criteria. None of Borealis' actions in relation to microplastics extend to the downstream value chain.

[ESRS 2-MDR-A.69a] All actions for OCS in 2025 were either small investments or without cost and therefore none of the actions, individually or cumulatively, exceeded the EUR 2.5 million threshold.

DR E2-3 – Targets related to pollution

[ESRS 2-MDR-T.80a-e, j], [E2 3.22]

Target	Scope	Baseline	2025 Performance	2024 Performance	Policies	Actions
Target 1: Obtain and maintain external OCS certification of PO sites for 2025 (by successfully passing the yearly external re-certification audit)	Europe (excluding recycling facilities), all activities related to processing and handling plastic pellets	2024: 9	10	9	OCS Standard: This target relates to the policy objective of mitigating impacts if pellet loss occurs. It links to Borealis' key objective, which is to reduce the emission of plastic particles to the environment to the maximum extent.	All Sites in scope OCS certified, with necessary (individual) requirements fulfilled
Target 2: Total number of pellet spills to the environment is no more than 1 per PO site per year	Global, all activities related to processing and handling plastic pellets	2024:7	5	7	OCS Standard: The target links to Borealis' key objective, which is to reduce the emission of plastic particles to the environment to the maximum extent.	OCS certified with requirements fulfilled (see target above); OCS process initiated for non-European sites

Borealis has not set pollution-related targets covering the upstream and downstream value chain.

[ESRS 2-MDR-T.80f], [E2-3.22] The methodologies and assumptions used to define the targets are described below. Both targets have been evaluated and finalized by a steering committee of Borealis' senior managers, and were approved and set into force by the highest management body for operations.

Target 1: The data collection for this target is based on the number of OCS certificates issued by external certification bodies.

Target 2: The data collection for this target is based on apparent non-conformities with site-specific OCS procedures observed and documented during off-site inspections by local OCS teams, and the observations of all site personnel, contractors and neighbors.

[ESRS 2-MDR-T.80i], [E2-3.22] The targets were set in 2024, and Borealis has not changed its targets, metrics or methodologies. The Group reviews its methodologies for accuracy and alignment with evolving scientific and regulatory standards, when new insights emerge. It then assesses and integrates them into its practices as appropriate, with the start of a new year in line with the business processes and score cards.

[ESRS 2-MDR-T.80g], [E2-3.22] The targets for minimizing pellet loss from primary containment and pellet spills to the environment from Borealis' own operations are not based on conclusive scientific evidence. Instead, they were established through internal benchmarking and baselining, and considering industry best practices and achievable levels, based on existing technologies and operational improvements. [ESRS 2-MDR-T.80h], [E2-3.22] No stakeholders were directly involved in the target setting process.

[ESRS 2-MDR-T.80j], [E2-3.22] The Group's performance against its targets is set out below. Borealis monitors performance through quarterly on-site meetings of local OCS teams. The Group reviews its targets annually in its management reviews, as part of the integrated environmental management system, and makes adjustments based on performance trends and operational developments.

PO site	Target 1: External OCS (re-) certification
Borealis Antwerpen N.V.	done
Borealis Polymers N.V.	done
Borealis Polymers GmbH	done
Borealis Kallo N.V.	done
Borealis Plastomers B.V.	done
Borealis Polymers Oy	done
Borealis Italia S.p.A.	done
Borealis Polyolefins GmbH (Linz)	done
Borealis Polyolefins GmbH (Schwechat)	done
Borealis AB	done

Target 1 was achieved as one location could achieve certification in 2025 and all other sites successfully passed their re-certification audits.

PO site	Target 2: Number of spills
Borealis Antwerpen N.V.	0
Borealis Polymers N.V.	1
Borealis Polymers GmbH	0
Borealis Kallo N.V.	0
Borealis Plastomers B.V.	0
Borealis Brasil S.A.	0
Borealis Polymers Oy	1
Borealis Italia S.p.A.	0
Borealis Polyolefins GmbH (Linz)	0
Borealis Polyolefins GmbH (Schwechat)	2
Borealis AB	0

PO site	Target 2: Number of spills
Borealis Compounds Inc. (Port Murray & Taylorsville)	1
Ecoplast Kunststoffrecycling GmbH	0
mtm plastics GmbH	0

Target 2 was not achieved as one site had two spills.

[E2-3.23a-c] Neither target relates to air pollutants and respective specific loads. Target 1 does not apply to emissions to water and respective specific loads, or pollution to soil and respective specific loads.

Target 2 relates to both emissions to water and respective specific loads and pollution to soil and respective specific loads, since it aims to reduce plastic pellet spills to the environment. Microplastics tend to accumulate in environmental compartments, including water and soil, due to their lack of biodegradability.

[E2-3.23d] As mentioned under [ESRS.2-IRO-2.58], substances of concern and substances of very high concern are not material for Borealis.

[E2-3.25] All of the targets related to pollution are voluntary.

DR E2-4 – Pollution of air, water and soil

[ESRS 2-MDR-M.77a, b], [ESRS 2-MDR-M.75] The metrics listed below relate to the identified material impact of unintentional pellet loss from Borealis' operations. More information can be found in chapter [ESRS 2-SBM-3.48a].

Metric	Unit	Definition	Methodology	Validation
Number of spills	Number	The number of pellet spill incidents, which is an incident that leads to any accidental or unplanned release of more than 0.5 kg of pellets from primary containment or the recovery system, into the environment outside of the fence.	The metric is measured by trained on-site personnel during investigation of an incident or regular plant inspections. It is tracked in an incident investigation tool (Synergi Life) and followed up via a KPI sheet. The weight of the loss is primarily measured through estimation. In some cases, more precise weight metrics might be available (for example, when weighing street sweeper contents).	For all European PO sites, excluding recycling plants, the metrics are validated by an external auditor during the certification process.
Microplastic emitted as unrecovered pellet spill (entity specific)	Metric tons	Accidental or unplanned release of pellets from primary containment or the recovery system, into the environment outside of the fence.	See [E2-4.30b, c], [E2-4.31]	
Microplastic generated as produced plastic pellets	Metric tons	See [E2-4.30b, c]	See [E2-4.AR 20]	

[E2-4.28b] In 2025, Borealis generated 3,882,689.2 metric tons Microplastics as produced plastic pellets (2024: 4,024,286.9 metric tons).

Entity specific information:

Microplastics emitted as unrecovered pellet spills: 0.0185 metric tons.

[E2-4.30a] Borealis began specific investigation and data collection on unintentional pellet spill incidents in 2024, with the implementation of the OCS Standard at all PO sites.

	2025	2024
Microplastics emitted (Metric tons)	0.01850	0.01800

[E2-4.AR 20], [E2-4.30b] The polyolefin production process produces microplastics in the form of pellets for further conversion into applications such as water pipes, cable insulation, or healthcare products. Borealis' total polyolefin production therefore falls under the category "microplastic generated". The production output of each of the Group's extruders (virgin polyolefin, compounding and recycling plant) is measured and reported in Borealis' environmental and energy data management system.

Accidental releases of microplastics (pellets, flakes, powder or dust) are documented and followed up in the internal incident management tool Synergi Life. All incident investigations and preventive actions are tracked in the tool. An estimation or ideally an exactly weighed amount of the spilled microplastics is mandatory. The amount of microplastics lost to the environment, as reported in each case filed by location in Synergi Life, will be used as a measure.

[E2-4.30c] The total mass of unrecovered microplastics resulting from a significant pellet spill (as defined in section [ESRS 2-MDR-M.77a]) is primarily measured by trained on-site personnel through estimation during routine inspections.

The estimated total mass of unrecovered microplastics per spill incident is determined following an investigation, which is required after a confirmed pellet spill incident. [E3-4.AR 27a] This weight estimate measurement methodology complies with the requirements of the OCS Europe certification scheme.

Primarily, the estimation is based on a delta between the recovered and weighed spill and the source of the spill. Group employees' fast reaction time typically reduces the size of the spill and mostly allows for full recovery.

[E2-4.31] There are currently no standardized, scientifically recognized methods or tools available for directly measuring and quantifying the amounts of unrecovered pellets spilled from Borealis' own operations. The quantification is therefore based on estimation following root cause investigation.

A standardized methodology for measuring and quantifying channeled and diffuse microplastics emissions has been proposed in the Proposal for a Regulation of the European Parliament and of the Council on preventing plastic pellet losses to reduce microplastic pollution 2023/073 (COD) and the Commission Regulation (EU) 2023/2055 on amending Annex XVII to Regulation (EC) 1907/2006 of the European Parliament and of the Council (REACH) regarding synthetic polymer microparticles. Once this methodology has been established, Borealis will adopt it as soon as applicable.

ESRS E3 Water and Marine Resources

Borealis relies on water as a critical resource for its operations. Water is primarily withdrawn from surface and groundwater sources. While a significant portion is returned to the environment, it is not necessarily discharged into the same water source and may be altered in temperature or composition. As such, the Group's activities may have an impact on local freshwater availability and quality.

Water use is also closely connected to other environmental topics under the ESRS:

- Pollution (E2): through potential emissions into water bodies.
- Climate Change (E1): as water availability is affected by changing weather patterns.
- Biodiversity (E4): since aquatic ecosystems are sensitive to water withdrawals and discharges.
- Resource Use (E5): where water efficiency and reuse contribute to circularity goals.

Borealis works to understand and manage its water-related impacts as essential elements in ensuring environmental integrity, regulatory compliance, and long-term resilience in the regions where it operates.

Impact, risk and opportunity management

DR E3-1 – Policies related to water and marine resources

[ESRS 2-MDR-P.65a], [E3-1.11] Borealis requires water for production purposes in processes such as cooling, steam generation and product handling. Lower quantities of water are needed for drinking, cleaning, sanitary and firefighting purposes.

The Group manages the impacts of its water withdrawal and consumption under its Responsible Care Policy. Responsible Care is the chemical industry's standard for HSE management. Borealis is a signatory of the Responsible Care Global Charter and the Responsible Care Policy obliges it to continuously monitor and improve its HSE management performance. [ESRS 2-MDR-P.65d], [E3-1.11] The policy also includes guiding principles for Group-wide implementation, which is done through Borealis' HSE Management System, with the environmental aspects of the system being aligned with the ISO 14001 standard. Further information on the Responsible Care Policy can be found in [E1-2.24], [E2-1.14], [E4-2.22] and [S1-1.19].

Borealis' Environmental Management Process is part of the HSE Management System. It sets minimum environmental performance requirements for water, with all Borealis businesses and activities working to increase the efficiency of their water use and minimize the impact of water use and discharge on the environment. To support this, all operational sites must develop a water management plan (see [E3-1.12a i-iii]).

[ESRS 2-MDR-P.65b], [E3-1.11], [E3-1.13] The Responsible Care Policy and the Environmental Management Process cover all Borealis entities that process, handle or manage base chemicals and polyolefins, including recycling plants. Newly acquired entities follow a detailed implementation plan that includes Responsible Care and the Environmental Management Process.

Stakeholder Considerations

[ESRS 2-MDR-P.65e], [E3-1.11] In setting up its Responsible Care Policy, Borealis considered the interests of key stakeholders in the form of its owners, through consultation with the SVB, and its employees, through consultation with the Works Council.

Communication and Engagement

[ESRS 2-MDR-P.65f], [E3-1.11] Borealis communicates relevant policies through internal channels, to ensure affected employees are aware of and understand their contents. Certain policies and certifications are also published on Borealis' website, including the Responsible Care Policy.

Other internal water-related policies (such as the Environmental Management Process) are not accessible for external stakeholders.

Water Management, Treatment and Pollution Prevention

[E3-1.12a i] Borealis' Environmental Management Process requires operational sites to develop a water management plan that includes:

The identification of all water resources and their quality parameters;

Systematic monitoring of water resources, use on site and discharge;

Target setting and KPI monitoring to optimize water use, following the reduce-reuse-recycle principle; and

Assessment of water-related risks and opportunities, to reduce adverse effects.

A high-level water-related risk screening is also performed by an external party or Corporate Environmental Advisor/Expert every three years, which serves as an input for site environmental risk assessments. In operational sites with significant water-related risks, a source water vulnerability and watershed assessment is also considered, as a part of the environmental risk assessment.

[E3-1.12a ii] The process and templates for Borealis' water management plans were established in 2025. The plans address aspects of water treatment such as:

Utilization of fit-for-purpose water supplies for industrial purposes, by using non-freshwater sources (e.g. treated wastewater) instead of freshwater as far as possible;

Reusing water to increase water efficiency and reduce withdrawal;

Application of Best Available Technology and international industry best practices, to reduce wastewater volume and pollutant loads; and

Treatment of wastewater as necessary before discharge, to meet the limits specified by the host country.

[E3-1.12a iii] Pollution prevention and impact minimization at source is a key aspect of the Environmental Management Process. Discharges must not diminish the environment and must be monitored, with any environmental impacts properly managed. Applying Best Available Technology and international industry best practices to reduce wastewater volume and pollutant loads is an important part of this process.

Addressing Water Issues in Product and Service Design

[E3-1.12b] To date, Borealis has not made a consolidated effort to address environmental topics such as water in its product and service design.

Water Consumption in At-Risk Areas

[E3-1.12c] Borealis' current water-related policies do not include a specific commitment to reduce water consumption in areas at water risk. However, as part of the water management plans described under [E3-1.12a i-iii], the Group assesses the water-related impacts of its operational sites and establishes the criteria to define priority locations, based on their associated water risk. After this evaluation is concluded in 2026, Borealis may amend its water-related policies and specific commitments concerning water consumption in high-risk areas.

Sustainable Oceans and Seas

[E3-1.14] Borealis has no sites offshore. Some operational sites discharge wastewater into the sea but the permits required to do this are strict and the Group does not therefore consider it necessary to adopt additional policies related to sustainable oceans and seas.

OCS directly addresses ocean and sea protection through its core mission of preventing plastic pellet, flake, and powder loss into the environment. For further information, please see disclosure in E2.

Actions and Resources

[ESRS 2-MDR-A.68a, c], [E3-7], [E3-2.19] Borealis' actions related to water management are set out below:

- **Water Management Process:** All operational sites will develop the water management plans described in [E3-1.12ai-iii] in the upcoming year, and focus on optimizing water use, identifying and mitigating risks, and enhancing resilience. The actions outlined in the water management plans are part of the HSSE Plan 2026 and are therefore intended to be completed by the end of 2026.
- **Areas at Water Risk and Priority Locations:** Borealis is conducting an analysis to identify sites in areas of water risk and high water stress. Together with other water-related parameters, sites are being evaluated to define targeted actions in high-risk locations. Water targets in priority locations will be set by the end of 2026.
- **Water-Related Data:** To support reporting and decision-making, Borealis is standardizing sustainability data collection across sites, reducing manual effort and improving data traceability and quality. In parallel with CSRD developments, a new environmental and energy data management tool was rolled out in 2025, covering all water-related data from withdrawal to discharge. Full implementation is expected to be completed by the end of 2026.
- **Water Network Team:** A dedicated Water Network Team has been established, comprising experts from various disciplines such as process, operations, technology, and environment. The team focuses on ensuring water integrity and reliability through quality control (e.g. cooling, demineralization, conditioning) and advancing sustainability by managing water quantity (e.g. through reuse and recycling) and minimizing water-related risks.

[ESRS 2-MDR-A.68b], [E3-2.17] All key actions are focused on Borealis' polyolefin production sites, including recycling facilities.

[ESRS 2-MDR-A.69a], [E3-2.17] All actions related to water in 2025 were either small investments or without cost and therefore none of the actions, individually or cumulatively, exceeded the EUR 2.5 million threshold.

Metrics and Targets DR from ESRS E3

[ESRS 2-MDR-M.75], [ESRS 2-MDR-T.81], [E3-3.20] In alignment with ESRS, Borealis acknowledges that specific targets for water and marine resources have not yet been established. This is due to the recent identification of these topics as material in the Group's latest DMA. While formal targets are still under development, Borealis is currently conducting a comprehensive evaluation of its impacts on water and marine resources, alongside all ongoing water-related activities. This will provide the foundation for setting meaningful and measurable targets. The target-setting process is planned to begin upon completion of this evaluation, which is expected by the end of 2026. For further information, please see [E3-2]: Actions.

[ESRS 2-MDR-T.81b i ii] Borealis tracks the effectiveness of its water-related policies and actions through multiple integrated processes:

- Integration into HSE Planning: Water management plans will be embedded in the Group and site-level HSE plans starting in 2026. Completion of HSE plan activities is monitored via scorecards at both Group and location levels, which are linked to performance incentives.
- Water Network Team activities: Actions initiated by the Water Network Team are also monitored in the scorecards and are reviewed regularly with senior management, ensuring accountability and strategic alignment.
- Audits and Management System Reviews: Internal and external audits to assess compliance with ISO 14001, together with the subsequent management review, support the implementation and progress of environmental actions and help evaluate the effectiveness of the system.

These mechanisms ensure that water-related IROs are actively managed and transparently monitored.

DR E3-4 – Water consumption

[E3-4.26] Water metrics are extracted from the Group's current system, which collects environmental data from all operational sites, including recycling plants.

[ESRS 2-MDR-M.77a], [E3-4.28e] Water-related data is gathered alongside other environmental metrics through a centralized sustainability reporting system, to which all operational sites contribute.

The figures for water withdrawal and wastewater discharge are compiled using a combination of measured, calculated, and invoiced data. Larger sites are usually equipped with dedicated water meters, while smaller sites may rely more heavily on calculated or invoiced values due to limited metering infrastructure.

Water consumption is derived by calculating the difference between total water withdrawal and discharge volumes. This approach may lead to an underestimation of actual consumption, due to two specific factors:

- Rainwater, although rarely used at sites, is discharged together with the site effluents, increasing discharge volumes without corresponding withdrawal.

- At certain locations, steam is used in processes and exits the site as condensate within the effluent stream. This inflow is not captured in withdrawal data.

These known limitations are acknowledged to ensure transparency and accuracy in the interpretation of water consumption metrics.

Water storage is not relevant for Borealis.

At Borealis' production sites, water is used sequentially across multiple production steps, allowing it to serve several functions before being discharged. This approach ensures that water is reused efficiently, reducing the need for fresh withdrawal. Other examples of water recycling include collecting condensate from externally supplied steam for other processes and operating cooling towers with semi-closed water loops. Due to the complexity of these systems, reused/recycled water volumes cannot be measured. As water withdrawal and discharge in most locations are part of the environmental permit, water consumption metrics are validated by external bodies.

[E3-4.28a-d], [E3-4.29] Water-related indicators

Water related indicator ¹⁾	Unit	2025
Water consumption	Mm ³	2.7
Water consumption in areas at water risk, including areas of high-water stress	Mm ³	1.9
Water recycled and reused	Mm ³	0.1
Water stored	Mm ³	0
Changes in water storage	Mm ³	0
Water intensity ratio (m ³ /kg)	Mm ³ /kg	0.0005
Water consumption per net revenue	m ³ /mn EUR	0.3594
Water withdrawals	Mm ³	566.5
Water discharges	Mm ³	563.7

1) Water metrics were established in 2025, therefore comparable data for 2024 is not available.

ESRS E5 Resource use and circular economy

A circular economy decouples economic growth and resource constraints, while reducing waste leakage into the environment and helping to limit climate change. Using mechanical and chemical recycling instead of incineration, and renewable feedstock instead of virgin feedstock, will all reduce greenhouse gas emissions.

Impact, risk and opportunity management

DR E5-1 – Policies related to resource use and circular economy

[ESRS 2-MDR-P.65a-f], [E5-1.14] Borealis' ambition is to lead the transformation to a circular economy, and is therefore working intensively to be able to offer an alternative to the linear economy, across all its applications. In support of this ambition, the Group has adopted a circular economy strategy that aims to gradually replace non-renewable, fossil-based resources with renewable or recycled ones. This applies to Borealis' own operations and extends across upstream suppliers and downstream customers, ensuring that the entire value chain contributes to reducing dependence on fossil based resources. The Group derived its entity specific circular economy KPIs from this strategy in 2022. It also has a procedure which describes the organizational structure and governance of its Circular Economy Solutions department. The governance procedure further specifies that the VP Circular Economy Solutions is responsible for monitoring the policy requirements continuously.

The objective of Borealis' Overarching Circular Economy Policy is for the Group to become a focused polyolefin solution provider, centered on value creation for its customers. To achieve this, its policy is to:

- Closely collaborate with customers, to support them to transition to sustainable, circular products and applications;
- Continue to build a portfolio that includes a broad range of advanced circular solutions; and
- Continuously develop the Group's sustainability-driven business, to position Borealis as a leading company in the global polyolefin market.

The Borealis Executive Board holds overall accountability for implementing the company's Circular Economy Policy, while the Circular Economy Solutions department assumes primary operational responsibility.

Nevertheless, advancing the circular economy is a shared responsibility across all levels and functions within Borealis.

[E5-2.AR 12a] In addition to its circular product portfolio, Borealis contributes to the circular economy through its plastic recycling operations. These comprise four mechanical recycling operations and a chemical recycling company, which produces pyrolysis oil. The Group can use upgraded pyrolysis oil in its German and Finnish polymer production sites, as well as circular monomer in its Austrian and Belgium polymer production sites. In addition, Borealis utilizes renewable feedstock at its sites in Finland, Sweden, Belgium, Germany, The Netherlands and Austria.

[ESRS 2-MDR-P.65a], [E5-1.14] The relation between policies and IROs can be found in the IRO table in [ESRS 2-SBM-3.48].

DR E5-2 – Actions and resources related to resource use and circular economy

[ESRS 2-MDR-A.68a-c, e], [E5-2.19] For more information on the relationship between targets and actions, see also [ESRS 2-MDR-T.80].

Category	Key Actions	Scope (Activity & Geography)	Status	Time Horizon	Expected Outcomes/ Related Policy ¹⁾	Achieved Outcomes/ Progress
Supply chain	Establishing partnerships and long-term sourcing agreements for third-party offtakes	Upstream activities: These include cooperation with extended producer responsibility (EPR) schemes and suppliers of feedstocks for mechanical and chemical recycling, as well as suppliers of renewable feedstocks.	Ongoing	Newly defined since 2024	Secure sufficient circular feedstock and thereby reach set targets	Current supply sources guaranteed
Supply chain	Conducting large-scale recycling testing of sorted feedstock from the Holy Grail 2.0 digital watermarks initiative	Cooperation with technology providers to improve feedstock quality or availability (e.g. by using sorting). Geographies: Regions in Europe, which are close to Borealis' existing polymer and recycling plants, and where it can optimize synergies with its current sales market. The Group is also starting to explore opportunities in the Americas and continuing to support its joint venture Borouge in Asia.		Since 2024	Proving future technologies for better waste sorting	Evaluation ongoing
Supply chain	Partnering with Infinium for carbon capture and utilization (CCU)-based feedstock			Since 2024	Expanding commercial solutions for CCU	Achieved next step in CCU development, with the launch of the first market application with Fullstride Ventures in the form of cutting-edge foam made using captured CO ₂ , turning emissions into high-performance materials.
Production capabilities (M&A, R&D)	Focusing on the commercial ramping up of Borealis' circular portfolio and making further investments in mechanical production capacities, to move closer to the Group's targets for 2030	Downstream activities: The Group is working to develop recycle- and renewable-based products and applications, as well as value propositions for new business models. Geographies: Borealis' focus is on regions in Europe, which are close to its existing polymer and recycling plants, and where it can optimize synergies with its current sales market. The Group is also starting to explore opportunities in the Americas and continuing to support its joint venture Borouge in Asia.		Until 2030	Reducing the use of fossil resources	In 2025, Borealis' focus was on full integration of mechanical recycling at Rialti and Integra, as well as divestment of mtm compact, due to the lack of synergies. Specifically at Integra, an additional investment has been announced, to increase its annual capacity.
Production capabilities (M&A, R&D)	Continuing to support technology development for better sorting and recycling solutions and exploring alternative business models, such as closed-loop systems			Newly defined since 2024	Improving recycling quality and reducing the use of fossil resources	Evaluate AI sorting and digital watermarking

¹⁾ Reaching a higher circular capacity helps to achieve the objective of the Overarching Circular Economy Policy of Borealis. All above actions are ongoing without an end date, but a focal point is 2030, as our strategic goal is set there.

[ESRS 2-MDR-A.68e], [E5-2.19] In 2025, Borealis focused its efforts on fully integrating the mechanical recycler Integra Plastics in Bulgaria, which it acquired in 2024. The Group also

announced that due to unfavorable economic conditions, the construction of a new mechanical recycling plant in Austria has been put on hold.

The Group's activities in the Americas remain in the exploration phase. However, Borealis Compounds Inc., USA, has received the ISCC PLUS certification, a globally recognized standard for sustainable and traceable production practices. This means Borealis Compounds Inc. is now authorized to offer Borneewables™ (made from renewable feedstocks) and Borcycle™ (made from chemically recycled feedstocks) as part of the ISCC PLUS chain of custody into North America.

In December 2025, Borealis launched the global brand for mechanical recycling portfolio Recleo™, covering the portfolios of Borealis and Borouge, to unite a range of cost-effective, mechanically recycled post-industrial and post-consumer solutions in one global portfolio.

Backed by Borealis and Borouge's global network and decades of expertise, ensuring consistent quality and reliable supply, Recleo complements the Borcycle™ M portfolio of premium mechanically recycled polyolefins.

Borealis has opted to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation [ESRS 1 section 7.7], relating to the type and amount of current and future resources allocated to the circular economy [E5-2], [ESRS 2-MDR-A.69a-c], [ESRS 2-MDR-T.80d, j].

Collaboration with Stakeholders

[E5-2.AR 11], [E5-2.AR 12b] Borealis collaborates with a wide range of other stakeholders involved in collective actions to advance the circular economy. These include companies active upstream in waste management and circular feedstock supply, such as Alba, Neste, Tomra, and Reclay. Collaborators downstream include brand owners, car producers, packaging businesses, converters and infrastructure companies, as well as the certification bodies ISCC PLUS and Recyclclass.

One example of this collaboration is Borealis' central role in SPIRIT, a Finnish circularity initiative funded by Business Finland and coordinated by knowledge provider VTT. This is a collaborative research and development program driving the transformation of the plastics industry in Finland, which has run over the past two years, and concluded its activities by the end of 2025.

Together with injection moulding expert Gehr and pen producer Stabilo, Borealis introduced the use of Borneewable PP, renewably sourced polypropylene in a well-known range of pens, reducing their CO₂ footprint.

Also through the supply cooperation with Neste, the long standing Finnish dairy producer Valio started to use Borcycle C, chemical recycled PP for Valio's yoghurt cups.

And cooperating with flexible packaging producer Korozo, Borealis introduced a new 30% mechanically recycled content monomaterial polyethylene pouch for Henkel's Persil brand, since this year available all over central-eastern Europe.

DR E5-3 – Targets related to resource use and circular economy
[ESRS 2-MDR-T.80a-e], [E5-3.23]

Target	Scope	Policies	Actions
Achieve 1.2 million metric tons of circular products sales by 2030	The scope of the target covers upstream processing activities, including waste collection and sorting for recycling, and processing of biowaste, across all of the Group's global operations.	Reaching a higher circular sales volume helps to achieve the objective of the Overarching Circular Economy Policy, to become a focused polyolefin solution provider, centered on value creation for its customers	Increase circular product sales and production capabilities through acquisition and R&D, as well as by acquiring new customers, partners and feedstock

Methodology for defining targets

Borealis calculates the amount of circular feedstock processed using estimates and assumptions as described under [ESRS 2-MDR-T.80], [E5-3.23]. These methodological uncertainties make it difficult to set a precise and credible target for the share of circular feedstock.

[ESRS 2-MDR-T.80f], [E5-3.23] The methodology to define the targets involved tracking the Group's progress with circular product sales, as well as measuring the amount of plastic waste which Borealis annually converts into circular products, taking into account losses incurred during the entire recycling and renewables conversion process.

To calculate plastic waste volumes processed, the significant assumptions used are:

- Yield extrapolation, applying the yield from the Group's existing mechanical recycling units to recently acquired ones.
- Utilizing a theoretical conversion factor, to work backwards from the polymer through the pyrolysis oil conversion steps, to calculate the waste volume used.
- For circular volumes where Borealis does not receive yield data from suppliers or from its minority joint venture, it assumes that the yield of waste to circular feedstock is 100%, so as not to overestimate the processed waste.

[ESRS 2-MDR-T.80g], [E5-3.23] The targets are based on internal and externally provided data rather than scientific evidence, with the underlying assumptions being documented and updated in accordance with internal procedures. Similar targets exist in Borealis' industry and peers.

[ESRS 2-MDR-T.80i], [E5-3.23] Borealis has changed one of its targets, the corresponding metrics or the principles underlying its methodologies during 2025.

[ESRS 2-MDR-T.80h], [E5-3.23] The Group's stakeholders were not directly involved in its target setting. [E5-3.27] All of the Group's targets related to the circular economy are voluntary, and Borealis is a long-standing partner of the Ellen McArthur Foundation, which is one of the organizations that initiated such voluntary targets.

Performance against targets

[ESRS 2-MDR-T.80j], [E5-3.23] The waste volume processed by Borealis was dropping by 0.9%. This small decline against the Group's targets, under very tough recycle market conditions due to the low price of fossil-based materials, can be considered as a good result.

Borealis has made use of the option to omit a certain piece of information corresponding to the sales of circular products [E5-3].

To monitor the Group's performance, both the Base Chemicals business and the Circular Economy Solutions mechanical recycling operations constantly gather data. This data is aggregated at the beginning of each calendar year, compared with the Group's targets and made ready for publication.

The Group carries out a strategic review of its targets as needed, with the most recent review completed in 2022.

Target relationships to resource inflows and outflows

Borealis' targets are related to:

- [E5-3.24b] An increase in the circular material use rate, as increasing adoption of circular materials in the downstream value chain would stimulate Borealis' sales and future investments in circular economy solutions;
- [E5-3.24c] Minimizing primary raw material use, as Borealis aims to substitute primary raw material with circular raw material. [E5-3.AR 17] However, no specific information is currently available regarding the potential impacts on biodiversity of minimizing primary raw material use;
- [E5-3.24d] Sustainable sourcing and use of renewable resources, by promoting the recycling of plastic waste and use of renewable feedstock; and
- [E5-3.24e] Waste management and preparation for proper treatment, as the targets require waste to be sorted specifically for mechanical or chemical recycling. This will increase the utilization rate of waste as feedstock and avoid waste going to landfill or incineration.
- [E5-3.24f] Realization of the targets also reduces GHG emissions, both in Borealis' operations and in the upstream and downstream value chain, as renewables and recyclates have a lower GHG footprint. Further details about GHG emissions can be found in chapter E1 Climate Change.

[E5-3.24a] The targets are not related to the increase of circular product design. However, the Group's performance against these targets would indirectly benefit if the downstream value chain increased its use of circular product design.

[E5-3.25] The targets directly relate to the "reduce" and "recycle" waste hierarchy layers, and also benefit the "recovery" (thermal) and "disposal" layers.

DR E5-4 – Resource inflows

[ESRS 2-MDR-M.75], [ESRS 2-MDR-M.77a-c] Borealis uses the following metrics to evaluate its performance and effectiveness in relation to circular economy resource inflows:

Metric	Unit	Definition	Methodology	Validation
Total circular feedstock processed	kt/year	This is the total input of feedstock for the Group's mechanical and chemical recycling operations, plus the quantity of renewable feedstock used	The significant assumptions behind these metrics are: For circular feedstock processed, the Group's recycling plants record the volumes of input. For in-sourced recyclates and renewables, the Group gathers the information from suppliers.	Borealis uses the data as reported to Recyclclass for its mechanical recycling plants, and ISCC PLUS certifies the chain of custody of other inputs. There is no external validation of the Group's internal data agglomeration process.
Total weight of products and technical and biological materials used during the reporting period	kt/year	Overall total input of feedstock used	Yield factors are measured annually and are adjusted when needed, for example because the feedstock stream is different from that used in the previous year.	
Share of biological materials used to manufacture Borealis' products and services	Percentage	Percentage of input of biobased feedstock versus total input of feedstock used		
Absolute weight and share of secondary reused or recycled components, secondary intermediary products and secondary materials Borealis uses to manufacture its products and services (including packaging)	kt/year; percentage	Weight of input of reused and recycled feedstock, and the share in percent of the total feedstock used		

[E5-4.30] Borealis' fossil resource inflows are natural gas, oil, monomers and naphtha.

The Group's circular resource inflows are either sorted waste bales or flakes for mechanical recycling, or insourced recyclates such as pyrolysis oil, circular naphtha, bio-propane, bio-diesel, bio-naphtha and e-naphtha.

[E5-4.31a] The total weight of products and waste used during the reporting period 2025 is 6,092,149 metric tons (2024: 5,742,250 metric tons). The total weight of biological materials used in 2025 is 12,700 metric tons (2024: 19,700 metric tons).

[E5-4.31b] The percentage of biological materials used to manufacture Borealis' products and services in 2025 is 0.21% (2024: 0.34%). The certification scheme used is ISCC PLUS.

Borealis prioritizes product use instead of fuels use. The production of fuels is a byproduct in the conversion of feedstocks to products in a steam cracker, and standard cracker optimization always minimizes the proportion of fuels to products.

[E5-4.31c] The percentage of secondary materials (feedstock for recycling) used to manufacture Borealis' products and services in the 2025 reporting period is 2.9% (2024: 3.34%). In absolute figures, the mass of secondary materials in 2025 is 175,012 metric tons (2024: 191,800 metric tons). The certification schemes used are ISCC PLUS for chemical recycling, and Recyclclass for mechanical recycling.

[E5-4.32] No assumptions are used in these calculations. The weight figures are direct measurements, taken from suppliers' documentation, and are regularly checked. [E5-4.AR 25] Borealis reports resource inflow data in accordance with [E5-4], ensuring that all usage figures reflect the material in its original state.

DR E5-5 - Resource outflows

[ESRS 2-MDR-M.75], [ESRS 2-MDR-M.77a-c] Borealis uses the following metric to evaluate its performance and effectiveness in relation to circular economy resource outflows:

Metric	Unit	Definition	Methodology	Validation
Group's total capacity for circular solutions	kt/year	This is the Group's circular sales volume of polymers (such as polyolefins) and chemicals (such as olefins), based on their recycled content and/or their use of biobased/renewable feedstock	The significant assumptions behind these metrics are as shown in the table under [E5-4]: Resource inflows.	Validation is as shown in the table under [E5-4]: Resource inflows.

[E5-5.35] Borealis sells polyolefin products in the form of pellets, which may be based on fossil resources or on recycled or renewable/biobased resources. The Group also sells base chemicals, which include monomers, cracker products such as phenol or aromatics in the form of gases. These products may also have (partially) recycled and biobased content.

[E5-5.36c] Borealis' products are 100% recyclable before the Group's customers convert them into end products. During conversion into end products they may be mixed with incompatible and inseparable components, which could impair their recyclability.

[E5-5.40] The Group records its resource outflows (sales) in its SAP system. Group entities that are not yet integrated into SAP report their data separately. In both instances, data are based on direct measurement. SAP integration of all sites is scheduled for 2026. Borealis ensures data accuracy through a "multiple eyes" principle, whereby both financial controllers and content owners validate final figures.

Products are classified as circular as long as more than 25% of the content is based on renewable or recycled feedstock.

Entity specific information

Borealis processed 219,240 metric tons of circular feedstock, down 0.9% compared to the previous year, but still 87% up versus 2022. Despite the worsening economic situation of the European recycling industry, and the divestment of mtm compact this is still a good result.

In metric tons	2025	2024	2022
Processed circular feedstock ¹⁾	219,240	221,200	117,000

1) Total circular feedstock processed covers the actual input of feedstock for mechanical and chemical recycling, as well as renewable feedstock.

Social Information

ESRS S1 Own workforce

Borealis' global People & Culture (P&C) function is a strategic enabler of the Group's performance and long-term value creation. P&C provides an enterprise-wide governance framework and end-to-end people services, to support leaders and employees across the employee lifecycle. These services cover talent acquisition and onboarding, organizational and individual development, change management, and compensation and benefits.

Governance is anchored in the BMS, which provides the single “source of truth” for all P&C policies, procedures, handbooks, processes, and work instructions. Borealis defines clear roles and responsibilities, and appoints accountable owners for every process.

P&C safeguards the integrity and administration of all P&C processes and data, and conducts regular audits to verify compliance with legal and internal requirements. This governance model underpins consistent execution, continuous improvement, and reliable management information and sustainability disclosures on the workforce.

Impact, risk and opportunity management

DR S1-1 – Policies related to own workforce

[ESRS 2-MDR-P.65a], [S1-1.19] The BMS collates all documents related to managing P&C topics in one system. These comprise:

- The Borealis P&C Standard, provides both Line Managers and P&C professionals in Borealis a structured and comprehensive overview of core P&C processes. This document also offers links to procedures and work instructions for more detailed and transparent documentation and information.
- The Borealis People Policy, which defines the fundamental principles of the relationship between Borealis as an employer and its employees and provides a framework of key P&C processes and tools that support the successful implementation of Borealis' P&C Strategy.
- A set of Group procedures and operative instructions, which describe how to put the P&C Standard into practice, covering areas such as Reward and Compensation, Talent Acquisition, Training and Development, Payroll, Promotion Process, Home Working and others.

[ESRS 2-MDR-P.65b], [S1-1.19] Unless the People Policy or procedures state otherwise, they apply to all employees in all countries, as they set the framework at Group level. For some topics, mostly relating to working conditions such as working time or adequate wages, there might be more-specific local procedures and operative instructions, to reflect local laws. Some procedures apply only to particular groups of employees. For example, People Mobility only applies to employees on international assignments.

Accountability for Implementation

[ESRS 2-MDR-P.65c], [S1-1.19] The SVP P&C is accountable for implementing the People Policy. The SVP P&C heads the P&C Leadership team and reports directly to the CEO. All policies and operative instructions are regularly reviewed and adapted as needed, and signed off by all stakeholders involved. Each document includes a stated revision date, and updates are tracked within the BMS. Related to reward topics for the Executive Board are discussed in the Remuneration Committee acts, as an additional governance body.

Borealis' Other Policies Related to Own Workforce

In addition to the People Policy, the Group has policies relating to:

- [S1-1.23] Health and safety and workplace accident prevention (see [ESRS 2-MDR-P.65], [S1-1.19]).
- Upholding human rights, as outlined in the Borealis Code of Conduct and Ethics & Integrity Policy (see [S1-1.20a], [ESRS 2-MDR-P.65a], [S2-1.16] for more information).

The IRO table in [ESRS 2-SBM-3.48] shows which material impacts, risks and opportunities are addressed by which S1 policies.

Stakeholder Considerations and Communication

[ESRS 2-MDR-P.65e], [S1-1.19] P&C policies and procedures that affect employees are presented to and discussed with employee representatives, to capture their input before publication and ensure that the effects on employees are transparent.

[ESRS 2-MDR-P.65f], [S1-1.19] The P&C Standard, People Policy and Group operative instructions are available for every employee on Borealis' intranet and the BMS document library. Where necessary, training is provided for everyone who is part of a process, to ensure that the process operates effectively.

Human Rights Policy Commitments in Relation to Own Workforce

Ethics, integrity and respect for human rights are firmly rooted in Borealis' core values. The Group is committed to meeting the responsibility to respect human rights throughout its operations and value chains. [S1-1.20a] This commitment includes strict compliance with applicable national laws, especially when it comes to labor and social legislation, freedom of association, and non-discrimination. Where such laws fall short of Borealis' standards, which are based on internationally recognized human rights, Borealis is guided by such higher standards while complying with the laws.

[S1-1.21] Borealis has signed the UN Global Compact and is fully committed to the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, specifically:

- Freedom of Association and Protection of the Right to Organise Convention No. 87;
- Right to Organise and Collective Bargaining Convention No. 98;
- Forced Labour Convention No. 29;
- Abolition of Forced Labour Convention No. 105;
- Minimum Age Convention No. 138;
- Worst Forms of Child Labour Convention No. 182;
- Equal Remuneration Convention No. 100; and
- Discrimination (Employment and Occupation) Convention No. 111.

To ensure compliance with its policies, legal requirements and international standards, Borealis applies comprehensive human rights due diligence measures, conducts regular social compliance audits, and operates a secure whistleblowing system that guarantees confidentiality and protects against retaliation (see [S1-1.20c]).

[S1-1.22] Borealis' Ethics & Integrity Policy addresses the Group's opposition to trafficking in human beings, forced labor or child labor, as described in section [G1-1.7a].

[S1-1.20b] Borealis offers a wide range of opportunities for its own workforce to participate in forums related to protecting workers' rights, and their wellbeing in general. For example, they can become a member of:

- The Works Council, which provides legal representation of the workforce;
- Safety & HSE committees, which focus on HSE topics;
- Social committees, which support networking through local events; and
- Ambassador networks, such as those for Ethics and DE&I.

[S1-1.20c] In cases where adverse impacts arise, Borealis delivers prompt and effective remedies through structured grievance procedures and corrective actions, reinforcing accountability and driving continuous improvement. Following the UN Effectiveness Criteria, Borealis aims to address all grievances received, regardless of whether they stem from real or perceived issues and whether the complainant is identified or anonymous.

The Group has robust grievance mechanisms that are accessible to all employees. They offer a channel for identifying potential adverse impacts, resolving grievances and providing remedy to the rightsholders, where Borealis has caused or contributed to a negative impact. These mechanisms ensure that complaints and concerns are addressed promptly and fairly. One of Borealis' key mechanisms is the Ethics Hotline, which enables individuals inside and outside Borealis to file reports, which can be fully anonymous. See [G1-1.10c i] for more information.

Policies Aimed at Eliminating Discrimination

[S1-1.24a] The People Policy sets out the Group's commitment to "create a safe and healthy workplace, where we can develop and exceed in an environment that promotes wellbeing. Diversity of cultures and thinking is appreciated and we are committed to ethics, values and quality in all we do." The P&C Standard also contains a chapter on diversity.

[S1-1.24b] The People Policy covers a wide range of characteristics that can be grounds for discrimination. Diversity and equal opportunity, in terms of gender, origin, religion, nationality or any other facet, is an integral element of Borealis' open culture and enriches the Group's working environment. Borealis strongly believes that diverse teams are more creative, resourceful and knowledgeable in generating broader perspectives, ideas and options. Diversity and inclusion therefore have a strong impact on people and teams, improving engagement and job satisfaction and directly contributing to the Group's profitability and sustainability.

[S1-1.24c, d] Borealis' P&C Standard and People Policy are supported by the P&C procedures and operative instructions described in [ESRS 2-MDR-P.65a], [S1-1.19]. For example, the Recruitment Operative Instruction aims to ensure equal treatment of everyone, including people from groups at particular risk of vulnerability. Similarly, the Role Evaluation procedure is designed to prevent discrimination during this process. The Group's other activities in this area include supporting women's careers through specific training programs like the SHEnergy initiative, which concluded in Summer 2025, as well as networking opportunities.

DR S1-2 – Processes for engaging with own workforce and workers' representatives about impacts

[S1-2.27a] Engagement occurs directly with Borealis' own workforce, as well as with workers' representatives. [S1-2.27b] There is regular engagement and cooperation at different levels of the organization. This includes, for example:

- Regular meetings between the local works council and the local P&C Business Partner, to provide information and consult or negotiate on topics regarding the local workforce;
- Regular meetings between the SVP P&C and the European Works Council, to provide information on Group-wide initiatives;
- The Executive Board tour, with each Borealis location visited once per year by one of the Executive Board members, to provide local employees with an overview of Borealis' financial performance in the previous year, the outlook for the current year, and other topics such as strategic project updates or the Group's values. Everyone from that location is invited to this session; and
- The yearly Pulse/Temperature Check online questionnaire, with key questions regarding retention, values, wellbeing and leadership, allowing every Borealis employee to have their say.

In 2024, Borealis established a P&C Business Circle. This helps P&C work together with the business, by providing a forum to discuss topics of strategic importance and ensure the voice of the business is heard. P&C sees and treats all its people as customers, and the P&C Business Circle is an important listening channel to improve engagement and customer satisfaction, alongside the Works Council and Pulse/Temperature Check.

[S1-2.27c] The SVP P&C is responsible for overseeing all aspects of employee engagement. This includes all relevant legal aspects, as defined in local labor laws, as well as employees' experiences of processes, wellbeing or DE&I aspects.

[S1-2.27d] Borealis is part of OMV Group's European Works Council, and adheres to legal requirements regarding consultation and negotiations, as part of the collective bargaining embedded in European, national and/or sectoral collective agreements. These agreements and the European Works Council help Borealis gain insight into the perspectives of its workforce and ensure that their rights are respected.

[S1-2.27e] The effectiveness of Borealis' engagement with its own workforce is assessed via yearly Pulse/Temperature Checks. The results are analyzed at Group and location level, and for each line manager with more than ten answers. The analysis includes the employee retention score, quantitative results and identified feedback clusters from open comments.

[S1-2.28] Borealis' approach to DE&I covers a range of different groups within its workforce who may be particularly vulnerable to impacts or marginalization (see [ESRS 2-SBM-3.48a]). Across these groups, Borealis has a variety of activities and steps, including those which help it to gain insight into their perspectives. Examples of these activities include:

- Interactive training sessions to create awareness, share observations and draft solutions;
- Events to share information and get in touch with employees, such as Positively Purple for Disability Accessibility, International Women's Day for Gender Diversity, and Pride for the LGBTQIA+ community;
- The DE&I playbook, to help teams to include DE&I topics in their meetings;

- LGBTQIA+ lunches, where employees can discuss their situation;
- Employee resource groups, which connect across locations to develop annual activities and events to enhance inclusion and belonging for diverse communities such as Gender, Accessibility, LGBTQIA+, Family and Care Giving, Generations and Intercultural; and
- Focus group workshops, to investigate a specific topic in more depth and create a basis for further actions.

Employee resource groups are staffed by engaged volunteers and ambassadors, including works council representatives, supported by senior leader sponsors.

DR S1-3 – Processes to remediate negative impacts and channels for its own workforce to raise concerns

[S1-3.32a-d], [S1-3.AR 30] Borealis has established an independent Ethics Hotline as a grievance mechanism, allowing all Borealis employees and external stakeholders to report perceived injustice and breaches of the Ethics & Integrity Policy. See [G1-1.10c i] for more information.

Each new employee receives ethics training on Borealis' ambition level and grievance mechanisms, and every white-collar employee must complete an annual ethics certification, which includes confirming that they have reported all witnessed or suspected violations of the Ethics & Integrity Policy. See chapter G1 for further details on training and self-certification.

[S1-3.32e] Borealis assesses the effectiveness of the process by monitoring feedback from employees, tracking resolution timelines, and evaluating whether similar issues recur. If similar cases of misconduct are revealed, the Group considers additional training and awareness campaigns.

[S1-3.33] In addition to the Ethics Hotline and the self-certification process, Borealis provides other channels for reporting, to allow employees to choose the channel they trust most. Employees can raise their concerns or needs directly with the Group through communication with their line manager, engagement walks, their P&C Business Partner or the Works Council.

Irrespective of the legal requirements in place in the relevant jurisdiction, Borealis offers extended whistleblower protection to all internal and external whistleblowers who make a report meeting the criteria described in [G1-1.10c i]. See [S2-3.28] for more information.

DR S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

[ESRS 2-MDR-A.68a-c, e], [S1-4.37], [S1 4.38b] Key actions taken and planned are shown below, along with their scope and time horizons, outcomes, policies and progress. For information on the relationship between targets and actions see also [ESRS 2-MDR-T], [S1-5.46].

Category	Key actions	Scope (Activity & Geography)	Status	Time Horizon	Expected Outcomes / Related Policy	Achieved Outcomes / Progress (Evidence of Activity)
Pulse Check 2024	Borealis conducted this annual employee survey and shared the outcomes at all levels (Group, location, and department), with follow-up actions agreed to ensure employee retention and satisfaction.	The questionnaire was sent to every active employee in Borealis.	Group actions have been defined in the following categories: Belief Empowerment Values Grow Flexibility	The results were reported in October and November 2024, with actions defined by December 2024. The actions were implemented in the period to August 2025.	People Policy and a set of Group procedures and operative instructions	Belief: 14 intranet articles YTD Empowerment – Completed. New Organization went live on April 1 Leadership – Focused on We4C Dial Ups- MS Teams Channel established Values Dial up- Strategy & Values Microsite updated including We4C Playbook and Values Activation Toolkit Grow: Internal Marketplace Pilot launched during Q4 2025 (see Career Opportunities action) Flexibility: Cross Border Working Policy went live (see Flexible Working action)
Training Programs	Borealis conducted training on GDPR, Privacy and Data Protection, Human Rights at Borealis, and Ethics, to build knowledge in these areas and ensure ethical behavior throughout the Group, with regular updates to maintain the high level of understanding.	Applies to all Borealis employees	Recurring process	The Ethics course is run annually and human rights training bi-annually, with GDPR training also provided bi-annually for all white-collar employees.		Recurring trainings are assigned to employees and followed up by the respective Line Manager and training issuing department
Equal Pay/Unfair Remuneration	The Group has introduced a thorough pay equity and CSRD analysis process, to shed light on the gender pay gap in Borealis and develop strategies to address this important matter.	The pay gap analysis covers all legal entities globally	Ongoing	The first analysis was completed in 2024 to design a process and gain insights 2025.		Currently preparing for EU Transparency Directive Equal Pay Assessment for 2024 showed good results
Equal Pay/Unfair Remuneration	Unfair remuneration: defining follow-up	Applies to all Borealis employees	Ongoing	The outcome of the Equal Pay analysis is		Preparation for EU Pay Transparency Directive

Category	Key actions	Scope (Activity & Geography)	Status	Time Horizon	Expected Outcomes / Related Policy	Achieved Outcomes / Progress (Evidence of Activity)
	actions to address any issues identified in the equal pay assessment.			continuously monitored and will trigger potential actions.		
Flexible Working	Working time: to stay competitive as an attractive employer, Borealis will introduce a flexible working abroad model.	Applies to certain employee groups	Ongoing	In 2025, Borealis introduced a new Flexible Working Policy.		Extension to Flexible Working Policy to include cross border home working
Career opportunities	Career opportunities: to improve employee retention, Borealis will introduce an internal marketplace to offer training and job opportunities.	P&C employees in the first pilot	Ongoing	In December 2025 a pilot launched for P&C.		Pilot launched

[S1-4.38a], [S1-4.40a, b] Actions planned for 2026 to prevent or mitigate material negative impacts and risks relating to Borealis' own workforce include:

- Harmonizing incentive plans, such as the BIP and the LTIP;
- Designing a Global Mobility Policy; and
- Further rolling out the Group's people development platform (Grow Together).

[S1-4.38c] Other actions or initiatives in 2025 for delivering positive impacts for Borealis' own workforce included:

- The P&C Business Circle (see [S1-2.27b]) regularly tested new P&C concepts and processes with senior business representatives from all regions.
- Borealis began exploring best practices in relation to employee listening and people analytics, together with the other companies across the OMV Group. However, Borealis shifted the formal development of an updated Listening Strategy to 2026, following a reprioritization of activities in the second half of the year.

During 2025, Borealis also explored upgrades to its suite of Talent Acquisition tools, with future deployment of AI-powered modules being built into the P&C Digital Roadmap to 2030. P&C also obtained all internal approvals required and kicked off its Digital Assistant project, which is a key part of its digitalization journey. The Digital Assistant will provide employees and leaders with intuitive end-to-end P&C solutions and information, serving the majority of their day-to-day needs.

[ESRS 2-MDR-A.69a] The actions listed above do not require significant operational or capital expenditures.

[S1-4.38d] Borealis will track and assess the effectiveness of its actions in the following ways:

- Unfair remuneration: external benchmarking to identify focus areas in the frame of the equal pay project, with remuneration data collected and mapped against external benchmark data;

- Working time: flexible working abroad model – calculating the initial percentage of employees who work abroad, as a baseline for upcoming years;
- Career opportunities: internal marketplace (Grow Together) to offer training and job opportunities – obtaining feedback in the Pulse/Temperature Check on development opportunities; and
- New ways of working: more self-service and AI-augmented, automated processes – identifying the number of self-service processes started, as a baseline for upcoming years.

[S1-4.41] More generally, the Group ensures its practices do not cause or contribute to material negative impacts in the following ways:

- A thorough annual internal audit plan ensures compliance with internal and external regulations;
- Borealis holds certifications and complies with standards in several areas, such as ISO and IATF, to ensure compliance with sector regulations; and
- The Group uses its Synergi database to document and mitigate health and safety risks.

[S1-4.43] Borealis manages its material impacts by allocating all P&C processes to a dedicated owner. The process owners are members of the P&C leadership team and are organized into the following Centers of Excellence: Growing Talent, New Ways of Working & Reward, Organizational Evolution, Strategy & Transformational Leadership, and Employee Experience & Digital Transformation, following the P&C Strategy and the strategic focus areas.

[S1-4.39] To identify the appropriate response to an actual or potential negative impact on its own workforce, Borealis engages with its employees and employee representatives. Through this, Borealis gains valuable insight into potential negative impacts and understands the perspectives and concerns of its stakeholders. Examples of this engagement are Open Forum (physical / virtual Townhall meetings), monthly Leadership calls, regular meetings with works councils, and quarterly business updates.

[S1-4.AR 43] The transition to a greener, climate-neutral economy is a fundamental aspect of the We4C Strategy. As part of this, Borealis is investing in Circular Economy Solutions, as well as in AI capabilities, which create new career opportunities for its employees. It constantly up-skills employees to be able to work in these new areas and to further develop these technologies. See chapter E5 for more information.

[S1-4.AR 47] The process to manage material risks related to own workforce is integrated into the existing risk management process through reporting lines to the Risk Coaches Network.

Metrics and Targets DR related to S1 Own Workforce

[ESRS 2-MDR-M.75], [ESRS 2-MDR-M.77a, b] In 2025, Borealis had one P&C key performance indicator in the Group Scorecard, for which the following methodology and validation were in place:

Metric	Unit	Methodology	Validation
Diversity	Percentage	A monthly report from SAP, Borealis' Group-wide HR system, shows: – The number of female employees of Grade 14 and higher; – The total of all employees of Grade 14 and higher; and – The percentage of female employees in this group. The methodology does not rely on any significant assumptions.	The metric is not validated by an external body. The diversity KPI is monitored by Borealis' owner, OMV.

In addition, the Group reports the following metrics, whose methodologies are shown below:

Metric	Unit	Methodology	Validation
Employees by headcount, with breakdowns by gender and country	Number	The data are from SAP and reported in terms of headcount at the end of the reporting period. The methodology does not rely on any significant assumptions.	The metrics are not validated by an external body.
Employees by headcount, broken down by gender and type of employment	Number	The data are from SAP and reported in terms of headcount at the end of the reporting period. The methodology does not rely on any significant assumptions.	
Employees who left the company during the reporting period and the employee turnover rate in the reporting period	Number	See [S1-6.50c], [S1-6.AR.59] and [S1-6.50d i, ii] [S1-8.AR 66] and [S1-8.AR 70] included	
Employees by headcount, broken down by gender and region	Number	The data are from SAP and reported in terms of headcount at the end of the reporting period. The methodology does not rely on any significant assumptions.	
Employees covered by collective bargaining agreements	Percentage	See [S1-8] [S1-8.AR 66] and [S1-8.AR 70] included	
Within the EEA: Employees covered by collective bargaining agreements, broken down by country	Percentage	The data are from SAP and reported as a percentage at the end of the reporting period. The methodology does not rely on any significant assumptions.	
Gender distribution at the top management level	Number & Percentage	The gender distribution on the Borealis Executive Board, split by: male, female, other genders and not disclosed. The methodology does not rely on any significant assumptions.	
Distribution of employees by age group		The data are from SAP and reported in terms of headcount at the end of the reporting period. The methodology does not rely on any significant assumptions.	

Employees who participated in regular performance and career development reviews, broken down by gender	Percentage	The data are from SAP and reported as a percentage at the end of the reporting period. The methodology does not rely on any significant assumptions. [S1.13.AR 77] and [S1.13.AR 78] included
Training hours per employee and by gender	(Average) Number	The data are from SAP and reported in terms of the average number of hours of training received per employee during the year. The methodology does not rely on any significant assumptions.
Gender Pay Gap		See [S1-16] for the methodology.
Ratio of the annual total remuneration of the highest paid individual to the median annual total remuneration for all employees	Ratio	See [S1-16] for the methodology. [S1-16.AR 98] included
Disclosure of work-related incidents and/or complaints and severe human rights impacts	Number	See [S1-17] for the methodology. [S1-16.AR 101] included

DR S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
[ESRS 2-MDR-T.80a-e, j], [S1-5.46]

Target	Scope	Baseline	2025 Performance	2024 Performance	Policies	Actions
Increase in the number of employees with a disability in 2025	Head Office Vienna	2024: 0.6%	1.2%	0.6%	People Policy and a set of Group procedures and operative instructions Responsible Care Policy	Network for Accessibility was established. The main project is the Positively Purple event

[ESRS 2-MDR-T.80f], [S1-5.46] The data source for the target is a report from SAP and the methodology is to include all employees in the Group's Vienna head office who have a disability according to Austrian law.

[ESRS 2-MDR-T.80h], [S1-5.46] Stakeholders were involved in setting the target, with the Group's experts in the DE&I Accessibility substream proposing the KPI, which was signed off by the Executive Board.

[ESRS 2-MDR-T.80i, j], [S1-5.46] As the disability-related target is new for 2025, there have been no changes compared with prior years. However, the Group did not introduce a planned target of +1% for the Pulse Check inclusion score for 2025, following the decision not to include diversity performance-related questions in the 2025 Temperature Check.

[S1-5.47a] Group-level targets, such as the KPIs in the Group scorecard, are defined by the respective department (in this case, P&C) and confirmed by the Executive Board. Employee views were considered through the involvement of the experts in the Group's Accessibility substream, as noted in [ESRS 2-MDR-T.80h], [S1-5.46] above.

[S1-5.47b, c] Monthly tracking shows if performance is below, above or on target. This allows Borealis to determine the outlook for the rest of the year and agree actions to improve performance if needed, or to maintain current achievements.

DR S1-6 – Characteristics of the undertaking's employees

[S1-6.50a]: Total number of employees by headcount and breakdown by gender (as of December 31):

Gender	Number of employees (headcount)	
	2025	2024
Male	4,751	4,722
Female	1,433	1,451
Other	0	0
Not reported	0	0
Total employees	6,184	6,173

The total number of employees broken down by country, for countries in which Borealis has 50 or more employees, representing at least 10% of its total number of employees (as of December 31):

Country	Number of employees (head count)	
	2025	2024
Austria	1,469	1,470
Belgium	1,250	1,265
Finland	940	943
Sweden	1,023	986
Other Europe	875	884
Non-Europe	627	625

[S1-6.50b], [S1-6.52a, b] Total number of employees (head count) broken down by gender and type of employment (as of December 31):

	2025				Total
	Female	Male	Other ¹⁾	Not disclosed	
Number of employees (headcount)	1,433	4,751	0	0	6,184
Number of permanent employees (headcount)	1,380	4,664	0	0	6,044
Number of temporary employees (headcount)	53	87	0	0	140
Number of full-time employees (headcount)	1,205	4,370	0	0	5,575
Number of part-time employees (headcount)	228	381	0	0	609

1) Gender as documented in official document (e.g. passport) // Borealis does not employ non-guaranteed hours employees.

	2024				Total
	Female	Male	Other ¹⁾	Not disclosed	
Number of employees (headcount)	1,451	4,722	0	0	6,173
Number of permanent employees (headcount)	1,383	4,649	0	0	6,032
Number of temporary employees (headcount)	68	73	0	0	141
Number of full-time employees (headcount)	1,211	4,389	0	0	5,600
Number of part-time employees (headcount)	240	333	0	0	573

1) Gender as documented in official document (e.g. passport) // Borealis does not employ non-guaranteed hours employees

[S1-6.50c] Turnover is calculated as follows:

Average headcount = (headcount at 31.12.2024 + headcount at 31.12.2025) divided by 2

Turnover = Leavers (Exits) as a percentage of average headcount

[S1-6.AR 59] A total of 698 employees left Borealis in the reporting period, which corresponds to an employee turnover rate of 11%.

The calculation excludes mtm compact GmbH in Germany, which was sold during the reporting period. Headcount of mtm compact GmbH at May 30, 2025 was 16.

Employees are included in calculation if they left because of the following technical reason codes in Borealis' P&C Information System: the end of a temporary contract, reorganization, death, their own decision, termination, arrangement employer, arrangement employee, early retirement, medical retirement or disability pension, retirement due to age, immediate termination, early justified, early unjustified, after parental leave, other.

Employees are excluded from the calculation if they left because of an internal move between Borealis' legal entities.

[S1-6.50d i, ii] The data are from SAP, Borealis' Group-wide HR system, and reported in terms of headcount.

[S1-6.50f] In the consolidated financial statements, the average number of employees (headcount) by country is disclosed in Note 14 "Personnel and Share-Based Payments".

[S1-6.51], [S1-6.52a, b] Total number of employees (headcount) broken down by region (as of December 31):

	2025						Total
	Austria	Belgium	Finland	Sweden	Other Europe	Non-Europe	
Number of employees (headcount)	1,469	1,250	940	1,023	875	627	6,184
Number of permanent employees (headcount)	1,430	1,232	917	998	851	616	6,044
Number of temporary employees (headcount)	39	18	23	25	24	11	140
Number of full-time employees (headcount)	1,302	1,012	918	979	739	625	5,575
Number of part-time employees (headcount)	167	238	22	44	136	2	609
	2024						
	Austria	Belgium	Finland	Sweden	Other Europe	Non-Europe	Total
Number of employees (headcount)	1,470	1,265	943	986	884	625	6,173
Number of permanent employees (headcount)	1,428	1,251	917	956	868	612	6,032
Number of temporary employees (headcount)	42	14	26	30	16	13	141
Number of full-time employees (headcount)	1,309	1,042	918	948	760	623	5,600
Number of part-time employees (headcount)	161	223	25	38	124	2	573

DR S1-8 – Collective bargaining coverage and social dialogue

[S1-8.60a] 87% of Borealis' employees are covered by collective bargaining agreements.

[S1-8.AR 66] The percentage of employees covered by collective bargaining agreements is calculated using the following formula:

$$x = \frac{\text{Number of employees covered by collective bargaining agreements}}{\text{Number of employees}} \times 100$$

[S1-8.63b] OMV Group has a European Works Council which includes Borealis employee representatives in proportion to their percentage representation of the total workforce. Borealis also has a long history of good relationships with local employee representatives in the respective countries.

The table below shows:

- [S1-8.AR 70], [S1-8.60b] In the EEA, whether Borealis has one or more collective bargaining agreements and, if so, the overall percentage of its employees covered by such agreement(s) for each country in which it has significant employment, defined as at least 50 employees by headcount, representing at least 10% of its total number of employees.
- [S1-8.60c] Outside the EEA, the percentage of employees covered by collective bargaining agreements by region; and
- [S1-8.63a] the global percentage of employees covered at the establishment level by workers' representatives, reported at the country level for each EEA country in which Borealis has significant employment.

Coverage Rate	Collective Bargaining Coverage		Social Dialogue
	Employees – EEA (for countries with >50 empl. Representing >10% total empl.)	Employees – Non-EEA (estimate for regions with >50 empl. Representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. Representing >10% total empl.)
0-19%	Other Europe ¹⁾	Non-Europe ⁵⁾	Other Europe ⁷⁾
20-39%			
40-59%			
60-79%	Austria ²⁾		Austria ⁸⁾ , Belgium ⁹⁾
80-100%	Austria ³⁾ , Belgium, Finland, Sweden, Other Europe ⁴⁾	Non-Europe ⁶⁾	Austria ¹⁰⁾ , Belgium ¹¹⁾ , Finland, Sweden, Other Europe ¹²⁾

1) Other Europe= Bulgaria, Croatia, Czech Republic, Poland, Romania // 2) Austria = Borealis GmbH // 3) Austria = Ecoplast Kunststoff Recycling GmbH, Borealis Polyolefine GmbH // 4) Other Europe = France, Germany, Italy, Netherlands, Spain // 5) Non-Europe = Turkey, United Kingdom, Morocco, South Africa, United Arab Emirates, Argentina, Chile, Colombia, Mexico, Singapore, United States // 6) Non-Europe = Brazil, China // 7) Other Europe = Bulgaria, Croatia, Czech Republic, Poland, Romania, Spain // 8) Austria = Ecoplast Kunststoff Recycling GmbH // 9) Belgium = Renasci N.V. // 10) Austria = Borealis GmbH, Borealis Polyolefine GmbH // 11) Belgium = Borealis Antwerpen N.V., Borealis Kallo N.V., Borealis Polymers N.V. // 12) Other Europe = France, Germany, Italy, Netherlands

DR S1-9 – Diversity metrics

[S1-9.66a] Borealis' Executive Board has five members, who are all male. The gender distribution in number and percentage at the top management level is therefore: male, five (100%); female, zero (0%); other genders, zero (0%); and not reported, zero (0%). These numbers and percentages are unchanged in 2025.

[S1-9.AR 71] Borealis defines career levels based on the grade of the employee's position, with a rating of 1 as the lowest grade and 21 as the highest grade.

The career levels within Borealis are:

- Executives: Borealis Executive Board;
- Advanced: grade 14 – grade 21;
- Core: grade 11 – grade 13;
- Primary: grade 8 – grade 10; und
- Entry: grade 1 – grade 7.

To ensure consistency in ESRS reporting across OMV Group, OMV career levels are applied exclusively as a standardized reporting classification. These classifications do not necessarily correspond to Borealis' internal leadership nomenclature.

[S1-9.66b] The distribution of employees by age group: under 30 years old; 30-50 years old; over 50 years old:

Number of employees	2025	2024
Under 30 years old	719	709
% of employees under 30 years old	11.6	11.5
Between 30 and 50 years old	3,458	3,421
% of employees between 30 and 50 years old	55.9	55.4
Over 50 years old	2,007	2,043
% of employees over 50 years old	32.5	33.1

DR S1-10 – Adequate wages

[S1-10.69] Borealis is committed to respecting local laws and does not pay salaries below the local legal minimum wage, as stated in collective labor agreements or similar regulations.

DR S1-11 – Social protection

[S1-11.74] Unless otherwise stated below, all Borealis employees are covered by social protection, either through public social security programs or through benefits offered by the undertaking for loss of income due to significant life events such as:

- [S1-11.74a] Sickness: public programs in all countries, except the Netherlands and the United States, which are organizational benefits;
- [S1-11.74b] Unemployment, with coverage starting upon employment: public programs in all countries;
- [S1-11.74c] Employment injury and acquired disability: public programs in all countries, except South Africa and the United States, which are organizational benefits;
- [S1-11.74d] Parental leave: public programs in all countries, except Brazil and the United States, where there is no coverage; and
- [S1-11.74e] Retirement: public programs in all countries, except the United Arab Emirates, which is an organizational benefit.

DR S1-12 – Persons with disabilities

[S1-12.79] Percentage of persons with disabilities amongst Borealis' employees subject to legal restrictions on the collection of data: 1.02% on December 31, 2025.

[S1-12.80] No gender split is available for employees with disabilities, due to the limitations imposed by GDPR.

[S1-12.AR 76] The methodology used was an inventory for all legal entities in all countries, using the legal definitions of a disability in that country.

DR S1-13 – Training and skills development metrics

[S1-13.83a] Percentage of employees that participated in regular performance and career development reviews, broken down by gender:

	Female		Male		Other		Not reported		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Percentage of employees and (or) non-employees that participated in regular performance and career development reviews	87	88	81	84	0	0	0	0	82	85

[S1-13.83b] Average number of training hours per employee and by gender, during the year:

	Female		Male		Other		Not reported		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Average number of training hours per employee and (or) non-employee	19	20	26	25	0	0	0	0	24	24

[S1-13.84], [S1-13.85] Breakdown by employee category for the percentage of employees that participated in regular performance and career development ¹⁾ and for the average number of training hours per employee:

Employee category	Average number of training hours per employee in 2025 ¹⁾	Average number of training hours per employee in 2024 ¹⁾
Entry	28	26
Primary	25	26
Core ¹⁾	19	20
Advanced	14	14
Executives	4	6
Not Classified	38	35

¹⁾ Performance management is not rolled out yet in Ecoplast Kunststoffrecycling GmbH, mtm plastics GmbH, DYM SOLUTION CO., LTD, Integra Plastics AED, Rialti S.p.A., Renasci N.V. (no performance management in place or non-BIP) and for employees who joined during the ongoing performance cycle.

Employee category	Percentage of employees that participated in regular performance and career development reviews in 2024 ¹⁾	Percentage of employees that participated in regular performance and career development reviews in 2023 ¹⁾
Entry	73.00%	77.00%
Primary	90.00%	92.00%
Core ¹⁾	91.00%	94.00%
Advanced	92.00%	89.00%
Executives	100.00%	67.00%
Not Classified	43.00%	30.00%

1) Average training hours exclude DYM SOLUTION CO., LTD, Integra Plastics AED, Rialti S.p.A., Renasci N.V. (Horizon Learning not in use)

DR S1-14 – Health and safety metrics

All qualitative and quantitative disclosure requirements referring to health and safety are located at the end of this chapter as a separate sub-chapter [S1-14] “Health & Safety”.

DR S1-16 – Remuneration metrics (pay gap and total remuneration)

[S1-16.97a], [S1-16.AR 98] The Gender Pay Gap is determined based on the contractual base salary and both short-term and long-term incentive plans (where applicable for employees). The gender pay gap was calculated using the ESRS required methodology under [S1-16.AR 98]. Additionally, the Gender Pay Gap is calculated using the contractual working hours. The Gender Pay Gap was 3% in 2024 and -1.17% in 2025.

[S1-16.97b]: Annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual): 1:14.66

For compiling information on the annual total remuneration under [S1-16.97b], the following considerations were applied in line with [S1-16.AR 101].

[S1-16.AR 101a, b] All 6,184 employees have been included in the calculation. Contractual base salary with short-term incentive plan and long-term incentive plans (incentive plans for employees where applicable) as well as components such as shift allowance and overtime in relation to contractual working hours were considered. Benefits in kind, such as cars, private health insurance, life insurance, wellness programs are not included. Borealis is a privately held company and does not have stock options.

DR S1-17 – Incidents, complaints and severe human rights impacts

[S1-17.103a, b], [S1-17.104a, b] Data on the number of work related incidents, complaints, and severe human rights impacts within Borealis' own workforce — including any related material fines, sanctions or compensation for the reporting period — is collected from all cases reported through the Ethics Hotline and reviewed accordingly. Each case is assessed to determine whether it relates to workplace inequality, discrimination, or other human rights impacts. Respective data is disclosed below:

	2025	2024
Number of incidents of discrimination	14	24
Number of complaints filed through channels for own workers to raise concerns	79	90 (complaints on social/human rights topics by own workforce)
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	0	0
Amount of material fines, penalties, and compensation for damages as result of violations regarding social and human rights factors	0	0
Number of severe human rights issues and incidents connected to own workforce	0	0
Number of severe human rights issues and incidents connected to own workforce that are violations of UN Global Compact Principles and OECD Guidelines for Multinational Enterprises	0	0
Amount of material fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce	0	0
Number of severe human rights cases where undertaking played role securing remedy for those affected	0	0

ESRS S1 Own workforce (Health & Safety)

Impact, risk and opportunity management (Health & Safety)

DR S1-1 – Policies related to own workforce (Health & Safety)

Borealis' Responsible Care Policy is the framework for the HSE Management System, and is built on the following pillars.

Borealis:

- Aims to be a recognized leader in Responsible Care in its industry;
- Believes excellent HSE and energy performance, climate mitigation and adaptation is a foundation for leadership in Responsible Care;
- Is committed to following legal and other requirements to which it subscribes, or exceeding them when they do not meet its standards;
- Is committed to advancing sustainable development along the value chain and to prioritizing innovative, value-creating solutions, according to the principles of Product Stewardship;
- Has a Responsible Care management system, based on continuous improvement and verification of its performance; and
- Openly discusses Responsible Care issues with its stakeholders, with the aim of further promoting HSE and saving energy along the value chain.

The Responsible Care Policy provides the guiding principles for additional internal regulations that support the HSE Management System, such as the Group's approach to Product Stewardship, its Management Systems Policy, and its Incident Management and Learning from Incidents Policy.

[ESRS 2-MDR-P.65a], [S1-1.19] All policies and operative instructions are regularly reviewed and adapted as needed. Each document includes a stated revision date, and updates are tracked within the BMS. The key content of each of these policies is set out below. [S1-1.AR 10] No significant changes were made to the policies during 2025. The IRO table in [ESRS 2-SBM-3.48] shows which material impacts, risks and opportunities are addressed by which S1.14 policies.

Responsible Care Policy

This policy commits Borealis to adhere to the Responsible Care Global Charter for better HSE practices in the chemical industry [ESRS 2-MDR-P.65d], [S1-1.19]. The Responsible Care Policy statement, along with the guiding principles for the Group-wide implementation of Responsible Care at Borealis, reflect the Group's commitment to protecting people and the environment, by enhancing HSE standards in its facilities, processes, and technologies, and cultivating a leadership culture that prioritizes safe chemical management.

The Responsible Care Guiding Principles are:

- Corporate Leadership Culture: Support safe chemical management globally.
- Safeguarding People and the Environment: Improve performance and safety throughout the supply chain.
- Strengthening Chemicals Management Systems: Participate in developing and implementing chemical safety legislation and best practices.
- Influencing Business Partners: Promote safe chemical management in their operations.
- Engaging Stakeholders: Understand their concerns, communicate openly on performance and product safety.

- Contributing to Sustainability: Improve performance, economic opportunities, and develop innovative solutions to societal challenges.

[ESRS 2-MDR-P.65b], [S1-1.19] This policy applies to all Borealis entities and subsidiaries (as described below). For entities where Borealis does not have direct management control (such as joint ventures), Borealis will work with the entity to ensure it meets the key objectives of this policy through the locally directed management system. This is driven through the Executive VP Joint Ventures, who represents Borealis on the JV's Board.

HSE Management System Policy

Borealis' policy on HSE Management describes key processes to safeguard the environment, climate, assets, public health, and employee safety. The policy outlines Borealis' commitment to enhancing energy efficiency, adhering to all relevant laws and regulations, and striving for leadership in HSE performance within the industry. The policy is underpinned by a certified management system that integrates the requirements of ISO 14001, ISO 50001, and ISO 45001. The HSE Management System is an integral part of Borealis' overall management framework, reflecting the Group's core values of environmental protection and the wellbeing of employees and communities.

[ESRS 2-MDR-P.65b], [S1-1.19] This Group procedure applies to all of Borealis' entities and affiliates.

Incident Management and Learning from Incidents Policy

This policy outlines a systematic approach for classifying, notifying, reporting, and investigating HSE, quality, and Operational Adverse Events incidents at Borealis. It also covers the identification of preventive and corrective actions. The policy ensures that incidents are managed in a systematic and structured way across the organization. The policy's goals are to report incidents promptly, thoroughly investigate incidents with potentially serious consequences, and identify and implement actions to minimize the risk of recurrence to as low as reasonably practicable. This policy does not cover immediate response to incidents but mandates compliance with local legal requirements, which take precedence.

[ESRS 2-MDR-P.65b], [S1-1.19] The scope of this policy is comprehensive, mandating that all incidents within Borealis, irrespective of their nature, are to be managed in accordance with the stipulated process.

Communication with Affected Stakeholders

[ESRS 2-MDR-P.65f], [S1-1.19] The key principles of the Responsible Care Policy are made available to potentially affected stakeholders on Borealis' corporate website. The Management System Policy and Incident Management and Learning from Incidents Policy are made available to the Group's employees through its internal document management system. The policies are also communicated internally, to ensure that all employees are informed and understand their contents.

Responsibility for Implementation

[ESRS 2-MDR-P.65c], [S1-1.19] The CEO owns the Responsible Care Policy framework and is responsible for its implementation across the organization, establishing objectives and for assessing outcomes. The CEO also presides over the Policy Committee and reports to the SVB

on performance in relation to these policies and the organization's progress towards achieving its goals.

The VP of Health, Safety, Environment, and Quality (VP HSE&Q) owns the HSE Management System Policy, and drives its implementation and adherence to its defined principles. The overall ambitions and long-term targets are described in the HSSE Strategy. The VP HSE&Q reports to the Executive Board on the outcomes, target achievements, and progress of ongoing continuous improvement programs. The VP HSE&Q also owns the annual HSE plan and ensures alignment with locations and approval by the Executive Board.

The EVP Operations is charged with the stringent application of incident reporting, follow-up, and mitigation, as mandated by the Incident Management and Learning from Incidents Policy. This includes ensuring that these practices are consistently applied across the organization, thereby maintaining the integrity of the HSE framework.

Each location has a designated HSE leader for overseeing the implementation and updates of HSE practices, ensuring they are effectively rolled out and maintained across Borealis' operations. The effectiveness of the implementation is assessed during Blue Audits, which take place every five years and check compliance with the subprocesses at each location (see [S1-4.41] for more information). Formal management reviews are used annually to evaluate that the HSE management system is effectively rolled out and to identify improvement actions and feedback into the strategy and planning process.

Stakeholder Considerations and Communication

[ESRS 2-MDR-P.65e], [S1-1.19] The Group's HSE management system is collaboratively developed with key stakeholders, guided by a core team of subject matter experts. Borealis incorporates a thorough approval and review process before the official release of the policy by the Sustainability and Responsible Care Committee.

[S1-1.20b], [S1-1.AR 14] Borealis values open and transparent communication with its workforce, fostering an environment of mutual respect and collaboration. The Group uses the following approaches to engage with its workforce and communicate its policies:

- Regular talks by safety leaders, to reinforce the importance of safety policies and provide a forum for discussion and feedback;
- Engagement walks on safety, to engage the workforce in meaningful discussions about safety policies, encouraging a two-way dialogue and fostering a collective responsibility for safety. The walks focus on human behavior and provide affirmative feedback on commendable practices, while addressing potential risks associated with the work;
- The B-Safe Program, which targets five critical safety areas as part of Borealis' commitment to zero harm: strengthening leadership's impact on safe behaviors, refining safety processes, improving risk awareness and decision-making, learning from incidents to prevent recurrence, and fostering a proactive safety culture at Borealis;
- Mandatory Life-Saving Rules (LSR) training sessions, to educate Borealis' workforce on critical safety protocols. The sessions are provided in multiple languages, to ensure comprehension and implementation;
- A comprehensive onboarding process for contractors, including detailed briefings on Borealis' HSE policies, expectations, and the importance of compliance for everyone's safety;

- Safety stand downs at various projects and locations, where work is paused to discuss safety matters, ensuring that the message of safety is both communicated and integrated into daily operations;
- Safety Days, which are a key initiative to underscore the importance of safety and to raise awareness among employees;
- Consistent consultation with the workforce, through local HSE assurance teams, cascading HSE committees and an HSE forum at every location, which engages employee representatives to discuss the HSE management system and promote worker participation in occupational health and safety;
- Group campaigns and local initiatives to communicate HSE initiatives, ensuring that messaging is consistent yet adaptable to local needs and regulations;
- Regular performance reviews and feedback sessions between employees and line managers, encompassing development, training plans, and wellbeing;
- The intranet, town hall meetings, the annual Executive Board tour, CEO webinars, and other similar events, to ensure employee involvement and provide information to them;
- Regular employee Pulse/Temperature Check surveys, to gauge workforce sentiment and gather insights; and
- Idea management, which is facilitated on the intranet and complemented by local idea boxes, to encourage innovation and participation from all staff members.

Further details can be found in section [S1-2].

Workplace Accident Prevention Policies and Management Systems

[S1-1.23] Borealis has implemented the following workplace accident prevention policies and management systems:

- A Group-wide management system, in accordance with ISO 45001;
- Instructions on the Risk Register and Prevention and Risk Management in Borealis Operations, which detail the processes for risk identification and ranking within the organization;
- The Incident Management and Learning from Incidents Policy, which outlines the learning from incidents process and is integral to preventing the recurrence of workplace accidents;
- An HSE database, which is updated each month and provides current data on incidents and leading safety indicators;
- Monthly tracking and reporting of Process Safety performance, in alignment with API 754 standards;
- The Group's Loss of Primary Containment Pyramid, which includes additional leading indicators to support a proactive approach to safety management; and
- Monthly performance reports, which are disseminated to the Executive Board and senior managers of the organization, to promote an open and engaged safety culture.

[S1-1.AR 17a] Borealis has policies and procedures that prioritize qualifications, skills, and experience as the fundamental criteria for recruitment, placement, training, and advancement across all levels of the organization. The Group recognizes that certain individuals may face greater challenges in acquiring these qualifications, skills, and experience. To address this, Borealis ensures that its basic HSE competencies, as outlined in its HSE Training for Own Employees instruction, are accessible and monitored through the Horizon SuccessFactors

system. This approach enables Borealis to support all employees in their professional development, while improving health and safety standards in the work environment.

DR S1-2 – Processes for engaging with own workforce and workers' representatives about impacts (Health & Safety)

[S1-2.27a] Engagement occurs directly with Borealis' own workforce and employee representatives and trade unions in HSE fora (see [S1-1.20b]). The key methods for engaging with Borealis' workforce on health and safety impacts are the engagement walks, safety stand downs and Pulse Check survey described in [S1-1.AR 14], as well as a workplace survey that takes place every five years and gathers feedback on various aspects of the work environment, ensuring continuous improvement in workplace conditions.

[S1-2.27c] The location leader is accountable for the effectiveness of engagement walks. P&C Business Partners, together with line managers, are responsible for executing and monitoring the results of the Pulse Check survey, and the five-yearly workplace surveys are carried out by local HSE and line management.

[S1-2.27e] Borealis assesses the effectiveness of its engagement with its workforce as follows:

- Workplace surveys and Pulse Checks: Borealis conducts a thorough analysis of the collected data, to identify areas for improvement. Based on this analysis, the Group defines action plans to address the issues uncovered. The effectiveness of these action plans is then measured by analyzing the results of the subsequent Pulse Check and workplace survey, allowing the Group to gauge its progress and make necessary adjustments to its engagement strategies.
- Engagement walks: The location leader ensures that feedback is properly addressed, as outlined in the Group's HSE document that sets out how these walks are conducted. Local HSE subcommittees also monitor the performance of engagement walks, and are responsible for capturing and recording feedback in Synergi, Borealis' HSE management tool.
- Safety stand downs: Borealis does not currently have a formal process to evaluate the effectiveness of safety stand downs.

[ESRS 2-S-2.AR 24d] No specific financial or human resources were allocated to workforce engagement activities during the reporting period.

[ESRS 2-S-2.AR 24e] Engagement on potential impacts related to reducing carbon emissions and transitioning to greener, climate-neutral operations is addressed under [S1-SBM-3.14e].

DR S1-3 – Processes to remediate negative impacts and channels for its own workforce to raise concerns (Health & Safety)

[S1-3.32a] Borealis has established a series of processes aimed at addressing and mitigating any negative impacts on the individuals within its own workforce and those connected to it. These includes the Group's Accident and Incident Reporting Procedures. Under these procedures, employees are trained and required to report accidents and incidents, in accordance with legal requirements and the established reporting hierarchy. The reporting process, up to the implementation of corrective actions, is tracked and monitored through an audit trail within an HSE program. Incidents and accidents are subsequently processed by health and safety specialists and measures are implemented in collaboration with those responsible. The effectiveness of these measures is then separately evaluated.

[S1-3.32e] In addition, Borealis monitors trends on a monthly basis. This includes tracking and monitoring the action completion rate (closure time compared to due time) and the response rate (actions taken compared to the registration of the incident).

Further information on the tracking and monitoring of issues can be found in [G1-1.10a, e].

[S1-3.32b] Borealis has established the following channels for employees to directly express their concerns or needs to the organization and to have them addressed:

- Direct communication: Employees can raise concerns about health and safety topics directly with their supervisor, department heads, or through designated safety officers. Every Borealis employee also has access to the Group's incident management software, Synergi, where they can report near misses.
- Whistleblowing: Any concerns about health and safety can also be reported through the Group's whistleblowing platform, which is described in detail in [G1-1.10c i].

[S1-3.32c] Grievance reporting and the complaints handling mechanisms are described in [G1-3.18].

[S1-3.32d] The Group ensures that the channels are available to the workforce through a resiliently designed IT infrastructure and awareness raising through training and communication. Details on training and communication with the Group's own workforce can be found in [G1-1.10g].

[S1-3.33] Awareness and trust are assessed through analyzing the utilization of the Group's reporting system, Synergi. With more than 9,000 reports generated annually by a workforce of more than 6,000 individuals, Borealis has substantial evidence that there is a high level of trust in the system, which is well-recognized across the organization. This trust is the result of deliberate efforts to integrate the training and use of reporting into the onboarding process for all employees. Borealis actively monitors training provision, to ensure that personnel can effectively utilize the reporting system. This commitment to training is a cornerstone of the Group's continuous improvement process. Borealis monitors the incident reporting frequency (per 1 million working hours) to see if there are reductions in incidents reported (both actual incidents and near misses), which is an indication of the trust and openness of the organization. Borealis performs anonymous Pulse/Temperature Checks of all its employees, which includes asking employees whether they agree that "In our organization, safety issues are addressed quickly and effectively." This is done at least every two years, and the information is available at Group and department level, to identify actions to improve.

Further information, including the Group's approach to preventing retaliation, can be found in [G1-1.10a].

DR S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (Health & Safety)

[ESRS 2-MDR-A.68a, c], [S1-4.37] The key actions taken and planned, along with the time horizons for completing key actions, are shown below. [ESRS 2-MDR-A.68b], [S1-4.37] The scope of these actions covers all sites and units where Borealis owns at least 50%. Where certain actions have more-specific scopes, these are noted in the table below.

Actions & Scope	Progress and Time Horizon
<p>Training and Competencies</p> <ul style="list-style-type: none"> - Provide targeted and practical LSR training sessions for all employees and contractors' employees involved in specific tasks. - Provide virtual LSR training application G-learning, based on gamification, and make it available for Borealis employees through the Horizon My Success Factors platform. - Finalize implementation of Safety Centers in all production locations. - Follow up Safety Center Training Progress as a leading KPI in the monthly HSE&Q report. 	<ul style="list-style-type: none"> - All safety centers in big production locations were implemented in 2024. - The safety centers for the small production locations are planned to be implemented in 2025 - The training completion rate for the LSR training is being monitored quarterly within the training program.
<p>HSE Culture</p> <ul style="list-style-type: none"> - Ensure that every employee in Borealis is part of the safety culture program and receives the “B-Safe Training”. - All locations to develop local B-safe action plans on their focus areas. - Engagement walks done with B-Safe coaches and with contractors. - Life Saving Rules receive extra attention during engagement walks. - Group & Location HSE network on strategic elements, Learning from Incidents and the annual HSSE plan. - The Back-to-Basics process safety program was launched to improve process safety at high-risk assets and to strengthen safety leadership. 	<ul style="list-style-type: none"> - The B-Safe training program concluded in June 2024. The B-Safe journey continues as standard work, through B-Safe coaches actively coaching leaders on site, and retraining on a three-yearly basis for all leaders and as part of the induction of new employees. - All locations have developed local B-Safe action plans on their focus areas. - Engagement walks are also done with coaches, contractors and have often a focus on LSR. - The Back-to-Basic program started in 2025 with self assessments at high-risk assets, followed by the development of action plans based on the assessment outcomes.
<p>Occupational Safety</p> <ul style="list-style-type: none"> - Continuously improve the Group's approach to occupational safety. 	<ul style="list-style-type: none"> - New Group procedures related to the Life-Saving Rules were issued on working at height and confined space. - A joint safety improvement program was started with a long-term partner contractor, to improve its safety performance. - Machine safety assessments were performed at several sites after a severe incident and will be followed by an improvement program. - Incidents were reported, trended & derived learnings were shared cross-location based on learning potential. Incidents with high potential or actual consequences were thoroughly investigated to identify and eliminate root causes. Safety Alerts issued include for example safety for railcar operations triggering reviews and actions at all relevant locations. When deemed relevant, cross-site learnings were issued to strengthen safety standards across all locations.
<p>Preventive health programs</p> <ul style="list-style-type: none"> - Offer mental health webinars. - Provide training for leaders on burnout prevention. 	<ul style="list-style-type: none"> - A series of webinars on mental health were held in 2025.

Actions & Scope	Progress and Time Horizon
Safe behavior and compliance - Conduct Social Compliance campaigns across locations	- Training for leaders on burnout prevention was rolled out. - Social Compliance campaign rolled out across locations. For further elements see [ESRS 2-MDR-A.68a], [S1-4.37].

[S1-4.38a] All of the health and safety related actions under [ESRS 2-MDR-A.68a], [S1-4.37] are intended to prevent or mitigate negative impacts on employees' health and safety. The extensive training in the safety centers creates a full understanding of the Life-Saving Rules for Borealis' own workers and those in the value chain, preventing severe accidents from happening and resulting in safer working conditions. The B-Safe culture program is enhancing the overall safety behavior of the Group's own workers and workers in the value chain, building a culture where everybody looks after each other to prevent incidents from happening, whether small or large.

[S1-4.38b] No actions to enable remedy have been taken. [S1-4.38c] There are no additional actions with the primary purpose of delivering positive impacts, other than those already mentioned under [ESRS 2-MDR-A.68a], [S1-4.37].

[S1-4.38d] As described in [S1-1.20b], [S1-2.27b] and [ESRS 2-MDR-A.68a], [S1-4.37], the effectiveness of actions is tracked and assessed through various evaluations, independent reviews and surveys.

Additionally, there are mechanisms in place to track and assess the effectiveness of these actions and initiatives in delivering outcomes for the workforce. Specifically, the B-Safe sustain program is monitored and evaluated to ensure a significant shift in safety culture across the locations at Borealis. This is achieved through a B-Safe governance structure, which includes Senior Leader B-Safe Sponsors at the Group level and B-Safe Sponsors within the local Leadership Teams at each location. These sponsors, in collaboration with local B-Safe Coaches, drive the program based on four focus areas identified from comprehensive employee feedback from training sessions. To ensure systematic progress and accountability, all actions are recorded in Synergi and are subject to monthly follow-ups, providing a transparent and structured process for ongoing evaluation and continuous improvement.

[S1-4.39] To identify the appropriate action in response to the potential negative impact on its own workforce, Borealis utilizes stakeholder engagement. By engaging with its employees, employee representatives and trade unions, Borealis gains valuable insight into potential negative impacts and understands the perspectives and concerns of its stakeholders. Furthermore, Borealis maintains legal, regulatory and social compliance by aligning internal practices with relevant labor laws, regulations, and international human rights standards. Further information about stakeholder engagement can be found in [S1-2.27b].

[S1-4.41] Borealis conducts regular safety audits and inspections to review regulatory requirements and internal standards, and to achieve its objectives related to occupational health and safety.

A key pillar in Borealis' auditing process is a comprehensive internal audit system known as Blue Audits. These audits assess compliance with HSE systems and requirements at each location, focusing on human safety, process safety, and environmental standards. The Blue

Audits are conducted on a five-year cycle and involve a thorough three to four-day examination of the location's adherence to Borealis' Group Auditing of HSE Risks standard. Findings are recorded in Synergi. Subject matter experts validate the actions to be taken, and timely closure of these actions is monitored through a performance indicator. The effectiveness of the actions is then evaluated in the subsequent audit cycle.

[S1-4.43] Borealis allocates appropriate financial and personnel resources, including training and development for employees in the health and safety area, to help them understand and manage the significant impacts on its own workforce.

[ESRS 2-MDR-A.69a] The B-Safe program, initiated in 2023 and successfully concluded in June 2024, was conducted under the guidance of Dss+. The program is being continued as mentioned in [ESRS 2-MDR-A.68a, b], [S1-4.37], [S1-1.AR 14].

Metrics and Targets DR related to S1 Own Workforce (Health & Safety)

DR S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (Health & Safety)

[ESRS 2-MDR-T.80a-e], [S1-5.46], [S1-5.44a] Borealis' policy objectives include a commitment to Zero Harm to people, the environment and assets, which is the basis for the Group's We4C Strategy and Annual Plan. In safety, Borealis has committed to become industry leader by 2030, with targets to reduce two performance indicators. These are to achieve a:

- TRIR of 2.4 by 2030 (from a baseline of 3.8 in 2024); and
- PSER of 0.43 by 2030 (from a baseline of 0.41 in 2024).

The PSER improvement aims to reduce the likelihood of serious process safety incidents, which is aligned with Borealis' continued focus on preventing serious injuries and fatalities.

[ESRS 2-MDR-T.80c], [S1-5.46] The scope of the targets is limited to activities undertaken by Borealis' own workforce and contractors working at installations the Group controls.

[ESRS 2-MDR-T.80f], [S1-5.46] The methodologies and significant assumptions used to define the targets are as follows:

- The TRIR target is established using benchmark information from comparable industry clusters, including Solomon Cracker performance, NACE data categories 20/16/22/38, IOGP Construction reporting, and International Project Analysis (IPA).
- The PSER targets are determined based on industry cluster benchmark figures from the European Process Safety Committee (EPSC), CEFIC, Concawe, and annual reports from peer companies.

[ESRS 2-MDR-T.80g, h], [S1-5.46] Certain internal stakeholder groups have been involved in setting the targets. The target setting process is based on a review of the previous year's performance trends. Location leadership teams are consulted during the target setting process, and the SRCC serves as the final endorsing body. The SRCC plays a pivotal role in shaping the strategic direction and establishing the guiding principles for Responsible Care within Borealis. The process is led by Group subject matter experts.

[S1-5.47a] The target setting process has also included:

- Direct engagement: Borealis has actively involved its employees in establishing safety and wellbeing targets by conducting town hall meetings and focus groups, allowing for open dialogue and the expression of safety-related concerns, ideas, and expectations.

- Feedback integration: The insights gathered from these direct engagements are considered when building the Group's framework for setting targets, ensuring that the objectives reflect the workforce's input.

[ESRS 2-MDR-T.80i], [S1-5.46] There was a change in the TRIR target setting in 2024 following the acquisition of mechanical recycling operations and remote compounding operations, which, from a benchmark perspective, operate at a performance level that is five times worse. This resulted in a new overall TRIR target of 3.5 for 2025, based on different safety performance levels for established sites, remote compounding, recycling and growth.

Methodologies are periodically reviewed to ensure alignment with the most current safety standards and practices. [S1-5.AR 49b, c] The definition of the Group's targets over time has been influenced by a change in the TRIR definition in 2021, to align with International Oil and Gas Producers (IOGP) standards and the adoption of API 754 practice, which affect historical comparability.

[ESRS 2-MDR-T.80j], [S1-5.46] Borealis' process for monitoring and reviewing performance against these targets is as follows:

- Monitoring: Safety performance is monitored monthly through the Group's Health and Safety management system. Performance results are issued on the tenth working day of each month in a consolidated HSE database, which allows the data to be assessed from Group, business stream, and location perspectives.
- Review: A comprehensive overview report is prepared each month, including information on incidents that occurred during the previous month. This report is reviewed at the Executive Board level and is accessible to all Borealis employees. Similar reviews are conducted at the location level, with location-specific data.

[S1-5.47b] To track performance against its safety targets, the Group employs a collaborative monitoring approach that includes safety performance metrics, learning from incident committees, HSE committees, and the use of performance dashboards and databases. Additionally, Borealis has established regular reporting routines and feedback mechanisms that enable employees to report safety issues and performance, ensuring continuous improvement and accountability within the safety management system.

[S1-5.47c] In identifying lessons and improvements, Borealis conducts thorough investigations and root cause analyses for every TRI, as per the Group's Incident Management and Learning from Incidents protocol. The findings and lessons are disseminated across the entire organization to foster a culture of shared knowledge and prevention. Borealis actively monitors trends and, when necessary, revises work instructions and best practices, which includes critical elements derived from lessons learned. Furthermore, the Group initiated targeted awareness campaigns, such as the "Working at height" and "Line of fire" campaign, to address specific issues and promote continuous improvement through post-incident reviews or annual performance evaluations.

[ESRS 2-MDR-M.75] Borealis uses the following metrics to evaluate its health and safety performance and effectiveness:

- The number of fatalities as a result of work-related injuries and work-related ill health;
- The number and rate of recordable work-related accidents;

- The number of cases of recordable work-related ill health, subject to legal restrictions on the collection of data;
- The number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health;
- The percentage of people in Borealis' own workforce who are covered by the HSE Management System, based on legal requirements and/or recognized standards or guidelines; and
- The percentage of own workers covered by such a system and which has been internally audited and/or audited or certified by an external party.

The following entity specific health and safety indicators also represent the performance and effectiveness in relation to a material impact, risk, or opportunity within the Group. These indicators include an approach where non-employees, as defined by the ESRS, are accounted for in the statistics as if they were own employees. Additionally, both contractors and own employees are included in the group monitored by all the following KPIs:

- Fatal Accident Rate (FAR);
- Total Recordable Incident Rate (TRIR);
- Lost Workday Injury (LWDI);
- Restricted Work Injury (RWI);
- Medical Treatment Injury (MTI);
- Process Safety Event Rate (PSER);
- First Aid Injury (FAI);
- High Potential Incidents (HIPO);
- Incident Investigation Response Rate;
- Incident Action Completion Rate;
- Near Miss Reports;
- Engagement Walks and Engagement Walks in focus areas;
- Safety Centre Training adherence to plan; and
- B-Safe Culture Program Improvement.

[ESRS 2-MDR-M.77a] The methodologies and significant assumptions behind each metric are shown below. See also [ESRS 2-BP-2.11a] and [ESRS 2-BP-2.11b].

Fatal Accident Rate (FAR):

- Definition: The occurrence of a fatality among Borealis employees or contractor employees due to a work-related injury, with the death occurring within 12 months as a direct consequence of the injury.
- Scope: Separate tracking for employees, contractor employees, and third parties.

Total Recordable Incident Rate (TRIR):

- Definition: The total number of recordable injuries (including fatalities, lost workday cases, restricted workday cases, and medical treatment cases) per one million hours worked. This metric reflects the average frequency of incidents in relation to the amount of work performed.
- Scope: Separate evaluation for employees and contractors.
- Calculation: $TRIR = (FAR + LWDI + RWI + MTI) / \text{hours worked} * 1,000,000$

Lost Workday Injury (LWDI):

- Definition: Any work-related injury, excluding fatalities, that renders an individual unable to work on any day within the reporting year. This includes weekends, holidays, and days after employment termination (also known as lost workday case, LWDC).
- Scope: Separate evaluation for employees and contractors.

Restricted Work Injury (RWI):

- Definition: Any work-related injury, other than a fatality or lost workday injury, that prevents an individual from fully performing their regular job duties on any day after the injury.
- Scope: Separate evaluation for employees and contractors.

Medical Treatment Injury (MTI):

- Definition: A work-related injury that is not severe enough to result in death, lost workdays, or work restrictions, but requires more than simple first aid treatment.
- Scope: Separate evaluation for employees and contractors.

Process Safety Event Rate (PSER):

- Definition: The combined number of Tier 1 and Tier 2 Process Safety Events (PSE) per one million work hours. (PSE classification is based on a tier system, as detailed in API Recommended Practice No. 754 or IOGP Report 456).
- Calculation: $PSER = PSE (Tier 1 + Tier 2) / \text{work hours} * 1,000,000$

First Aid Injury (FAI):

- Definition: Injuries of a minor nature that do not require medical treatment beyond first aid, as defined by OSHA criteria, and are not included in the more severe category of MTI.

High Potential Incident (HIPO):

- Definition: A HIPO is any incident with severity level 0 to 3 (where 0 is a near miss) that under slightly different circumstances could have become a level 4 or 5 incident. This means that the failure of a single risk control barrier could have resulted in an incident of severity level 4+ (permanent disability or fatality).

Incident Investigation Response Rate:

- Definition: This metric evaluates the timeliness and effectiveness of Borealis' response to incidents, including agreeing and implementing actions to prevent recurrence. It is calculated on the first working day of the month and is determined by examining the status of cases from the previous month, allowing for an investigation period of 30 to 60 days.
- Calculation: $\text{Incident investigation response rate} = \text{Number of cases approved and/or closed} * 100 / \text{Total number of cases}$.

Incident Action Completion Rate:

- Definition: This metric assesses the promptness and reliability of completing actions within their due time following an incident or complaint. Determined monthly, this rate focuses on actions that were due in the preceding month for all reported incidents and complaints in Synergi with a medium or high risk or above.
- Calculation: $\text{Incident Action Completion Rate} = \text{Actions finalized within due time} * 100 / \text{All actions due}$.

Near Miss Reports:

- Definition: A near miss is an unplanned or uncontrolled event or chain of events that has not resulted in recordable injury, illness, physical, environmental or property damage or reputational impact but had the potential to do so in other (slightly) different circumstances.

Engagement Walks:

- Definition: The total number of engagement walks recorded in Synergi.
- Scope: The primary focus of engagement walks is everybody performing work at a Borealis facility.
- [S1-14.AR 89] When computing the rate of work-related injuries the methodology outlined was applied.

B-Safe Culture Program Improvement:

- Definition: Actions on group and local level to improve quality and sustain program within the Annual HSSE plan 2025 (“Make B-Safe visible”, local initiatives, ensure active coaches, review program).
- Calculation: Percentage of closed actions and percentage overdue.

[ESRS 2-MDR-M.77b] The metrics are not validated by an external body, other than the assurance provider.

The classification of TRIs and HIPOs is validated on a weekly basis, by the HSE managers' team. This classification is also scrutinized by a Quality Gate Keeper appointed by the Group. Furthermore, PSEs and their classification are meticulously validated each week by the Process Safety expert team, which comprises representatives from all locations.

DR S1-14 – Health and safety metrics

[S1-14.88a-c] Numbers and rates related to health and safety are disclosed in the tables below:

Borealis health and safety metrics (Monitoring with targets)

	Employees		Non-employees	
	2025	2024	2025	2024
Percentage of own workers who are covered by health and safety management system based on legal requirements and (or) recognized standards or guidelines	100	100	100	100
Number of fatalities in own workforce as result of work-related injuries and work-related ill health	0	0	0	0
Number of fatalities in own workforce as result of work-related injuries	0	0	0	0
Number of fatalities in own workforce as result of work-related ill health	0	0	0	0
Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites (including value chain workers)	0	0	0	1
Number of fatalities as result of work-related injuries of other workers working on undertaking's sites	0	0	0	1
Number of fatalities as result of work-related ill health of other workers working on undertaking's sites	0	0	0	0
Number of recordable work-related accidents for own workforce	44	33	2	4
Rate of recordable work-related accidents for own workforce	4.10	3.31	10.20	11.67

Borealis health and safety metrics (Monitoring with targets)

Group HSE KPI Total Borealis		Target		Actual	
	Unit	2025	2024	2025	2024
Total Recordable Incident Rate (TRIR)	Rate / 1mn hrs	3.50	2.50	3.80	3.80
Process Safety Event Rate (PSER)	Rate / 1mn hrs	0.50	0.50	0.71	0.41

Borealis health and safety metrics (Monitoring without targets)

Group HSE KPI Total Borealis	Unit	Actual	
		2025	2024
Incident investigation response rate	%	78.7	82.8
Incident action completion rate ¹⁾	%	0	91.6
Incident action response ¹⁾	%	87	
Engagement Walks		13,965	14,139
Lost workday injury rate (LWDIR) total	freq	2.1	2.6
First Aid Injury (FAI)		191	220
Near Misses (NM)		7,872	7,674
High Potential Incidents (HIPO)		59	58

¹⁾ Incident action response has replaced the incident action completion rate since 2025: (a) The 'Incident action completion rate' tracks timely completion of actions for cases with a risk factor ≥ 8 ; (b) The 'Incident action response rate' tracks timely completion of TRI and HiPo actions over the last 12 months

[S1-14.90] The percentage of Borealis' own workforce covered by:

- An ISO 45001 certified HSE management system: 84%.
- The Borealis HSE management system, which is certified internally: 100%.

ESRS S2 Workers in the Value Chain

Borealis purchases goods and services for all of its business areas including, among others, raw materials, IT, consultancy, engineering and logistics. The Group applies its sourcing and logistics expertise to ensure that the highest-quality materials and services are provided throughout the supply chain. In doing so, it aims to foster innovation, maximize value contribution and enable supply chain growth.

Sustainable procurement means caring about the environmental, social and economic impacts of the goods and services the Group intends to purchase. When managing its supply chain, it is of paramount importance that Borealis complies with all applicable legal requirements, as well as with its internal safety, environmental protection, and human rights standards. By integrating sustainability requirements throughout its supply chain (for example through audits, assessments and sustainability criteria in sourcing), Borealis aims to drive positive change in the sustainability performance of its suppliers, contractors and workers in the value chain, while mitigating potential negative impacts.

Impact, risk and opportunity management

DR S2-1 – Policies related to value chain workers

[ESRS 2-MDR-P.65a], [S2-1.16] The Group has three main documents that address the rights of value chain workers and other key impacts, risks and opportunities, such as the impact of labor violations in the value chain and the corresponding risk of reputational damage (see IRO Table [ESRS 2-SBM-3.48a]). These documents are the Ethics & Integrity Policy, the Borealis Code of Conduct and the Group's Social Compliance Framework.

The Ethics & Integrity Policy and Code of Conduct define the Group's approach to key aspects of business ethics when sourcing. Contractors, suppliers and other business partners are required to adhere to these regulations. The Code of Conduct specifically highlights respecting and promoting human rights, as well as ethical practices and ensuring a safe and healthy environment. [S2-1.18], [S2-1.AR 15] Borealis strongly opposes forced labor, slavery, child labor and human trafficking. During 2025, the Group updated the Ethics & Integrity Policy and Code of Conduct, and the updated versions explicitly address safety, human trafficking, forced labor and child labor in line with applicable ILO standards.

To ensure suppliers support the Group's human rights values and to mitigate the risk of forced labor, slavery and human trafficking, Borealis' supply chain partners must acknowledge the Borealis Ethics & Integrity Policy and Code of Conduct – including the provisions on human rights – as part of their contract. Borealis reserves the right to terminate the relationships with its suppliers, if it discovers non-compliance with the Code of Conduct or non-compliance is not addressed in a timely manner.

The Social Compliance Framework is an internal regulation, which outlines Borealis' overall aspiration and strategy, based on the following principles:

- Every human being has the right to be treated fairly, respectfully and legally correctly.
- Borealis upholds the fundamental freedoms and human rights of external personnel working on its sites.
- Borealis does not tolerate any form of discrimination, harassment or physical assault, or any form of child, forced or compulsory labor.
- Borealis creates an environment that supports diversity and inclusion, and monitors and upholds human rights across the supply chain.

- As with health and safety, the Group never compromises on integrity or on human rights.

The IRO table in [ESRS 2-SBM-3.48] shows which material impacts and risks are addressed by which S2 policies.

Borealis addresses the negative risks related to job loss and the associated financial and wellbeing consequences for workers in the value chain through the Social Compliance Framework, which takes the wellbeing and fair treatment of workers in the value chain into consideration, and grievance mechanisms, such as the Whistleblowing Hotline, as a key tool for preventing and managing adverse impacts, including the protection of those using the hotline, as defined in Borealis Ethics & Integrity Policy.

All policies and operative instructions are regularly reviewed and adapted as needed. Each document includes a stated revision date, and updates are tracked within the BMS.

[ESRS 2-MDR-P.65b], [S2-1.16] The Ethics & Integrity Policy and Code of Conduct apply to all contractors, suppliers and other business partners. The Social Compliance Framework applies to Borealis GmbH and its fully consolidated subsidiaries.

Alignment to Third-Party Standards

[ESRS 2-MDR-P.65d], [S2-1.16], [S2-1.17a] and [S2-1.19] Through the Code of Conduct Borealis has committed to respecting a range of third-party standards and initiatives in implementing these policies. Borealis adheres to internationally recognized standards, including ILO Conventions, the UN Guiding Principles on Business and Human Rights, and the Voluntary Principles on Security and Human Rights. The Group's commitments include:

- Freedom of Association: Respect for trade unions and collective bargaining; alternative representation where legally required.
- No Forced or Child Labor: Employment is voluntary; workers' are not charged recruitment fees; minimum age in line with ILO Convention 138.
- Non-Discrimination: Zero tolerance for discrimination, harassment, or abuse.
- Fair Wages and Conditions: Compliance with local law and ILO standards on pay, working hours, and rest periods.
- Indigenous Rights and Free, Prior and Informed Consent: Respect for land tenure and avoidance of involuntary resettlement.
- Parental Leave: Minimum 14 weeks maternity leave, per ILO Convention 183.
- Conflict-Free Minerals: Compliance with EU Conflict Minerals Regulation and US Dodd-Frank Act.
- Security and Human Rights: Alignment with Voluntary Principles and International Code of Conduct for Private Security Service Providers for security practices.
- Environmental and Social Standards: Recognition of the right to a clean, healthy environment.

See [S1-1.20a] for more information. In addition, the Compliance Management System is certified according to ISO 37301:2021 – Compliance Management System and ISO 37001:2025 - Anti-bribery management systems. For further information see [G1-3.18a].

Accountability for Implementation

[ESRS 2-MDR-P.65c], [S2-1.16] The Borealis Executive Board is accountable for implementing the Ethics & Integrity Policy and Code of Conduct and upholding Borealis' values. Information about the Ethics & Integrity Policy and Code of Conduct can be found in [G1-1.7].

The Group's Compliance team is responsible for the day-to-day implementation of the Ethics & Integrity Policy and Code of Conduct. This function is coordinated by the Group Compliance Manager, who reports to the VP Internal Audit & Compliance and also has a reporting line to the Audit Committee, which receives an annual report on compliance and ethics issues. The Group Compliance Manager is supported by a team of local compliance officers and a network of more than 80 Ethics Ambassadors. The Ethics Ambassador network is a key tool for promoting and strengthening Borealis' compliance culture. The network has global coverage, with at least one ambassador at almost every location and across all hierarchy levels. The Group Compliance Manager is also responsible for implementing the Social Compliance Framework, and is supported by a Regional Social Compliance Manager in Belgium.

The Borealis Executive Board performs the function of an Ethics & Integrity Committee. The Committee aligns the Group's approach to compliance and ethics and provides updates on compliance matters, to ensure consistent Group-wide compliance standards.

Considering Stakeholder Interests

[ESRS 2-MDR-P.65e], [S2-1.16] Borealis considers the interests of key stakeholders when reviewing its Social Compliance Framework, which takes place within a regular, three-year cycle. The Group collects feedback throughout this period and includes it in the document review if deemed appropriate. The sources of feedback include:

- Team workshops and discussions when investigating compliance reports or sharing best practices;
- Stakeholders from the locations, including the value chain workers and contractors, as well as the local authorities who are actively consulted with regards to mitigating labor, regulatory and social compliance risks; and
- the Group Compliance team, which provides guidance and feedback from the Executive Board and its consultations with other relevant stakeholders.

Communication and Engagement

[ESRS 2-MDR-P.65f], [S2-1.16] Borealis makes its social compliance approach available on its corporate website via the Ethics & Integrity Policy and Code of Conduct.

In addition, the Group provides general information and targeted communication on social compliance:

- General information on Borealis' social compliance approach is conveyed via the tone from the top, as well as through hang outs, key visuals and information channels, such as ethics posters on the wall, the social compliance section of the intranet and articles in Group news.
- Targeted communication explains Borealis' social compliance approach and ambition to particular internal and external personnel, for example via Speak-up Cards or via discussions in the field during social compliance field walks.

[S2-1.AR 16] The Ethics & Integrity Policy and Code of Conduct are actively communicated to Borealis' business partners. Other than Borealis' website, the major communication channels

for the value chain are supplier and contractor events, training, audits and assessment, negotiation and contracting.

[S2-1.17b] Borealis engages with value chain workers through the general information and targeted communication described in [ESRS 2-MDR-P.65f], [S2-1.16]. Also see [S2-2].

Grievance Mechanisms

[S2-1.17c] Borealis regards grievance mechanisms as a key tool for preventing and managing adverse impacts, including human rights impacts, on local communities, employees, and other stakeholders. Following the UN Effectiveness Criteria, the Group aims to address all grievances received, regardless of whether they stem from real or perceived issues and whether the complainant is identified or anonymous.

Borealis' grievance mechanisms offer a channel for identifying potential adverse impacts, resolving grievances and providing remedy to the rightsholders, where the Group has caused or contributed to a negative impact. Borealis recognizes that this does not hinder the stakeholders' right to access judicial or other remedies.

[S2-2.22e] When an external whistleblower reports a grievance to Borealis, the case is professionally investigated. If the grievance is substantiated, Borealis collaborates with the external company to remediate the situation. As part of assessing the effectiveness of engagement with workers in the value chain, Borealis reviews the resolution process, any agreements made and outcomes to ensure that corrective actions are taken.

In 2025, the number of reports concerning workers in the value chain was 75. These cases involved issues related to, for example, fair wages and safe working conditions.

DR S2-2 – Processes for engaging with value chain workers about impacts

[S2-2.22a] Borealis prioritizes close collaboration and engagement at all levels with contractors and subcontractors on health, safety and other sustainability related topics.

Direct engagement with value chain workers occurs through planned and structured checks, such as site access control, and event-driven checks, such as audits of the external companies. Workers in the value chain are encouraged to report any unsafe conditions and behaviors at any time.

[S2-2.22b] Promoting a social compliance culture is a top priority for Borealis. During onboarding at a Borealis site, each value chain worker is made aware during a training session of the Group's social compliance ambition level and how and where to speak up, in case they witness or suspect infringements. In addition to using the Group's whistleblower hotline, value chain workers can actively engage with Borealis' employees, for example during field walks or spot checks. Social compliance elements have been embedded in HSE engagement walks that have been pursued across all Borealis locations. The Group Compliance team also undertakes social compliance walks whenever team members visit a site. During these walks, Borealis' personnel approach value chain workers and ask about their wellbeing while working on Borealis' premises. The findings are regularly shared with site operations.

Based on feedback received during a social compliance walk or Borealis' internal risk assessment, the Group audits external companies working on its premises, to assess their legal compliance and correct treatment of the value chain workers they employ. When these audits identify infringements, Borealis defines corrective actions and follows them up.

[S2-2.22c] Operational responsibilities for contractor management are shared between the business, Procurement, and HSE&Q.

Responsibility for overseeing engagement with workers in the value chain lies with:

- The VP HSE&Q and the VP Sustainability & Public Affairs, who report directly to the CEO; and
- the Chief Procurement Officer and VP Treasury and Funding, who report directly to the CFO.

The VP Internal Audit & Compliance, who heads the Group Compliance team and directly reports to the CEO, is also responsible for overseeing engagement with workers in the value chain who are working on Borealis' premises, on a risk-assessed basis.

DR S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns

[S2-3.27a, b] Borealis' approach to identifying the concerns of value chain workers and to providing remedy includes a structured grievance mechanism, whereby workers in the value chain can report issues, including anonymously. For more details, please see [G1-1.10c i, ii]. Infringements of the human rights of workers in the value chain can also be identified through other actions or tools (see [S2-2.22a]).

If a violation of the Borealis Ethics & Integrity Policy or Code of Conduct is discovered, remedial and preventive actions and actions to minimize the impact of the grievance are taken without undue delay, in an efficient and effective way.

In addition to the Group's grievance mechanism, the Code of Conduct asks Borealis' business partners to provide, to the extent permissible by law, an accessible and effective grievance mechanism to their own workers and other stakeholders. The Code of Conduct also expects and requests that business partners identify and manage their human rights risks and impacts, remedy adverse human rights impacts they are involved in, and cascade this due diligence requirement to their own suppliers and contractors.

Furthermore, Borealis performs regular Together for Sustainability (TfS) sustainability audits and assessments, as well as regular HSE audits.

At the operational level, Borealis has established community grievance channels and the speak-up channel, which are both described in detail under [S2-3.27a]. Borealis' Community Grievance Mechanisms have been assessed against the UN Effectiveness Criteria by independent external professionals.

Value chain workers on Borealis' sites can also raise their concerns directly to Borealis personnel during social engagement walks (see [S2-2.22b]).

[S2-3.27c] External companies must agree to minimum human rights adherence by acknowledging the Borealis Ethics & Integrity Policy and Code of Conduct. [S2-3.27d] Value chain workers carrying out works on the Group's premises are informed about the whistleblower hotline during their site access training. Borealis also offers printed Speak-Up Cards for all workers operating on its sites, so they can easily access the whistleblower channel. For more details on how the whistleblower channel is set up, please see [G1-1.10c i].

[S2-3.28] Borealis does not have any dedicated KPIs or metrics assessing value chain workers' awareness and trust of Borealis' grievance processes. For value chain workers operating on the Group's premises, awareness of Borealis' position on human rights and the ability to report

witnessed or suspected infringements is ensured through site access training (the Speak-Up campaign).

Whistleblower Protection

Borealis offers extended whistleblower protection to all internal and external whistleblowers who make a report, which includes (to the extent controllable by Borealis):

- Protection against any form of retaliation, including intimidation or physical and psychological threats;
- Protection against disciplinary measures, including suspension, demotion or dismissal; and
- Measures to safeguard the security of the whistleblower, witnesses and facilitators and their relatives, if necessary.

See also [G1-1.10c ii].

DR 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

[ESRS 2-MDR-A.68a], [S2-4.32a], [ESRS 2-MDR-A.68c, e] The key actions taken and planned to manage material risks and pursue material impacts relating to workers in the value chain are as follows:

Action	Time horizon
Ensuring the Ethics & Integrity Policy and Code of Conduct are embedded in supplier prequalification, general purchasing conditions and contracts, and during performance audits and assessments.	Since 2022, all suppliers and contractors invited to tender must be prequalified for HSSE and sustainability and must accept the Ethics & Integrity Policy and Code of Conduct as part of the prequalification and general purchasing conditions. See [S2-4.35] for further details on supplier prequalification.
Implementing safety programs with contractors and running supplier audits and assessments on-site with external auditors (such as Deloitte and TfS auditors) or rating agencies (EcoVadis).	Done every year. Borealis aims to run sustainability evaluations (EcoVadis) and TfS audits of suppliers covering 80% of Procurement spend by 2025 and 80% by 2030, see [ESRS 2 MDR-T.80a-e], [S2-5.41].
Training all Borealis employees in human rights, to ensure they are aware of value chain workers' rights, with a target of training all employees within a three-year cycle. The key tool is the mandatory human rights e-learning that was launched in 2022 (see also [G1-1.10g]).	Further training was pursued in 2025.
Updating Borealis' Ethics & Integrity Policy and Code of Conduct.	Done in 2025 (see [G1-2.15a]).
Reviewing the Social Compliance Framework.	At least every three years (see [ESRS 2 MDR-P.65a], [S2-1.16]).
Ensuring that Social Compliance site access checks are carried out in all locations, including making sure that all value chain workers operating on the Group's sites are aware of the whistleblower channel.	Carried out every year, based on a risk assessment.
Enhancing due diligence to assess the ethical business risk associated with any third parties Borealis intends to develop a business relationship with.	Done continuously.

[ESRS 2-MDR-A.68b] The actions are applicable for upstream value chain workers in all countries where Borealis is present. The actions also apply to downstream value chain workers in relation to distribution.

[ESRS 2-MDR-A.68e]

At the year end:

- 24.61% of Borealis' (Group level) contractors are certified to ISO 50001
- 68.88% of Borealis' contractors (Group level) are certified to ISO 14001

During 2025:

- 75 reports filed by external personnel, or concerning external personnel and their wellbeing and working conditions, were received in the Group's reporting tool.
- Five trainings and awareness sessions (four on EcoVadis and one on climate change) were held by the Procurement department to focus on EcoVadis assessments to suppliers.
- Borealis' Internal Audit team carried out an on-site audit at Borouge in UAE, Ruwais.
- 23 TfS sustainability audits were performed.

[ESRS 2-MDR-A.69a] In social compliance, there are no action plans requiring significant OPEX or CAPEX.

[S2-4.32b] There were no material impacts falling within Borealis' area of responsibility in 2025, so no actions were taken on the Group's behalf.

Borealis has investigated and followed-up multiple ethics reports relating to external companies operating on its sites, thereby enabling remedy on behalf of value chain workers. Where needed and possible, Borealis acted as mediator to ensure remedy for the value chain worker affected by the case.

[S2-4.32d], [S2-4.33a, b] Borealis assesses the actions of its suppliers and contractors as follows:

TfS Audits

TfS is a joint initiative and global network of 57 member companies (as of 2025), which sets global standards for the environmental, social and governance performance of the chemical industry's supply chains. The TfS program is based on the principles of the UN Global Compact and Responsible Care®. It enables its members to implement sustainable procurement by sharing the results of standardized supplier audits and assessments, performed by independent experts.

OMV is a TfS member and through this membership, Borealis is helped to further embed sustainability into its day-to-day business operations and further cascade sustainability requirements within its supply chain. The Procurement function is responsible for on-site TfS audits carried out as part of the prequalification process and/or during contract execution. The audits measure the performance of suppliers and define actions that will enable them to optimize their performance and meet Borealis' requirements. In 2025, 17 TfS Audits resulted in a corrective action plan.

Social Compliance Audits

The Group Compliance team is responsible for risk-based social compliance audits, which thoroughly review a contractor or subcontractor's processes and way of working, to ensure its social compliance performance is fair and accurate.

Social compliance audits are based upon the following criteria:

- Any concerns which have come to Borealis' attention, such as a reported whistleblowing case;
- (Sub)contractors with a large number of non-EEA employees or posted workers from EU/EEA countries that are considered high risk;
- (Sub)contractors situated in countries which are geographically the farthest from the Borealis' site where the external employees are posted to work; and
- The use of long chains of subcontractors, for example when there are more than two levels of subcontractors or subcontractors who are self-employed workers.

Social compliance audits identify the actions needed in response to negative impacts on value chain workers via a desktop analysis of provided documentation (for example on decent housing or compensation) or via structured interviews.

Interview answers and requested documents are examined by the Group Compliance team or a third-party such as a law firm, to verify compliance with the contractually agreed provisions and the social legislation of the respective country. Incomplete information or follow-up questions are communicated to the (sub)contractor's contact person, who is asked to provide this information.

The findings are then used to determine any corrective or preventive actions. These may include development measures, process adjustments and/or additional training. Borealis follows up on these actions, in close alignment with the external partner company. If the actions are judged to be ineffective, additional actions or sanctions (such as penalty fees) are determined. Terminating the supplier relationship is the last resort.

Processes to Provide or Enable Remedy

[S2-4.33c] When Borealis receives a report of an alleged ethics grievance against a contractual partner or one of the partner's subcontractors, relating to value chain workers operating on Borealis' sites, the report is investigated professionally in collaboration with the person responsible for business ethics in the partner company, while ensuring protection from retaliation. Depending on the circumstances, the investigation may be carried out by a trained Borealis' person or by an external company.

For a substantiated grievance, Borealis and the partner will agree on its criticality and the actions required. The process for following-up on the actions is as described for actions arising from social compliance audits in section [S2-4.33a].

Mitigation of Material Risks Related to Value Chain Workers

[S2-4.34a] In respect of value chain workers on its sites, Borealis faces a material risk that it could source from suppliers that do not adhere to Borealis' principles for ethical business conduct or legal compliance. The Group has therefore created a compliance risk matrix, in which social compliance risks are registered and maintained.

Social compliance is also recognized as a material risk within Borealis' overall risk landscape and is fully integrated into the Group's enterprise risk management processes. The Social Compliance Framework applies a risk-based approach aligned with Borealis' ERM cycle, covering identification, prevention, detection, and continuous improvement.

Social compliance is integrated through a structured approach based on the three lines of defense: Procurement and site beneficiaries manage risks via contractual clauses and on-site monitoring, while the Compliance function provides oversight, guidance, and reviews. These controls are embedded into procurement workflows, supplier onboarding, and site-level practices, with continuous improvement ensured through lessons learned and best practice sharing.

This integration ensures social compliance risks related to value chain workers are assessed, monitored, and mitigated alongside other strategic and operational risks.

To identify regulatory and social compliance risks, Borealis applies the following assumptions:

- Labor-intensive works with a comparatively short training time (such as cleaning or low-level maintenance works) bear a higher social compliance risk than more complex work, requiring long(er) training time;
- Extensive and complex chains of (lower tier) suppliers bear a higher risk for Borealis than direct suppliers;
- Foreign suppliers or external personnel with a foreign nationality bear a higher risk;
- Risks related to social fraud or harassment, or risks with the potential for significant financial or reputational damage for Borealis, or which constitute a major violation, are rated more severely than other risks; and
- The severity also takes into account the gravity of the impact, the number of external workers affected and the extent to which the impact can be remedied.

Borealis groups the risks in its risk landscape into four categories:

- External risks - Risks related to external personnel;
- External risks - Risks related to external contractors;
- Internal risks - Misalignment of business operations with the desired level of social compliance; and
- Internal risks - Insufficient social compliance ambition within the organization, and retaliation.

The weighting of each risk depends on its severity, probability, irreversibility and Borealis' influence on the violation or risk.

Borealis then defines actions based on these risks. For 2025, Borealis' focus was to ensure social compliance site access checks are implemented and executed in relevant locations, based on the risk assessment, ensuring that every value chain worker is informed of Borealis' social compliance approach and is aware of the whistleblowing channel.

Avoidance of Material Negative Impacts Through Borealis' Activities

[S2-4.35] Supplier prequalification is part of precontractual activities, during which Borealis collects information from a potential supplier. The goal is to screen potential suppliers before bringing them on board, to ensure that only those suppliers that meet Borealis' HSSE and sustainability standards are considered for future collaboration. Borealis therefore ensures it does not cause any material negative impacts on value chain workers.

The prequalification is based on a standardized list of elements and objectives that align with the Group's HSSE Management System (for example the HSSE Policy and the ISO 9001, 14001 and 45001 standards) and Sustainability Framework (including the Sustainability Policy, Human Rights Policy, and Grievance Mechanisms). Suppliers located in a "high-risk" country are asked to submit a positive TfS Audit and Assessment report, particularly for raw materials and packaging. Borealis' categorizes high-risk countries by considering human rights, environmental, and compliance aspects.

Borealis' approach to supplier audits also ensures the Group's activities are not responsible for material negative impacts on value chain workers (see [S2-4.32d]).

The Borealis Ethics & Integrity Policy and Code of Conduct provide guidance for the Group's employees on how to ensure that their own practices do not cause or contribute to material negative impacts for value chain workers. (See [G1-1.7e] for more information).

Borealis' risk management approach also helps to ensure it does not cause material impacts for workers in the value chain (see [S2-4.34a]). The relevant risks in the social compliance risk landscape are:

- Internal risks - business operations; and
- Internal risks - social compliance.

[S2-4.36] Severe human rights issues and incidents connected to Borealis' upstream value chain are reported if observed. There have been no severe human rights incidents in 2025.

Resources Allocated to Managing Material Impacts

[S2-4.38] Borealis allocates resources to the training and awareness of value chain workers. For instance, since 2022 the Group has had a Sustainable Procurement and Supplier Innovation Department, which organizes webinars and training sessions, with the aim of increasing awareness of sustainability for value chain workers. Human rights management is embedded into Borealis' whole organization, for example covering procurement, security, HSSE and community relations. Borealis uses external resources for carrying out assessments and audits, as described under [S2-4.32d].

In addition, a dedicated team within Group Compliance looks after issues arising from workers in the value chain. This function is responsible for Borealis' social compliance approach, notably risk identification and prevention, awareness and training, risk detection, execution of preventive and remedial actions, as well as continuous improvement through lessons learned and best practice sharing. The efforts and actions of this team help to manage all material impacts identified.

Metrics and Targets DR related to S2 Workers in the Value Chain

[ESRS 2 MDR-M.77a, b] The methodologies for calculating the Group's metrics are as follows:

Metric	Unit	Description	Methodology	Validation
Number of audits performed by OMV Procurement with an external auditor	Number	These audits are conducted regularly to ensure that the OMV Group's procurement processes adhere to both internal policies and external regulatory requirements. Each audit involves a thorough examination of management, environment, health and safety, labor and human rights, and governance issues.	The number of audits, along with the audit reports and corrective action plans, are available on the TfS (external) platform called OASIS.	These numbers are verified by external parties.
Number of TfS (Re)Assessments performed by EcoVadis	Number	The EcoVadis scorecard is valid for one year (or three years for OMV Group), so the majority of Borealis' suppliers update their scorecards annually. Additionally, OMV encourages suppliers with scores below 45 to undergo reassessment in order to improve their ratings.		The data source is EcoVadis performance report, which is verified by external parties.
Number of suppliers with a valid EcoVadis score (no more than 3 years old)	Number	This is the total number of Borealis' suppliers with EcoVadis scorecards, valid for up to three years, which are available in the Group's poll on the EcoVadis platform.		The data source is EcoVadis Tableau, which is verified by external parties.
Percentage of suppliers with improved EcoVadis score	Percentage	For reassessments, Borealis closely monitors the improvements in the EcoVadis scores.		The data source is EcoVadis Tableau, which is verified by external parties.
Number of buyers across all locations who attended awareness sessions on sustainable procurement	Number	Sustainable procurement conducts online one-hour awareness sessions, held twice this year, to keep the Group's buyers informed about target status and to onboard new buyers.	Buyers' attendance is recorded using the Microsoft Teams poll function, where they confirm their participation by answering the question: 'Please confirm your attendance for this session.'	
Number of suppliers that filled out climate change questionnaires	Number	Borealis aims to continuously manage and decrease the carbon volume of its purchased goods and services. Working with its suppliers can enable the Group to define joint low-carbon initiatives, to continuously decrease carbon emissions in the supply chain and meet its Paris Agreement commitments.	The number of suppliers filled out the questionnaire.	

Metric	Unit	Description	Methodology	Validation
Percentage of total suppliers that were disqualified, having been assessed with negative environmental impacts in the supply chain	Percentage	From 2022, Borealis has implemented a pre-qualification survey on SAP Ariba, requiring all suppliers participating in tenders to share their environmental status. Points are awarded to those with better sustainability status.	The percentage of disqualified suppliers is recorded on SAP Ariba.	
Percentage of total suppliers that were disqualified, having been assessed with negative social impacts in the supply chain.	Percentage	The prequalification survey on SAP Ariba described above also requires all suppliers participating in tenders to share their social impacts with Borealis. Points are awarded to those with better social impacts status.	The percentage of disqualified suppliers is recorded on SAP Ariba.	
Number of suppliers that were trained on social issues	Number	Suppliers who have completed training through the EcoVadis Academy will be listed here. EcoVadis Academy offers training on various sustainability topics, including environmental policies, labor and human rights, ethics, and sustainable procurement.	The data is extracted directly from EcoVadis' platform, so it is verified by external parties.	The data is extracted directly from EcoVadis' platform, so it is verified by external parties.
Percentage of suppliers' operations covered by a certified ISO 14001 or EMAS environmental management system	Percentage	This information is collected during the supplier prequalification process, using SAP Ariba.	The percentage of suppliers with ISO 14001 or EMAS is recorded on SAP Ariba.	
Percentage of spend with local suppliers	Percentage	The Group defines local procurement as when the supplier and the ordering entity are in the same country.	The data is sourced from Borealis' SAP system, calculated, and displayed on its internal Power BI dashboard.	
Number of ethics reports filed through the whistleblower hotline/speak up hotline	Number	See [G1-1.10c i] for information on the Ethics Hotline.	The data is sourced from EQS, the external service provider for the Borealis whistleblower hotline. Non-substantiated cases are counted, unless the reported grievance obviously does not violate the Borealis Ethics Policy.	

DR S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

[ESRS 2-MDR-T.80a-e, j], [S2-5.41], [S2-5.39a, c] Borealis has set the following targets to manage its material impacts and risks to value chain workers:

Target	Scope	Baseline	2025 Performance	2024 Performance	Policies	Actions
Through OMV, be an active member of TfS and run sustainability evaluations for all suppliers: more than 80% of Procurement spend by 2025	The aim is to focus on the suppliers with the highest spend for the EcoVadis assessments and suppliers from high-risk countries in terms of human rights or labor rights (for example in South East Asia) for the TfS audits.	2022: 36%	In 2025, 80% of the Group-level procurement spend (OMV, Borealis, Petrom) had been covered by valid (three-year) EcoVadis scorecards. The goal was achieved.	By 2024, 65% of the Group-level procurement spend (OMV, Borealis, Petrom) had been covered by valid (three-year) EcoVadis scorecards.	Membership in Together for Sustainability (TfS) aligns most directly with the Borealis Code of Conduct, which commits us to ethical, responsible, and sustainable business practices, including responsible sourcing and working only with partners who follow environmental, social, and ethical standards. TfS provides the concrete tools—	Suppliers have been invited to participate in EcoVadis assessments and/or TfS audits to help monitor and improve their sustainability performance.
Through OMV, be an active member of TfS and run sustainability evaluations for all suppliers: 80% of Procurement spend by 2030	Borealis has followed the 80/20 approach to cover suppliers with the highest potential and begun engagement with the suppliers that comprise 80% of Procurement spend.	2021: 33%			shared assessments and audits—to operationalize these commitments. At the same time, TfS also supports the Ethics & Integrity Policy by strengthening ethical supply-chain risk management, and the Social Compliance Framework by helping verify that suppliers meet our expectations on labour and human rights practices.	

[ESRS 2-MDR-T.80f], [S2-5.41] This target has been established as part of OMV Group's commitments to TfS and in alignment with other TfS members. The goal is to focus on suppliers with the highest spend for EcoVadis assessments and those from high-risk countries in terms of human rights or labor rights (e.g. Southeast Asia) for TfS audits. Each year, in addition to suppliers covering 80% of Procurement spend, suppliers with an EcoVadis score below 45 points are invited to undergo a new EcoVadis evaluation to improve their performance.

[ESRS 2-MDR-T.80h], [S2-5.41] Internal stakeholders, such as Executive Board members and the Group Sustainability department, along with external stakeholders, including the TfS organization, were involved in the target-setting process through consultations. The target was approved by the OMV Executive Board. [S2-5.42a] The Group did not engage directly with workers in the value chain.

[ESRS 2-MDR-T.80i], [S2-5.41] Borealis has not changed its targets, although it reviews and adjusts the targets each year if needed, and documents and reports on the process to maintain transparency and trust. The Group also periodically reviews its methodologies, to ensure they reflect the latest standards and practices.

[S2-5.42b] The Group monitors performance against the target each year and takes appropriate actions if needed. Borealis organized four supplier webinars in 2025 to increase value chain workers' awareness of the importance of EcoVadis assessments.

[S2-5.42c] Borealis did not identify the need to take any additional measures as a result of its performance in 2025.

Entity specific metrics:

Metric	2025	2024
Number of audits performed by OMV Procurement with an external auditor (Group level)	23	15
Number of TfS (Re)Assessments performed by EcoVadis (Group level)	632	308
Number of suppliers with a valid EcoVadis score (no more than 3 years old) (Group level)	900	368
Percentage of suppliers with improved EcoVadis score (Group level)	78.00%	67.00%
Number of awareness sessions conducted by sustainable procurement department to suppliers (Group level)	5	2
Number of suppliers filled out climate change questionnaires	98	105
Percentage of total suppliers assessed with negative environmental impacts in the supply chain that were disqualified (Group level)	0.40%	0.00%
Percentage of total suppliers assessed with negative social impacts in the supply chain that were disqualified. (Group level)	0.10%	1.00%
Number of suppliers that were trained on social issues (Group level)	86	160
Percentage of suppliers' operations covered by a certified ISO 14001 or EMAS environmental management system (Group level)	68.88%	73.00%
Percentage of spend with local suppliers (Borealis)	56.60%	57.50%
Number of ethics reports filed through the whistleblower hotline	154	285
Number of external ethics reports filed through the Borealis speak up hotline	75	22

Governance Information

ESRS G1 Business Conduct

Good governance creates a system of management and control that is accountable, transparent and geared to creating sustainable, long-term value. It therefore serves the needs of all stakeholders who are interested in or impacted by Borealis, including employees, customers, suppliers, governments, capital markets and the general public. The BMS documents Borealis' approach to governance. Managing risks and opportunities is integral to the BMS, to ensure the Group continuously improves and identifies mitigating actions where needed.

Impact, risk and opportunity management

DR G1-1– Business conduct policies and corporate culture

Borealis is strongly committed to ethical business conduct. Maintaining the highest standards of integrity is essential for securing and maintaining the trust of Borealis' customers, suppliers, employees, shareholders and society at large.

Policies

To cover all aspects of good ethical business conduct, Borealis has issued three documents:

- The Borealis Ethics & Integrity Policy;
- The Borealis Code of Business Ethics (see [ESRS 2-MDR-P.65b], [G1-1.7]); and
- The Borealis Code of Conduct (see [S2-1.16a]).

These documents provide guidance to Borealis' employees and set out the Group's ethical principles, most importantly including ethical business conduct based on respect, honesty and integrity, and compliance with applicable laws.

[ESRS 2-MDR-P.65a], [G1-1.7] The key content of the Ethics & Integrity Policy is the integrity principle, which incorporates five main objectives. These are:

- Act Correctly: Follow the rules, both internal and external.
- Act with Honesty: Be truthful and transparent.
- Act with Respect: Treat everyone with dignity.
- Act with Fairness: Make decisions based on merit.
- Protect Our Company: Keep Borealis' reputation intact.

By applying these principles, Borealis addresses the potential negative impact of corruption and bribery in its own operations.

The Code of Business Ethics requires employees to avoid bribery, fraud, and other forms of corruption. The primary objectives include:

- Conflicts of Interest: Business decisions must be made in the best interest of Borealis and not based on personal interests. Employees must avoid situations which could give the impression that their business decisions have been influenced.
- Bribes and Facilitation Payments: Borealis does not tolerate any form of corruption in its business, and complies with anti-bribery and corruption laws in all countries where it operates.
- Gifts and Invitations: Only small tokens of appreciation are permissible.
- Transparency and Responsibility: Borealis employees are open and accountable.

Borealis' Code of Conduct guides employees towards sustainable business behavior. It comprises respecting human rights, promoting ethical practices, and ensuring a safe and healthy environment. The primary objectives include:

- Climate Change: Commit to becoming a net-zero business.
- Natural Resources Management: Protect the environment and promote the circular economy.
- Health & Safety: Keep workplaces safe and secure.
- People & Their Human Rights: Respect and promote human rights.
- Ethical Business Practices: Uphold the highest ethical standards.

[ESRS 2-MDR-P.65b], [G1-1.7] The Borealis Ethics & Integrity Policy, Code of Business Ethics and Code of Conduct are available in ten languages and apply to the entire Borealis workforce globally.

Borealis' contractors, suppliers and other business partners are required to adhere to the Ethics & Integrity Policy and the Code of Conduct, which defines the Group's approach to key aspects of business ethics when sourcing, such as anti-corruption, anti-slavery, child labor, forced labor, human trafficking and HSE. The Ethics & Integrity Policy and Code of Conduct are actively communicated to Borealis' business partners.

In addition to the Group's ethics-related policies, OMV and Borealis have adopted a One Procurement Directive, which applies across the OMV Group, including Borealis. The Directive sets out the framework, principles, and rules for managing procurement activities and establishes the minimum requirements within the procurement process. Further information about procurement can be found in chapter S2.

All policies and operative instructions are regularly reviewed and adapted as needed. Each document includes a stated revision date, and updates are tracked within the BMS.

Corporate culture

[G1-1.9] The Ethics & Integrity Policy, Code of Business Ethics and Code of Conduct address the importance of value-based decision making for business operations, managing the risks of misinformation and fostering opportunities for enhanced stakeholder trust and engagement, as well as orientating individuals' actions towards ethical principles. They also encourage employees to speak up about any actual or suspected ethical or compliance breaches. These factors help to foster a strong corporate culture, leading to increased employee retention and engagement. The absence of a strong corporate culture would increase the risk of:

- Unlawful and unethical behavior, contributing to low engagement and low employee productivity;
- Borealis losing stakeholder trust and suffering reputational damage; and
- Borealis being exposed to fines, legal claims, loss of business, contracts or licenses, or even the imprisonment of management and employees involved.

Borealis monitors its corporate culture through a comprehensive framework that combines clear ethical standards, leadership accountability, open communication, and robust reporting mechanisms:

- Ethical Standards and Policies: The Ethics & Integrity Policy, Code of Business Ethics, and Code of Conduct are regularly communicated, and adherence is reinforced through mandatory training and integration into performance reviews.
- Leadership and Accountability: Managers are expected to act as role models, promote ethical behavior, and discuss integrity topics in regular meetings. They are responsible for fostering an open environment where feedback and concerns can be raised without fear of retaliation.
- Speak-Up and Whistleblowing Systems: Borealis operates a confidential and anonymous whistleblowing platform (“Integrity Line”), accessible to all internal and external stakeholders. This system enables the reporting of misconduct, with all cases investigated impartially and outcomes documented. Whistleblowers are protected against retaliation, and all reports are handled according to strict confidentiality and due process. See [G1-1.10c i].
- Ethics & Integrity Committee: A dedicated committee, comprising representatives from across the business, meets periodically to promote awareness, serve as points of contact for integrity matters, and provide a forum for discussion of ethical issues.
- Regular Audits and Reviews: Internal and external audits are conducted, alongside ongoing monitoring of compliance and culture, to ensure that policies are effectively implemented. Findings are reported to senior management and the Audit Committee, and corrective actions are taken as needed.
- Continuous Improvement: Lessons learned from investigations, audits, and employee feedback are used to update policies, training, and practices, ensuring the ongoing development of a strong ethical culture.

Accountability for implementation

[ESRS 2-MDR-P.65c], [G1-1.7] The Borealis Executive Board is accountable for implementing the Ethics & Integrity Policy, Code of Business Ethics and Code of Conduct and upholding Borealis’ values. The Group’s Compliance department and Ethics & Integrity Committee also play key roles (see [S2-1.16c]). However, ensuring ethical compliance is a joint effort across all levels and functions in Borealis.

Every white-collar employee completes an Annual Ethics Certification, to confirm their compliance with corporate policies on ethical business practices, and that they are aware of the Ethics & Integrity Policy, Code of Business Ethics and Code of Conduct and their principles. This certification includes a specific confirmation that Borealis respects human rights and the dignity of people, and does not tolerate bribery and corruption in any form, engage with competitors to fix prices, or provide false or misleading information to its customers.

Third-party standards

[ESRS 2-MDR-P.65d], [G1-1.7] Borealis has committed to respecting a range of third-party standards and initiatives in implementing its Code of Conduct, as described in [S1-1.20a].

Stakeholder considerations

[ESRS 2-MDR-P.65e], [G1-1.7] When reviewing the Ethics & Integrity Policy, Borealis usually considers the interests of the Borealis Executive Board, and the Compliance, Sustainability, People & Culture and HSE functions, as well as other internal stakeholders if needed.

Communication and training

[ESRS 2-MDR-P.65f], [G1-1.7] The Borealis Ethics & Integrity Policy, Code of Business Ethics and Code of Conduct are available on the Group's corporate website. The Group creates awareness of its Whistleblower Platform and how to use it, in particular through these documents, as well as monthly business updates from the Executive Board, articles on the intranet and in each ethics and compliance training.

[G1-1.10g] All employees are obliged to take part in Code of Conduct e-learning, which is repeated annually. The Group Compliance team and local Ethics Ambassadors also run tailored classroom or virtual training sessions on ethics and compliance. New employees take a mandatory 30-minute e-learning course, which explains the Group's values and ethical approach.

To create awareness and vigilance on human rights, all employees must complete a Human Rights e-learning session, which sets out Borealis' Human Rights Commitments; people's human rights as employees; and the tools the Group uses to help manage human rights risks.

Moreover, tailored training sessions are offered to employee groups exposed to specific ethical risks, namely corruption and bribery, competition law, data privacy regulations or issuer compliance risks related to the misuse of inside information. [G1-1.10h] Functions that are most at risk in respect of corruption and bribery are identified by Group Compliance team and include Procurement, Sales, Customer Service, Logistics Sourcing, the Customs Team, the Legal Team, the Location Leaders, the Dispatch Leaders, the Treasury Team, the Business unit Base Chemicals team, Group Tax, and the Executive and Senior Management.

Reporting, handling and investigating violations

[G1-1.10a] Borealis has established a process for reporting violations of its Ethics & Integrity Policy and related policies regarding corruption and bribery. In addition to the independent whistleblower platform described below, the Ethics & Integrity Policy outlines points of contact across the organization, namely the Ethics Ambassadors, Group Compliance team and line managers.

The process for handling violations of the Ethics & Integrity Policy involves whistleblowing and reporting of suspected violations, intake of the case, investigation, and if warranted, disciplinary proceedings and remediation.

[G1-1.10e] The BMS documents the Group's procedures for prompt, independent and objective investigation of business conduct incidents, including corruption and bribery. Reports by whistleblowers are automatically followed-up, in line with the legal requirement to respond within seven days. This is followed by a 90-day reaction timeline. Alleged ethical violations are investigated by especially skilled employees. The investigation is based on interviews and evidence gathering, assessing findings and drawing root cause conclusions, which are documented accurately. Further details are provided below.

[G1-1.10c i] The Whistleblower Platform is based on an automated cloud-based case management tool, “Integrity”, provided by the German service provider EQS. The tool is user-friendly, self-explanatory and practical for both the reporter and the managers of reported cases, and has been well accepted by all relevant stakeholders.

The Whistleblower Platform can be used by Borealis employees and any external individual who wants to raise a concern about witnessed or suspected misconduct, which:

- Is directly or indirectly connected to Borealis; and
- Is reported in good faith, meaning that it shall not be used to make false accusations or include information which is knowingly untrue.

Misconduct refers to:

- Corruption and bribery: This includes, in particular, offering or granting financial or other benefits or undue performances to public service employees or private business partners, as well as requesting or accepting undue performances or other benefits, fraud and embezzlement.
- Conflicts of interest: This refers to any situation in which business decisions are, or could potentially be, influenced by personal interests.
- Competition law: This includes:
 - Any collusion or agreement with competitors with respect to pricing, allocation of markets, customers or regions, product quantities or quotas, strategies or boycotts;
 - Agreements regarding offers and order placements, as well as the exchange of sensitive business information such as costs, sales volumes, customers, capacities, strategies or pricing formulas;
 - Restrictions imposed by the supplier on a reseller or producer (such as sales price determination or restrictions on sales territories) that may prevent, restrict or distort competition (“vertical restraints”); and
 - The abuse of a dominant market position, for example through discriminatory behavior towards suppliers or customers, or unfair market practices towards competitors, such as imposing unfair purchase or selling prices or trading conditions.
- Capital market law: This includes violations of securities trading regulations such as prohibited insider trading in financial instruments of the Borealis Group, market manipulation, the unlawful disclosure of insider information or the violation of duties and transparency requirements in connection with issued or traded financial instruments, as well as money laundering.
- Money laundering: This includes violations of anti-money laundering and counter-terrorist financing laws.
- Public procurement: This includes violations of public procurement law and its principles, such as unequal treatment or unobjective assessment of bidders and offers, or lack of transparency in the award process.
- Environmental protection: This includes environmental offences and breaches of regulations in connection with greenhouse gas emissions, waste management, chemical substances/chemicals, pollutants, hazardous goods, the use of renewable energies and energy efficiency.

- Product/food safety and consumer protection: This includes violations of regulations related to compliance with appropriate product standards, labelling of products and goods, as well as violations of consumer rights, such as unfair business practices against consumers.
- Corporate tax regulations: This includes tax offences, such as tax or duty evasion.
- Data protection: This includes violations of data protection law, such as unlawful processing of personal data, or violation of data subjects' rights to confidentiality, information, deletion or rectification.
- Financial interests of the European Union: This includes certain crimes and irregularities detrimental to the financial interest of the European Union, such as misuse of funds, or misappropriation of funds and assets, in each case to the detriment of the European Union.
- Work-related misconduct: This specifically includes serious concerns related to discrimination and racism, harassment and intimidation, work-related human rights topics (such as modern slavery/forced labor or child labor), as well as failure to comply with laws or regulations relevant to the work environment.
- Any other behavior which is criminal or illegal in the relevant jurisdiction.

Reports to the Whistleblower Platform can be made 24/7 in 24 languages. The link is published on the intranet and on Borealis' website, enabling individuals inside and outside Borealis to file reports. These reports can be fully anonymous. The Group Compliance Manager is immediately notified of each new report and tracks it in the management tool. Each reporter is notified that the report has been received and is being handled.

Reports received through other channels are manually set up in the tool by the Group Compliance team. Access to the tool is strictly limited to this team, as well as two members of the Internal Audit team, in order to ensure the "four-eyes" principle. Every report is assessed and handled with the utmost priority, in accordance with Borealis' Whistleblowing Manual. The Manual sets out the process for how whistleblowing reports should be investigated and was thoroughly updated in 2025. The Group Compliance Team, People & Culture and the Internal Audit department were trained on the manual for handling whistleblowing cases.

While Group Compliance team is responsible for the intake, categorization, documentation and initial handling of each case, Internal Audit, People & Culture and subject matter experts are involved in the investigation, depending on the compliance areas and risks involved.

The Ethics & Integrity Committee carefully reviews each investigation that substantiates misconduct. The VP Internal Audit & Compliance provides quarterly updates to the Executive Board on all conducted and substantiated investigations, and the Audit Committee receives an annual report of all investigations and remediation actions.

[G1-1.10c ii] Borealis complies with the EU Whistleblower Directive (Directive (EU) 2019/1937). The Group's anti-retaliation safeguards include the following:

- Policy framework: Anti-retaliation is embedded in Borealis' Code of Conduct and Ethics & Integrity Policy, protecting whistleblowers and those involved in investigations or collective representation.
- Whistleblowing platform: Confidential and anonymous reporting system aligned with EU directives, overseen by the Group Compliance team.
- Human rights risk mapping: Retaliation risks are actively monitored in country-level assessments, especially concerning union activity and peaceful protest.

- Compliance approach: Borealis has a structured set-up, encompassing Prevention (training, consulting), Detection (reporting, investigations), and Reaction (corrective actions).
- Audit Committee oversight: Regular review of whistleblowing cases and trends by the Audit Committee, with updates on ethics and compliance.
- Case handling: A strictly confidential case handling process is in place.

Irrespective of the legal requirements in place in the relevant jurisdiction, Borealis offers extended whistleblower protection to all internal and external whistleblowers who make a report meeting the criteria described in [G1-1.10c i]. See [S2-3.28] for more information.

All reports are handled, processed and deleted in accordance with legal requirements. For anonymous reports, confidential communication with the whistleblower is ensured via a secure mailbox, which is hosted by the third-party Integrity tool.

DR G1-2 – Management of relationships with suppliers

[G1-2.14a], [ESRS 2.62] Borealis does not have a policy to prevent late payments to suppliers but its purchase-to-pay process is designed to ensure that all supplier invoices are paid on the due date and not later. The process automatically generates payment runs each day, according to the invoice due date. Duties are segregated between employees who record invoices in the Group's system and those who approve final payments.

If suppliers request that invoices are paid earlier than the due date, Borealis will propose that the supplier joins the Group's Dynamic Discounting Program. If there are delays to payments or invoices that remain unpaid, suppliers can use the Group's standard complaints process to request payment.

Managing ethical and sustainability matters in the supply chain

[G1-2.15a] As described under [ESRS 2-MDR-P.65b], [G1-1.7], Borealis' contractors, suppliers and other business partners are required to adhere to the Ethics & Integrity Policy and Code of Conduct.

For workers in the value chain operating on its premises, Borealis has policies defining its social compliance ambition level, notably how to:

- Identify regulatory and social compliance risks;
- Advise on design and implementation of regulatory and legal compliance processes and controls to mitigate such risks; and
- Monitor and report the effectiveness of the controls. See chapter [S2-1.16a] for more information.

[G1-2.15b] Borealis' supplier prequalification process already contained HSSE elements and was enhanced in 2025 with questions on ethics, whistleblowing and human rights.

To support the overall Group Sustainability Targets 2030 and the Sustainable Procurement ambition to give sustainability a value in sourcing, Procurement's commercial evaluation of bids includes the bidder's EcoVadis Score as a criterion to assess its sustainability performance (see [S2-4.31] for more information).

The Sourcing Council decides if product-related sustainability criteria are also included in the bidder evaluation. The product-related criteria are part of the technical evaluation and are assessed by the Borealis colleague who requested the procurement of the specific goods or

services, with the Sustainability department being consulted when needed. The Sourcing Council also decides the weighting factor for sustainability criteria in the bidder evaluation.

Borealis conducts due diligence on all suppliers before starting the working relationship, to identify, evaluate and remedy any compliance risks they present to Borealis. This due diligence process includes screening business partners against sanctions, watchlists, and adverse media. It may also include using third-party information such as enhanced due diligence reports or collecting information directly from the business partner via due diligence questionnaires.

DR G1-3 – Prevention and detection of corruption and bribery

[G1-3.18a] Borealis rejects corruption and bribery in all forms. Everyone who works for and with Borealis must comply with the Borealis Ethics & Integrity Policy and the Group's anti-bribery and anti-corruption instruction, which describes the fundamental elements and framework of the Group's anti-bribery and anti-corruption compliance rules.

Business partners that violate anti-bribery or anti-corruption laws can put Borealis at risk of reputational damage, fines, and penalties. Borealis therefore investigates potential infringements in the same manner as whistleblowing cases (see [G1-1.10e]), with the process involving whistleblowing or reporting of suspected violations, intake of the case, investigation, and disciplinary action and remediation where necessary.

[G1-3.18b] The investigators of corruption or bribery reports are part of the Group Compliance team and are therefore separate from the chain of management involved in the matter. The Borealis Ethics & Integrity Policy, Code of Business Ethics and Code of Conduct outline the Group's process for preventing and mitigating any conflicts of interest, if the investigator's interests interfere with their duties to act in Borealis' best interests.

[G1-3.18c] The Group Compliance team provides quarterly ethics-related information and updates to the Executive Board and the Ethics & Integrity Committee in form of a presentation. This information includes current developments and trends, a report on substantiated misconduct, updates on training conducted and any other relevant information.

[G1-3.20] The Ethics & Integrity Policy, Code of Business Ethics and Code of Conduct provides guidance to Borealis' employees to ensure compliance with laws on anti-corruption and anti-bribery requirements. The Group's general ethics training, which is required for all Borealis employees, also includes a section on preventing corruption (see [G1-3.21]).

[G1-3.21a] The e-learning on the Ethics & Integrity Policy, Code of Business Ethics and Code of Conduct which is mandatory for all employees, creates awareness of bribery and corruption, Borealis' exposure to the loss of stakeholder trust and reputational damage, as well as to fines, legal claims, loss of business, contracts or licenses, or even the imprisonment of management and employees involved.

[G1-3.21b] All employees in all teams or departments identified as particularly exposed to corruption risk (see [G1-1.10h]), must follow a dedicated anti-bribery and anti-corruption e-learning. The specific topics covered are described in [G1-3.21c].

Both trainings also cover:

- Borealis' ban on its personnel offering or receiving bribes, as well as making facilitating payments (except where there is an actual and imminent threat to the personal health or safety of the personnel if the payment is not made);

- The principles and requirements outlined in a specific procedure, explaining under which circumstances it is acceptable to receive or offer gifts, entertainment, meals, sponsored travel and associated hospitality or sponsorships; and
- Approvals to be obtained in cases of doubt.

Borealis' anti-corruption and anti-bribery e-learning explains in even greater detail the reasonable and appropriate steps in relation to Borealis' business partners, to ensure compliance with applicable anti-bribery and anti-corruption laws. These may include:

- Appropriate risk-based due diligence;
- Contract provisions and/or certifications;
- Appropriate ongoing monitoring of business partners; and/or
- Anti-bribery and anti-corruption training for or with a business partner.

The latter instruction is to be used in conjunction with the Borealis Ethics & Integrity Policy and Code of Conduct, the business partner due diligence and any other relevant Borealis Group or local policies.

[G1-3.21c] Functions at risk covered by training programs:

Training coverage	At-risk functions (Administrative and Management bodies)	
	2025	2024
Total receiving training ¹⁾	207	323
Delivery method and duration		
Classroom training (hours)	n/a	n/a
Computer-based training (hours)	0.5	0.5
Voluntary computer-based training (hours)	n/a	n/a
Frequency		
How often training is required	annually	annually
Topics covered	Course description: This course provides an overview of the worldwide anticorruption landscape, focusing on profiles of the key features of global anti-bribery laws. Through interactive exercises and a range of real-world scenarios, learners explore best practices for combating bribery and operating with integrity in international business.	
Definition of corruption	Bribery is a crime that occurs when a person offers, gives, or accepts something of value in exchange for influence over another person's behavior. Corruption is any dishonest or fraudulent behavior where an individual, corporation, or government uses their position of power to benefit themselves at the expense of others.	
Policy	The course does not specifically cover Borealis' policies but explains corruption and bribery in a gamification approach via examples and questions which have to be answered.	

1) The 2024 figure was updated after a data review conducted during the 2025 reporting cycle, which resulted in revised definitions for training coverage.

[ESRS 2-MDR-A.68e] All required actions related to whistleblowing, preventing corruption and bribery, and corporate culture have been adopted and no material gaps were identified in 2025. However, the Group continues to monitor emerging risks and regulatory developments to

ensure timely adoption of new measures. It should be noted that the implementation of this action is partially delayed, as the CSDDD directive is postponed.

Metrics and Targets DR related to G1 Business Conduct

[ESRS 2-MDR-M.77a-c] Borealis uses the following metrics to evaluate its performance and effectiveness:

<u>Metric</u>	<u>Unit</u>	<u>Methodology</u>	<u>Validation</u>	<u>2025</u>	<u>2024</u>
Percentage of Borealis employees completing the e-learning on the Borealis Ethics Policy	Percentage	The number of Borealis employees who accomplish the training as a percentage of the number of Borealis employees assigned to the training.	If not otherwise stated, the data is not validated	93.00%	85.00%
[Entity specific] The number of ethics reports filed through the whistleblower hotline by Borealis' own workforce	Number	The data is sourced from EQS, the external service provider for the Borealis whistleblower hotline. Non-substantiated cases are counted, unless the reported grievance obviously does not violate the Borealis Ethics Policy.	by an external body. The number of non-compliance s or recommendations from recertificati	79	62
[Entity specific] The number of non-compliances or recommendations from recertification or surveillance audits based on ISO 37301/37001	Number	The external auditor pursues the mandatory annual audit of Borealis GmbH. Thereafter, a report is issued and shared, in which each non-compliance is described.	on or surveillance e audits based on ISO 37301/37001 is	2	2
Average days to pay an invoice ¹⁾	Number	These figures are extracted from Borealis' SAP system, where they are meticulously gathered and processed. The average number is then calculated at the end of the year.	validated by the Austrian Standards certification body. The ISO	60.31	56.70
Percentage of late payment terms, which are payments made later than Borealis' standard payment term of 60 days (see [G1-6.33b])	Percentage	This information is gathered and reported internally using the same process for average days to pay an invoice	certificates can be downloaded from the Group's website.	7.18%	11.09%
Number of legal proceedings for late payment terms	Number			1	1

1) Due to the change in the calculation in 2025, the figure for 2024 has also been updated.

DR G1-4 – Incidents of corruption or bribery

[G1-4.24a] Borealis has never been convicted for violating anti-corruption laws.

[G1-4.24b] As no breaches have occurred, no remedial actions were necessary. [MDR-A.68a, c] However, regular trainings are conducted, to maintain and improve awareness of the topic for the selected group of users, based on a risk assessment. Alongside the Group's policies and strong culture, adequate awareness is seen as the key element helping to avoid breaches (also

see [G1-3.21c]). In addition, a new Approvals module has been implemented in the Integrity tool in 2025, for registration of gifts, conflicts of interest, invitations, and publications.

No significant CAPEX or OPEX were made for these purposes in 2025. Trainings were mainly done using internally available resources.

DR G1-6 – Payment practices

[G1-6.33b] Borealis treats suppliers equally and does not differentiate between SMEs and other suppliers with regards to payments. The main supplier categories are Base Chemicals, Procurement, Non-procurement and Logistics. Specifically for the procurement organization, the standard payment term is 90 days end of month, second business days since September 2025.

Borealis has scheduled daily payment runs. Borealis therefore ensures that invoices are paid on the respective due date, provided that all internal approvals have been obtained, which will not be withheld without a substantiated reason.

	% of payments (value based)	% of payments (value based)	Payment terms
	2025	2024	
Base Chemicals	53.53%	55.32%	0 - 60 days
Procurement	33.94%	27.69%	30 - 180 days
Non-Procurement	5.75%	13.66%	0 - 60 days
Logistics	6.79%	3.33%	30 - 60 days

[G1-6.33a] The average time Borealis takes to pay an invoice, from the date when the contractual or statutory term of payment starts, is 60.31 days. The number is based on information from internal systems and has not been validated by an external body.

[G1-6.33c] There is one legal proceeding for late payments currently outstanding.

Vienna, March 3, 2026

Executive Board:

signed

Stefan Doboczky
Chief Executive Officer

signed

Daniel Turnheim
Chief Financial Officer

signed

Wolfram Krenn
Executive Vice President
Operations

signed

Philippe Roodhooft
Executive Vice President
Joint Ventures

signed

Craig Arnold
Executive Vice President
Polyolefins, Circular Economy Solutions
and Base Chemicals

Consolidated Financial Statements

Consolidated Income Statement

EUR thousand	2025	2024 ¹⁾	Note
Net sales	7,591,833	7,851,864	1, 2
Other operating income	107,833	99,626	29
Total sales and other income	7,699,666	7,951,490	
Production costs	-6,604,088	-6,618,035	6, 7, 14, 15
Gross profit	1,095,578	1,333,455	
Sales and distribution costs	-760,775	-710,121	6, 7, 14, 15
Administration costs	-260,437	-266,509	6, 7, 14, 15
R&D costs	-24,520	-14,776	3, 6, 7, 14, 15
Operating profit	49,846	342,049	
Net results of associated companies and joint ventures ¹⁾	-153,199	-147,035	9
Financial income ¹⁾	76,084	166,532	18
Financial expenses	-70,286	-67,295	18
Net foreign exchange gains/losses ¹⁾	36,509	-42,363	18
Profit/loss before tax	-61,046	251,888	
Taxes on income ¹⁾	-23,609	-127,137	11
Net profit/loss for the year from continuing operations	-84,655	124,751	
Discontinued operation			
Profit/loss from discontinued operation, net of tax ¹⁾	512,440	440,792	8
Net profit for the year	427,785	565,543	
Attributable to:			
Non-controlling interests	2,919	2,428	
Equity holders of the parent	424,866	563,115	

1) Comparative information has been restated due to discontinued operation Borouge. For further details, please refer to note 9.1.

Consolidated Statement of Comprehensive Income

EUR thousand	2025	2024	Note
Net profit for the year	427,785	565,543	
Items that may be subsequently reclassified to the income statement			
Net gain/loss on translation of financial statements of foreign operations	-262,645	114,018	
Reclassifications to the income statement during the period	24,278	0	
Tax effect recognized in other comprehensive income	0	0	
Net gain/loss on long-term loans to foreign operations	5,141	-2,855	19
Reclassifications to the income statement during the period	0	0	
Tax effect recognized in other comprehensive income	-1,182	657	
Net gain/loss on loans to hedge investments in foreign operations	7,768	-5,394	19, 22, 23
Reclassifications to the income statement during the period	0	0	
Tax effect recognized in other comprehensive income	-1,787	1,241	
Fair value adjustments of cash flow hedges	8,014	-44,717	19, 22, 23, 24, 25
Reclassifications to the income statement during the period	22,615	39,334	19, 22, 23, 24, 25
Tax effect recognized in other comprehensive income	-7,045	1,237	
Share of other comprehensive income of joint ventures accounted for using the equity method	1,995	683	9
Items that will not be reclassified to the income statement			
Actuarial gains and losses	17,679	-8,431	15
Tax effect recognized in other comprehensive income	-4,239	1,971	
Fair value changes on equity instruments at FVOCI	-3,453	0	28
Tax effect recognized in other comprehensive income	0	0	
Share of other comprehensive income of joint ventures accounted for using the equity method	-389	516	9
Net income/expense recognized in other comprehensive income	-193,250	98,260	
Total comprehensive income	234,535	663,803	
Attributable to:			
Non-controlling interests	2,839	336	
Equity holders of the parent	231,696	663,467	

Consolidated Balance Sheet

EUR thousand	31.12.2025	31.12.2024	Note
Assets			
Non-current assets			
Intangible assets	571,983	551,315	3, 4, 7
Property, plant and equipment			5, 7
Production plants	2,129,695	2,145,133	
Machinery and equipment	29,621	33,238	
Construction in progress	2,334,134	1,880,909	
Total property, plant and equipment	4,493,450	4,059,280	
Right-of-use assets	672,469	720,308	6
Investments in associated companies and joint ventures	289,487	2,431,191	9
Other investments	17,677	21,994	10, 28
Loans granted	100,406	1,246,676	10, 27, 28, 30
Other receivables and other assets	113,088	101,711	2, 10, 27, 28
Deferred tax assets	119,758	120,040	11
Total non-current assets	6,378,318	9,252,515	
Current assets			
Inventories	1,193,606	1,320,322	12
Receivables			
Trade receivables	659,734	777,853	26, 27, 28, 30
Income taxes	3,563	3,663	
Other receivables and other assets	799,987	322,287	10, 27, 28, 30
Total receivables and other assets	1,463,284	1,103,803	
Cash and cash equivalents	667,552	1,028,011	27, 28
Assets of the disposal group held for sale	1,446,187	0	8
Total current assets	4,770,629	3,452,136	
Total assets	11,148,947	12,704,651	

EUR thousand	31.12.2025	31.12.2024	Note
Equity and liabilities			
Equity			
Shareholders' equity			
Share capital and contributions by shareholders	1,599,397	1,599,397	13
Reserves	-36,129	162,111	
Retained earnings	-967,706	6,934,167	
Total shareholders' equity	595,562	8,695,675	
Non-controlling interests	2,449	5,536	
Total equity	598,011	8,701,211	
Liabilities			
Non-current liabilities			
Loans and borrowings	466,141	588,068	20, 21, 28
Lease liabilities	609,948	671,325	6, 20, 21
Deferred tax liabilities	184,492	187,560	11
Employee benefits	254,734	275,587	15
Provisions	72,411	75,511	16
Other liabilities	54,396	61,005	21, 28
Total non-current liabilities	1,642,122	1,859,056	
Current liabilities			
Loans and borrowings	83,810	634,205	20, 21, 28
Lease liabilities	75,344	80,358	6, 20, 21
Trade payables	1,018,349	909,687	21, 28, 30
Income taxes	40,255	36,999	
Provisions	79,023	103,800	16
Contract liabilities	56,172	60,709	2
Other liabilities	7,517,070	318,626	21, 28, 30
Liabilities directly related to the disposal group	38,791	0	8
Total current liabilities	8,908,814	2,144,384	
Total liabilities	10,550,936	4,003,440	
Total equity and liabilities	11,148,947	12,704,651	

Consolidated Statement of Changes in Equity

EUR thousand	Share capital and contributions by shareholders	Reserve for actuarial gains/losses recognized in equity	Hedging reserve	Reserve for unrealized exchange gains/losses and other ¹⁾	Retained earnings	Total attributable to the equity holders of the parent	Non-controlling interests	Total equity
Balance as of January 1, 2024	1,599,397	-137,171	-15,324	214,948	7,452,202	9,114,052	7,529	9,121,581
Net profit for the year	0	0	0	0	563,115	563,115	2,428	565,543
Other comprehensive income	0	-5,944	-2,115	108,411	0	100,352	-2,092	98,260
Total comprehensive income	0	-5,944	-2,115	108,411	563,115	663,467	336	663,803
Dividends declared	0	0	0	0	-1,081,150	-1,081,150	-2,457	-1,083,607
Increase/(decrease) in non-controlling interests	0	0	0	0	0	0	128	128
Reclassifications of cash flow hedges to balance sheet	0	0	-694	0	0	-694	0	-694
Balance as of December 31, 2024	1,599,397	-143,115	-18,133	323,359	6,934,167	8,695,675	5,536	8,701,211
Net profit for the year	0	0	0	0	424,866	424,866	2,919	427,785
Other comprehensive income	0	13,051	23,589	-229,810	0	-193,170	-80	-193,250
Total comprehensive income	0	13,051	23,589	-229,810	424,866	231,696	2,839	234,535
Dividends declared	0	0	0	0	-8,326,545	-8,326,545	-6,120	-8,332,665
Increase/(decrease) in non-controlling interests	0	0	0	0	-194	-194	194	0
Reclassifications of cash flow hedges to balance sheet	0	0	-5,070	0	0	-5,070	0	-5,070
Balance as of December 31, 2025	1,599,397	-130,064	386	93,549	-967,706	595,562	2,449	598,011

1) The reserve for unrealized exchange gains and losses also includes reserves related to equity instruments measured at FVOCI.

For further information, see note 13.

Consolidated Cash Flow

EUR thousand	2025	2024	Note
Net profit for the year	427,785	565,543	
Depreciation, amortization and impairments	446,941	422,159	7
Taxes on income	25,696	127,429	8, 11
Result from disposal of fixed assets	18,943	1,079	
Net results of associated companies and joint ventures	107,046	-241,616	9
Financial result	-431,710	-95,208	18
Profit from disposal of discontinued operation	-78,971	-14,099	8
Interest paid	-37,782	-52,094	
Interest received	56,794	159,359	
Income taxes paid / Income taxes received	-97,343	14,195	
Other changes	-38,113	17,117	
Other working capital	40,642	37,019	
Change in inventories	117,003	-13,413	
Change in trade receivables	100,164	-165,192	
Change in trade liabilities	164,460	-13,559	
Cash flows from operating activities	821,555	748,719	
<i>Thereof from discontinued operation, Borealis NITRO disposal group</i>	<i>0</i>	<i>0</i>	
<i>Thereof from discontinued operation, Borouge disposal group</i>	<i>6,214</i>	<i>0</i>	<i>9</i>
Investments in property, plant and equipment	-750,511	-601,786	5
Investments in intangible assets	-89,405	-88,549	4
Acquisitions of subsidiaries, net of cash	-1,268	-48,526	8
Dividends of joint ventures and non-consolidated subsidiaries	415,638	437,391	9
Capital contributions to and financing of joint ventures	-226,420	-335,694	9
Cash inflows in relation to financing for joint ventures	1,283,000	0	9, 30
Proceeds from disposal of subsidiaries, net of cash disposed	1,162	46,000	
Cash outflows in relation to other financial assets	-8,249	-12,784	
Cash inflows in relation to other financial assets	7,222	11,525	
Cash flows from investing activities	631,169	-592,423	
<i>Thereof from discontinued operation, Borealis NITRO disposal group</i>	<i>403</i>	<i>46,000</i>	<i>8</i>
<i>Thereof from discontinued operation, Borouge disposal group</i>	<i>813,417</i>	<i>193,061</i>	<i>9</i>

EUR thousand	2025	2024	Note
Current loans and borrowings repaid	-630,406	-306,717	20
Principal elements of lease payments	-80,797	-69,706	6
Dividends paid to equity holders of the parent	-1,095,383	-1,093,150	
Dividends paid to non-controlling interests	-3,737	-2,457	
Cash flows from financing activities	-1,810,323	-1,472,030	
<i>Thereof from discontinued operation, Borealis NITRO disposal group</i>	0	0	
<i>Thereof from discontinued operation, Borouge disposal group</i>	0	0	
Net cash flow of the period	-357,599	-1,315,734	
Cash and cash equivalents as of January 1	1,028,011	2,347,631	
Effect of exchange rate fluctuations on cash held	-533	-3,886	
Cash and cash equivalents as of December 31	669,879	1,028,011	
<i>thereof reported under Cash and cash equivalents</i>	667,552	1,028,011	
<i>thereof reported under Assets of the disposal group held for sale</i>	2,327	0	

Cash flow from operating activities of the discontinued operation, Borouge disposal group, includes EUR 6,214 thousand of interest received in relation to the Borouge 4 loans. Cash flow from investing activities of the discontinued operation, Borouge disposal group, comprises a cash outflow of EUR 226,420 thousand for Borouge 4 financing, a cash inflow of EUR 626,772 thousand from Borouge 4 loan repayments, and EUR 413,065 thousand of dividends received from Borouge PLC and Borouge Pte.

Notes to the Consolidated Financial Statements

Reporting Entity

Borealis GmbH (the Company or Group) is a company domiciled in Austria. The address of the Company's registered office is Trabrennstrasse 6–8, 1020 Vienna, Austria. Borealis is one of the world's leading providers of advanced and sustainable polyolefin solutions in Europe. Borealis is also an innovative leader in polyolefins recycling and a major producer of base chemicals.

Borealis AG has been transformed into a limited liability company, Borealis GmbH, with effect as of June 13, 2025, following changes in the Company's ownership structure.

Borealis Reports the Business Result in three Segments:

In the Polyolefins segment, Borealis focuses on the application areas Mobility, Energy, Consumer Products, Infrastructure, Advanced Products and Business Development.

Base Chemicals essentially includes the following product ranges: Phenol, Acetone, Ethylene and Propylene.

The third segment "Borealis NITRO" consisting of Fertilizers, Melamine and Technical Nitrogen Products was sold on July 5, 2023.

Statement of Compliance

The consolidated financial statements have been prepared in compliance with the IFRS Accounting Standards issued by the IASB as adopted by the EU and additional Austrian disclosure requirements. The consolidated financial statements as of December 31, 2025 were authorized for publication by the Executive Board on March 3, 2026.

Basis of Preparation

The consolidated financial statements are presented in thousand euro (EUR thousand), rounded to the nearest thousand, hence rounding differences may arise. The consolidated financial statements are prepared on the historical cost basis, except for the following assets and liabilities, which are stated at their fair value: derivative financial instruments and financial assets at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI). Recognized assets and liabilities that are hedged are stated at fair value in respect of the risk that is being hedged.

Consolidation Principles

The consolidated financial statements include the financial statements of Borealis GmbH, the parent company, and all the companies over which it has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Companies in which the Group has a significant influence (interest of 20% or more), but no control or joint control, are considered associated companies. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement,

which exists only when decisions on the relevant activities require the unanimous consent of the parties sharing control.

The consolidated financial statements are based on financial statements of the parent company and of each individual subsidiary. The consolidated financial statements have all been prepared in accordance with the Group's accounting policies. Items of a similar nature have been combined. Intra-group transactions (revenues and costs), intra-group profits, internal shareholdings and intra-group balances have been eliminated.

Acquired subsidiaries, associated companies and joint ventures are included in the consolidated financial statements from the date of obtaining control or significant influence, respectively, and until (joint) control or significant influence ceases.

In case the acquisition is accounted for as a business combination, a re-measurement of the acquired net assets is made on the date of acquisition. Any remaining positive difference between the fair value of the assets and liabilities and the purchase consideration is capitalized as goodwill and subject to an annual impairment test. Any gain from a bargain purchase is recognized in the income statement. Investments in associated companies and investments in joint ventures are recorded under the equity method in the consolidated financial statements.

Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. The judgements, estimates and assumptions mainly relate to the useful life and impairment of intangible assets and property, plant and equipment (note 4 and note 5), determination of lease liabilities (note 6), value of tax assets and liabilities and unused tax losses (note 11), inventory impairment (note 12), actuarial assumptions for employee benefits (note 15), future cash outflows for provisions (note 16), expected credit losses in respect of trade receivables (note 27) and are included in the description of the respective note.

Foreign Currency

Transactions and Balances

Monetary assets and liabilities denominated in foreign currencies have been converted into euro (EUR) at the exchange rates quoted on the reporting date. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate as at the date of transaction.

Foreign exchange gains and losses related to working capital are presented in the income statement as part of operating profit (other operating income and production costs). Otherwise, the foreign exchange gains and losses are recorded as financial items in the income statement. However, the exchange adjustments arising from the following items are recognized in other comprehensive income: conversion of the net assets of foreign subsidiaries and associated companies as of January 1 using the closing rate on December 31, conversion of long-term intra-group receivables that are considered part of investments in subsidiaries or associated companies, conversion of long-term loans hedging net assets of foreign subsidiaries and associated companies or intra-group receivables considered part of investments in subsidiaries

and associated companies and conversion of the net income of foreign subsidiaries calculated at monthly rates to figures converted using the exchange rates applicable as of the reporting date.

Group Companies

Consolidated financial statements are presented in euro (EUR), the functional currency of the parent. Financial statements of foreign subsidiaries in functional currencies other than EUR have been converted at the exchange rates quoted on the reporting date for assets and liabilities. The income statements of foreign subsidiaries have been converted on the basis of monthly exchange rates. The exchange differences arising from the conversion are recognized in other comprehensive income.

Climate and Geopolitical Risks

There is uncertainty around the changes in the mix of energy sources over the next 30 years and the extent to which such changes will meet the ambitions of the Paris Agreement. In an accelerated decarbonization scenario ensuring reaching the climate goals according to the Paris Agreement, Borealis management would not see negative effects on the overall demand of polyolefin solutions. An accelerated change of the world's energy landscape might lead to different price movements in the relevant base chemicals (e.g. naphtha, ethane and propane), temporarily affecting the profitability of some assets in the polyolefin value chain, but no substantial negative effect is expected in respect of the overall integrated value chain. The management is confident that the demand for polyolefin solutions will remain robust, even in an environment of accelerated decarbonization and no material negative effects are expected concerning assets and provisions.

Borealis closely monitors global geopolitical developments, including conflicts, sanctions, and supply-chain disruptions, that could impact feedstock availability, energy costs, or logistics flows. While its operations currently remain stable, the company recognizes that intensified geopolitical tensions—particularly in regions relevant to its global value chain—as well as potential U.S. tariff measures affecting chemical products, may lead to rising costs or regulatory constraints. Borealis proactively evaluates country-specific geopolitical and regulatory risks and maintains robust contingency measures to safeguard operational continuity and financial resilience. In addition, the company continually assesses developments in the global tax environment, as evolving international tax rules and compliance requirements may affect its cost structure and operational flexibility.

Summary of Significant Accounting Policies

Income Statement

Revenue Recognition

Borealis' main business model is to produce, market and sell various goods (polyolefins, base chemicals and until 2023, also fertilizers and related nitrogen products) to its customers. Each sale typically includes an obligation to deliver one particular type of goods. No bundling of various goods in one contract currently exists and price is not interdependent on prices in other contracts, delivery of other goods or promises. In case of additional services provided as part of the contract that typically do not meet the requirements of a separate performance obligation in accordance with IFRS 15, no allocation of the transaction price to multiple performance obligations is necessary.

Revenue is recognized when control of the products has been transferred, i.e. when the products are delivered to the customer. All Borealis contracts for delivery of goods include INCOTERMS, such as DDP, CIF or FCA, which govern changes to the control of goods. This will be the point of revenue recognition by Borealis. Payment is generally due up to 90 days from delivery.

For some contracts, variable considerations have been agreed, typically volume discounts for goods purchased during the particular period, i.e. one year. Borealis regularly estimates the anticipated discount based on the best available data supported by a large number of similar contracts and historical information.

Generally, Borealis does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. Consequently, Borealis does not adjust the promised amount of consideration for the effects of a significant financing component.

The Group typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets. No other warranties or rights to return are offered by Borealis.

Net sales comprise revenue from contracts with customers and revenue from other sources arising in the course of the ordinary activities of the Group, excluding value-added tax and after deduction of goods returned, discounts and allowances.

The Group recognizes contract liabilities for consideration received in respect of unsatisfied performance obligations. If the Group satisfies a performance obligation before it receives the consideration, the Group recognizes a contract asset or a receivable in its balance sheet, depending on whether something other than the passage of time is required before the consideration is due.

All transactions that are not representative of sales revenues are presented under Other operating income.

Research and Development

Research costs are charged to the income statement in the year they have been incurred.

Development costs relating to a definable product or process that is demonstrated to be technically and commercially feasible are recognized as an intangible asset to the extent that such costs are expected to be recovered from future economic benefits. The expenditure capitalized includes the costs of materials, direct labor and an appropriate proportion of direct overheads.

Other development costs not meeting these criteria are recognized in the income statement as an expense when incurred.

Results from Associated Companies and Joint Ventures

The proportionate share of the net profit or loss after or before tax, as appropriate, of these companies is included in the consolidated income statement

Financial Income/Expenses

Interest income and expenses are included in the income statement using the effective interest rate at the amounts relating to the financial year.

Financial income/expenses also include borrowing costs, costs incurred on finance leases, realized and unrealized gains and losses from exchange and price adjustments of financial instruments, investments and items in foreign currencies not related to working capital.

Taxes on Income

The income tax charged to the income statement comprises expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted as of the reporting date, adjusted for the change in deferred tax assets and liabilities for the year and for any tax payable in respect of previous years. Income tax that relates to items recognized in other comprehensive income is recognized in other comprehensive income as well.

Balance Sheet

Intangible Assets

Intangible assets are stated at cost, less accumulated amortization and impairment losses.

Goodwill arising from an acquisition represents the excess of the purchase consideration over the fair value of the net identifiable assets acquired. Goodwill is not amortized but is subject to an annual impairment test.

Licenses and patents acquired externally are stated at cost, less accumulated amortization and impairment losses. Amortization is calculated according to the straight-line method based on an estimated useful life of 3–10 years.

Capitalized development costs are stated at cost, less accumulated amortization and impairment losses. Amortization is charged to the income statement on a straight-line basis over the expected useful life of the asset of 3–10 years. Development costs not yet amortized are subject to an annual impairment test.

Costs to purchase and develop software for internal use are capitalized and amortized on a straight-line basis over 3–7 years.

Software as a Service and Platform as a Service cloud arrangements' costs are recognized in profit or loss over the period in which the services are received, as the Group does not obtain control of the underlying software. Configuration and customization costs are recognized as expenses as incurred, unless they result in a separately identifiable intangible asset controlled by the Group, in which case they are capitalized and amortized over their estimated useful life.

Granted emission rights are recognized at zero cost. The liability for actual emissions is recorded at zero, provided there are sufficient freely allocated emission rights available.

Property, Plant and Equipment

Property, plant and equipment is valued at cost, less accumulated depreciation and impairment losses. Cost comprises purchase price, site preparation and installation. Day-to-day servicing expenses are not included in the cost of the assets. If certain conditions are met, the costs of major inspections and overhauls are recognized in the carrying amount of the property, plant and equipment.

Production plants include land, buildings, related immovable machinery and equipment. Machinery and equipment are recognized at purchase price and any directly attributable costs.

Depreciation is made on a straight-line basis over the expected useful life of the components of the assets. The useful lives of major assets are determined individually, while the lives of other assets are determined in groups of similar assets. Land is not depreciated. Buildings are

depreciated over 20–40 years, production facilities over 15–20 years and machinery and equipment over 3–15 years.

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Impairment Losses

The carrying amounts of both property, plant and equipment and intangible assets are reviewed on each reporting date to determine whether there is any indication of impairment. If any such indication exists, and for annual impairment tests of goodwill and intangible assets with an indefinite useful life, the asset's recoverable amount is estimated as the greater of the fair value less cost of disposal and value in use. An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in the income statement.

Leases

Leases are recognized as a right-of-use asset and a corresponding liability on the date at which the leased asset is available for use by the Group. Each lease payment is split between the liability and finance cost. The finance cost is charged to the income statement over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payments that are based on an index or a rate,
- amounts expected to be payable by the lessee under residual value guarantees, if any,
- the exercise price of a purchase option, if it is reasonably certain that the lessee will exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Moreover, non-lease components are separated from the lease components for measurement of right-of-use assets and lease liabilities.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, i.e. the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The Group determines its incremental borrowing rate by obtaining interest rates from external financing sources and makes certain adjustments (to reflect the terms of the lease and the creditworthiness of the Company, amongst others).

Right-of-use assets are initially measured at cost comprising the following:

- the amount of the initial measurement of the lease liability,
- any lease payments made on or before the commencement date, less any lease incentives received,
- any initial direct costs, and
- costs, if any, of restoring the asset at the end of the lease term to the condition required by the terms and conditions of the lease.

After the commencement date, the right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term using a linear method of depreciation. If it is reasonably certain that the Group will exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the income statement. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise office and IT equipment (such as water dispensers, coffee machines or franking machines), textiles or smaller containers.

Non-current Assets Held for Sale and Discontinued Operations

Non-current assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Prior to classification as held for sale, the assets (or components of a disposal group) are re-measured in accordance with IFRS 5. Thereafter, the assets (or disposal group) are generally measured at the lower of their carrying amount and fair value, less cost of disposal. Any impairment loss on a disposal group is first allocated to goodwill and then to remaining non-current assets on a pro rata basis; no loss is allocated to financial assets, deferred tax assets and employee benefit assets, which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale and subsequent gains or losses on re-measurement are recognized in the income statement. Gains are not recognized in excess of any cumulative impairment loss.

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations,
- is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations, or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

When an operation is classified as a discontinued operation, the comparative income statement is re-presented as if the operation had been discontinued from the start of the comparative year.

Associated Companies and Joint Ventures

Associated companies and joint ventures are accounted for using the equity method. The consolidated financial statements include the Group's share of the comprehensive income of equity-accounted investees.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash in bank and liquid short-term deposits.

Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realizable value. Costs incurred are based on the first in, first out principle (FIFO method) and comprise direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Costs are assigned to individual items of inventory based on weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Measurement of spare parts is based on the weighted average cost method.

Government Grants

Government grants include grants for research and development as well as investment grants. Government grants relating to assets are deducted from the carrying amount of the related asset and recognized in the income statement as a reduction of depreciation (production costs) over the useful life of the asset. Income from other government grants is shown as part of other operating income.

Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation against third parties that can be reliably estimated and if it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions reflect the present value of future cash outflows. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the liability. The unwinding of the discount is expensed as incurred and recognized in the income statement as finance cost.

For decommissioning provisions, the present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Deferred and Income Taxes

Deferred tax assets and liabilities are computed individually for each company in accordance with the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted as of the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available, against which the temporary differences and unused tax loss carry forwards can be utilized within a period of five years, based on a five-year business plan.

Deferred tax assets are reviewed on each reporting date and are re-measured to the extent that it is probable they will be realized.

Since the 2021 financial year, selected Austrian Borealis entities have been a member of a tax group in line with Section 9 of the Corporate Income Tax Act ("KStG") with OMV Aktiengesellschaft as the Group parent. Hence, income tax receivables/liabilities from respective tax group members are no longer presented under the balance sheet item Income taxes, but under Other current receivables/liabilities. According to the tax group agreement, if the income derived by the respective entities during a financial year is positive, the entities have to make a tax compensation payment for this financial year to the Group parent. In the event of a negative tax result, the parent company does not have to pay any tax compensation. Negative tax results are carried forward by the Group parent and will be deducted from positive tax results of the Group members in the future.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

The uncertain tax positions, for example tax disputes, are accounted for by applying the most likely amount. The most likely amount is the single most likely amount in a range of realistically possible options. The Company evaluates the unit of account related to the uncertain tax positions on a case-by-case basis.

Reserves

A reserve has been established as part of consolidated equity for unrealized exchange differences related to deferred foreign exchange gains and losses on intercompany loans, hedge loans and the equity of foreign operations and fair value remeasurement of equity instruments measured at fair value through other comprehensive income. The hedging reserve contains fair value adjustments to financial instruments held for hedging purposes. The reserve for actuarial gains/losses recognized in equity contains the actuarial gains and losses on employee benefit plans.

Employee Benefits

Defined Contribution Plans

Obligations for contributions to defined contribution plans are recognized as an expense in the income statement as incurred.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expenses when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined Benefit Plans

The Group's net obligation in respect of defined benefit pension plans and other post-employment benefit plans is calculated separately for each plan by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value and the fair value of any plan assets is deducted. A qualified actuary performed the calculation using the projected unit credit method.

The discount rate used in the actuarial measurements is determined with reference to long-term yields of AA-rated corporate bonds. In countries where no deep market for such bonds exists, the market yield of government bonds is used.

The Group has the following plans in place: defined benefit pension plans, post-employment medical plans, severance plans and other long-term employee benefit plans. Pension plans in place are both funded and unfunded. The plan asset funds are predominantly held in the form of insurance contracts.

The parameters of the pension plans vary from country to country. There are both plans open and closed to new entrants, contributory as well as non-contributory.

Post-employment medical plans mainly cover the medical expenses of retirees in Belgian companies. They are non-contributory and closed to new entrants. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans.

Severance plans cover employees of Austrian companies who started their service before January 1, 2003. They are entitled to receive severance payments upon termination of their employment or on reaching their pension age.

Furthermore, the Group operates severance plans in Italy and the United Arab Emirates. The benefits depend on the years of service and remuneration level. These plans are non-contributory and unfunded.

Other long-term employee benefits include jubilee schemes and pre-pension benefits. Jubilee schemes entitle the members to benefits in the form of a payment and/or additional paid holiday when reaching a defined length of service. These plans are non-contributory and unfunded.

All actuarial gains and losses relating to post-employment benefit plans are recognized in other comprehensive income. Actuarial gains and losses related to other long-term services are recognized in the income statement.

Past-service costs are recognized immediately in the income statement. Net interest expenses resulting from employee benefits are included in the consolidated income statement as part of the operating profit.

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either on the principal market for the asset or liability or, in the absence of a principal market, on the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained in note 28.

Financial Instruments

Recognition and Derecognition

Financial assets and financial liabilities are recognized on the trade date, when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification and Initial Measurement of Financial Assets

Financial assets are initially recognized at their fair value, except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15. For all financial assets which are not subsequently measured at fair value, the fair value on initial recognition is adjusted for transaction costs (where applicable). Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortized cost,
- fair value through profit or loss (FVPL),
- fair value through other comprehensive income (FVOCI).

The classification is determined by both:

- the entity's business model for managing the financial asset,
- the contractual cash flow characteristics of the financial asset.

Subsequent Measurement of Financial Assets

Financial Assets at Amortized Cost

Financial assets are measured at amortized cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect their contractual cash flows,

- contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortized cost using the effective interest rate method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade receivables (except trade receivables under the factoring program), loans granted and parts of other receivables fall into this category of financial instruments.

Financial Assets at Fair Value through Profit or Loss (FVPL)

Financial assets that are held within a different business model other than "hold to collect" or "hold to collect and sell" are categorized at FVPL. Furthermore, irrespective of the business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL.

Derivative financial instruments for which hedge accounting is not applied fall into this category.

The Group has a pool of specifically designated trade receivables that are all subject to factoring. This pool of receivables represents a hold to sell business model and is measured using FVPL.

The category also contains equity investments. Equity investments are either measured at FVPL or at FVOCI.

Furthermore, the category contains marketable securities and bonds which are classified as debt instruments. If marketable securities and bonds do not fulfil the solely payment of principal and interest (SPPI) criteria and have to be measured at FVPL.

Assets in this category are measured at fair value with gains or losses recognized in the income statement. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial Assets at Fair Value through OCI (FVOCI)

The category contains non-listed equity investments, which are held for strategic purposes and not for trading, and classified as investments at FVOCI. Gains and losses on equity investments measured at FVOCI are never recycled to the income statement and they are not subject to impairment assessment. Dividends are recognized in the income statement unless they represent a recovery of part of the cost of an investment.

Impairment of Financial Assets

The Group has three types of financial assets that are subject to IFRS 9's expected credit loss (ECL) model:

- trade receivables (excluding trade receivables held to sell) and contract assets,
- cash and cash equivalents,
- debt investments carried at amortized cost.

For the measurement of the ECLs, a distinction is made between:

- financial instruments for which credit risk has not increased significantly since initial recognition ("Stage 1" – 12-month expected credit losses),
- financial instruments for which credit risk has increased significantly since initial recognition ("Stage 2" – lifetime expected credit losses).

“Stage 3” covers financial assets that have objective evidence of impairment as of the reporting date (credit impaired financial assets).

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date.

On each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events have occurred that have a detrimental impact on the estimated future cash flows of the financial asset.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer,
- a breach of contract such as a default or being more than 90 days past due,
- it is probable that the borrower will enter into bankruptcy or other financial reorganization.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows, such as in the case of bankruptcy.

Trade Receivables and Contract Assets

Trade receivables and contract assets are impaired by using the simplified approach, which does not distinguish between 12-month ECLs and lifetime ECLs, but all assets are generally impaired using lifetime ECLs. For trade receivables and contract assets, the Group distinguishes between trade receivables up to 90 days past due and trade receivables more than 90 days past due. For trade receivables up to 90 days past due, the Group calculates ECLs based on external and internal rating and associated probabilities of default. Available forward-looking information is taken into account if it has a material impact on the amount of impairment recognized. Trade receivables more than 90 days past due are assessed individually and credit-impaired if necessary. See note 27 for further information on how credit risk is managed.

Loss allowances for trade receivables measured at amortized cost are deducted from the gross carrying amount of the assets and recognized in sales and distribution costs in the income statement.

Cash and Cash Equivalents

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss (based on the general approach) was immaterial.

Debt Investments Carried at Amortized Cost

The Group’s debt investments at amortized cost are considered to have low credit risk and the loss allowance recognized during the period was therefore limited to 12 months of expected losses. Debt investments are considered to be low credit risk when they have a low risk of default and the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term.

On that basis, the identified impairment loss (ECL based on the general approach) was immaterial. If there is any objective evidence for an impairment, debt investments are impaired individually (credit-impaired). See note 27 for further information.

Classification and Measurement of Financial Liabilities

Financial liabilities are initially measured at fair value and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss (FVPL). Subsequently, financial liabilities are measured at amortized cost using the effective interest method except for derivatives, which are carried at fair value with gains or losses recognized in the income statement (other than derivative financial instruments that are designated and effective as hedging instruments). Financial liabilities recognized for the financial guarantee contracts are subsequently measured at the higher of:

- the amount of the loss allowance determined according to the expected credit losses model and;
- the amount initially recognized less the cumulative income recognized according to IFRS 15.

All interest-related charges and, if applicable, changes in an instrument's fair value that are recognized in the income statement are included within financial expenses or financial income.

The Group's financial liabilities include loans and borrowings, lease liabilities, trade payables, liabilities from financial guarantee contracts and parts of other liabilities and derivative financial instruments.

Derivatives and Hedging Activities

Derivatives are initially recognized at fair value on the date a derivative is entered into and are subsequently re-measured at their fair value at the end of each reporting period.

The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges),
- hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

In the periods presented, the Group does not have any fair value hedges outstanding and no derivatives are considered as net investment hedges.

At inception of the hedge relationship, the Group documents the hedge relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions. A hedging relationship qualifies for hedge accounting only if all of the following hedge effectiveness requirements are met:

- there is an economic relationship between the hedged item and the hedging instrument,
- the effect of credit risk does not dominate the value changes that result from that economic relationship,
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of the hedged item.

Cash Flow Hedging

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognized in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the income statement. The Group designates the full change in fair value of foreign exchange forwards as the hedging instrument in cash flow hedging relationships. As of the reporting date, Borealis has several foreign exchange forwards, but no outstanding foreign exchange options.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the hedging reserve and the cost of the hedging reserve is directly included in the initial cost of the non-financial item when it is recognized.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of the hedging reserve is reclassified to the income statement in the same period or periods during which the hedged expected future cash flows affect the income statement.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively.

When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to the income statement in the same period or periods as the hedged expected future cash flows affect the income statement.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve are immediately reclassified to the income statement.

Net Investment Hedges

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in OCI and accumulated in the reserve for unrealized exchange gains/losses. The gain or loss relating to the ineffective portion is recognized immediately in the income

statement. Gains and losses accumulated in equity are reclassified to the income statement when the foreign operation is partially disposed of or sold.

Derivatives That Do Not Qualify for Hedge Accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognized immediately in the income statement.

Offsetting of Financial Instruments

Financial assets and financial liabilities can be offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

Cash Flow Statement

The consolidated cash flow statement shows the Group's cash flow provided by/used in operating, investing and financing activities. The Company prepares its statement of cash flows using the indirect method in which net cash flows from operating activities are derived by adjusting Net profit or loss for the year for the effects of non-cash transactions and changes in working capital and other working capital balance sheet accounts.

The cash flow from investing activities comprises payments made on the purchase and disposal of operations and the purchase and disposal of property, plant and equipment, intangible assets as well as financial assets. The cash flow from financing activities comprises changes in the Group's share capital, as well as loans, repayments of principals of interest-bearing debt and the payment of dividends.

Segment Reporting

A segment is a distinguishable component of the Group that is engaged in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Executive Board (chief operating decision maker) and are used to make decisions on resources to be allocated to the segment and assess its performance and for which separate financial information is available (reportable segment).

The Executive Board decided to show the net sales by geographic area next to the reportable segment, as this includes material information on risks and rewards of a particular economic environment.

The Executive Board has identified three reportable segments:

Polyolefins – this part of the business manufactures and markets polyolefin products in the application areas Mobility, Energy, Consumer Products, Infrastructure, Advanced Products and Business Development. Since they have similar long-term growth rates and raw material economics, as well as demonstrate similarities in other aspects required by the Standard, they are accordingly reported as one segment to the Executive Board.

Base Chemicals – activities in this segment cover production and marketing of a wide range of base chemicals, such as phenol, acetone, ethylene, propylene and similar.

The third segment "Borealis NITRO" consisting of Fertilizers, Melamine, and Technical Nitrogen Products was sold on July 5, 2023.

All other segments – Corporate, Middle East and Asia (including “Borouge” discontinued operation) and Research & Development – are not reportable segments, as they are either not included separately in the reports provided to the Executive Board or only contain results of the associated companies. These non-reportable segments are included in the “Non-Allocated” category.

New Accounting Standards

Amended Standards Adopted by Borealis

In 2025, the following amended standards became effective and have been adopted by Borealis, where effective means effective for annual periods beginning on or after that date (as endorsed by the EU):

Standards	IASB effective date	EU effective date
Amended Standards		
IAS 21	The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability January 1, 2025	January 1, 2025

The adoption of the amended standards stated above is included in the consolidated financial statements. This did not have a material impact on the financial position or performance of the Group.

New and Amended Standards Not Yet Effective

IFRS 18 will replace IAS 1 – Presentation of Financial Statements and will be effective for annual reporting periods beginning on or after January 1, 2027. Although IFRS 18 will not affect the recognition or measurement of items in the financial statements, it is expected to significantly impact presentation and disclosure. Borealis is currently evaluating the detailed implications of applying the new standard to the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- In the cash flow statement, interest received will be presented as cash flows from investing activities and interest paid will be presented as cash flow from financing activities which is a change from current presentation as part of cash flow from operating activities.
- New disclosures will be required for management-defined performance measures. Additionally, a breakdown of the nature of expenses for line items presented by function in the operating category of the consolidated income statement will be disclosed.

Borealis will adopt the new standard from its mandatory effective date of January 1, 2027. Retrospective application is required, so the comparative information for the financial year ending December 31, 2026, will be restated in accordance with IFRS 18.

A number of other amendments to standards have been issued but are not yet effective (as adopted by the EU). Borealis will adopt these on the effective date. Effective means effective for annual periods beginning on or after that date (as endorsed by the EU). Borealis does not expect a material impact from these amended standards on the consolidated financial statements.

Standards		IASB effective date	EU effective date
New Standards			
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027	January 1, 2027
Amended Standards			
IFRS 7 and IFRS 9	Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026	January 1, 2026
IFRS 7 and IFRS 9	Contracts Referencing Nature-dependent Electricity	January 1, 2026	January 1, 2026
IAS 7, IFRS 1, IFRS 7, IFRS 9 and IFRS 10	Annual Improvements Volume 11	January 1, 2026	January 1, 2026
IAS 21	Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency	January 1, 2027	

Amounts

All amounts are in EUR thousand unless otherwise stated. The amounts in parentheses relate to the preceding year.

1. Segment Reporting

EUR thousand	2025				
	Polyolefins	Base Chemicals	Borealis NITRO	Non-Allocated ¹⁾	Consolidated
Net sales by segment					
Total segment sales	6,044,140	4,446,128	0	191,143	10,681,411
Inter-segment sales	0	-3,089,578	0	0	-3,089,578
	6,044,140	1,356,550	0	191,143	7,591,833

Prices for Group inter-segment sales are mainly based on monthly market prices for ethylene and propylene contracts.

Segment result					
Variable Costs	-4,935,226	-3,969,128	0	-190,813	-9,095,167
Fixed Costs	-864,200	-195,574	0	-118,573	-1,178,347
Operating profit	36,750	112,974	0	-99,878	49,846
Profit from disposal of discontinued operation	0	0	403	78,568	78,971
Net results of associated companies and joint ventures	-158,146	4,748	0	46,352	-107,046
Financial result				431,710	431,710
Taxes on income ²⁾				-25,696	-25,696
Non-controlling interests				-2,919	-2,919
Net profit for the year attributable to equity holders of the parent					424,866

Net sales by geographic area (by delivery destination)					
EU countries	3,915,708	1,116,394	0	73,102	5,105,204
thereof Austria	117,805	288	0	19,924	138,017
thereof Germany	903,254	62,184	0	38,895	1,004,333
Non-EU countries in Europe	813,595	233,358	0	28	1,046,981
US	240,760	6,798	0	10,305	257,863
Middle East and Asia	475,689	0	0	107,708	583,397
Other regions	598,388	0	0	0	598,388
	6,044,140	1,356,550	0	191,143	7,591,833

EUR thousand	31.12.2025				
Other information					
Segment assets	4,054,506	4,007,283	0	3,087,158	11,148,947
thereof Austria	2,662,398	2,898,743	0	509,763	6,070,904
thereof Belgium	426,879	2,023,682	0	96,711	2,547,272
Segment liabilities	0	0	0	10,550,936	10,550,936
Investment in property, plant and equipment	275,603	356,505	0	118,403	750,511
Depreciation, amortization and impairment	215,969	170,422	0	60,550	446,941

1) Discontinued operation Borouge is included in the 'Non-Allocated' segment. For further details, please refer to note 9.1. // 2) Tax amount for Borealis NITRO is included.

Over 90% of the above segments assets are related to EU countries.

EUR thousand	2024				
	Polyolefins	Base Chemicals	Borealis NITRO	Non-Allocated ¹⁾	Consolidated
Net sales by segment					
Total segment sales	6,153,364	4,946,040	0	205,560	11,304,964
Inter-segment sales	0	-3,453,100	0	0	-3,453,100
	6,153,364	1,492,940	0	205,560	7,851,864

Prices for Group inter-segment sales are mainly based on monthly market prices for ethylene and propylene contracts.

Segment result					
Variable Costs	-5,364,941	-4,396,845	0	310,737	-9,451,049
Fixed Costs	-847,118	-202,218	0	-138,918	-1,188,254
Operating profit	164,449	246,454	0	-68,854	342,049
Profit from disposal of discontinued operation	0	0	14,099	0	14,099
Net results of associated companies and joint ventures	-146,439	-596	0	388,651	241,616
Financial result				95,208	95,208
Taxes on income ²⁾				-127,429	-127,429
Non-controlling interests				-2,428	-2,428
Net profit for the year attributable to equity holders of the parent					563,115

Net sales by geographic area (by delivery destination)					
EU countries	4,091,472	1,219,501	0	70,475	5,381,448
thereof Austria	137,363	0	0	20,982	158,345
thereof Germany	930,411	45,132	0	37,384	1,012,927
Non-EU countries in Europe	852,627	266,839	0	0	1,119,466
US	256,381	6,026	0	10,849	273,256
Middle East and Asia	406,475	5	0	124,236	530,716
Other regions	546,408	570	0	0	546,978
	6,153,363	1,492,941	0	205,560	7,851,864

EUR thousand	31.12.2024				
Other information					
Segment assets	4,588,416	4,048,534	0	4,067,701	12,704,651
thereof Austria	2,262,844	1,471,638	0	3,902,286	7,636,768
thereof Belgium	600,734	1,721,126	0	74,793	2,396,653
Segment liabilities	0	0	0	4,003,440	4,003,440
Investment in property, plant and equipment	192,919	323,703	0	85,164	601,786
Depreciation, amortization and impairment	197,473	158,250	0	67,515	423,238

1) Discontinued operation Borouge is included in the 'Non-Allocated' segment. For further details, please refer to note 9.1. // 2) Tax amount for Borealis NITRO is included.

Over 90% of the above segments assets are related to EU countries.

Reconciliation of reportable segments to the consolidated income statement

EUR thousand	2025	2024
Total profit for reportable segments	424,866	563,115
Non-controlling interests	2,919	2,428
Elimination of discontinued operation ¹⁾	-512,440	-440,792
Net profit/loss for the year from continuing operations	-84,655	124,751

1) Comparative information has been restated due to discontinued operation Borouge. For further details, please refer to note 9.1.

The segment reporting items correspond to the measures used by management to steer and monitor the operating segments and form the basis of the internal reporting.

2. Revenue from Contracts with Customers

EUR thousand	2025	2024
Revenue from contracts with customers	7,588,604	7,850,669
Revenue from other sources	3,229	1,195
Net sales	7,591,833	7,851,864

Borealis generates revenue primarily from the sale of Polyolefins and Base Chemicals to its customers. Revenue from other sources mainly includes gains/losses for realized cash flow hedges on net sales from foreign exchange forwards (see also note 19).

In the following table, revenue from contracts with customers is disaggregated by segment and geographic market. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see note 1).

EUR thousand	2025			
	Polyolefins	Base Chemicals	Non-Allocated	Consolidated
EU countries	3,914,483	1,116,394	72,945	5,103,822
Non-EU countries in Europe	813,594	233,358	28	1,046,980
US	240,273	6,798	10,305	257,376
Middle East and Asia	473,791	0	107,708	581,499
Other regions	598,927	0	0	598,927
Revenue from contracts with customers	6,041,068	1,356,550	190,986	7,588,604
Revenue from other sources	3,072	0	157	3,229
Net sales (as reported in note 1)	6,044,140	1,356,550	191,143	7,591,833

EUR thousand	2024			
	Polyolefins	Base Chemicals	Non-Allocated	Consolidated
EU countries	4,089,643	1,219,501	70,243	5,379,387
Non-EU countries in Europe	852,627	266,839	0	1,119,466
US	256,886	6,026	10,849	273,761
Middle East and Asia	406,545	5	124,236	530,786
Other regions	546,700	569	0	547,269
Revenue from contracts with customers	6,152,401	1,492,940	205,328	7,850,669
Revenue from other sources	963	0	232	1,195
Net sales (as reported in note 1)	6,153,364	1,492,940	205,560	7,851,864

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

EUR thousand	31.12.2025	31.12.2024
Receivables	659,734	777,853
Contract assets	7,388	8,356
Contract liabilities	56,172	60,709

All contract assets are presented in other receivables and other assets, mainly current.

The Group applies the practical expedient in IFRS 15.121 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

For impairment recognized on receivables and contract assets, please see note 27.

The contract liabilities mainly include advance consideration received from customers and expected volume discounts payable to customers in relation to sales made. The contract liabilities of the previous year have been realized during 2025.

3. Research and Development

At the end of the year, 530 employees (headcount) were engaged in research and development relating entirely to continuing operations (577 employees in 2024). The total cost of these activities including impairment costs, amounted to EUR 24,520 thousand compared to EUR 14,776 thousand in 2024 (see note 7). Internal development costs amounting to EUR 30,598 thousand (EUR 33,173 thousand) were capitalized as intangible assets.

4. Intangible Assets

EUR thousand	2025				
	Goodwill	Development costs	Capitalized software	Others	Total
Cost					
As of January 1	158,142	623,350	160,254	275,570	1,217,316
Exchange adjustments	-1,910	0	20	-680	-2,570
Additions	0	46,255	33,031	10,114	89,400
Changes in consolidation scope	6,000	0	0	0	6,000
Reclassification to assets of the disposal group held for sale and other	-380	0	-63	-19,338	-19,781
Disposals	0	-18,410	-188	-360	-18,958
Transfers	0	-49,180	52,239	1,396	4,455
As of December 31	161,852	602,015	245,293	266,702	1,275,862
Accumulated amortization					
As of January 1	0	330,666	124,029	211,306	666,001
Exchange adjustments	0	0	0	-38	-38
Reclassification to assets of the disposal group held for sale and other	0	0	-32	-16,994	-17,026
Disposals	0	-3,027	-188	-360	-3,575
Amortization	0	16,628	20,503	17,406	54,537
Impairment	0	0	0	6,161	6,161
Transfers	0	0	0	-2,181	-2,181
As of December 31	0	344,267	144,312	215,300	703,879
Carrying amount as of January 1	158,142	292,684	36,225	64,264	551,315
Carrying amount as of December 31	161,852	257,748	100,981	51,402	571,983

EUR thousand	2024				
	Goodwill	Development costs	Capitalized software	Others	Total
Cost					
As of January 1	152,256	558,636	145,810	276,905	1,133,607
Exchange adjustments	-2,075	0	-66	-2,346	-4,487
Additions	0	93,828	6,261	11,119	111,208
Changes in consolidation scope	7,961	0	0	0	7,961
Disposals	0	-29,119	-70	-3,423	-32,612
Transfers	0	5	8,319	-6,685	1,639
As of December 31	158,142	623,350	160,254	275,570	1,217,316
Accumulated amortization					
As of January 1	0	337,966	107,226	205,268	650,460
Exchange adjustments	0	0	-61	-1,094	-1,155
Disposals	0	-28,782	-70	-3,344	-32,196
Amortization	0	15,844	16,934	17,236	50,014
Impairment	0	5,638	0	0	5,638
Transfers	0	0	0	-6,760	-6,760
As of December 31	0	330,666	124,029	211,306	666,001
Carrying amount as of January 1	152,256	220,670	38,584	71,637	483,147
Carrying amount as of December 31	158,142	292,684	36,225	64,264	551,315

Additions arising from internal development amounted to EUR 30,598 thousand (EUR 33,173 thousand).

5. Property, Plant and Equipment

EUR thousand	2025			
	Production plants	Machinery and equipment	Construction in progress	Total
Cost				
As of January 1	6,515,346	119,047	1,880,909	8,515,302
Exchange adjustments	112,838	-292	3,205	115,751
Additions	125,478	1,428	592,977	719,883
Reclassification to assets of the disposal group held for sale and other	-39,503	-503	-435	-40,441
Disposals	-50,431	-822	-113	-51,366
Transfers	131,788	6,608	-142,409	-4,013
As of December 31	6,795,516	125,466	2,334,134	9,255,116
Accumulated depreciation				
As of January 1	4,370,213	85,809	0	4,456,022
Exchange adjustments	82,300	-75	0	82,225
Reclassification to assets of the disposal group held for sale and other	-29,900	-356	0	-30,256
Disposals	-46,312	-1,312	0	-47,624
Depreciation	282,939	8,040	0	290,979
Impairment	7,696	0	0	7,696
Transfers	-1,115	3,739	0	2,624
As of December 31	4,665,821	95,845	0	4,761,666
Carrying amount as of January 1	2,145,133	33,238	1,880,909	4,059,280
Carrying amount as of December 31	2,129,695	29,621	2,334,134	4,493,450

EUR thousand	2024			
	Production plants	Machinery and equipment	Construction in progress	Total
Cost				
As of January 1	6,361,839	130,134	1,516,882	8,008,855
Exchange adjustments	-68,858	-645	-1,212	-70,715
Additions	106,520	2,608	558,455	667,583
Changes in consolidation scope	34,083	218	8	34,309
Disposals	-102,074	-17,950	-3,066	-123,090
Transfers	183,836	4,682	-190,158	-1,640
As of December 31	6,515,346	119,047	1,880,909	8,515,302
Accumulated depreciation				
As of January 1	4,231,476	96,705	0	4,328,181
Exchange adjustments	-45,821	-448	0	-46,269
Disposals	-101,400	-17,866	0	-119,266
Depreciation	268,977	7,418	0	276,395
Impairment	10,221	0	0	10,221
Transfers	6,760	0	0	6,760
As of December 31	4,370,213	85,809	0	4,456,022
Carrying amount as of January 1	2,130,363	33,429	1,516,882	3,680,674
Carrying amount as of December 31	2,145,133	33,238	1,880,909	4,059,280

Production plants include the following carrying amounts: land amounting to EUR 37,878 thousand (EUR 36,283 thousand), buildings amounting to EUR 315,515 thousand (EUR 316,130 thousand), immovable machinery amounting to EUR 1,582,778 thousand (EUR 1,573,730 thousand) and immovable equipment amounting to EUR 193,524 thousand (EUR 218,990 thousand).

In 2025, borrowing costs amounting to EUR 17,065 thousand (EUR 19,793 thousand) have been capitalized, using an average interest rate of 1.8% (1.6%). Additions to property, plant and equipment that were not paid at the end of the reporting period amounted to EUR 33,683 thousand (EUR 25,819 thousand).

Additions comprise major projects advanced in 2025, which are the new world-scale propane dehydrogenation (PDH) plant at the existing production site in Kallo (Belgium), the new automotive compounding capacity in Schwechat (Austria), and a project in Stenungsund (Sweden) which aims to concentrate all European XLPE manufacturing on two parallel closed trains in order to remove key risks from reactor to end product and ensure availability of the product for the power cable industry.

The line transfers show transfers of EUR 4,455 thousand (EUR 1,639 thousand) between property, plant and equipment and intangible assets and transfers of EUR 442 thousand (EUR 1 thousand) between right-of-use assets according to IFRS 16.

As of December 31, 2025, Borealis' contractual commitments amounted to EUR 245,133 thousand (EUR 378,678 thousand) for the acquisition of property, plant and

equipment (see note 21). The main increase results from the new PDH2 plant in Kallo (Belgium), with capital commitments of EUR 84,763 thousand (EUR 112,263 thousand).

Assets Pledged

Assets pledged amounted to EUR 32,699 thousand (EUR 35,412 thousand) and relate to property, plant and equipment. The commitments covered by the above assets amounted to EUR 26,160 thousand (EUR 29,183 thousand) at the end of the year.

6. Leases

The recognized right-of-use assets relate to the following types of assets:

EUR thousand	31.12.2025	31.12.2024
Production plants	595,603	612,482
Machinery and equipment	76,866	107,826
Carrying amount	672,469	720,308

Additions to the right-of-use assets, including the effect of reassessed contracts, amounted to EUR 45,338 thousand (EUR 138,824 thousand) in 2025.

Leased production plants include land, building space, vessels, immovable equipment and logistics facilities, such as storage tanks, warehouses, and pipelines. Leased machinery and equipment include company cars, material handling equipment, such as forklifts, railcars and an ethane marine carrier. The majority of leases by number relate to company cars with a typical term of four years and to material handling equipment with a typical term of six years. In general, leases for company cars and material handling equipment do not contain extension options, but a new contract for a replacement asset is usually put in place after the lease has ended.

Lease liabilities are presented in the balance sheet as follows:

EUR thousand	31.12.2025	31.12.2024
Current lease liabilities	75,344	80,358
Non-current lease liabilities	609,948	671,325
Carrying amount	685,292	751,683

The lease liabilities are mainly driven by two material contracts, which together represent 62% (59%) of the carrying amount as of the reporting date: leasing contracts for hydrocarbons logistics and storage infrastructure related to the new PDH plant in Kallo, Belgium. The minimum lease term for the contracts ends in 2052. Both contracts contain extension options.

The following amounts relating to leases were included in the income statement:

EUR thousand	2025	2024
Included in production costs, sales and distribution costs, administration costs and R&D costs		
Depreciation charge of right-of-use assets	83,992	79,894
Production plants	37,984	44,231
Machinery and equipment	46,008	35,663
Impairment of right-of-use assets	3,576	0
Expense relating to short-term leases	1,748	5,437
Expense relating to leases of low value assets that are not shown above as short-term leases	459	1,688
Expense relating to variable lease payments not included in lease liabilities	2,957	1,441
Included in financial expenses		
Interest expense	17,400	15,392

The total cash outflow for leases was EUR 100,649 thousand (EUR 93,664 thousand) in 2025.

Variable Lease Payments

Uncertainty arises from variable lease payments that depend on an index or a rate. Such variable lease payments are usually included in contracts for rented land, building space, pipelines or storage and aim to compensate the lessor for price inflation during the contract period. The rates relate to baskets of industry-specific price indices or to single consumer price indices of countries mainly in the euro zone. Borealis does not expect any material increases of the Group's lease liability resulting from changes in those indices.

Extension and Termination Options

Extension and termination options are included in a number of leases across the Group. These options are used to maximize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods covered by termination options) are only included in the lease term if it is reasonably certain that the lease will be extended (or not terminated).

Potential undiscounted future cash outflows of EUR 167,853 thousand (EUR 250,828 thousand) have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated). These mainly relate to the vessels and the Belgium land lease.

The assessment of reasonable certainty is only reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and is within the control of the lessee. In 2025, the effect of reassessed contracts was EUR 0 thousand (EUR -7,808 thousand).

As of the reporting date, the Group has lease commitments in the amount of EUR 117,839 thousand (EUR 133,277 thousand) within the scope of the long-term charter contract.

7. Depreciation, Amortization and Impairment

Depreciation, amortization and impairment are allocated in the income statement as follows:

EUR thousand	2025	2024
Production costs		
Depreciation and amortization	364,586	342,504
Impairment	17,433	10,092
Sales and distribution costs		
Depreciation and amortization	42,343	38,435
Administration costs		
Depreciation and amortization	22,579	26,440
Impairment	0	2
Research & development costs		
Impairment	0	5,765
Total	446,941	423,238

The total amount of depreciation, amortization and impairment includes EUR 0 thousand loss (EUR 1,079 thousand loss) from disposal of fixed assets.

The impairment of tangible assets includes an adjustment to the Renasci CGU in the amount of EUR 16,976 thousand, recognized as of June 2025, as the determined recoverable amount was below its carrying amount. The above mentioned Renasci related impairment is included in the production costs.

On an annual basis, the Group tests whether any impairment of goodwill is required. The recoverable amount of a cash generating unit (CGU) is determined based on value in use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets covering a five-year period. Key assumptions of the forecasted cash flows are volumes sold and underlying industry margins. These are estimated based on industry reports issued by highly regarded business intelligence providers and management's experience. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

Post-tax discount rates (weighted average cost of capital) reflect specific risks relating to the relevant segments and the countries in which they operate.

The long-term growth rate is the weighted average growth rate used to extrapolate cash flows beyond the budget period.

The impairment test for goodwill and fixed assets is prepared with the valuation date of November 30, 2025. The impairment test for at-equity consolidated entities is prepared with the valuation date of December 31, 2025.

The allocated goodwill for each CGU as well as parameters influencing the calculation of the value in use can be seen in the following table:

Impairment test parameters 2025					
Segment	Polyolefins				
Cash-generating unit	Polyethylene	Polypropylene	Recyclates	Brazil ¹⁾	South Korea ¹⁾
Allocated goodwill in EUR thousand	50,687	46,922	43,042	3,783	17,551
Post-tax discount rate	7.3%	7.3%	7.5%	9.0%	7.0%
Growth rate	0.0%	1.1%	4.1%	1.7%	2.4%

1) The change in the allocated goodwill of the CGU compared to November 30, 2024, results entirely from foreign currency revaluation, since this unit is valued in a functional currency.

Impairment test parameters 2024					
Segment	Polyolefins				
Cash-generating unit	Polyethylene	Polypropylene	Recyclates	Brazil	South Korea
Allocated goodwill in EUR thousand	50,687	46,922	36,474	3,662	20,211
Post-tax discount rate	7.3%	7.3%	7.3%	9.0%	7.3%
Growth rate	0.1%	1.2%	2.7%	2.0%	2.5%

In addition to the parameters above, sensitivities regarding discount rates are taken into consideration. An increase of 0.5% in the discount rate for the CGU Recyclates would result in an impairment of EUR 15,952 thousand.

In an accelerated decarbonization scenario ensuring the achievement of the climate goals according to the Paris Agreement, Borealis' management would not see any negative effects on the overall demand for polyolefin solutions. Pricing of polyolefin is mainly driven by base chemical markets like naphtha, ethane and propane etc. An accelerated change in the world's energy landscape might lead to different price movements in those relevant base chemicals, temporarily affecting the profitability of some assets in the polyolefin value chain. Driven by the expected strong demand for polyolefin solutions, Borealis' management does not see any substantial negative effects on the overall integrated value chain.

8. Changes in Consolidation Scope

8.1. Overview disposal group / discontinued operation

The results of the discontinued operation are shown in the table below.

EUR thousand	2025			2024		
	Borouge	Nitro	Total	Borouge	Nitro	Total
Net results of associated companies and joint ventures	46,153	0	46,153	388,651	0	388,651
Financial income	442,785	0	442,785	16,232	0	16,232
Net foreign exchange gains/losses	-53,382	0	-53,382	22,102	0	22,102
Profit from disposal of discontinued operation	78,568	403	78,971	0	14,099	14,099
Profit/loss before tax	514,124	403	514,527	426,985	14,099	441,084
Taxes on income	7,207	0	7,207	-8,817	0	-8,817
Taxes on profit from disposal	-589	-8,705	-9,294	0	8,525	8,525
Profit/loss from discontinued operation, net of tax	520,742	-8,302	512,440	418,168	22,624	440,792
Attributable to:						
Non-controlling interests	0	0	0	0	0	0
Equity holders of the parent	520,742	-8,302	512,440	418,168	22,624	440,792

For more details on discontinued operation Borouge please refer to Note 9.1.

Borealis divested the Borealis Fertilizers, Melamine and Technical Nitrogen (TEN) Business at the beginning of July 2023 (Nitro). In 2025, Borealis realized a gain of EUR 403 thousand related to the Nitro disposal. Furthermore, tax expense of EUR 8,705 thousand (tax income EUR 8,525 thousand) has been recognized in the profit/loss from discontinued operation for Nitro. This relates to a re-measurement of the expected liquidation loss of Borealis France S.A.S., which owned the French companies in the Borealis NITRO disposal group.

The following assets and liabilities were reclassified as held for sale:

EUR thousand	31.12.2025		
	Borouge	Renasci	Total
Assets			
Non-current assets			
Intangible assets	0	2,375	2,375
Property, plant and equipment	0	8,527	8,527
Right-of-use assets	0	1,986	1,986
Investments in associated companies and joint ventures	1,428,044	849	1,428,893
Current assets			
Inventories	0	717	717
Trade receivables	0	1,213	1,213
Other receivables and other assets	0	149	149
Cash and cash equivalents	0	2,327	2,327
Assets of the disposal group held for sale	1,428,044	18,143	1,446,187

EUR thousand	31.12.2025		
	Borouge	Renasci	Total
Liabilities			
Non-current liabilities			
Loans and borrowings	0	15,761	15,761
Lease liabilities	0	7,263	7,263
Deferred tax liabilities	0	403	403
Current liabilities			
Loans and borrowings	0	829	829
Lease liabilities	0	10,771	10,771
Trade payables	0	2,690	2,690
Other liabilities	0	1,074	1,074
Liabilities directly related to the disposal group	0	38,791	38,791

For more details on discontinued operation Borouge, please refer to Note 9.1.

Details on disposal group Renasci are included in Note 8.4.

8.2. Sale of mtm compact GmbH

On April 22, 2025, Borealis and Sepa Engineering GmbH entered into a binding agreement regarding the acquisition of Borealis' shares in mtm compact GmbH (mtm compact). Effective May 30, 2025, Borealis has divested its 100% stake in mtm compact.

Related to the preparation of the closing accounts and the determination of the final purchase price, losses of EUR 1,759 thousand on the disposal of mtm compact's assets and liabilities were recognized as part of production costs in 2025.

The purchase price includes a payment of EUR 802 thousand at closing, an additional payment of EUR 200 thousand that was received in December 2025 and a deferred amount of EUR 200 thousand, which is recognized in the line item "Other current receivables" and is due in 2026.

The following table shows the effect of the mtm compact disposal on the Group's financial position.

EUR thousand	31.12.2025
Property, plant and equipment	-1,657
Inventories	-212
Trade receivables	-596
Other current receivables and other current assets	-45
Cash and cash equivalents	-252
Trade payables	44
Other current liabilities	137
Net assets and liabilities	-2,581
Consideration received, satisfied in cash	1,002
Cash and cash equivalents disposed of	-252
Net cash inflows	750

8.3. Business Combination Integra

On March 28, 2024, Borealis via Borealis GmbH (formerly Borealis AG), Vienna, Austria, acquired 100% of the shares of Integra Plastics AD (after acquisition renamed Integra Plastics EAD), Elin Pelin, Bulgaria (Integra) from Betainvest EOOD and Vallenova Limited (the sellers).

Integra operates a modern, advanced mechanical recycling plant built in 2019 with state-of-the-art equipment and an annual output capacity of more than 20 kilotons. Integra has the ability to transform post-consumer waste into high-quality polyolefin recyclates suitable for demanding applications.

The acquisition strengthens Borealis' specialty and circular portfolio, enabling the Company to meet growing customer demand for more sustainable solutions. Combining Integra's advanced mechanical recycling expertise and capacity with Borealis' know-how and innovation leadership, contributes considerably to advancing circularity in the plastics industry. The move also represents a further proof point reflecting Borealis' EverMinds™ commitment to accelerate the transition to a truly circular economy.

The acquisition has been accounted for using the acquisition method.

Assets acquired and liabilities assumed

The fair value of the identifiable assets and liabilities of Integra as at the date of acquisition were:

EUR thousand	Fair value recognized on acquisition
Assets	
Non-current assets	
Property, plant and equipment	34,309
Deferred tax assets	8
Current assets	
Inventories	3,397
Trade receivables	2,149
Other receivables and other assets	134
Cash and cash equivalents	358
Total assets acquired	40,355
Liabilities	
Current liabilities	
Trade payables	880
Provisions	1,023
Other liabilities	1,462
Total liabilities	3,365
Total identifiable assets fair value	36,990
Total purchase price consideration	46,716
Goodwill arising on acquisition	9,726
Percentage acquired	100%

The total acquisition costs of 100% of the share capital of Integra comprised an initial cash payment of EUR 12,434 thousand to the sellers in March 2024, repayment of an external loan of EUR 22,812 thousand and assumption of a former shareholder loan of EUR 4,521 thousand against the same amount, and costs of EUR 906 thousand directly attributable to the acquisition (EUR 237 thousand in 2024). The cash acquired with this acquisition amounted to EUR 358 thousand, resulting in net cash outflow on the acquisition of EUR 39,410 thousand in 2024. The transaction costs have been expensed and are included under administration costs in the income statement and are part of operating cash flows in the statement of cash flows.

Borealis agreed with the sellers to transfer additional considerations up to a total maximum amount of EUR 6,000 thousand to the seller if such amount is not utilized to cover claims under the share purchase agreement. As of December 31, 2025, the remaining consideration is valued at EUR 6,000 thousand.

The goodwill of EUR 9,726 thousand comprises the value of the expected synergies and other benefits from combining the assets and activities of Integra with those of Borealis and has been allocated to the cash generating unit Recyclates. None of the recognized goodwill is deductible for income tax purposes.

8.4. Disposal Group Renasci

On December 16, 2025, Borealis and BlueAlp Participations B.V., announced that they had signed a binding agreement for the acquisition of Borealis' shares in RENASCI N.V. The Renasci disposal group was consequently reclassified to assets and liabilities held for sale. Impairment losses of EUR 4,953 thousand for write-down of the Renasci disposal group to the lower of its carrying amount and its fair value less costs to sell have been included in financial expenses. The impairment losses have been applied to reduce the carrying amount of the investment BlueAlp Holding B.V. within the Renasci disposal group.

Whilst the component held for sale represents a single cash-generating unit (CGU), it is neither a separate major line of business nor a geographical area of operations for Borealis. The Group therefore concluded not to report Renasci as a discontinued operation.

As of December 31, 2025, the Renasci disposal group was stated at fair value less cost to sell. The fair-value measurement for the Renasci disposal group of EUR 2,327 thousand (before costs to sell of EUR 0 thousand) has been categorized as Level 2 fair value and was based on the binding offer from BlueAlp Participations B.V., valuing the business on an enterprise value basis at EUR 0 thousand and considering an adjustment for the net debt.

In the course of the divestment Borealis will purchase 10% of the shares in BlueAlp Holding B.V. from Renasci N.V.

For the assets and liabilities that were reclassified as held for sale, see note 8.1.

Borealis Circular Solutions Holding GmbH increased its shareholding in RENASCI N.V. through a capital increase by contribution in kind by 0.58% on December 23, 2025 thus owning 99.76% of the company as of that date. For further information on RENASCI N.V., please refer to Disposal Group in this note.

8.5. Other Changes

Borealis AG changed its legal form from AG to GmbH. Several changes in the shareholder structure took place in 2025, please refer to note 13.

Borealis Bono Holdings LLC was merged into Borealis USA Inc. on March 31, 2025.

Furthermore, Borealis Digital Studio B.V. merged into Borealis Polymers N.V. on June 30, 2025.

9. Investments in Associated Companies and Joint Ventures

9.1. Discontinued Operation Borouge

On March 3, 2025, OMV and ADNOC signed a binding agreement foreseeing a combination of Borealis and Borouge under a new, jointly controlled joint venture company, Borouge Group International AG (BGI). As part of this arrangement, Borealis commenced the process of divesting its shares in Borouge PLC, Borouge Pte. Ltd. (Borouge Pte) and Borouge 4 LLC (Borouge 4). In addition to the Borouge entities' equity shares, the disposal group included the shareholder loan to Borouge 4 and a financial guarantee liability, which were together reclassified to assets and liabilities held for sale as of March 3, 2025, in accordance with IFRS 5 (Borouge disposal group). Following this reclassification, these investments are no longer accounted for under the equity method, in line with IFRS 5 requirements. The sale of Borouge 4 was completed as of the reporting date. For more details, see section below for Borouge 4.

The Group assessed the disposal group and concluded that the Borouge entities represent a separate major line of business and geographical area of operations. Consequently, the results of Borouge disposal group are presented as a discontinued operation in the consolidated financial statements. Please refer to note 8.1 for the assets and liabilities that were reclassified as held for sale and the results of the discontinued operation. Financial income in the discontinued operation Borouge consists of interest income for the Borouge 4 loan. Financial income for 2025 also includes dividend income from Borouge PLC and Borouge Pte (EUR 420,736 thousand), after reclassification of the Borouge entities to discontinued operation. Net foreign exchange gains/losses relates to the Borouge 4 loan denominated in USD.

Borouge 4

On September 2, 2025, Borealis, ADNOC and OMV signed an agreement for the acquisition of Borealis' share in Borouge 4. The closing of the transaction was completed on October 24, 2025. Borealis' 40% share in Borouge 4 was transferred to OMV Downstream GmbH (30%) and to ADNOC's subsidiary XRG Austria GmbH (formerly MPP Holdings GmbH) (10%). In addition, the shareholder loan to Borouge 4 was transferred to ADNOC and OMV. This transaction is a preparatory step for the new joint venture company BGI.

The table below shows the effect of the Borouge 4 disposal on the Group's financial position:

EUR thousand	31.12.2025
Investments in joint ventures	-308,693
Loans granted	-624,212
Other current receivables and other assets	-6,214
Other current liabilities	940
Net assets and liabilities	-938,179
Purchase consideration for sale of shares in B4 and repayment amount for loan B4	1,041,029
- not yet paid (receivable)	-408,044
Net cash inflows	632,985
Purchase consideration for sale of shares in B4 and repayment amount for loan B4	1,041,029
Disposed assets and liabilities	-938,179

EUR thousand	31.12.2025
Net gain/loss on translation of financial statements of foreign operations - reclassifications to the income statement	-24,282
Profit from disposal of discontinued operation	78,568

The purchase consideration for the sale of Borouge 4 shares is not yet paid (EUR 408,044 thousand). On September 2, 2025, Borealis declared a dividend in the same amount (EUR 408,044 thousand) to OMV Downstream GmbH and ADNOC's subsidiary XRG Austria GmbH (formerly MPP Holdings GmbH). This dividend is not yet paid and will be offset with the receivable for the sale of Borouge 4 in the same amount. The purchase price for Borouge 4 was determined on an arm's-length basis and in compliance with applicable local regulatory requirements.

Borouge PLC and Borouge Pte

On December 22, 2025, Borealis and BGI signed an agreement for the acquisition of Borealis' shares in Borouge PLC and Borouge Pte. The closing of the transaction has not yet been completed and is expected for the first quarter in 2026. As of December 31, 2025, the Borouge disposal group was stated at carrying amount, as the fair value less costs to sell exceeds the carrying amount. The fair value for the Borouge disposal group is based on the agreed purchase consideration amount of EUR 6,823,118 thousand (excluding adjustments). The following table shows the expected profit from the disposal of Borouge PLC and Borouge Pte:

EUR thousand	31.12.2025
Purchase consideration for sale of shares in Borouge PLC and Borouge Pte	6,823,118
Carrying amount of assets of the disposal group Borouge held for sale	-1,428,044
Reserves in equity that will be reclassified to the income statement	216,093
Expected profit from disposal of discontinued operation	5,611,167

As of December 31, 2025, the cumulative amount recognized in other comprehensive income from the disposal group was EUR 222,472 thousand, thereof EUR 216,093 thousand related to items that may be reclassified subsequently to the income statement.

On December 22, 2025, Borealis declared a dividend of EUR 6,823,118 thousand to BGI. The dividend payable will not be paid in cash but offset against the future receivables from the sale of Borouge PLC and Borouge Pte from Borealis to BGI in the same amount. The future receivable for the sale of these entities will correspond exactly to the dividend payable. The dividend payable bears interest, and the related future receivable will be adjusted at a rate of 1M EURIBOR plus a margin of 17.8 bps per annum, from December 22, 2025, being the date of the dividend resolution and the signing of the sale agreement.

9.2. Other Disclosures for Investments in Associated Companies and Joint Ventures

EUR thousand	Shares in associated companies and joint ventures	
	2025	2024
Carrying amount as of January 1	2,431,191	2,479,258
Exchange adjustments	-54,418	143,207
Reclassification to assets of the disposal group held for sale	-1,958,148	0
Investments and acquisitions	0	65
Dividends received	0	-434,154
Impairments	-22,092	0
Net results of associated companies and joint ventures	-107,046	241,616
Changes in equity reserves	0	1,199
Carrying amount as of December 31	289,487	2,431,191

In 2025, the Borouge companies were reclassified to assets of the disposal group held for sale. For more details, see note 9.1. In addition, Renasci N.V. was classified as a disposal group, including shares in the associated company BlueAlp Holding B.V. For more details, please refer to note 8.4. The shares in BlueAlp Holding B.V. were impaired in 2025 by EUR 22,092 thousand, as the determined recoverable amount was below the carrying amount of the investment measured according to equity method. The impairments have been considered in the line item "Financial expenses" in the consolidated income statement. For further information, please refer to note 8.4.

Borealis recalculated the recoverable amount for its investment in Bayport Polymers LLC (Baystar) as of December 31, 2025, after a significant downturn in the performance of this joint venture was observed in 2025. The results of Baystar were affected by deteriorating market conditions amplified by tariff-related uncertainties. None of the calculated scenarios showed any need for an impairment.

The Group presents the investments in associated companies and joint ventures as follows:

EUR thousand	2025	2024
Non-material associated companies	7,812	27,993
Material joint ventures		
Borouge PLC ¹⁾	0	1,544,910
Bayport Polymers LLC (Baystar)	271,054	478,226
Borouge 4 ²⁾	0	351,823
Non-material joint ventures	10,621	28,239
Carrying amount as of December 31	289,487	2,431,191

1) Reclassified as assets of the disposal group held for sale as of March 3, 2025. For more details please refer to note 9.1. // 2) Shares in Borouge 4 were sold on October 24, 2025. For more details, please refer to note 9.1.

The investment in Kilpilahden Voimalaitos Oy is part of the Base Chemicals segment. The shares in Bayport Polymers LLC (Baystar) and Recelerate GmbH are included in the Polyolefins

segment. All other investments in associated companies and joint ventures are part of the Non-Allocated segment.

Associated Companies

The Group has the following investments in associated companies:

Associated companies	Country	Ownership in %	
		2025	2024
BlueAlp Holding B.V. ²⁾	The Netherlands	21.25	21.25
Industrins Räddningstjänst i Stenungsund AB ¹⁾	Sweden	25.00	25.00
Kilpilahden Voimalaitos Oy	Finland	20.00	20.00
Petrogas International B.V. ¹⁾	The Netherlands	25.00	25.00

1) Excluded from consolidation at equity due to immateriality // 2) Reclassified as assets of the disposal group held for sale as of December 16, 2025.

Summary of financial information for non-material associated companies, adjusted for ownership by the Group:

EUR thousand	2025	2024
Net profit for the year	2,756	-5,578
Other comprehensive income	0	0
Total comprehensive income	2,756	-5,578

Joint Ventures

The Group has the following investments in joint ventures:

Joint ventures	Country	Ownership in %	
		2025	2024
Borouge Pte. Ltd. ¹⁾²⁾	Singapore	45.76	45.76
Borouge PLC ²⁾	United Arab Emirates	36.00	36.00
Borouge 4 LLC ³⁾	United Arab Emirates	0.00	40.00
Bayport Polymers LLC (Baystar)	US	50.00	50.00
BTF Industriepark Schwechat GmbH ⁴⁾	Austria	50.00	50.00
Recelerate GmbH ⁴⁾	Germany	50.00	50.00
C2PAT GmbH ⁵⁾	Austria	0.00	25.00
PetroPort Holding AB	Sweden	50.00	50.00

1) Direct shares 15.25%, indirect shares via Borouge PLC 30.51% // 2) Reclassified as assets of the disposal group held for sale as of March 3, 2025. For more details please refer to note 9.1. // 3) Shares in Borouge 4 were sold on October 24, 2025. For more details, please refer to note 9.1. // 4) Excluded from consolidation at equity due to immateriality // 5) Shares in C2PAT GmbH were sold on August 26, 2025. This joint venture was excluded from consolidation at equity due to immateriality.

Material Joint Venture Borouge PLC

Borouge PLC was previously classified as a material joint venture. In 2025, Borouge PLC was no longer classified as a material joint venture due to the reclassification as assets of the disposal group held for sale as of March 3, 2025.

Material Joint Venture Borouge 4

Borouge 4 LLC (Borouge 4) was previously classified as a material joint venture. In 2025, Borouge 4 was no longer classified as a material joint venture as the shares in Borouge 4 were sold on October 24, 2025.

Material Joint Venture Baystar

Bayport Polymers LLC (Baystar) is a petrochemical company primarily engaged in the manufacturing and sales of polyethylene and ethylene, under the trade name Baystar. Baystar, registered in Pasadena (incorporated in Wilmington), is jointly controlled by a subsidiary of Total Energies SE (50%) and a subsidiary of Borealis GmbH (50%).

The following table illustrates the full summarized financial information for Baystar:

EUR thousand	2025	2024
Non-current assets	3,457,907	3,991,780
Current assets	238,177	265,596
thereof cash and cash equivalents	15,004	22,249
Non-current liabilities	-2,812,279	-2,914,554
thereof non-current financial liabilities (excl. other liabilities and provisions)	-2,810,794	-2,911,819
Current liabilities	-319,258	-362,958
thereof current financial liabilities (excl. trade payables, other liabilities and provisions)	-162,381	-178,280
Equity	564,547	979,864
Borealis share	50%	50%
Share of net assets	282,274	489,932
Adjustments ¹⁾	-11,220	-11,706
Carrying amount as of December 31	271,054	478,226
Net sales	689,206	644,107
Depreciation, amortization, impairments and write-ups	-138,463	-199,619
Interest income	1,445	2,161
Interest expenses	-200,496	-199,156
Taxes on income and profit	1,405	-1,412
Net profit for the year	-313,838	-279,984
Other comprehensive income	0	0
Total comprehensive income 100%	-313,838	-279,984
Total comprehensive income 50%	-156,919	-139,992
Adjustments ¹⁾	486	446
Borealis share of total comprehensive income	-156,433	-139,546
Dividends received by Borealis from Baystar	0	0

1) Adjustments relate to the elimination of unrealized profit on sales

Summary of financial information for non-material joint ventures, adjusted for ownership by the Group:

EUR thousand	2025	2024
Net profit for the year	478	10,720
Other comprehensive income	0	-359
Total comprehensive income	478	10,361

Please refer to note 30 for information related to transactions with the associated companies and joint ventures.

10. Other Investments, Other Receivables and Other Assets and Loans

Granted

Other investments include interests in infrastructure companies in Germany and the participation in Bockatech Limited, a UK-based company. Bockatech Limited commercializes Bockatech EcoCore, which is a patented manufacturing technology for foamed articles, using Borealis HMS (high melt strength) polypropylene. Other investments also include subsidiaries that are not consolidated on a materiality basis and which are mainly distribution and blending entities (see note 28).

The non-current other receivables and other assets mainly consist of marketable securities, financial derivatives, bonds (long-term deposits for statutory, regulatory and tax requirements), financial guarantee receivables, prepayments, contract assets and government grant receivables in Belgium. The loans granted include shareholder loans with Bayport Polymers LLC amounting to EUR 42,327 thousand (EUR 765,956 thousand) and with Kilpilahden Voimalaitos Oy amounting to EUR 58,079 thousand (EUR 55,181 thousand). As of December 31, 2025 the loan granted to Borouge 4 LLC amounting to EUR 0 thousand (EUR 425,539 thousand) has been repaid in full.

For further details, please refer to note 30.

11. Taxation

EUR thousand	2025	2024
Taxes		
Income tax payable ¹⁾	-52,588	-88,275
Change in deferred tax ¹⁾	24,980	-33,333
Adjustment to prior year's tax charge	3,999	-5,529
Taxes on income	-23,609	-127,137

¹⁾ Comparative information has been restated due to discontinued operation Borouge. For further details, please refer to note 9.1.

Out of the total income tax payable of EUR 52,588 thousand (EUR 88,275 thousand), an amount of EUR 10,763 thousand (EUR 62,012 thousand) relates to income tax payable accrued by members of the Austrian tax group headed by OMV Aktiengesellschaft.

Calculation of tax expenses at statutory rates for tax expense accounting at the effective group tax rate:

EUR thousand	2025		2024	
Tax expenses at statutory rates (weighted average tax rate of the Group) ¹⁾	18%	-10,893	26%	64,453
Tax effect of result in associated companies and joint ventures ¹⁾	2%	-1,325	0%	858
Tax effect of permanent differences	-1%	698	0%	602
Adjustment of valuation allowance/ reassessment of unrecognized tax assets	-62%	37,814	23%	58,267
Prior year's adjustments and other effects	4%	-2,685	1%	2,957
Taxes on income	-39%	23,609	50%	127,137

1) Comparative information has been restated due to discontinued operation Borouge. For further details, please refer to note 9.1.

The effective tax rate for 2025 was impacted by impairments of deferred tax assets on tax losses carried forward and tax losses in the year for which no deferred tax asset was recognized.

EUR thousand	Balance sheet		Income statement	
	2025	2024	2025	2024
Deferred tax assets				
Property, plant and equipment	711	3,098	-2,364	-3,708
Intangible assets	31,592	36,363	-4,674	-19,813
Adjusted depreciation for tax purposes	32,303	39,461		
Revaluation of cash flow hedges	-737	4,794	0	0
Net gain on hedge of a net investment	9,690	12,660	0	0
Valuation of inventories for tax purposes	5,575	11,322	-5,419	1,274
Fair values compared to tax values	14,528	28,776		
Interest-bearing liabilities	157,666	162,096	-3,995	11,079
Employee benefits	42,723	51,576	-6,591	4,075
Other provisions	8,481	11,602	-3,131	4,042
Financial assets	594	674	-80	-2,771
Tax impairments according to Section 12 (3)(2) of the Austrian Corporate Income Tax Act (KStG)	20,163	14,026	6,137	808
Other assets and liabilities	14,874	13,428	1,281	-5,001
Other timing differences	244,501	253,402		
Losses available for offsetting against future taxable income	239,186	283,335	-35,065	-61,103
Netting with deferred tax liabilities	-410,760	-484,934		
Deferred tax assets	119,758	120,040	-53,901	-71,118

EUR thousand	Balance sheet		Income statement	
	2025	2024	2025	2024
Deferred tax liabilities				
Property, plant and equipment	-371,735	-383,772	17,189	-16,897
Intangible assets	-61,425	-61,750	-243	9,529
Accelerated/adjusted depreciation for tax purposes	-433,160	-445,522		
Valuation of inventories for tax purposes	-3,214	-16,050	12,836	-20
Fair values compared to tax values	-3,214	-16,050		
Interest-bearing liabilities	-10,253	-12,932	2,408	-1,772
Employee benefits	-12,510	-13,806	3,056	-5,576
Financial assets ¹⁾	-107,151	-141,301	28,846	41,243
Other assets and liabilities	-28,964	-42,883	14,789	11,278
Other timing differences	-158,878	-210,922		
Netting with deferred tax assets	410,760	484,934		
Deferred tax liabilities	-184,492	-187,560	78,881	37,785
Net tax asset/liability	-64,734	-67,520	24,980	-33,333

1) Comparative information has been restated due to discontinued operation Borouge. For further details, please refer to note 9.1.

Out of the deferred tax assets recognized for losses available for offsetting against future taxable income, an amount of EUR 0 thousand (EUR 1,929 thousand) relates to a carry forward of negative tax results of a member of the Austrian tax group headed by OMV Aktiengesellschaft.

Deferred tax assets of EUR 129,786 thousand (EUR 138,490 thousand) on the expected liquidation loss of a French entity, which owned the French companies, have been recognized for losses available for offsetting against future taxable income. As this liquidation loss is related to the Borealis NITRO disposal, the resulting gain has been recognized in the Consolidated Income Statement in the line item Profit/loss from discontinued operation, net of tax.

In addition to capitalized tax assets, the Group has unrecognized tax losses amounting to EUR 1,152,038 thousand (EUR 1,018,808 thousand) and unrecognized temporary differences of EUR 0 thousand (EUR 9,648 thousand), where current forecasts indicate insufficient future profits in the foreseeable future, thus resulting in unrecognized tax assets of EUR 276,071 thousand (EUR 248,663 thousand). The losses carried forward have no expiry date.

EUR thousand	2025	2024
Deductible temporary differences	0	2,412
Tax losses carried forward	276,071	246,251
Total unrecognized net tax assets	276,071	248,663

The recognized deferred tax assets are expected to be utilized against future profits based on internal projections in the relevant jurisdictions. Deferred tax expenses as a result of changes in estimates of deferred tax assets due to forecasts indicating insufficient future profits amount to

EUR 16,832 thousand (EUR 17,549 thousand). Dividend income from Group entities has no tax effect for the Borealis Group. The temporary differences relating to subsidiaries amount to EUR 0 thousand (EUR 0 thousand), for which no deferred tax liability has been recognized in accordance with IAS 12.39 Income Taxes.

In December 2023, the Government of Austria, where the ultimate parent company of the Group is incorporated, enacted the Pillar Two legislation (Mindestbesteuerungsgesetz) effective from January 1, 2024. Under this legislation, Group companies are subject to Pillar Two income taxes on profits that are taxed at an effective tax rate of less than 15%. Certain subsidiaries of the Group are subject to a qualified domestic minimum tax in the countries where Pillar Two rules were transposed into national law.

The Group has performed a preliminary calculation of transitional safe harbors for Pillar Two purposes. Based on the preliminary safe harbors calculation and the detailed Pillar Two calculation for those jurisdictions not qualifying for the safe harbors, no material exposure to Pillar Two income taxes is expected.

Tax Contingencies

Some Borealis Group companies are currently subject to tax audits performed by their respective tax authorities. Management's opinion is that the Company is in compliance with all applicable regulations.

12. Inventories

EUR thousand	2025	2024
Finished products	836,472	958,628
Raw materials and consumables	357,134	361,694
Total	1,193,606	1,320,322

The costs for the consumption of inventories recognized during the period in the income statement amounted to EUR 5,512,881 thousand (EUR 5,541,192 thousand), including write-downs of EUR 10,387 thousand (EUR 17,382 thousand).

13. Equity

Share Capital and Contributions by Shareholders

EUR thousand	Share capital		Contributions by shareholders	
	2025	2024	2025	2024
Balance as of January 1	300	300	1,599,097	1,599,097
Capital increase (decrease)	0	0	0	0
Balance as of December 31	300	300	1,599,097	1,599,097

The share capital of Borealis GmbH (parent company) amounts to EUR 300,000 (EUR 300,000). The full share is held by its sole shareholder Borouge Group International AG (BGI) and there are no special voting rights.

The contributions by shareholders amounted to EUR 1,599,097 thousand (EUR 1,599,097 thousand).

Borealis GmbH is owned:

– 100.00% by Borouge Group International AG, Mannswörther Straße 28, 2320 Schwechat, Austria

OMV (39.00% by OMV Borealis Holding GmbH, 32.67% by OMV Downstream GmbH, 3.33% by OMV Aktiengesellschaft) transferred its 75% shareholding in Borealis GmbH to BGI, effective as of September 10, 2025. Subsequently, XRG Austria GmbH (formerly MPP Holdings GmbH until January 7, 2026, a fully owned subsidiary of Abu Dhabi National Oil Company (ADNOC) P.J.S.C.) contributed its remaining 25% stake to BGI, effective as of September 27, 2025.

The ultimate controlling party is OMV Aktiengesellschaft, Vienna, Austria. Distribution of dividends to its shareholders does not have any tax effect for Borealis GmbH.

The Group's objectives are to safeguard the entity's ability to continue as a going concern and to provide an adequate return to its shareholders. The Group monitors capital on the basis of the gearing ratio. This gearing ratio is calculated as net interest-bearing debt divided by total equity. The Group's target is to keep a gearing ratio of 35%–65% to support its operational needs. At year-end, the ratio stands at 95% (11%), reflecting an increase of 84%-points compared to 2024. This development is mainly attributable to a temporary reduction in Borealis' equity in December 2025, following the dividend resolution of EUR 6,823,118 thousand to BGI. The dividend will not be paid in cash but will be offset against future receivables from the sale of Borouge PLC and Borouge Pte. Ltd. from Borealis Middle East Holding to BGI. In September 2025 Borealis declared a dividend in the amount EUR 408,044 thousand to OMV Downstream GmbH and ADNOC's subsidiary XRG Austria GmbH (formerly MPP Holdings GmbH). This amount likewise remains outstanding and will be cleared by offsetting it against the receivable related to the sale of Borouge 4. Despite this temporary effect, Borealis remains in compliance with all financial covenants under its loan agreements.

For further information, please refer to note 9.1.

Other

In 2025, resolutions were passed to distribute dividends of in total EUR 8,326,545 thousand based on the 2024 financial results. EUR 7,231,162 thousand thereof has not been paid to the shareholders and is included in the balance sheet item Other liabilities.

For further information on the cumulative amount recognized in other comprehensive income from the disposal group see note 9.

14. Personnel and Share-Based Payments

EUR thousand	2025	2024
Personnel expenses		
Salaries and wages	558,950	530,585
Costs of defined contribution plans	31,281	30,733
Costs of defined benefit plans and other long-term employee benefits	20,488	26,036
Social security costs	122,209	112,840
Other personnel expenses	30,026	39,193
Total	762,954	739,387

Costs of defined benefit plans and other long-term employee benefits are recognized in the production costs at EUR 17,726 thousand (EUR 22,644 thousand), sales and distribution costs at EUR 2,038 thousand (EUR 2,430 thousand), administration costs at EUR 699 thousand (EUR 912 thousand) and research and development costs at EUR 24 thousand (EUR 51 thousand).

Average number of employees (headcount) by country	2025	2024 ¹⁾
Austria	1,478	1,473
Belgium	1,299	1,305
Finland	949	944
Sweden	1,011	985
Other Europe	868	824
Non-Europe	582	580
Total	6,187	6,111

1) Comparatives have been adjusted due to change of presentation to average number of employees

The remuneration of former and current management is shown in the table below:

EUR thousand	2025	2024
Salaries – Executive Board	4,967	6,463
Pension costs – Executive Board	485	555
Share-based payment – Executive Board	274	1,881
Salaries – Other key management	877	1,485
Pension costs – Other key management	55	71
Share-based payment – Other key management	124	214
Total	6,782	10,669

From the salaries of the Executive Board of EUR 4,967 thousand (EUR 6,463 thousand), EUR 0 thousand (EUR 2,832 thousand) was paid to former members of the Executive Board.

From the pension and severance costs of the Executive Board of EUR 485 thousand (EUR 555 thousand), EUR 0 thousand (EUR 0 thousand) was paid to former members of the Executive Board.

No loans were granted to current or former members of the Executive Board. The remuneration paid to members of the Supervisory Board amounted to EUR 856 thousand (EUR 856 thousand).

Long Term Incentive (LTI) Plans

LTI plans with similar conditions have been granted to the Executive Board and selected employees. All LTI plans are classified as cash-settled share-based payment transactions. At vesting date, shares of the ultimate parent (OMV Aktiengesellschaft) will be transferred to the management and share equivalents to selected employees. OMV AG is recharging the share-settled portion to Borealis GmbH on a quarterly basis. The number of shares or share equivalents is determined depending on the achievement of defined performance criteria. The Performance Criteria and their corresponding weightings for the Executive Board Members and selected Senior Managers are defined in the Remuneration Policy and are as follows: Relative Total Shareholder Return (30%), Organic Free Cash Flow (35%) and company specific targets including ESG (35%); and are updated for the yearly plan ahead. Based on predefined criteria (e.g., fatalities, TRIR, process safety – also in comparison to industry benchmarks), a Health & Safety Malus of between 0.8 and 1.0 is applied to the overall target achievement for Executive Board Members. In case of severe incidents, the Remuneration Committee may reduce the payout to zero. The defined performance criteria may not be amended during the performance period of the LTI plans. However, in order to maintain the incentivizing character of the program, the Remuneration Committee will have discretion to adjust the threshold/target/maximum levels in case of material changes in external factors such as oil and gas prices. The adjustment is possible in both directions and will be determined by the Remuneration Committee. Disbursement is made in cash or shares of the ultimate parent.

Executive Board members as active participants of the plans are required to build up an appropriate volume of shares of the ultimate parent and to hold those shares until retirement or departure from the Company. The shareholding requirement is defined as a percentage of the respective Target Long Term Incentive. Until fulfillment of the shareholding requirement, disbursement is in the form of shares, whilst thereafter the plan participants can decide between cash or share settlement. As long as the shareholding requirements are not fulfilled, the shares granted net of taxes are transferred to a trustee deposit, managed by OMV Aktiengesellschaft.

The fair value of the liability for the LTI plans is measured at each reporting date and at the settlement date and is recognized over the vesting period. Total expenses relating to share-based payment transactions amounted to EUR 7,913 thousand (EUR 4,186 thousand).

15. Employee Benefits

Most Group companies operate post-employment and other long-term benefit plans. The forms and benefits vary in terms of conditions and practices in the countries concerned. The plans include both defined contribution plans and plans that provide defined benefits based on employees' years of service and the estimated salary on retirement. A summary is shown below.

EUR thousand	2025	2024
Pensions and other post-employment benefit plans		
Present value of funded defined benefit pension plans	293,459	296,924
Fair value of plan assets	-237,219	-227,985
Deficit of funded defined benefit pension plans	56,240	68,939
Present value of unfunded defined benefit pension plans	142,993	143,686
Total deficit of defined benefit pension plans	199,233	212,625
Severance and medical plans	28,381	34,805
Pensions and other post-employment benefit plans	227,614	247,430
Other long-term employee benefits	27,120	28,157
Net liability recognized in the balance sheet	254,734	275,587

The Group operates defined post-employment benefit plans in the EU, Norway, South Korea and the United Arab Emirates under broadly similar regulatory frameworks. These comprise pension plans, severance plans as well as post-retirement medical plans.

Defined Benefit Pension Plans

The pension plans are typically final salary pension plans which provide benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement. The pension payments are generally updated in line with the retail price or a similar index. The benefit payments related to funded plans are from insurance funds, however, there are also a number of unfunded plans where the Company meets the benefit payment obligation as it falls due. The movement in the benefit pension obligation and the plan assets over the year is as follows:

EUR thousand	2025	2024
Defined benefit obligation as of January 1	440,610	424,490
Net current service cost	19,291	18,551
Interest cost on defined benefit obligation	14,373	14,347
Past service cost	0	2,429
Total amount recognized in the income statement	33,664	35,327
Gains (-)/losses (+) due to changes in demographic assumptions	0	1,084
Gains (-)/losses (+) due to changes in financial assumptions	-25,894	11,846
Experience gains (-)/losses (+)	7,367	-7,278
Exchange rate gains (-)/losses (+)	1,820	-748
Total amount recognized in other comprehensive income (actuarial gains and losses)	-16,707	4,904
Actual benefits (and taxes) paid directly from the plan assets	-19,364	-15,642
Actual benefits paid directly by employer	-6,134	-5,609
Actual plan participants' contributions	4	6
Exchange rate gains (-)/losses (+)	4,379	-2,866
Defined benefit obligation as of December 31	436,452	440,610
Fair value of plan assets as of January 1	227,985	214,293
Interest income on plan assets less administrative expenses	7,037	7,225
Total amount recognized in the income statement	7,037	7,225
Return on plan assets excluding amounts included in interest income	-2,144	-2,907
Total amount recognized in other comprehensive income (actuarial gains and losses)	-2,144	-2,907
Actual benefits (and taxes) paid directly from the plan assets	-19,364	-15,642
Actual plan participants' contributions	5	6
Actual employer contributions	23,869	25,195
Exchange rate gains (-)/losses (+)	-169	-185
Fair value of plan assets as of December 31	237,219	227,985

The majority of pension commitments are attributable to plans in Austria and Belgium and were transferred to external pension funds managed by APK Pensionskasse AG in Austria as well as Vivium PLC, Towers Watson Lifesight Ltd and KBC Asset Management NV in Belgium. The investment of plan assets in Austria is governed by Section 25 of the Austrian Pension Fund Act and the Investment Fund Act. In addition to these regulations, the investment guidelines of APK Pensionskasse AG regulate the spread of asset allocation, the use of umbrella funds and the selection of fund managers. The investment plans in Belgium follow the investment strategy of the respective insurance company as well as local legal regulations.

The plan assets in 2025 and 2024 mainly consist of insurance contracts.

Severance and Medical Plans

Severance plans are operated in the Austrian Group companies and cover employees who started their service before January 1, 2003. Furthermore, the Group operates severance plans in Austria, Italy and the United Arab Emirates. Medical plans reimburse certain medical costs for retired employees, mainly in Belgium. The movement in the severance and medical obligation over the year is as follows:

EUR thousand	2025	2024
Defined benefit obligation as of January 1	34,805	36,104
Net current service cost	681	712
Interest cost on defined benefit obligation	1,058	1,342
Total amount recognized in the income statement	1,739	2,054
Gains (-)/losses (+) due to changes in financial assumptions	-3,530	1,709
Experience gains (-)/losses (+)	414	-1,089
Total amount recognized in other comprehensive income (actuarial gains and losses)	-3,116	620
Actual benefits paid directly by employer	-4,727	-4,006
Changes in the consolidation scope and other changes	-255	0
Exchange rate gains (-)/losses (+)	-65	33
Defined benefit obligation as of December 31	28,381	34,805

Other Long-term Employee Benefits

Other long-term employee benefits provided by the Group companies include mainly items such as jubilee payments and pre-pension benefits. The movement in the other long-term benefit obligation over the year is as follows:

EUR thousand	2025	2024
Defined benefit obligation as of January 1	28,157	25,396
Net current service cost	2,228	1,875
Past service cost	351	0
Interest cost on defined benefit obligation	832	912
Gains (-)/losses (+) due to changes in demographic assumptions	0	0
Gains (-)/losses (+) due to changes in financial assumptions	-1,959	918
Experience gains (-)/losses (+)	-104	1,551
Total amount recognized in the income statement	1,348	5,256
Actual benefits paid directly by employer	-4,025	-2,499
Other changes	1,640	4
Defined benefit obligation as of December 31	27,120	28,157

Additional disclosures for post-employment benefit plans

Discount rates, projected future salary, pension increases and expected rates of return on plan assets vary for the different defined benefit plans, as they are determined in light of local conditions. Assumptions regarding future mortality are based on published statistics and mortality tables. The principal assumptions used were as follows (expressed as weighted averages):

Percent	2025		2024	
	Pensions	Severance and medical plans	Pensions	Severance and medical plans
Discount rate	4.0%	4.2%	3.3%	3.1%
Projected future salary growth	3.1%	2.6%	3.1%	2.7%
Expected pension increase	0.6%	-	0.7%	-

The sensitivity of the defined benefit obligation for pensions and other post-employment benefit plans to changes in the principal assumptions is:

	Impact on defined benefit obligation				
	Change in assumption	Pensions		Severance and medical plans	
		Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.0%	Decrease by 5.1%	Increase by 5.7%	Decrease by 5.0%	Increase by 5.5%
Projected future salary growth	0.4%	Increase by 4.0%	Decrease by 3.7%	Increase by 2.9%	Decrease by 2.7%
Expected pension increase	0.2%	Increase by 2.3%	Decrease by 2.1%	-	-

The above sensitivity analyses are based on a change in an assumption while maintaining all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated using the projected unit credit method at the end of the reporting period) has been applied when calculating the defined benefit obligation recognized in the balance sheet.

Expected contributions to post-employment benefit plans for the year 2025 are EUR 34,612 thousand (EUR 35,514 thousand). The weighted average duration of the defined benefit obligation is 10.7 years (11.3 years). The defined benefit plans expose the Group to actuarial risks, mainly the longevity risk, interest rate and market (investment) risk.

16. Provisions

EUR thousand	2025					
	Restructuring	Decommissioning	Legal	Environmental	Other	Total
As of January 1	4,222	62,174	2,145	13,389	97,381	179,311
Additions	26,071	2,638	229	0	57,188	86,126
Reclassification	0	0	608	0	-608	0
Utilized	-2,000	0	-963	-11,246	-78,013	-92,222
Reversed	-788	-13,837	-217	-1,322	-7,416	-23,580
Interest expense (+) / income (-)	0	1,676	0	0	0	1,676
Exchange adjustments	16	-62	-1	0	170	123
Balance as of December 31	27,521	52,589	1,801	821	68,702	151,434
Other provisions current	27,055	0	658	0	51,310	79,023
Other provisions non-current	466	52,589	1,143	821	17,392	72,411
Balance as of December 31	27,521	52,589	1,801	821	68,702	151,434

Provisions are generally based on past events and commitments arising thereon. The timing of cash outflows cannot be determined with certainty for all provisions.

Restructuring

Provisions for restructuring cover estimated costs for the ongoing restructuring programs.

Decommissioning

Provisions for decommissioning cover mainly the expected clean-up and dismantling costs for plants situated on rented land in Germany, Austria and Belgium. It is expected that EUR 5,277 thousand will be used by 2027, EUR 43,992 thousand by 2052 and EUR 3,319 thousand by 2073.

Legal

Legal provisions represent litigation provisions in various business areas.

Environmental

Environmental provisions cover several environmental exposures in the Group. In 2023, an environmental provision was recognized to cover future transport and removal costs of contaminated soil on the Kallo site in the amount of EUR 22,435 thousand. The provision has been utilized in full as of the end of 2025.

Other

Other provisions cover numerous types of obligations, including short-term and long-term incentive plans. EUR 17,816 thousand (EUR 10,677 thousand) of these provisions relates to the LTI plan implemented in 2021, which is share-based. Note 14 provides additional information regarding share-based payments.

17. Financial Risk Management

The Group is exposed through its operations to the following financial risks:

- Liquidity risk (note 21)
- Foreign currency risk (note 23)
- Interest rate risk (note 24)
- Commodity price risk (note 25)
- Credit risk (note 27)

The objective of financial risk management is to support the core businesses of Borealis. Financial risk management is centralized in the Treasury and Funding department and operates within policies approved by the Executive Board. The Group provides written principles for overall risk management, as well as policies covering specific areas, such as foreign currency risk, interest rate risk, credit risk, commodity price risk or the use of derivative financial instruments. Borealis aims to minimize effects related to foreign currency, interest rate, liquidity, credit, commodity price and refinancing risks.

The use of any financial instrument is based on actual or forecasted underlying commercial or financial cash flows or identified risks as defined in the policy. When certain conditions are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item.

Note 22 provides an overview of the financial instruments used by Borealis to manage risk. For further details on hedging instruments, see note 22. Derivative Financial Instruments, note 23. Foreign Currency Risk, note 24. Interest Rate Risk and note 25. Commodity Price Risk.

18. Financial Income/Expenses

EUR thousand	2025	2024
Interest income from		
Cash and loans granted ¹⁾	54,711	152,220
Derivatives	0	5,217
Interest expenses to		
Finance institutions	-19,941	-34,261
Derivatives	0	-4,082
Capitalized interest	17,065	19,793
Net foreign exchange gains/losses ¹⁾	36,509	-42,363
Interest expenses for lease liabilities	-17,400	-15,392
Other financial income	18,559	9,095
Other financial expenses	-47,196	-33,353
Financial income/expenses	42,307	56,874

1) Comparative information has been restated due to discontinued operation Borouge. For further details, please refer to note 9.1.

Other financial expenses include expenses for factoring of trade receivables in the amount of EUR 9,236 thousand (EUR 19,101 thousand) and the impairment of BlueAlp in the amount of EUR 22,092 thousand (EUR 0 thousand).

Interest income from cash and loans granted includes interest income from joint ventures, with Bayport Polymers LLC amounting to EUR 27,626 thousand (EUR 64,017 thousand).

19. Gains and Losses from Financial Instruments

EUR thousand	2025	2024
Recognized in the income statement		
Change in fair value of commodity derivative contracts	-194	-905
Change in fair value of cross currency interest rate swaps	0	-457
Change in fair value of foreign exchange swaps	-17	-9,682
Change in fair value of other investments and marketable securities and bonds	1,014	-256
Realized result on commodity derivative contracts	3,908	-1,893
Realized result on cross currency interest rate swaps	0	-2,140
Realized result on foreign exchange swaps	9,682	-4,832
Realized result on other investments and marketable securities and bonds	2,646	1,055
Financial assets and liabilities at fair value through profit or loss	17,039	-19,110
Amounts recognized in the income statement for realized cash flow hedges		
Commodity derivative contracts	-29,790	-44,474
Interest rate swaps	0	3,275
Foreign exchange forwards	7,175	1,865
Hedging instruments	-22,615	-39,334
Interest income on cash and loans granted ¹⁾	54,711	152,220
Expenses for factoring of trade receivables	-9,236	-19,101
Impairment losses on trade receivables	-4,798	872
Impairment losses on loans granted	3,612	-2,104
Impairment losses on deposits and other receivables	-100	1,521
Financial assets at amortized cost	44,189	133,408
Interest expenses and other expenses on financial liabilities	-21,193	-37,552
Interest expenses for lease liabilities	-17,400	-15,392
Financial liabilities at amortized cost	-38,593	-52,944
Net gain on financial guarantee receivables/liabilities	13,320	7,291
Financial guarantee	13,320	7,291

1) Comparative information has been restated due to discontinued operation Borouge. For further details, please refer to note 9.1.

The amounts recognized in the income statement for commodity derivatives and foreign exchange forwards are booked as a correction to the net sales or to production costs that are being hedged. The amounts that are recognized in the income statement for interest rate derivatives and foreign exchange swaps are reported as part of financial income and expenses. Impairment losses on trade receivables are reported in sales and distribution costs, impairment losses on loans granted as well as impairment losses on deposits and other receivables are included in financial expenses.

EUR thousand	2025	2024
Recognized in other comprehensive income		
Commodity derivative contracts designated as cash flow hedge	-12,412	-27,646
Interest rate swaps outstanding designated as cash flow hedge	0	364
Foreign exchange forwards designated as cash flow hedge	20,426	-17,434
Foreign exchange effects on long-term loans part of net investments in foreign operations	5,141	-2,855
Foreign exchange effects on loans designated as hedge of investments in foreign operations	7,768	-5,394
Amounts reclassified to the income statement		
Commodity derivative contracts	29,790	44,474
Interest rate swaps	0	-3,275
Foreign exchange forwards	-7,175	-1,865
Total recognized in other comprehensive income	43,538	-13,631

Net foreign exchange gains/losses in the income statement are as follows:

EUR thousand	2025	2024
Foreign exchange gains from operating activities included in other operating income	77,136	62,198
Foreign exchange losses from operating activities included in production costs	-91,004	-52,717
Net foreign exchange gains/losses included in financial income/expenses ¹⁾	36,509	-42,363
Total	22,641	-32,882

1) Comparative information has been restated due to discontinued operation Bourouge. For further details, please refer to note 9.1.

20. Loans and Borrowings and Lease Liabilities

The composition of interest-bearing loans and borrowings and lease liabilities (current and non-current debt) as of December 31, 2025, was as follows:

EUR thousand		2025						
		Term loans	Bond	Utilized uncommitted facilities	Export credits	Total loans and borrowings	Unutilized committed facilities	Lease liabilities
Due								
After	5 years	118,253	0	0	0	118,253	0	477,201
Within	5 years	2,074	0	0	0	2,074	0	23,798
	4 years	73,264	0	0	0	73,264	0	25,693
	3 years	152,721	0	0	0	152,721	0	31,163
	2 years	119,829	0	0	0	119,829	0	52,093
Total non-current debt		466,141	0	0	0	466,141	0	609,948
Total current debt		83,810	0	0	0	83,810	1,058,138 ¹⁾	75,343
Total debt		549,951	0	0	0	549,951	1,058,138	685,291

1) Borealis maintains EUR 58,138 thousand in export credit facilities (these were undrawn on December 31, 2025). These facilities are economically evergreen in nature but include one year's notice for cancellation.

The composition of interest-bearing loans and borrowings and lease liabilities (current and non-current debt) as of December 31, 2024, was as follows:

EUR thousand		2024						
Due		Term loans	Bond	Utilized uncommitted facilities	Export credits	Total loans and borrowings	Unutilized committed facilities	Lease liabilities
After	5 years	133,204	0	0	0	133,204	0	492,700
Within	5 years	93,002	0	0	0	93,002	0	23,967
	4 years	153,480	0	0	0	153,480	0	29,354
	3 years	122,847	0	0	0	122,847	0	50,551
	2 years	85,535	0	0	0	85,535	1,000,000	74,753
Total non-current debt		588,068	0	0	0	588,068	1,000,000	671,325
Total current debt		334,205	300,000	0	0	634,205	58,138 ¹⁾	80,358
Total debt		922,273	300,000	0	0	1,222,273	1,058,138	751,683

1) Borealis maintains EUR 58,138 thousand in export credit facilities (these were undrawn on December 31, 2024). These facilities are economically evergreen in nature but include one year's notice for cancellation.

The carrying amounts of loans and borrowings and lease liabilities developed as follows:

EUR thousand		2025					
		Term loans	Bond	Utilized uncommitted facilities	Export credits	Total loans and borrowings	Lease liabilities
As of January 1		922,273	300,000	0	0	1,222,273	751,683
Proceeds from loans and borrowings		58	0	0	0	58	0
Repayment of loans and borrowings		-330,406	-300,000	0	0	-630,406	0
New lease liabilities and remeasurement		0	0	0	0	0	39,285
Principal elements of lease payments		0	0	0	0	0	-80,797
Reclassification to liabilities directly related to the disposal group		-16,590	0	0	0	-16,590	-18,034
Exchange adjustments non-cash		-26,138	0	0	0	-26,138	-8,672
Amortization of debt issuance cost		754	0	0	0	754	0
Other		0	0	0	0	0	1,826
Balance as of December 31		549,951	0	0	0	549,951	685,291

EUR thousand		2024					
		Term loans	Bond	Utilized uncommitted facilities	Export credits	Total loans and borrowings	Lease liabilities
As of January 1		1,217,441	298,973	4	0	1,516,418	678,850
Proceeds from loans and borrowings		0	0	0	0	0	0
Repayment of loans and borrowings		-306,713	0	-4	0	-306,717	0
New lease liabilities and remeasurement		0	0	0	0	0	136,333
Changes in consolidation scope		0	0	0	0	0	0
Principal elements of lease payments		0	0	0	0	0	-69,706
Exchange adjustments non-cash		11,519	0	0	0	11,519	6,087
Amortization of debt issuance cost		26	1,027	0	0	1,053	0
Other		0	0	0	0	0	119
Balance as of December 31		922,273	300,000	0	0	1,222,273	751,683

The Group's financing mainly comprises committed credit lines (largely syndicated), term loans, private placements and export credits. The loans and borrowings are all measured at amortized cost.

Borealis continues to maintain a strong diversified liquidity position through its EUR 1 billion fully committed Syndicated Revolving Credit Facility (RCF), of which EUR 1 billion remained undrawn as of the end of December 2025, and by terming out its debt through diverse funding channels. The RCF was refinanced in December 2019 with a five-year tenor with two one-year extension options at lenders' discretion. The second and final RCF extension option was utilized in December 2021 and the new maturity date is now December 19, 2026.

As of December 31, 2025, the Group had total committed credit facilities of EUR 1,058,138 thousand (EUR 1,058,138 thousand). Besides the above-mentioned undrawn EUR 1 billion RCF, Borealis had OeKB Export Credit Facilities in the amount of EUR 58,138 thousand (EUR 58,138 thousand). These remained undrawn as of December 31, 2025.

In 2025, Borealis decreased its debt position by EUR 738,713 thousand, mainly driven by loans and borrowings repayments, partially offset by an increase in lease liabilities. The net debt position decreased by EUR 378,254 thousand. The gearing ratio of 95% is mainly driven by the decrease in Borealis equity in December 2025 as a consequence of the Borealis dividends resolutions of EUR 6,823,118 thousand to Borouge Group International AG (BGI) and in September 2025 in the amount EUR 408,044 thousand to OMV Downstream GmbH and ADNOC's subsidiary XRG Austria GmbH (formerly MPP Holdings GmbH). These dividends payables will not be paid in cash but offset against the future receivables from the sale of Borouge PLC, Borouge Pte and Borouge 4 from Borealis Middle East Holding GmbH to BGI. Subsequent to the combination of Borealis and Borouge under BGI, Borealis Middle East Holding GmbH will be merged into Borealis GmbH.

In November 2018, S&P Global Ratings issued a BBB+ rating with a stable outlook for Borealis. This constitutes the first public rating for the Company, which has been successfully active in a wide range of financing markets and instruments over the last ten years and has built up a robust and well-diversified funding portfolio. While Borealis' long-term banking partners and investors have always appreciated the strong credit quality of the Company, the public rating provides a very good additional evaluation basis for all external stakeholders.

On February 24, 2025, S&P Global Ratings affirmed Borealis' BBB+ rating with a stable outlook, and revised the outlook to positive on March 21, 2025, on announcement of the merger with Borouge and Nova acquisition, reaffirming the BBB+ rating.

Under Borealis' funding strategy, a strongly diversified financing portfolio has been implemented in past years with the aim of maintaining a balanced maturity profile. In addition, Borealis is pursuing a long-term relationship approach with a larger group of international financing institutions that support the Company in funding and risk management transactions.

Based on this, combined with a resilient balance sheet and the strong public rating, Borealis has access to a wide variety of attractive funding instruments (such as bonds, the German *Schuldschein*, US Private Placement, foreign investment financing, bank loans and other). In order to meet the financing needs in 2025 and beyond, Borealis will continue to explore several suitable financial instruments fitting its strategy.

The total outstanding amount of interest-bearing loans and borrowings excluding lease liabilities as of December 31, 2025, was EUR 549,951 thousand (EUR 1,222,273 thousand). The vast majority of the underlying loan agreements have financial covenants. Borealis uses two types of covenants, which are based on maintaining gearing and solvency ratios. They are tested on a quarterly basis and assess four quarter average of respective calculated values. As of December 31, 2025, Borealis was in compliance with all financial covenants stipulated by the loan agreements.

Currency Mix				
EUR thousand	2025	%	2024	%
EUR	1,003,614	81%	1,616,509	82%
USD	202,718	16%	327,534	17%
GBP	218	0%	0	0%
Other	28,693	3%	29,913	2%
Interest bearing total	1,235,243	100%	1,973,956	100%

21. Liquidity Risk

Liquidity risk is the risk of the Group encountering difficulty in meeting the obligations associated with its financial liabilities. Liquidity is managed on a daily basis to ensure the Group's liquidity requirement and is covered at all times with the lowest possible level of working capital. For further details on loans and borrowings and lease liabilities, see note 6, note 20 and for derivatives, note 22.

The Group has short-term deposits in order to fulfill the collateral requirements for the derivatives contracts amounting to EUR 13,790 thousand (EUR 24,705 thousand) and paid EUR 0 thousand (EUR 0 thousand) on margin calls to cover the negative value of the outstanding swaps. The counterparties have an obligation to return the securities to the Group. The Group does not hold a deposit in respect of derivative contracts (EUR 0 thousand).

The following are the contractual maturities of non-derivative financial liabilities, including forecasted interest payments, derivative financial liabilities and off-balance sheet liabilities. All carrying amounts exclude outstanding interest accruals at year-end. Cash outflows are reported with a minus sign. For derivative financial liabilities the table shows net cash flows for net cash-settled derivatives and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

EUR thousand		2025					
Non-derivative financial liabilities	Carrying amount	Contractual cash flows	6 months or less	6–12 months	1–2 years	2–5 years	More than 5 years
EUR floating rate loans	-27,456	-27,876	-27,876	0	0	0	0
EUR fixed rate loans	-347,617	-358,370	-38,791	-2,498	-105,110	-184,991	-26,980
USD floating rate loans	-13,614	-13,956	-13,956	0	0	0	0
USD fixed rate loans	-161,264	-198,412	-7,555	-3,148	-23,317	-61,460	-102,932
Lease liabilities	-685,291	-842,744	-46,864	-43,153	-63,393	-109,371	-579,963
Trade payables	-1,018,349	-1,018,349	-1,018,349	0	0	0	0
Financial guarantee liabilities	-62,613	-1,387,243	-1,387,243	0	0	0	0
Total	-2,316,204	-3,846,950	-2,540,634	-48,799	-191,820	-355,822	-709,875

EUR thousand		2024					
Non-derivative financial liabilities	Carrying amount	Contractual cash flows	6 months or less	6–12 months	1–2 years	2–5 years	More than 5 years
EUR floating rate loans	-27,419	-28,786	-931	-449	-27,406	0	0
EUR fixed rate loans	-968,202	-989,257	-305,975	-308,552	-41,790	-302,638	-30,302
USD floating rate loans	-15,392	-16,740	-473	-436	-15,831	0	0
USD fixed rate loans	-211,260	-262,152	-4,522	-33,227	-12,105	-91,700	-120,598
Lease liabilities	-751,683	-880,005	-50,075	-43,279	-85,418	-126,903	-574,330
Trade payables	-909,687	-909,687	-909,687	0	0	0	0
Financial guarantee liabilities	-21,276	-1,735,495	-1,735,495	0	0	0	0
Total	-2,904,919	-4,822,122	-3,007,158	-385,943	-182,550	-521,241	-725,230

EUR thousand		2025				
Derivative financial liabilities	Carrying amount	Contractual cash flows	6 months or less	6–12 months	1–2 years	2–5 years
Foreign exchange contracts	-21					
Inflows		23,854	23,854	0	0	0
Outflows		-23,876	-23,876	0	0	0
Feedstock derivatives	-24,275	-85,951	-55,632	-29,843	-476	0
Electricity derivatives	-26,499	-29,098	-13,220	-12,122	-2,671	-1,085
Total	-50,795	-115,071	-68,874	-41,965	-3,147	-1,085

EUR thousand		2024				
Derivative financial liabilities	Carrying amount	Contractual cash flows	6 months or less	6–12 months	1–2 years	2–5 years
Foreign exchange contracts	-20,333					
Inflows		1,297,784	1,164,628	133,156	0	0
Outflows		-1,321,426	-1,180,407	-141,019	0	0
Feedstock derivatives	-1,540	-17,325	-10,884	-3,656	-2,785	0
Electricity derivatives	-47,586	-55,849	-21,984	-19,357	-13,568	-940
Total	-69,459	-96,816	-48,647	-30,876	-16,353	-940

EUR thousand	2025					
	Contractual cash flows	6 months or less	6–12 months	1–2 years	2–5 years	More than 5 years
Off balance sheet liabilities						
Short-term and low-value lease payments	-1,580	-820	-608	-120	-32	0
Capital commitments – property, plant and equipment	-245,133	-146,212	-40,696	-50,598	-7,623	-4
Commitments in joint ventures	0	0	0	0	0	0

EUR thousand	2024					
	Contractual cash flows	6 months or less	6–12 months	1–2 years	2–5 years	More than 5 years
Off balance sheet liabilities						
Short-term and low-value lease payments	-1,580	-820	-608	-120	-32	0
Capital commitments – property, plant and equipment	-378,678	-201,865	-107,228	-26,167	-43,418	0
Commitments in joint ventures	-615,266	0	-615,266	0	0	0

For details in respect of off-balance sheet liabilities, please see note 5, note 30 and note 31.

22. Derivative Financial Instruments

The Group is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk, interest rate risk and commodity price risk.

The Group's risk management strategy and how it is applied to manage risk is explained in note 17 and in the Group Management Report in general and in this note, notes 23, 24 and 25 in detail for the risks mentioned in the preceding paragraph.

Hedge Accounting Policies of the Group

Hedges are generally placed in the legal entities where the underlying exposure exists. When certain conditions are met, Borealis applies IFRS 9 hedge accounting principles in order to recognize the offsetting effects on profit or loss of changes in the fair value of the hedging instrument and the hedged items. Borealis has the following hedge accounting relationships:

- Cash flow hedging – foreign exchange (see this note and note 23)
- Cash flow hedging – interest rate (see this note and note 24)
- Cash flow hedging – commodity (feedstock, electricity – see this note and note 25)
- Net investment hedging in a foreign operation (see note 23)

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives are not designated as hedging instruments, they are measured at fair value through profit or loss (FVPL) for accounting purposes.

The Group holds the following derivative financial instruments:

EUR thousand	2025	2024
Current assets		
Foreign exchange swaps – FVPL	4	30
Foreign exchange forwards – cash flow hedges	3,800	1,170
Feedstock derivatives – FVPL	1,633	374
Feedstock derivatives – cash flow hedges	27,977	19,769
Electricity derivatives – cash flow hedges	3,321	6,040
Total current derivative financial instrument assets (Other receivables and other assets)	36,735	27,383
EUR thousand	2025	2024
Non-current assets		
Feedstock derivatives – FVPL	0	373
Feedstock derivatives – cash flow hedges	10,250	1,382
Electricity derivatives – cash flow hedges	6,433	10,145
Total non-current derivative financial instrument assets (Other receivables and other assets)	16,683	11,900
EUR thousand	2025	2024
Current liabilities		
Foreign exchange swaps – FVPL	21	9,712
Foreign exchange forwards – cash flow hedges	0	10,621
Feedstock derivatives – FVPL	2,188	63
Feedstock derivatives – cash flow hedges	22,087	530
Electricity derivatives – cash flow hedges	24,946	32,431
Total current derivative financial instrument liabilities (Other liabilities)	49,242	53,357
EUR thousand	2025	2024
Non-current liabilities		
Feedstock derivatives – FVPL	0	328
Feedstock derivatives – cash flow hedges	0	619
Electricity derivatives – cash flow hedges	1,553	15,155
Total non-current derivative financial instrument liabilities (Other liabilities)	1,553	16,102

Impact of Hedge Accounting on Equity

The Group's hedging reserve disclosed in the Consolidated Statement of Changes in Equity relates to the following hedging instruments:

Hedging Reserve EUR thousand	2025				
	Cash flow hedge – foreign currency	Cash flow hedge – interest rate	Cash flow hedge – feedstock	Cash flow hedge – electricity	Hedging reserve total
As of January 1	-7,277	-2,078	15,403	-24,181	-18,133
Change in fair value of hedging instrument recognized in OCI	20,426	0	2,724	-15,136	8,014
Reclassifications from OCI to the income statement	-7,175	0	0	29,790	22,615
Reclassifications to the cost of non-financial items	0	0	-6,584	0	-6,584
Deferred tax	-3,048	0	888	-3,370	-5,530
Share of other comprehensive income of joint ventures accounted for using the equity method	0	5	0	0	5
As of December 31	2,926	-2,073	12,431	-12,897	387

Hedging Reserve EUR thousand	2024				
	Cash flow hedge – foreign currency	Cash flow hedge – interest rate	Cash flow hedge – feedstock	Cash flow hedge – electricity	Hedging reserve total
As of January 1	7,583	-1,867	14,591	-35,631	-15,324
Change in fair value of hedging instrument recognized in OCI	-17,434	364	1,955	-29,602	-44,717
Reclassifications from OCI to the income statement	-1,865	-3,275	0	44,474	39,334
Reclassifications to the cost of non-financial items	0	0	-901	0	-901
Deferred tax	4,439	669	-242	-3,422	1,444
Share of other comprehensive income of joint ventures accounted for using the equity method	0	2,031	0	0	2,031
As of December 31	-7,277	-2,078	15,403	-24,181	-18,133

Reserve for unrealized exchange gains/losses

EUR thousand	2025	2024
As of January 1	323,359	214,948
Foreign currency revaluation of USD loans, designated as net investment hedge	7,768	-5,394
Foreign currency revaluation of financial statements of foreign operations	-262,645	114,018
Reclassifications to the income statement during the period	24,282	0
Foreign currency revaluation of long-term loans to foreign operations	5,141	-2,855
Share of other comprehensive income of joint ventures accounted for using the equity method	1,990	-1,348
Foreign currency revaluation of financial statements of foreign operations – Non-controlling interests	80	2,092
Fair value changes on equity instruments at FVOCI	-3,457	0
Deferred tax	-2,969	1,898
As of December 31	93,549	323,359

As of December 31, 2025, and December 31, 2024, the Group had the following cash flow and net investment hedging relationships. The table shows the profile of the timing (maturity) of the nominal amount of the hedging instruments.

		2025								
	Unit	Total	3 months or less	3–6 months	6–12 months	1–2 years	2–3 years	3–4 years	4–5 years	More than 5 years
Foreign exchange forwards	EUR thousand	154,910	40,052	41,535	73,323	0	0	0	0	0
USD loans, designated as net investment hedge	USD thousand	41,000	0	21,000	0	20,000	0	0	0	0
Feedstock derivatives	metric tons	3,740,884	1,647,281	621,238	1,142,365	330,000	0	0	0	0
Electricity derivatives	GWh	4,147	595	498	976	1,533	545	0	0	0
		2024								
	Unit	Total	3 months or less	3–6 months	6–12 months	1–2 years	2–3 years	3–4 years	4–5 years	More than 5 years
Foreign exchange forwards	EUR thousand	317,492	71,478	88,408	157,606	0	0	0	0	0
USD loans, designated as net investment hedge	USD thousand	71,000	0	0	30,000	21,000	20,000	0	0	0
Interest rate swaps	EUR thousand	0	0	0	0	0	0	0	0	0
Feedstock derivatives	metric tons	629,926	221,618	152,539	75,769	180,000	0	0	0	0
Electricity derivatives	GWh	4,281	483	494	1,009	1,542	753	0	0	0

As of December 31, 2025 and December 31, 2024, no fair value hedges existed.

Offsetting

Financial assets and financial liabilities are offset only when the Group has a current and legally enforceable right to offset the recognized amounts and when there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. In the normal course of business, the Group enters into derivative transactions under International Swaps and Derivatives Association (ISDA) master netting agreements.

The following table presents the recognized financial instruments (derivatives) that are offset, or subject to enforceable master netting arrangements, but are not offset. The “Net amount” column shows the impact on the Group’s balance sheet if all offsetting rights were exercised.

EUR thousand	2025				
	Gross amounts	Related amounts offset in the balance sheet	Amounts presented in the balance sheet	Related amounts not offset in the balance sheet	Net amount
Financial assets					
Derivative financial instruments	115,071	-61,653	53,418	-21	53,397
Financial liabilities					
Derivative financial instruments	112,448	-61,653	50,795	-21	50,774
EUR thousand	2024				
	Gross amounts	Related amounts offset in the balance sheet	Amounts presented in the balance sheet	Related amounts not offset in the balance sheet	Net amount
Financial assets					
Derivative financial instruments	61,115	-21,832	39,283	-908	38,375
Financial liabilities					
Derivative financial instruments	91,291	-21,832	69,459	-908	68,551

There is no further netting potential for non-derivative financial instruments.

23. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

Borealis incurs foreign currency risk on sales, purchases and borrowings that are denominated in currencies other than EUR. The most significant currencies in terms of hedged amounts are USD and SEK.

The foreign currency risk related to short-term commercial cash flows is hedged and limits for long-term foreign exchange exposures are established. Based on regular cash flow forecasts, Borealis hedges its foreign exchange exposure coming from forecasted sales and purchases and from committed investment projects.

Borealis hedges forecasted positions denominated in foreign currencies. At any time, Borealis may also hedge its long-term commercial exposures up to a predefined level and duration. Borealis normally hedges the currency positions using foreign exchange forward contracts. Borealis classifies its foreign exchange forward contracts, which hedge a forecasted currency position, as cash flow hedges and states them at fair value.

Changes in the fair value of foreign exchange forward contracts that hedge monetary assets and liabilities in foreign currencies and the forward legs of foreign exchange swaps used in liquidity management, for which no hedge accounting is applied, are recognized in the income statement. Both changes in the fair value of the forward contracts and the foreign exchange gains and losses relating to the monetary items are recognized as financial expenses.

There is an economic relationship between the hedged items and the hedging instruments as the critical terms of the foreign exchange forward contracts match the terms of the expected highly probable forecast transactions (i.e. nominal amount, exchange rate and expected payment date). Hence, the Group has established a hedge ratio of 1:1. To test the hedge effectiveness, the Group uses the Dollar Offset method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

Hedge ineffectiveness may arise from:

- differences in the timing of the cash flows of the hedged items and the hedging instruments,
- different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments,
- the counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items,
- changes to the forecasted amount of cash flows of hedged items,
- change in fair value of the cross-currency basis spread element of the foreign exchange forward contracts ("ccbs").

Borealis does not recognize any ineffectiveness in the income statement due to immateriality.

Net Investment Hedges in Foreign Operations

A foreign currency exposure arises from the Group's long-term net investment in its subsidiaries, associated companies and joint ventures in foreign currencies. Foreign exchange translation differences relating to these net investments are recognized in other comprehensive income. Borealis has hedged part of its investment in a joint venture, which has USD as its functional currency, by designating certain external loans in USD as hedges of the Group's investments in its foreign operations. The hedged risk in the net investment hedge is the risk of a weakening USD against the EUR that will result in a reduction in the carrying amount of the Group's net investment in the joint venture in USD. The EUR/USD impact on the measurement of the loan is recognized in other comprehensive income.

To assess hedge effectiveness, the Group determines the economic relationship between the hedging instrument and the hedged item by comparing changes in the carrying amount of the debt that is attributable to a change in the spot rate with changes in the investment in the foreign operation due to movements in the spot rate (the Dollar Offset method).

There is an economic relationship between the hedged item and the hedging instrument as the net investment creates a translation risk that will match the foreign currency risk on the USD

borrowing. The Group has established a hedge ratio of 1:1 as the underlying risk of the hedging instrument is identical to the hedged risk component. Hedge ineffectiveness will arise when the amount of the investment in the foreign joint venture becomes lower than the amount of the borrowing.

Effects of Hedge Accounting on the Financial Position and Performance

The effects of the foreign currency-related hedging instruments on the Group's financial position and performance are as follows:

Foreign exchange forwards		
EUR thousand	2025	2024
Carrying amount (asset – current)	3,800	1,170
Carrying amount (liability – current)	0	10,621
Line item in the balance sheet where the hedging instrument is included	Other receivables and other assets/ Other liabilities	Other receivables and other assets/ Other liabilities
Total nominal amount	kEUR 154,910	kEUR 317,492
Hedge ratio	1:1	1:1
Hedged rate for the year	EUR/SEK 11.02–11.32	EUR/USD 1.06–1.13 EUR/SEK 11.25–11.73
Change in fair value of the hedging instrument used for measuring ineffectiveness for the period	20,426	-17,434
Change in value of the hedged item used for measuring ineffectiveness for the period	-20,426	17,434
Hedging reserve (net of deferred taxes)	2,926	-7,277
Total hedging gain (+) or loss (-) recognized in OCI	20,426	-17,434
Hedge ineffectiveness recognized in the income statement	0	0
Amount reclassified from hedging reserve (OCI) to the income statement (loss + / gain -)	-7,175	-1,865
Line item in the income statement affected by the reclassification	Production costs	Net sales and production costs

Net investment hedges in foreign operations

EUR thousand	2025	2024
Carrying amount (liability)	34,894	68,342
Line item in the balance sheet where the hedging instrument is included	Loans and borrowings	Loans and borrowings
Total nominal amount	kUSD 41,000	kUSD 71,000
Hedge ratio	1:1	1:1
Change in fair value of the hedging instrument used for measuring ineffectiveness for the period	7,768	-5,394
Change in value of the hedged item used for measuring ineffectiveness for the period	-7,768	5,394
Reserve for unrealized exchange gains/losses (net of deferred taxes)	-16,769	-22,880
Balances remaining in the reserve for unrealized exchange gains/losses from hedging relationships for which hedge accounting is no longer applied	-23,216	-20,114
Total hedging gain (+) or loss (-) recognized in OCI	7,768	-5,394
Hedge ineffectiveness recognized in the income statement	0	0

Sensitivity Analysis

The Group's exposure to the risk of changes in foreign exchange rates primarily relates to the Group's operating activities, mainly invoicing in EUR and mainly purchasing raw materials in USD and the Group's net investments in associated companies and joint ventures mainly denominated in USD. The sensitivity analysis has been prepared on the basis that the financial instruments in foreign currencies and all other parameters, apart from changes in foreign exchange rates themselves (foreign exchange rate against EUR), are constant, and on the basis of hedge designations in place as of December 31, 2025. The Group assumes that the prevailing polyolefin market pricing mechanisms reduce the foreign currency risk in practice. As of December 31, 2025, the Group showed a net payable (prior year: net payable) position in USD and a net receivable (prior year: net receivable) position in SEK.

Effect in EUR thousand	Profit before tax		Other comprehensive income	
	Strengthening +10%	Weakening -10%	Strengthening +10%	Weakening -10%
December 31, 2025				
USD	38,457	-31,465	-21,466	17,563
SEK	11,170	-9,139	15,124	-12,374
USD – including net investment	38,457	-31,465	166,148	-135,940
SEK – including net investment	11,170	-9,139	74,893	-61,276
December 31, 2024				
USD	7,374	-6,033	-26,214	21,448
SEK	4,522	-3,700	13,973	-11,432
USD – including net investment	7,374	-6,033	257,231	-210,462
SEK – including net investment	4,522	-3,700	68,292	-55,876

The key foreign exchange rates used for the Group were as follows:

	2025		2024	
	Closing rate	Average rate	Closing rate	Average rate
USD	1.1750	1.1300	1.0389	1.0827
SEK	10.8215	11.0663	11.4590	11.4322

24. Interest Rate Risk

Interest rate risk is the risk of the fair value or future cash flows of a financial instrument fluctuating because of changes in market interest rates.

Borealis adopts a policy of managing its interest rate risk through the modified duration of its loan portfolio. The average modified duration is allowed to deviate within a predefined range. Overall, Borealis' risk management strategy according to its financial procedures is to protect itself against adverse interest rate movements and to obtain predictable interest costs. As of December 31, 2025, Borealis had no outstanding interest rate swaps. In the event Borealis has interest rate swaps, Borealis classifies these interest rate swaps as cash flow hedges and states them at fair value. The purpose of these hedges is to fix the cash outflows related to the floating rate loans.

The Group enters into interest rate swaps that have matching critical terms with the hedged item, such as reference rate, reset dates, payment dates, maturities and nominal amount.

The hedge ratios are based on interest rate swaps with a nominal amount in EUR and USD and a receive leg of a rate index. This results in 1:1 hedge ratios (100%). Since loans and hedging instruments are fully aligned and cannot be changed unless terminated, the hedge ratios will not change and hence, do not result in any imbalances that would create hedge ineffectiveness.

Hedge effectiveness will be assessed by comparing changes in the fair values of the hedging instruments to changes in the fair values of the respective hypothetical derivatives. The terms of the hypothetical derivative are such that its fair value changes offset exactly the changes in the fair value of the hedged item. The terms are identical to the hedging instrument but assume no counterparty risk. Hence, the hedge is expected to be highly effective.

A significant change in the credit risk of either Borealis or the counterparty is identified as a potential source of ineffectiveness. The Group treasury monitors the Company and the bank's credit risk for significant adverse changes.

Hedge ineffectiveness may arise from:

- differences in the timing of the cash flows of the hedged items and the hedging instruments,
- the counterparties' credit risk impacting the fair value movements of the hedging instruments and hedged items differently.

Of loans and borrowings, approximately 93% (96%) have a fixed interest rate and 7% (4%) are based on a floating interest rate before applying interest rate swaps. After applying interest rate swaps, approximately 93% (96%) have a fixed interest rate and 7% (4%) are based on a floating interest rate. The floating interest rates are set by adding a spread to the reference rates (mainly EURIBOR and SOFR).

Effects of Hedge Accounting on the Financial Position and Performance

As of December 31, 2025 and 2024, the Group has no interest rate derivatives.

The effects of the interest rate related to hedging instruments on the Group's financial position and performance are as follows:

Interest rate swaps EUR thousand	2025	2024
Carrying amount (asset – current)	0	0
Line item in the balance sheet where the hedging instrument is included	n/a	Other receivables and other assets/ Other liabilities
Total nominal amount	0	0
Hedge ratio	n/a	1:1
Weighted average hedged rate for the year	n/a	2.36%
Change in fair value of the hedging instrument used for measuring ineffectiveness for the period	0	364
Change in value of the hedged item used for measuring ineffectiveness for the period	0	-364
Hedging reserve (net of deferred taxes)	0	0
Total hedging gain (+) or loss (-) recognized in OCI	0	364
Hedge ineffectiveness recognized in the income statement	0	0
Amount reclassified from hedging reserve (OCI) to the income statement (loss + / gain -)	0	-3,275
Line item in the income statement affected by the reclassification	n/a	Financial expenses

Sensitivity Analysis

In managing interest rate risks, Borealis aims to reduce the impact of short-term fluctuations on its earnings. Over the long term, permanent changes in interest rates will have an impact on consolidated earnings. The sensitivity analysis has been prepared on the basis of the amount of net debt, floating interest rates of the debt as of December 31, 2025.

Effect in EUR thousand	Profit before tax		Other comprehensive income	
	Strengthening +1%	Weakening -1%	Strengthening +1%	Weakening -1%
December 31, 2025				
Interest rate	-35	32	0	0
December 31, 2024				
Interest rate	-247	249	0	0

25. Commodity Price Risk

Commodity price risk is the risk of future cash flows or the fair value of inventories fluctuating because of changes in commodity prices. Borealis states its inventories at the lower of cost and net realizable value, taking into account future price developments. Commodity price risk is managed by the feedstock and energy traders and monitored by Trade Support and Risk Management. The commodity price risk exposure is calculated by a trading software program. Trade Support and Risk Management take a snapshot of all data in the trading system on a daily basis and retrieve the daily position from the system. The position is analyzed and compared with the trading limits. Traders use financial derivatives (i.e. financial swaps) in order to stay within the limits.

Feedstock

Borealis hedges some of its forecasted feedstock purchases and finished product sales through feedstock swaps. Cash flow hedge accounting is applied to those derivatives, except for the derivatives that are used to limit the price risk on the inventory held for immediate consumption. Some of the derivatives have been designated as cash flow hedges for future sales and purchases. Derivatives not designated as cash flow hedges are measured at fair value through profit or loss (FVPL).

Electricity

Borealis hedges its forecasted electricity purchases using electricity swaps. Cash flow hedge accounting has been applied for these derivatives.

Additionally, Borealis has contracted several long-term power purchase agreements which were entered into and continue to be held for own use. Therefore, they are accounted for as executory contracts.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the commodity forward contracts match the terms of the expected highly probable forecast transactions (i.e., nominal quantity and expected pricing date). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the commodity forward contracts are identical to the hedged risk components. To test the hedge effectiveness, the Group compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

The hedge ineffectiveness can arise from:

- differences in the timing of the cash flows of the hedged items and the hedging instruments, and
- changes to the forecasted amount of cash flows of hedged items and hedging instruments.

Effects of Hedge Accounting on the Financial Position and Performance

The effects of the commodity-related hedging instruments on the Group's financial position and performance are as follows:

Feedstock EUR thousand	2025	2024
Carrying amount (asset – current)	27,977	19,769
Carrying amount (asset – non-current)	10,250	1,382
Carrying amount (liability – current)	22,087	530
Carrying amount (liability – non-current)	0	619
Line item in the balance sheet where the hedging instrument is included	Other receivables and other assets/Other liabilities	Other receivables and other assets/Other liabilities
Total nominal amount	3,740,884 metric tons	629,926 metric tons
Hedge ratio	1:1	1:1
Change in fair value of the hedging instrument used for measuring ineffectiveness for the period	2,724	1,955
Change in value of the hedged item used for measuring ineffectiveness for the period	-2,724	-1,955
Hedging reserve (net of deferred taxes)	12,431	15,403
Total hedging gain (+) or loss (-) recognized in OCI	2,724	1,955
Hedge ineffectiveness recognized in the income statement	0	0
Amount reclassified from hedging reserve to the cost of non-financial items	-6,584	-901
Electricity EUR thousand	2025	2024
Carrying amount (asset – current)	3,321	6,040
Carrying amount (asset – non-current)	6,433	10,145
Carrying amount (liability – current)	24,946	32,431
Carrying amount (liability – non-current)	1,553	15,155
Line item in the balance sheet where the hedging instrument is included	Other receivables and other assets/Other liabilities	Other receivables and other assets/Other liabilities
Total nominal amount	4,147 GWh	4,281 GWh
Hedge ratio	1:1	1:1
Change in fair value of the hedging instrument used for measuring ineffectiveness for the period	-15,136	-29,602
Change in value of the hedged item used for measuring ineffectiveness for the period	15,136	29,602
Hedging reserve (net of deferred taxes)	-12,897	-24,181
Total hedging gain (+) or loss (-) recognized in OCI	-15,136	-29,602
Hedge ineffectiveness recognized in the income statement	0	0
Amount reclassified from hedging reserve (OCI) to the income statement (loss + / gain -)	29,790	44,474
Line item in the income statement affected by the reclassification	Production costs	Production costs

Sensitivity Analysis

The sensitivity analysis has been prepared for all derivative financial instruments on the basis that the amount of the feedstock held and all other parameters besides commodity prices (in particular sales prices) are constant and on the basis of the hedge designations in place on December 31, 2025. The Group assumes that the prevailing market pricing mechanisms reduce the commodity price risk in practice.

Effect in EUR thousand	Profit before tax		Other comprehensive income	
	Strengthening +1%	Weakening -1%	Strengthening +1%	Weakening -1%
December 31, 2025				
Feedstock – Naphtha	89	-89	-1,885	1,885
Feedstock – Other	-1	1	956	-956
Electricity	0	0	2,903	-2,903
December 31, 2024				
Feedstock – Naphtha	-138	138	-3,396	3,396
Feedstock – Other	49	-49	1,846	-1,846
Electricity	0	0	2,783	-2,783
Natural gas	0	0	144	-144

26. Factoring

Borealis has a factoring program under which the Company sells certain trade receivables to external parties. The Group does not retain any major interest in the trade receivables and thus derecognizes the receivables sold accordingly. Several reserves are deducted from the nominal value of the sold receivables and will be released upon transfer of the respective collected receivables to Aurora Asset Purchaser DAC (Purchaser), a special purpose entity established in Ireland. The Purchaser is not consolidated under IFRS 10, since Borealis has neither decision-making power nor has any influence on how the special purpose entity finances the program and there is no link between decision-making power and the variability of returns from the Purchaser. Borealis continues to administer the relationship with debtors and has to transfer all receivables collected and previously sold to the Purchaser under this program.

The total nominal value sold to the Purchaser under the factoring program in the current year amounted to EUR 3,487,148 thousand (EUR 4,005,375 thousand). As of December 31, 2025, receivables worth EUR 410,969 thousand (EUR 440,600 thousand) were sold to the Purchaser under the factoring program. The reserves deducted from the nominal value of the sold receivables amounted to EUR 87,482 thousand (EUR 92,809 thousand) as of December 31, 2025, and are included in other current receivables. During the year, interest expenses amounting to EUR 9,236 thousand (EUR 19,101 thousand) were recognized in the income statement for the factoring program.

27. Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

The Group has three types of financial assets that are subject to the expected credit loss model:

- trade receivables (excluding trade receivables at FVPL) and contract assets,
- cash and cash equivalents,
- debt investments carried at amortized cost.

On each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. For trade receivables, the Group applies the IFRS simplified approach to measure expected credit losses, which uses a lifetime expected loss allowance.

Trade Receivables Credit Risk

A credit control procedure is in place. Credit risk is monitored on an ongoing basis. Credit risk for a specific counterparty is the sum of all outstanding trade receivables and is compared to the individual credit limit allocated to that counterparty. Credit limit evaluations are performed on a daily basis and all customers are reviewed annually at least. Approval and escalation limits are used to authorize the available credit limits to customers. For some trade receivables, the Group may obtain security in the form of guarantees (bank and parental guarantees), letters of credit or credit insurance, which can be called upon if the counterparty is in default under the terms of the agreement. As of the reporting date, Borealis has no large concentrations of credit risks for trade receivables from external parties representing more than 10% of the total outstanding trade receivables. For details on trade receivables from related parties, see note 30. No credit risk is retained in trade receivables sold under the factoring program (note 26).

The maximum exposure to credit risk for trade receivables as of the reporting date by geographic region was:

EUR thousand	2025	2024
EU countries	246,619	349,208
Non-EU in Europe	121,207	120,112
US	45,418	49,540
Middle East and Asia	139,656	138,592
Other regions	106,834	120,401
Total	659,734	777,853

The maximum exposure to credit risk for trade receivables as of the reporting date by type of segment and group of customers was:

EUR thousand	2025	2024
Polyolefins	552,430	611,252
Base Chemicals	76,784	132,878
Non-Allocated	30,520	33,723
Total	659,734	777,853

All customers are classified in risk categories based on external and internal ratings with associated probabilities of default in order to measure the lifetime expected losses.

The table below shows the maximum exposure (gross carrying amount) for each risk class based on which loss allowance was determined for trade receivables (excluding trade receivables at FVPL).

EUR thousand	December 31, 2025				
	Equivalent to external rating	Probability of default	Gross carrying amount	Loss allowance	Credit-impaired
Risk category 1	AAA, AA+, AA, AA-, A+, A, A-	0.13%	65,717	-4	No
Risk category 2	BBB+, BBB, BBB-	0.44%	52,266	-13	No
Risk category 3	BB+, BB, BB-	1.18%	234,035	-144	No
Risk category 4	B+, B, B-	8.52%	185,461	-870	No
Risk category 5	CCC/CC	29.54%	103,509	-1,564	No
Risk category 6	SD/D	100.00%	11,891	-11,891	Yes
Total			652,879	-14,486	

EUR thousand	December 31, 2024				
	Equivalent to external rating	Probability of default	Gross carrying amount	Loss allowance	Credit-impaired
Risk category 1	AAA, AA+, AA, AA-, A+, A, A-	0.13%	104,947	-7	No
Risk category 2	BBB+, BBB, BBB-	0.44%	56,753	-14	No
Risk category 3	BB+, BB, BB-	1.18%	334,121	-206	No
Risk category 4	B+, B, B-	8.52%	124,855	-523	No
Risk category 5	CCC/CC	29.54%	84,155	-1,070	No
Risk category 6	SD/D	100.00%	9,141	-9,141	Yes
Total			713,972	-10,961	

The identified impairment loss for contract assets was immaterial.

The movement in the loss allowance in respect of trade receivables during the year was as follows:

EUR thousand	2025		2024	
	Lifetime ECL – not credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – not credit-impaired	Lifetime ECL – credit-impaired
Balance as of January 1	1,820	9,141	1,772	12,173
Impairment loss recognized	775	4,280	48	1,133
Written off		-1,215		-2,114
Reversal of impairment	0	-258	0	-2,053
Exchange adjustments		-57		2
Balance as of December 31	2,595	11,891	1,820	9,141

In 2025, the Group did not renegotiate the terms of trade receivables. Generally, trade receivables written off during 2025 are not subject to enforcement activity.

The total guarantees received (bank guarantees and parental guarantees) in respect of the trade receivables amounted to EUR 255,380 thousand (EUR 262,673 thousand). The Group does not require collateral in respect of trade receivables. The Group does not have trade receivables for which no loss allowance is recognized because of collateral or guarantees received.

Other Credit Risk

The Group is also exposed to credit risk relating to other financial assets. The maximum exposure to credit risk as of the reporting date is the carrying amount of each class of financial assets disclosed in note 28.

The table below shows the maximum exposure to credit risk (gross carrying amount) for financial assets that are measured at amortized cost and subject to a 12-month expected credit loss.

EUR thousand	Credit risk (Gross carrying amount)		Loss allowance recognized	
	2025	2024	2025	2024
Cash and cash equivalents	667,552	1,028,011	0	0
Debt investments carried at amortized cost				
Loans granted	100,942	1,253,383	-536	-6,707
Deposits and other receivables	627,527	170,932	-633	-533

Borealis' cash balances are deposited with relationship banks or are invested in liquid securities with counterparties that fulfill a certain predefined credit rating threshold. Counterparty credit risks for long-term financial treasury transactions are managed by mandatory credit limits and external credit rating requirements or have undergone a special approval process. A real-time treasury system is used to monitor exposures and risk limits. Borealis' management does not expect any counterparty to fail to meet any of its current obligations.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial. All of the entities' other debt investments at amortized cost are considered in general to have low credit risk and the loss allowance recognized during the period is therefore limited to 12-month expected losses.

For the financial guarantee liability, no loss allowance was recognized in the reporting period as the fair value less the cumulative amount of income recognized in accordance with the principles of IFRS 15 was higher than the amount of the loss allowance determined in accordance with the impairment requirements of IFRS 9. For further details on financial guarantee contracts, please refer to note 30.

28. Fair Values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value, if the carrying amount is a reasonable approximation of fair value.

EUR thousand	31.12.2025			31.12.2024		
	Carrying amount	Fair value	Fair value hierarchy level	Carrying amount	Fair value	Fair value hierarchy level
Assets						
Other investments						
Other investments	17,677	17,677	3	21,994	21,994	3
thereof at fair value through profit or loss	15,759			16,623		
thereof at fair value through other comprehensive income	1,918			5,371		
Trade receivables						
Trade receivables	659,734			777,853		
thereof at amortized cost	638,393			703,011		
thereof at fair value through profit or loss	21,341			74,842		
Cash and cash equivalents						
Cash	97,554			193,249		
Other current deposits	569,998			834,762		
at amortized cost	667,552			1,028,011		
Loans granted (current and non-current)						
Loans granted	100,406	92,379	2	1,246,676	1,262,264	2
at amortized cost	100,406			1,246,676		
Other receivables and other assets (current and non-current)						
Marketable securities and bonds	29,581	29,581	1	29,039	29,039	1
at fair value through profit or loss	29,581			29,039		
Derivative financial instruments for which hedge accounting is applied	51,781	51,781	2	38,506	38,506	2
Hedging instruments	51,781			38,506		
Derivative financial instruments for which hedge accounting is not applied	1,637	1,637	2	777	777	2
at fair value through profit or loss	1,637			777		
Deposits and other receivables	626,894			170,399		
thereof at amortized cost	625,117			168,622		
thereof at fair value through profit or loss	1,777			1,777		
Other non-financial assets	203,182	n/a	n/a	185,277	n/a	n/a
Total other receivables and other assets (current and non-current)	913,075			423,998		

EUR thousand	31.12.2025			31.12.2024		
	Carrying amount	Fair value	Fair value hierarchy level	Carrying amount	Fair value	Fair value hierarchy level
Liabilities						
Loans and borrowings (current and non-current)						
Bond	0	0	0	300,000	296,259	1
Floating rate loans and borrowings	41,079	40,805	2	42,811	43,080	2
Fixed rate loans and borrowings	508,872	488,070	2	879,462	840,136	2
at amortized cost	549,951			1,222,273		
Trade payables						
Trade payables	1,018,349			909,687		
at amortized cost	1,018,349			909,687		
Other liabilities (current and non-current)						
Derivative financial instruments for which hedge accounting is applied	48,585	48,585	2	59,356	59,356	2
Hedging instruments	48,585			59,356		
Derivative financial instruments for which hedge accounting is not applied	2,210	2,210	2	10,104	10,104	2
at fair value through profit or loss	2,210			10,104		
Contingent consideration	8,000	8,000	3	3,119	3,119	3
Interest accruals on loans and borrowings	1,967			3,863		
Other financial liabilities	7,333,432			113,358		
at amortized cost	7,343,399			120,340		
Financial guarantee liabilities	62,613	62,613	2	21,276	21,276	2
Other non-financial liabilities	114,659	n/a	n/a	168,555	n/a	n/a
Total other liabilities (current and non-current)	7,571,466			379,631		

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly or indirectly. This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in less active markets or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instruments' valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

In 2025 and 2024, no transfers between the different levels of the fair value hierarchy took place.

Other Investments

For details on other investments, see note 10. The equity value of the other investments is assumed to equal other investments' fair value. If the equity decreases (increases), the fair value decreases (increases) accordingly.

The following table presents the changes in other investments (level 3 items):

EUR thousand	2025	2024
Balance as of January 1	21,994	23,621
Disposal due to the liquidation of the company	0	-770
Disposal due to merger with consolidated subsidiary	-1,608	0
Fair value changes recognized in income statement (financial income/expenses)	703	-832
Fair value changes on equity instruments at FVOCI	-3,453	0
Exchange adjustments	41	-25
Balance as of the reporting date	17,677	21,994

Trade and Other Receivables and Other Assets

The fair value of trade and other receivables and assets is estimated to equal the nominal values less impairments (= carrying amount).

The carrying amount of deposits and other receivables is not materially different from their fair value.

Loans granted

The fair value of loans granted is calculated based on the present value of future principal and interest cash flows discounted at the market rate of interest adjusted for the respective counterparty credit risk as of the reporting date.

Derivatives

The fair value of foreign exchange derivatives is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the derivative using market rates as of the reporting date.

The fair value of interest rate swaps is estimated by discounting estimated future cash flows based on the terms and maturity of each derivative and using market rates for a hypothetical instrument as of the reporting date. The credit quality of counterparties did not lead to a significant change in the fair values.

The fair value of commodity derivatives is estimated by discounting the difference between current forward price and contractual forward price.

Other Non-financial Assets and Liabilities

Other non-financial assets and liabilities are shown solely for reconciliation purposes.

Non-derivative Financial Liabilities

Fair value for non-current and current loans and borrowings is calculated based on the present value of future principal and interest cash flows discounted at the market rate of interest adjusted for Borealis' credit risk as of the reporting date. All fair values are excluding the outstanding interest accruals as of the reporting date.

The fair value of trade and other payables is estimated to equal the carrying amount.

Contingent Consideration

For the acquisition of the additional 48.55% stake in Renasci on November 30, 2023, a contingent consideration up to EUR 1,693 thousand was agreed based on an earnings target for 2024, 2025 and 2026. According to Borealis' assessment, the earnings target will not be met. Thus, the contingent consideration has been valued at a fair value of EUR 0 thousand (EUR 0 thousand) as of December 31, 2025.

The fair value of the contingent consideration for the acquisition of Rialti amounts to EUR 2,000 thousand (EUR 3,119 thousand) as of December 31, 2025. The actual claims in relation to warranties are the significant valuation input for determining the contingent consideration liability.

The fair value of the contingent consideration for the acquisition of Integra Plastics EAD amounts to EUR 6,000 thousand (EUR 0 thousand) as of December 31, 2025.

For more details, please refer to note 8.3.

29. Other Operating Income

In 2025, other operating income consisted mainly of EUR 77,136 thousand (EUR 62,198 thousand) from foreign currency translation effects related to working capital. No insurance compensations were recognized in 2025. In 2024, insurance compensation amounting to EUR 23,211 thousand for the business interruption at Borouge were recognized. The remainder of other operating income is mainly related to various grants and subsidies.

30. Transactions with Related Parties

EUR thousand	Transaction values		Balance outstanding	
	2025	2024	31.12.2025	31.12.2024
Sales of goods and services to				
Associated companies	4,756	4,702	9,065	12,383
Joint ventures	574,084	526,141	133,530	140,614
Other related parties	59,616	67,063	9,803	6,559
thereof OMV subsidiaries	59,420	66,860	9,779	6,524
Purchases of goods and services from				
Associated companies	101,934	85,206	12,984	0
Joint ventures	583,667	485,902	191,176	146,727
Companies with significant influence	0	0	0	0
Other related parties	1,330,910	1,453,261	106,152	134,841
thereof OMV subsidiaries	1,323,968	1,444,078	102,724	132,307
Others				
Loans granted and related interest – Associated companies	2,914	2,767	58,079	55,181
Loans granted and related interest – Joint ventures	49,312	80,249	42,404	1,204,590
Other receivables – Parent company	0	0	308,439	0
Other receivables – Companies with significant influence	0	0	102,813	0
Other liabilities – Parent company	0	0	7,135,501	0
Other liabilities – Companies with significant influence	0	0	102,813	0
Financial guarantee receivables – Joint ventures	2,626	1,013	63,759	21,199
Financial guarantee liabilities – Joint ventures	10,694	6,279	62,613	21,276
Lease liabilities and related interest – Parent company	8	16	2,973	5,011
Lease liabilities and related interest – Other related parties	126	183	5,237	7,741
Income taxes liability and related expense – Parent company	10,764	62,012	4,674	57,662

The amounts shown in the table include transaction values and the balance outstanding from discontinued operation. For further details about the discontinued operation Borouge, please refer to note 9.1.

The sales to associated companies and joint ventures mainly include sales of finished goods and services. Transactions with joint ventures further include the granting of licenses for the use of Group technologies. Contract assets with Borouge PLC amounting to EUR 7,388 thousand (EUR 8,356 thousand) are included in the balance outstanding. For details on contract assets, please see note 2. Also included in the balance outstanding from associated companies are prepayments to Kilpilahden Voimalaitos Oy (KPP) of EUR 8,825 thousand (EUR 9,705 thousand). Purchases from joint ventures mainly include purchases of finished

goods produced by Borouge and sold in Europe as well as purchases from Bayport Polymers LLC (Baystar). Purchases from other related parties mainly relate to purchases of feedstock and utilities from OMV group companies. Receivables from and payables to related parties are included in trade receivables/payables.

Lease liabilities and related interest from the parent company represent rental of office facilities in Vienna from OMV Aktiengesellschaft. Lease liabilities and related interest from other related parties relate to rented land and infrastructure from OMV Deutschland Operations GmbH & Co KG and OMV Deutschland GmbH. Loans granted, including interest receivables, to joint ventures amounting to EUR 42,404 thousand (EUR 1,204,590 thousand) were outstanding from Baystar, 2024 from Baystar and Borouge 4. For further details on loans granted, see note 10.

All transactions with related parties were conducted on an arm's length basis.

As of December 31, 2025, the Group has no financing or guarantee commitments towards Borouge 4. The Borouge 4 shareholder loan agreement (SHL) entered into on February 3, 2023 with Borealis GmbH (former Borealis AG) as lender and Borouge 4 as borrower to part finance the Borouge 4 CAPEX requirements was repaid in full on October 24, 2025 as part of the Borouge 4 sales process. The repayment totaled USD 735,022 thousand including capitalized and accrued interest. In addition, Borealis was fully released from the DSU obligations for the funding of Borouge 4 under the Italian Export Credit Agency agreement. The total guarantee amounted to USD 1,276,000 thousand plus interest.

Borealis provided a guarantee for a Revolving Credit Facility (RCF) used by Baystar as a liquidity instrument to conduct its ordinary course of business. As of December 31, 2025, the maximum amount of the credit facility was USD 300,000 thousand, of which 50% (USD 150,000 thousand) was guaranteed by Borealis, while the remaining USD 150,000 thousand was guaranteed by joint venture partner TotalEnergies. At year-end, Baystar's RCF was utilized at USD 175,000 thousand (of which USD 87,500 thousand was guaranteed by Borealis).

On April 19, 2022, a loan of USD 650,000 thousand was repaid by Baystar to Borealis. The repayment was financed from the two tranches of senior notes issued in USD in the amount of USD 350,000 thousand and USD 300,000 thousand, which mature in 2027 and 2032 respectively. Borealis provided a parental guarantee of USD 650,000 thousand for the full amount of the senior notes, which is recognized as a financial liability of EUR 12,692 thousand (EUR 18,836 thousand). Additionally, Borealis provided a parental guarantee for a lease of railcars with maximum exposure of USD 17,509 thousand as of the reporting date (USD 19,651 thousand) and recognized a financial liability of EUR 958 thousand (EUR 1,389 thousand). On June 10, 2025, a loan in the amount of EUR 656,227 thousand was repaid by Baystar to Borealis. The repayment was financed with a new syndicated term loan facility with OeKB in USD in the amount of EUR 638,298 thousand, which has an amortizing structure with three tranches maturing in 2028, 2032 and 2034. Borealis provided a parental guarantee of USD 750,000 thousand for the full amount of the OeKB facility which is recognized as a financial liability of EUR 46,091 thousand (EUR 0 thousand). On October 16, 2025, a new loan in USD in the amount of EUR 212,766 thousand was concluded, of which 50% (USD 125,000 thousand) was guaranteed by Borealis, maturing in 2027, while the remaining USD 125,000 thousand was guaranteed by joint venture partner TotalEnergies, maturing in 2028.

Due to additional loan drawings, no undrawn funding commitment to Baystar was reported as of December 31, 2025 (EUR 0 thousand). Also, on the reporting date, the Group had no financing commitments to KPP (EUR 0 thousand).

As of January 1, 2021, selected Austrian entities of the Borealis Group belong to the OMV tax group and reimburse income tax payments directly to OMV Aktiengesellschaft with income tax liability to the parent company shown under Other current liabilities.

Austria has an indirect relationship with Borealis via OMV and Österreichische Beteiligungs AG (ÖBAG) and is therefore, together with companies under the control of the Republic of Austria, considered a related party. Borealis has transactions at arm's length in the normal course of business mainly with OMV Aktiengesellschaft and its subsidiaries (shown under "Other related parties") and VERBUND AG and its subsidiaries.

Via OMV and Borouge Group International AG (BGI), Borealis has an indirect relationship with the Emirate of Abu Dhabi, which is, together with the companies under control of Abu Dhabi, also considered a related party. In 2025, there were transactions at arm's length in the normal course of business, mainly with Compañía Española Distribuidora de Petróleos, S.A. (CEPSA), NOVA Chemicals Corporation and Abu Dhabi National Oil Company (ADNOC) and their subsidiaries.

For further information on dividends received from joint ventures please refer to note 9. For further information regarding commitments to joint ventures and associated companies, see note 21. For information relating to dividends paid/declared, please refer to the statement of changes in equity, cash flow and note 13.

31. Commitments, Contingent Liabilities and Contingent Assets

Legal Claim Contingencies

On July 11, 2025, Borealis GmbH filed a lawsuit against Clariant, Orbia, Celanese, Westlake Chemicals and its affiliates with the court of Amsterdam in the Netherlands for the damages caused by the fact that the defendants set up an ethylene purchasing cartel.

As of the reporting date, the Group has a contingent asset arising from this lawsuit, as the outcome and financial effect remain uncertain, and accordingly no asset has been recognized in accordance with IAS 37. The estimated financial effect has not been disclosed as it is still subject to ongoing assessment and cannot be reliably measured at this stage.

While the Group also has other lawsuits pending, it is the Executive Board's opinion that these proceedings will not materially affect the Group's financial position.

Financial Guarantees

The Group is subject to numerous national and local tax laws and regulations concerning its sales and environmental activities. These laws and regulations may require the Group to issue guarantees to respective authorities for the Group's payment obligations. These guarantees have been provided to the extent the authorities have requested them.

The Group has committed to several rental guarantees mainly for its own rental agreements. The Group will be responsible if the tenant or Borealis itself fails to pay rent or causes any damage to property. No material losses are expected to arise from such contingent liabilities.

In addition to the contractual commitments for property, plant and equipment (see note 5), contractual obligations for additional capital contributions (see note 9 and note 30) and financial

guarantee contracts (see note 30), no further significant risks and uncertainties have been identified compared to year-end 2024.

32. Subsequent Events – Geopolitical Developments

Subsequent to the reporting date, geopolitical tensions in the Middle East have intensified following military actions involving the United States and Israel and retaliatory actions by Iran, including incidents affecting the United Arab Emirates, where Borouge has its primary operational exposure.

At the date of authorization of these financial statements, management is closely monitoring the situation. The evolving geopolitical environment may increase risks related to regional security, logistics, energy supply, insurance coverage, and the continuity of operations at Borouge. At the date of authorization of these financial statements, no material disruptions to production or operations at Borouge have been identified.

For Borealis, whose production assets and primary markets are located predominantly in Europe, no direct operational impact has been observed. Furthermore, in certain scenarios, prolonged disruptions to Middle Eastern supply routes - such as a potential blockade or restriction of the Strait of Hormuz - could result in tighter global polyolefin supply and shifts in trade flows and could also contribute to higher and more volatile oil prices and related feedstock and energy costs. However, the extent and duration of any such effects remain uncertain and dependent on future developments.

Given the rapidly evolving nature of the situation, it is not currently possible to reliably quantify the overall financial impact, whether adverse or favorable, on Borealis, or their respective investments. Accordingly, no adjustments have been made to the financial statements as of the reporting date, as these events are considered non adjusting subsequent events.

Management will continue to monitor developments and assess potential implications for operations, financial position, and performance.

33. Subsidiaries Included in the Consolidated Accounts

Company name	Country	City	Percentage of shares owned	
			2025	2024
Borealis GmbH				
■ Borealis Antwerpen N.V.	Belgium	Zwijndrecht	100.00	100.00
■ Borealis Argentina SRL ¹⁾	Argentina	Buenos Aires	100.00	100.00
■ BOREALIS ASIA LIMITED ¹⁾	Hong Kong	Hong Kong	100.00	100.00
■ Borealis Brasil S.A.	Brazil	Itatiba	80.00	80.00
■ BOREALIS CHEMICALS ZA (PTY) LTD ¹⁾	South Africa	Germiston	100.00	100.00
■ Borealis Chile SpA ¹⁾	Chile	Santiago	100.00	100.00
■ Borealis Chimie S.A.R.L. ¹⁾	Morocco	Casablanca	100.00	100.00
■ Borealis Circular Solutions Holding GmbH	Austria	Vienna	100.00	100.00
■ Renasci N.V.	Belgium	Ostend	99.76	99.18
■ Renasci Oostende Holding N.V.	Belgium	Ostend	99.76	99.18
■ Renasci Oostende SCP N.V.	Belgium	Ostend	99.76	99.18
■ Renasci Oostende Recycling N.V.	Belgium	Ostend	99.76	99.18
■ Borealis Colombia S.A.S. ¹⁾	Colombia	Bogota	100.00	100.00
■ Borealis Denmark ApS ¹⁾²⁾	Denmark	Copenhagen	100.00	100.00
■ Borealis Digital Studio B.V. ¹⁾	Belgium	Mechelen	0.00	100.00
■ Borealis Financial Services N.V.	Belgium	Mechelen	100.00	100.00
■ Borealis France S.A.S.	France	Courbevoie	100.00	100.00
■ Borealis Services S.A.S. ¹⁾	France	Paris	100.00	100.00
■ Borealis Insurance A/S (captive insurance company)	Denmark	Copenhagen	100.00	100.00
■ BOREALIS ITALIA S.p.A.	Italy	Monza	100.00	100.00
■ Borealis Kallo N.V.	Belgium	Kallo	100.00	100.00
■ Borealis México, S.A. de C.V. ¹⁾	Mexico	Mexico City	100.00	100.00
■ Borealis Middle East Holding GmbH	Austria	Vienna	100.00	100.00
■ Borealis Plásticos, S.A. de C.V. ¹⁾	Mexico	Mexico City	100.00	100.00
■ Borealis Plastik ve Kimyasal Maddeler Ticaret Limited Sirketi ¹⁾	Türkiye	Istanbul	100.00	100.00
■ Borealis Plastomers B.V.	The Netherlands	Geleen	100.00	100.00
■ Borealis Poliolefinas da América do Sul Ltda. ¹⁾	Brazil	Itatiba	100.00	100.00
■ Borealis Polyolefins d.o.o. ¹⁾	Croatia	Osijek	100.00	100.00
■ Borealis Polyolefins S.R.L. ¹⁾	Romania	Bucharest	100.00	100.00
■ Borealis Polyolefins s.r.o. ^{1) 2)}	Slovakia	Bratislava	100.00	100.00
■ Borealis Polska Sp. z o.o. ¹⁾	Poland	Warsaw	100.00	100.00
■ Borealis Polymere GmbH	Germany	Burghausen	100.00	100.00
■ Borealis Polymers N.V.	Belgium	Beringen	100.00	100.00
■ Borealis Polymers Oy	Finland	Porvoo	100.00	100.00
■ Borealis Polyolefine GmbH	Austria	Schwechat	100.00	100.00
■ Borealis Química España S.A.	Spain	Barcelona	100.00	100.00
■ Borealis s.r.o. ¹⁾	Czech Republic	Prague	100.00	100.00
■ Borealis Sverige AB	Sweden	Stenungsund	100.00	100.00
■ Borealis AB	Sweden	Stenungsund	100.00	100.00
■ Borealis Group Services AS	Norway	Bamble	100.00	100.00
■ Etenförsörjning i Stenungsund AB	Sweden	Stenungsund	80.00	80.00
■ KB Munkeröd 1:72 ¹⁾	Sweden	Stenungsund	100.00	100.00
■ Borealis Technology Oy	Finland	Porvoo	100.00	100.00

1) Excluded from the consolidation due to immateriality (individual and in total) // 2) in liquidation

■ Subsidiary of Borealis GmbH // ■■ Second-tier subsidiary of Borealis GmbH // ■■■ More than second-tier subsidiary of Borealis GmbH

Company name	Country	City	Percentage of shares owned	
			2025	2024
■ BOREALIS UK LTD	UK	Manchester	100.00	100.00
■ Borealis USA Inc.	US	Houston	100.00	100.00
■■ Borealis BoNo Holdings LLC	US	Houston	0.00	100.00
■■ Borealis Compounds Inc.	US	Port Murray	100.00	100.00
■■ Star Bridge Holdings LLC	US	Houston	100.00	100.00
■■■ Novealis Holdings LLC	US	Houston	100.00	100.00
■ DYM SOLUTION CO., LTD	South Korea	Cheonan	100.00	100.00
■ Ecoplast Kunststoffrecycling GmbH	Austria	Wildon	100.00	100.00
■ Integra Plastics EAD	Bulgaria	Sofia	100.00	100.00
■ mtm compact GmbH	Germany	Niedergebra	0.00	100.00
■ mtm plastics GmbH	Germany	Niedergebra	100.00	100.00
■ Rialti S.p.A.	Italy	Taino	100.00	100.00

■ Subsidiary of Borealis GmbH // ■■ Second-tier subsidiary of Borealis GmbH // ■■■ More than second-tier subsidiary of Borealis GmbH

For further details relating to changes in the legal structure during the financial year 2025, please see note 8.

34. Auditor's Fees

The following fee information relates to the auditors of the Group (including their related networking firms):

EUR thousand	2025		2024	
	Group auditor	thereof KPMG ¹⁾	Group auditor	thereof KPMG ¹⁾
Audit of Borealis GmbH's subsidiaries	964	144	1,063	166
Audit of consolidated and standalone financial statements of Borealis GmbH	506	506	435	435
Other assurance services	250	214	221	191
Tax consulting services	498	0	577	0
Other services	175	0	26	0
Total	2,393	864	2,322	792

1) KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

35. Executive Board and Supervisory Board

Executive Board

Stefan Doboczky (Chairperson)

Daniel Turnheim

Wolfram Krenn

Philippe Roodhooft

Craig Arnold

Supervisory Board

Daniela Vlad (Chairperson until February 28, 2025)

Alfred Stern (Chairperson since March 1, 2025)

Hetal Patel (Vice Chairperson)

Reinhard Florey

Martijn Arjen van Koten

Michael James Baker

Nikolai Philipp Wolfgang Riesenkampff (delegated by the Works Council)

Dorothea Wiplinger (delegated by the Works Council)

Gernot Baumgaertel (delegated by the Works Council)

Vienna, March 3, 2026

Executive Board:

signed

Stefan Doboczky
Chief Executive Officer

signed

Daniel Turnheim
Chief Financial Officer

signed

Wolfram Krenn
Executive Vice President
Operations

signed

Philippe Roodhooft
Executive Vice President
Joint Ventures

signed

Craig Arnold
Executive Vice President
Polyolefins, Circular Economy Solutions
and Base Chemicals

Report of the Supervisory Board of Borealis GmbH

In the year under review, the Supervisory Board received a comprehensive overview of the activities of the Executive Board of Borealis GmbH and performed its duties and exercised its powers under the law and the articles of association in five plenary sessions.

The Executive Board informed the Supervisory Board regularly, in a timely fashion and comprehensively, both in writing and verbally, on all the relevant issues of business development as well as on the state and strategy of the Company and the important group companies, including risk conditions and risk management.

The Executive Board of Borealis GmbH submitted the Standalone Annual Report 2025 containing the financial statements as of December 31, 2025 and the management report, and the Group Annual Report 2025 containing the consolidated financial statements as of December 31, 2025, and the group management report consisting of the financial management report and the sustainability statement to the Supervisory Board and explained it thoroughly.

The financial statements of Borealis GmbH have been prepared in accordance with the applicable provisions of the Austrian Commercial Code (“Unternehmensgesetzbuch”), and KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft issued the unqualified audit opinion (“uneingeschränkter Bestätigungsvermerk”) on the financial statements.

Furthermore, the consolidated financial statements of Borealis GmbH have been prepared in accordance with the International Financial Reporting Standards (IFRS), and KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft issued the unqualified audit opinion (“uneingeschränkter Bestätigungsvermerk”) on the consolidated financial statements.

The (consolidated) financial statements documents, the management report and the group management report consisting of the financial management report and the sustainability statement, and the audit reports were submitted to the Audit Committee and the Supervisory Board in due time. Following a thorough examination and discussion by the Audit Committee and the Supervisory Board with the auditors, the Supervisory Board reached the final agreement that no material objections would be raised, and the drawn up financial statements, the management report, the proposal for the appropriation of retained earnings, the proposal for the appointment of the auditor for the financial year 2026, the consolidated financial statements and the group management report consisting of the financial management report and the sustainability statement were approved/acknowledged.

Vienna, March 4, 2026

Signed

Alfred Stern

Chairperson of the Supervisory Board

Group Auditor's Reports

Independent Assurance Report on the Sustainability Reporting

We have performed a limited assurance engagement in the connection with the voluntary consolidated sustainability statement (hereafter „sustainability reporting”) in the Group management report in section Sustainability Statement for the financial year 2025 of

**Borealis GmbH,
Vienna, Austria**

(hereinafter also referred to as „Group” or „Company”).

Conclusion with limited assurance

Based on our procedures performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the sustainability reporting in the Group management report in section Sustainability Statement is not prepared, in all material respects, in compliance with:

- the reporting requirements according to Article 8 of the EU Regulation 2020/852 (hereinafter referred to as „EU-Taxonomy-Regulation”),
- the requirements of the delegated regulation (EU) 2023/2772 (hereinafter referred to as „ESRS”), and
- the requirements and standards for the process to identify the information to be included in the sustainability reporting in accordance with the ESRS (hereinafter referred to as „double materiality assessment process”); with the description set out in disclosure ESRS 2-IRO-1.53

in the currently valid version.

Basis for conclusion with limited assurance

Our limited assurance engagement on the sustainability reporting was conducted in accordance with the statutory requirements and Austrian Standards on Other Assurance Engagements and additional expert opinions as well as the International Standard on Assurance Engagements (ISAE 3000 (Revised)) applicable to such engagements. An independent assurance engagement with the purpose of expressing a conclusion with limited assurance („limited assurance engagement”) is substantially less in scope than an independent assurance engagement with the purpose of expressing a conclusion with reasonable assurance („reasonable assurance engagement”), thus providing reduced assurance.

Our responsibility under those requirements and standards is further described in the „Responsibility of the auditor of the sustainability reporting” section of our assurance report.

We are independent of the group in accordance with the Austrian professional regulations and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit firm is subject to the provisions of KSW-PRL 2022, which essentially corresponds to the requirements of ISQM 1, and applies a comprehensive quality management system, including documented policies and procedures for compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained up to the date of the limited assurance report is sufficient and appropriate to provide a basis for our conclusion as of that date.

Other information

Management is responsible for the other information. The other information comprises all information included in the Group Annual Report 2025 but does not include sustainability reporting and our independent assurance report.

Our conclusion on the sustainability reporting does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our limited assurance engagement on the sustainability reporting, our responsibility is to read the other information when available and, in doing so, consider whether the other information is materially inconsistent with the sustainability reporting or our knowledge obtained in the limited assurance engagement or otherwise appears to be misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this context.

Responsibility of the management

Management is responsible for the preparation of a sustainability reporting including the determination and implementation of the double materiality assessment processes in accordance with the relevant requirements and standards. This responsibility includes:

- identification of the actual and potential impacts, as well as the risks and opportunities associated with sustainability aspects and assessing the materiality of these impacts, risks and opportunities,
- preparing of a sustainability reporting in compliance with the ESRS,
- inclusion of disclosures in the sustainability reporting in accordance with the EU-Taxonomy-Regulation, and
- designing, implementing and maintaining of internal controls that management consider relevant to enable the preparation of a sustainability reporting that is free from material misstatement, whether due to fraud or error; and to enable the double materiality assessment process to be carried out in accordance with the requirements of the ESRS.

This responsibility includes also the selection and application of appropriate methods for sustainability reporting and the making of assumptions and estimates for individual sustainability disclosures that are reasonable in the circumstances.

Inherent limitations in the preparation of sustainability reporting

When reporting forward-looking information, the company is obliged to prepare this forward-looking information based on disclosed assumptions about events that could occur in the future and possible future actions by the company. Actual results are likely to differ as expected events often do not occur as assumed.

When determining the disclosures in accordance with the EU-Taxonomy-Regulation, the management is obliged to interpret undefined legal terms. Undefined legal terms can be

interpreted differently, also regarding the legal conformity of their interpretation and are therefore subject to uncertainties.

Responsibility of the auditor of the sustainability reporting

Our objectives are to plan and perform a limited assurance engagement to obtain limited assurance about whether the sustainability reporting, including the procedures performed to determine the information to be reported and the reporting in accordance with the EU-Taxonomy, is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on this sustainability reporting.

In a limited assurance engagement, we exercise professional judgement and maintain professional scepticism throughout the assurance engagement.

Our responsibilities include

- performing risk-related assurance procedures, including obtaining an understanding of internal controls relevant to the engagement, to identify disclosures where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of expressing a conclusion on the effectiveness of the Group's internal controls;
- design and perform assurance procedures responsive to disclosures in the sustainability reporting, where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Procedures - Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the sustainability reporting.

Our engagement does not include the assurance of prior period figures, printed interviews or other additional voluntary information of the company, including references to websites or other additional reporting formats of the company.

The nature, timing and extent of assurance procedures selected depend on professional judgement, including the identification of disclosures likely to be materially misstated in the sustainability reporting, whether due to fraud or error.

In conducting our limited assurance engagement on the sustainability reporting, we proceed as follows:

- We obtain an understanding of the company's processes relevant to the preparation of sustainability reporting.
- We assess whether all relevant information identified by the double materiality assessment process carried out by the company has been included in the sustainability reporting.
- We evaluate whether the structure and presentation of the sustainability reporting is in compliance with the requirements of the ESRS.
- We perform inquiries of relevant personnel and analytical procedures on selected disclosures in the sustainability reporting.

- We perform risk-oriented assurance procedures, on a sample basis, on selected disclosures in the sustainability reporting.
- We reconcile selected disclosures in the sustainability reporting with the corresponding disclosures in the consolidated financial statements and Group management report.
- We obtain evidence on the methods for developing estimates and forward-looking information.
- We obtain an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in sustainability reporting.

Limitation of liability, publication and terms of engagement

This limited assurance engagement is a voluntary assurance engagement.

We issue this conclusion based on the assurance contract concluded with the client, which is also based, with effect on third parties, on the „General Conditions of Contract for the Public Accounting Professions” issued by the Chamber of Tax Advisors and Auditors. These can be viewed online on the website of the Chamber of Tax Advisors and Auditors (currently at <https://ksw.or.at/berufsrecht/mandatsverhaeltnis/>). With regard to our responsibility and liability under the contractual relationship, point 7 of the General Conditions of Contract for the Public Accounting Professions applies.

Our assurance report may only be distributed to third parties together with the sustainability reporting contained in the Group management report in section Sustainability Statement and only in complete and unabridged form. Because our report is prepared solely on behalf of and for the benefit of the company, its contents may not be relied upon by any other third party, and consequently, we shall not be liable for any other third-party claims.

Auditor responsible for the assurance engagement

The auditor responsible for the assurance engagement of the sustainability reporting is Mr Gerhard Wolf.

Vienna, March 3, 2026

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

signed

Gerhard Wolf
Wirtschaftsprüfer
(Austrian Chartered Accountant)

This report is a translation of the original report in German, which is solely valid.

Auditor's Report - Consolidated Financial Statements

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the consolidated financial statements of

**Borealis GmbH,
Vienna, Austria,**

and its subsidiaries („the Group”), which comprise the Consolidated Balance Sheet as at December 31, 2025, and the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow for the year then ended, and the Notes to the Consolidated Financial Statements.

In our opinion, the consolidated financial statements comply with the legal requirements and present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as adopted by the EU, as well as legal or regulatory requirements.

Basis for our Opinion

We conducted our audit in accordance with Austrian Standards on Auditing. These standards require the audit to be conducted in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are described in the „Auditor's Responsibilities” section of our report. We are independent of the audited Group in accordance with Austrian company law and professional regulations, and we have fulfilled our other responsibilities under those relevant ethical requirements. We believe that the audit evidence we have obtained up to the date of the auditor's report is sufficient and appropriate to provide a basis for our audit opinion on this date.

Our liability as auditors is guided under Section 275 UGB.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the IFRS Accounting Standards as adopted by the EU, and other legal or regulatory requirements and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Management is also responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our audit opinion. Reasonable assurance represents a high level of assurance, but provides no guarantee that an audit conducted in accordance with Austrian Standards on Auditing (and therefore ISAs), will always detect a material misstatement, if any. Misstatements may result from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Austrian Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

Moreover:

- We identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, we design and perform audit procedures responsive to those such risks and obtain sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk of not detecting material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- We conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty about the entity's ability to continue as a going concern, we are required to draw attention in our audit report to the respective note in the consolidated financial statements. If such disclosures are not appropriate, we will modify our audit opinion. Our conclusions are based up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the consolidated financial statements, including the notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We plan and conduct the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence on the financial information of the components within the Group, in order to form an audit opinion. We are responsible for directing, supervising and reviewing the audit activities carried out for the purposes of auditing the consolidated financial statements. We remain solely responsible for our audit opinion.
- We communicate to the audit committee regarding, among other matters, the planned scope and timing of our audit as well as significant findings, including any significant deficiencies in internal control that we identify during our audit.

Group Management Report

In accordance with Austrian company law, the group management report is to be audited as to whether it is consistent with the consolidated financial statements and prepared in accordance with legal requirements. Our opinion on the group management report does not cover the content of the section of the group management report named "Sustainability Statement" which covers pages 20 to the end of the section on page 197. Our responsibility is to read this section and to assess whether this other information contains any material inconsistencies with the consolidated financial statements or with our knowledge obtained during the audit of the financial statements or appears to be otherwise misstated.

Management is responsible for the preparation of the group management report in accordance with Austrian company law and other legal or regulatory requirements.

We have conducted our audit in accordance with generally accepted standards on the audit of group management reports.

Opinion

In our opinion, the group management report is consistent with the consolidated financial statements and has been prepared in accordance with legal requirements.

Statement

Based on our knowledge gained in the course of the audit of the consolidated financial statements and our understanding of the Group and its environment, we did not note any material misstatements in the group management report.

Engagement Partner

The engagement partner is Mr. Karl Braun.

Vienna, March 3, 2026

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

signed

Karl Braun
Wirtschaftsprüfer
(Austrian Chartered Accountant)

The consolidated financial statements together with our auditor's opinion may only be published if the consolidated financial statements and the group management report are identical with the audited version attached to this report. Section 281 Paragraph 2 UGB (Austrian Commercial Code) applies.

This report is a translation of the original report in German, which is solely valid.

Note on gender inclusive language:

The masculine form partially specified by ESRS and chosen by us always refers to female, male, and diverse persons. To improve accessibility and machine readability, we generally refrain from using plural forms.

IMPRINT

This report is available in English and German. The original version was written in English. Both documents are available online and can be downloaded from www.borealisgroup.com.

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