



CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31ST, 2025



Compagnie de Saint-Gobain

Société Anonyme

Tour Saint-Gobain
12, place de l'Iris
92400 Courbevoie

Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2025

This is a translation into English of the statutory auditors' report on the financial statements of the Compagnie de Saint-Gobain issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

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For the year ended December 31, 2025

To the annual general meeting of Compagnie de Saint-Gobain,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of the Compagnie de Saint-Gobain ("the Group") for the year ended on December 31, 2025.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2025, and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit and Risk Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from January 1, 2025, to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, approved in the conditions mentioned above, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Valuation of goodwill, intangible assets and property, plant & equipment

Description of risk

The net carrying amounts of goodwill, others intangible assets and property, plant & equipment were material at December 31, 2025, representing €14,401 million, €5,296 million, and €14,556 million, respectively, i.e. 56% of total assets.

These assets may present a risk of impairment due to internal or external factors, including decisions to change the Group's strategy in certain markets, a decline in Group performance, the Group's commitments to carbon neutrality,

changes in competition, unfavorable market conditions and changes in legislation or regulations. These changes are likely to have an impact on the Group's forecast cash flow and, consequently, the recoverable amount of assets.

The impairment tests performed by Management using the method described in Note 7.5 to the consolidated financial statements led to book an impairment loss of €216 million in the year ended December 31, 2025 as indicated in Note 5.1.4 to the consolidated financial statements.

The valuation of these assets is a key audit matter given the materiality of their amount in the consolidated balance sheet and the high level of judgment required by Management in assessing impairment losses. Judgements include multiples of a normative basis of performance and assumptions regarding future changes in revenue in volume and value, profitability, investments and other cash flows related to the operation of these assets, as well as the determination of an appropriate discount rate applied to future cash flows.

How our audit addressed this risk

We familiarized ourselves with the procedures implemented within the Group for impairment testing purposes, particularly with regard to the impacts of the Group's commitments to carbon neutrality and exercised our professional judgment to assess the position adopted by Management. We tested the effectiveness of the controls implemented by the Group to ensure the quality and reliability of these procedures and their consistency with data from the budget and the medium-term business plan prepared by Management.

We also assessed the consistency and relevance of Management's approach to determining the cash-generating units for asset impairment testing, notably in view of the new group organization implemented on July 1, 2025.

Our valuation specialists performed an independent analysis of certain key assumptions used by Management for impairment testing purposes, in particular the discount rate, the average perpetual growth rate or multiples of a normative performance basis deemed appropriate to the valuation of cash-generating units, by referring to both external market data and comparable company analyses.

We analyzed the consistency of future cash flow projections with regard to past performance and our knowledge of the business, confirmed by interviews with the Heads of the relevant Businesses. We paid particularly close attention to the calculation of the normalized amount of terminal cash flows projected to perpetuity. We performed our own sensitivity analyses of certain key variables of the measurement model, particularly with regard to the inclusion of CO₂ emissions when assessing the materiality of potential impacts on the recoverable amounts of the assets.

We verified that the disclosures provided in the notes 5.1.4, 7.1, 7.2, 7.3 et 7.5 to the consolidated financial statements on the valuation of goodwill, intangible assets and property, plant & equipment, the underlying assumptions and sensitivity analyses were appropriate.

Measurement of provisions related to asbestos litigations in the United-State of America

Description of risk

As indicated in Note 9.2.2 to the consolidated financial statements, the risk of being called upon to finance the costs of the bankruptcy proceedings of DBMP, an affiliate of CertainTeed LLC which holds the historical liabilities of the former entity CertainTeed Corporation, is subject to a provision amounting to \$402 million (€342 million) at December 31, 2025.

With regard to this funding risk, determining and measuring the provision recognized and assessing the appropriateness of the related disclosures in the notes to the consolidated financial statements are a key audit matter given the amounts involved and the high degree of estimation and judgment required by Management in determining this provision. Judgment is required, in particular, to assess the status and resolution of the ongoing legal proceedings (in particular the voluntary petition for relief under Chapter 11 of the US Bankruptcy Code): duration, cost, estimation of the number of current and future cases covered, definition of the damages by the judicial authority.

How our audit addressed this risk

To obtain an understanding of contingent liabilities and litigation regarding asbestos in the United States and the related judgments made, we held discussions with Management at the Group and country level as well as at the main subsidiaries concerned. We also contacted certain law firms and external experts chosen by Management to assist them with the monitoring of these risks.

We:

- examined the minutes of the Board of Directors' meetings and the Group's risk mapping prepared by Management and presented to the Audit and Risk Committee;
- familiarized ourselves with the procedures implemented by Management when measuring the provisions for asbestos-related risks in the United States and determining the disclosures thereon in the notes to the consolidated financial statements;
- assessed the permanence of methods and performed a critical review of internal analyses relating to the evolution of the probability and possible impact of these risks by examining the new available information relating to the proceedings (correspondence, judgments, notifications, etc.). We also reviewed the responses to the confirmation letters of the law firms chosen by Management, particularly in terms of their experience at resolving comparable situations in the past. We also used our professional judgment to assess the positions adopted by Management, to see where they fell within risk assessment ranges and the consistency of those positions over time;

- verified the arithmetical accuracy of the calculations of changes in provisions and the consistency of the main items of change in relation to the underlying data, in particular the payments made during the year in respect of these risks.

We assessed the appropriateness of the disclosures provided in note 9.2.2 to the consolidated financial statements regarding these items of litigation and contingent liabilities identified.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information pertaining to the Group presented in the management report of Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Other Legal and Regulatory Verifications or Information

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the General and Managing Director, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Compagnie de Saint-Gobain by the annual general meeting held on June 10, 2004, for KPMG and on June 2, 2022, for Deloitte & Associés.

As at December 31, 2025, KPMG and Deloitte & Associés were in the 22nd year and 4th year of total uninterrupted engagement.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit and Risk Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and

are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 821-55 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains 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 internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses 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 Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit and Risk Committee

We submit a report to the Audit and Risk Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Risk Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this report.

We also provide the Audit and Risk Committee with the declaration provided for in Article 6 of Regulation (EU) N°537-2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit and Risk Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense, February 26, 2026

KPMG S.A.

Deloitte & Associés

The Statutory Auditors

French original signed by

Alexandra Saastamoinen

Laurent Chillet

Frédéric Gourd

2025 Consolidated Financial Statements

CONSOLIDATED BALANCE SHEET

Assets

<i>(in EUR millions)</i>	Notes	Dec. 31, 2025	Dec. 31, 2024
Goodwill	(7.1)	14,401	14,236
Other intangible assets	(7.2)	5,296	4,849
Property, plant and equipment	(7.3)	14,556	14,880
Right-of-use assets	(7.4)	2,983	3,008
Investments in equity-accounted companies	(8.1)	898	1,005
Deferred tax assets	(12.2)	358	366
Pension plan surpluses	(6.3)	332	316
Other non-current assets	(8.3)	652	735
NON-CURRENT ASSETS		39,476	39,395
Inventories	(5.4)	6,895	7,031
Trade accounts receivable	(5.4)	4,737	4,948
Current tax receivable	(5.4)	149	149
Other receivables	(5.4)	1,712	1,580
Assets held for sale	(4.3)	135	155
Cash and cash equivalents	(10.3)	7,582	8,460
Other short-term investments	(10.3)	150	-
CURRENT ASSETS		21,360	22,323
TOTAL ASSETS		60,836	61,718

Equity and liabilities

<i>(in EUR millions)</i>	Notes	Dec. 31, 2025	Dec. 31, 2024
Shareholders' equity	(11.1)	24,541	25,135
Non-controlling interests		568	513
TOTAL EQUITY		25,109	25,648
Non-current portion of long-term debt	(10.3)	12,243	12,831
Non-current portion of long-term lease liabilities	(10.3)	2,495	2,501
Provisions for pensions and other employee benefits	(6.3)	1,444	1,750
Deferred tax liabilities	(12.2)	1,199	941
Other non-current liabilities and provisions	(9.1)	1,502	1,450
NON-CURRENT LIABILITIES		18,883	19,473
Current portion of long-term debt	(10.3)	2,091	1,604
Current portion of long-term lease liabilities	(10.3)	669	677
Current portion of other liabilities and provisions	(9.1)	829	836
Trade accounts payable	(5.4)	6,809	6,773
Current tax liabilities	(5.4)	172	240
Other payables	(5.4)	5,544	5,679
Liabilities held for sale	(4.3)	140	163
Short-term debt and bank overdrafts	(10.3)	590	625
CURRENT LIABILITIES		16,844	16,597
TOTAL EQUITY AND LIABILITIES		60,836	61,718

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED INCOME STATEMENT

<i>(in EUR millions)</i>	Notes	2025	2024
Sales	(5.1)	46,483	46,571
Cost of sales	(5.1)	(33,544)	(33,688)
General expenses including research	(5.1)	(7,696)	(7,655)
Share in net income of core business equity-accounted companies	(8.1)	50	76
OPERATING INCOME		5,293	5,304
Other business income	(5.1)	133	107
Other business expense	(5.1)	(875)	(1,034)
BUSINESS INCOME		4,551	4,377
Borrowing costs, gross		(479)	(457)
Income from short-term investments		193	301
Borrowing costs, net, excluding lease liabilities		(286)	(156)
Interest on lease liabilities		(102)	(97)
Other financial income and expense		(217)	(202)
NET FINANCIAL EXPENSE	(10.2)	(605)	(455)
Share in net income of non-core business equity-accounted companies	(8.1)	4	6
Income taxes	(12)	(975)	(994)
NET INCOME		2,975	2,934
GROUP SHARE OF NET INCOME		2,883	2,844
Non-controlling interests		92	90

	Notes	2025	2024
EARNINGS PER SHARE, GROUP SHARE (IN EUR)	(11.2)	5.83	5.69
Weighted average number of shares in issue		494,245,178	499,715,108
DILUTED EARNINGS PER SHARE, GROUP SHARE (IN EUR)	(11.2)	5.78	5.64
Weighted average number of shares assuming full dilution		498,373,944	503,934,048

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENSE

<i>(in EUR millions)</i>	Notes	2025	2024
NET INCOME		2,975	2,934
Items that may be subsequently reclassified to profit or loss			
Translation adjustments and restatement for hyperinflation	(11.1)	(1,795)	427
Changes in fair value of financial instruments		(367)	193
Tax on items that may be subsequently reclassified to profit or loss		80	(32)
Items that will not be reclassified to profit or loss			
Changes in actuarial gains and losses	(6.3)	199	(7)
Tax on items that will not be reclassified to profit or loss		(60)	(4)
Changes in assets at fair value through equity and other items	(8.3)	(38)	1
OTHER ITEMS OF COMPREHENSIVE INCOME (EXPENSE)		(1,981)	578
COMPREHENSIVE INCOME (EXPENSE)		994	3,512
Group share		955	3,431
Non-controlling interests		39	81

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(in EUR millions)</i>	Notes	2025	2024
NET INCOME		2,975	2,934
Share in net income of equity-accounted companies, net of dividends received	(8.1)	(21)	(23)
Depreciation, amortization and impairment of assets (including right-of-use assets)	(5.1) (7)	2,627	2,631
Gains and losses on disposals of assets	(5.3)	21	52
Unrealized gains and losses arising from changes in fair value and share-based payments		136	13
Restatement for hyperinflation		4	36
Changes in inventory		(23)	23
Changes in trade accounts receivable and payable, and other accounts receivable and payable		155	248
Changes in tax receivable and payable		(83)	(60)
Changes in deferred taxes and provisions for other liabilities and charges	(6.3) (9.1) (12.2)	(153)	(285)
NET CASH FROM OPERATING ACTIVITIES		5,638	5,569
Acquisitions of property, plant and equipment and intangible assets, and changes in amounts due to suppliers of fixed assets	(7.2) (7.3)	(2,174)	(2,083)
Acquisitions of shares in controlled companies, net of cash acquired		(1,770)	(3,331)
Increase in investment-related liabilities		103	198
Decrease in investment-related liabilities		(34)	(35)
Acquisitions of other investments	(8.3)	(46)	(219)
Investments		(3,921)	(5,470)
Disposals of property, plant and equipment and intangible assets	(7.2) (7.3)	391	150
Disposals of shares in controlled companies, net of cash divested		19	30
Disposals of other investments	(8.3)	3	18
(Increase) decrease in amounts receivable on sales of fixed assets		(16)	8
Divestments		397	206
Increase in loans and deposits	(8.3)	(176)	(74)
Decrease in loans and deposits	(8.3)	52	72
Net change in loans and deposits		(124)	(2)
Increase (decrease) in other short-term investments	(10.3)	(150)	0
NET CASH FROM (USED IN) INVESTMENT AND DIVESTMENT ACTIVITIES		(3,798)	(5,266)
Issues of capital stock	(a)	240	222
(Increase) decrease in treasury stock	(a)	(778)	(811)
Dividends paid	(a)	(1,085)	(1,045)
Transactions with shareholders of the parent company		(1,623)	(1,634)
Capital increases in non-controlling interests	(a)	49	25
Acquisitions of minority interests without gain of control		(11)	(43)
Disposals of minority interests without loss of control		47	3
Changes in investment-related liabilities following the exercise of put options of minority shareholders		(4)	(68)
Dividends paid to non-controlling interests and change in dividends payable	(a)	(81)	(64)
Transactions with non-controlling interests		0	(147)
Increase (decrease) in bank overdrafts and other short-term debt		(168)	51
Increase in long-term debt	(b) (10.3)	1,275	3,674
Decrease in long-term debt	(b) (10.3)	(1,345)	(1,624)
Decrease in lease liabilities	(b)	(756)	(722)
Change in debt		(994)	1,379
NET CASH FROM (USED IN) FINANCING ACTIVITIES		(2,617)	(402)
Net effect of exchange rate changes on cash and cash equivalents		(106)	(58)
Net effect of changes in fair value on cash and cash equivalents		1	0
Cash and cash equivalents classified within assets held for sale		4	15
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(878)	(142)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		8,460	8,602
CASH AND CASH EQUIVALENTS AT END OF PERIOD		7,582	8,460

^(a) Please see the consolidated statement of changes in equity.

^(b) Including bond premiums, prepaid interest and issue costs.

In 2025, income tax paid represented €1,020 million (€1,094 million in 2024), total rental expenses paid €1,098 million (€1,052 million in 2024), including €102 million in interest paid on lease liabilities (€96 million in 2024), and interest paid net of interest received €240 million (€95 million in 2024).

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>(in EUR millions)</i>	Capital stock	Additional paid-in capital and legal reserve	Retained earnings and consolidated net income	Cumulative translation adjustments	Fair value reserves	Treasury stock	Shareholders' equity	Non-controlling interests	Total equity
AT JANUARY 1, 2024	2,026	3,621	19,789	(1,726)	(18)	(419)	23,273	485	23,758
Other items of comprehensive income			(41)	434	194		587	(9)	578
Net income for the period			2,844				2,844	90	2,934
TOTAL INCOME AND EXPENSE FOR THE PERIOD			2,803	434	194		3,431	81	3,512
Issues of capital stock									
Group Savings Plan	16	205					221		221
Stock subscription option plans and other		1					1	25	26
Dividends paid			(1,045)				(1,045)	(62)	(1,107)
Shares purchased and sold			20			(831)	(811)		(811)
Shares canceled	(46)	(788)				834	0		0
Share-based payments			72				72		72
Changes in Group structure and other			(7)				(7)	(16)	(23)
AT DECEMBER 31, 2024	1,996	3,039	21,632	(1,292)	176	(416)	25,135	513	25,648
Other items of comprehensive income			220	(1,743)	(405)		(1,928)	(53)	(1,981)
Net income for the period			2,883				2,883	92	2,975
TOTAL INCOME AND EXPENSE FOR THE PERIOD			3,103	(1,743)	(405)		955	39	994
Issues of capital stock									
Group Savings Plan	13	227					240		240
Stock subscription option plans and other								49	49
Dividends paid			(1,085)				(1,085)	(112)	(1,197)
Shares purchased and sold			(77)			(701)	(778)		(778)
Shares canceled	(30)	(656)				686	0		0
Share-based payments			89				89		89
Changes in Group structure and other			(15)				(15)	79	64
AT DECEMBER 31, 2025	1,979	2,610	23,647	(3,035)	(229)	(431)	24,541	568	25,109

The accompanying notes are an integral part of the consolidated financial statements.

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The consolidated financial statements reflect the accounting position of Compagnie de Saint-Gobain (the Company) and its subsidiaries ("the Group"), as well as the Group's interests in associate companies and joint ventures. They are expressed in euros rounded to the nearest million.

These consolidated financial statements were adopted on February 26, 2026 by the Board of Directors and will be submitted to the Shareholders' Meeting of June 4, 2026 for approval.

Accounting principles and policies are highlighted in a distinct color.

NOTE 1 ACCOUNTING PRINCIPLES AND POLICIES

The accounting policies applied are consistent with those used to prepare the financial statements for the year ended December 31, 2024, except for the application of the new standards and interpretations described below. The consolidated financial statements have been prepared using the historical cost convention, except for certain assets and liabilities that have been measured using the fair value model as explained in these notes.

1.1 Standards applied

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations adopted for use in the European Union at December 31, 2025.

1.1.1 Standards, interpretations and amendments to existing standards applicable for reporting periods beginning on or after January 1, 2025

The following standards and amendments, effective since January 1, 2025, were applied where necessary to the consolidated financial statements for the year ended December 31, 2025. This concerns only one amendment:

- Amendments to IAS 21, "Lack of Exchangeability".

The main finalized IFRIC decisions published in 2025 concern:

- IFRS 9, "Determining and Accounting for Transaction Costs";
- IFRS 9, "Embedded Prepayment Option";
- IFRS 15, "Recognition of Revenue from Tuition Fees";
- IFRS 9, 15, 17, and IAS 37, "Guarantees Issued on Obligations of Other Entities";
- IAS 38, "Recognition of Intangible Assets from Climate-related Expenditure";
- IAS 29, "Assessing Indicators of Hyperinflationary Economies".

These decisions do not have a material impact on the Group's consolidated financial statements.

1.1.2 Standards, interpretations and amendments to existing standards available for early adoption in reporting periods beginning on or after January 1, 2025

The Group decided to early adopt the amendment to IFRS 9 relating to the own-use exemption for Power Purchase Agreements with effect from January 1, 2025.

Other new standards, interpretations and amendments to existing standards available for early adoption in reporting periods beginning on or after January 1, 2025 were not adopted by the Group at December 31, 2025.

They concern:

- Amendments to IFRS 9 and IFRS 7 concerning the classification and measurement of financial instruments;
- Annual improvements to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.

Where applicable to Saint-Gobain, the impact of these amendments is currently being analyzed by the Group.

1.1.3 Standards, interpretations and amendments to existing standards published but not yet applicable

The new standards, interpretations and amendments to existing standards that have been published but are not yet applicable concern:

- IFRS 18, "Presentation and Disclosure in Financial Statements";
- IFRS 19, "Subsidiaries without Public Accountability: Disclosures";
- IAS 21, "Translation to a Hyperinflationary Presentation Currency".

Where applicable to Saint-Gobain, these amendments are currently being analyzed by the Group. With regard to IFRS 18, a dedicated Steering Committee has been set up to monitor the work analyzing the potential impact of this standard.

1.2 Estimates and assumptions

The preparation of consolidated financial statements in compliance with IFRS requires management to make estimates and assumptions that affect the amounts of assets and liabilities reported in the balance sheet and the disclosure of contingent assets and liabilities in the notes to the financial statements, as well as the reported amounts of income and expenses during the period. These estimates and assumptions are based on past experience and on various other factors in the prevailing economic and financial environment which makes it difficult to predict future business performance. Actual amounts may differ from those obtained through the use of these estimates and assumptions.

The main estimates and assumptions described in these notes concern the measurement of employee benefit obligations and share-based payments (see note 6, p. 27), asset impairment tests (notably the assumptions used in the tests relating to the Group's commitments to reduce its net carbon emissions) and the determination of lease terms (see note 7, p. 35), other current and non-current liabilities and provisions (see note 9, p. 45), the measurement of financial instruments (see note 10, p. 50), and taxes (see note 12, p. 63).

NOTE 2 SIGNIFICANT EVENTS OF THE PERIOD AND MACROECONOMIC CONDITIONS

2.1 Significant events of the period

2.1.1 Acquisition of Ovniver group

On January 15, 2025, Saint-Gobain completed the acquisition of Ovniver group, a leading construction chemicals player in Mexico and Central America. Ovniver Group generated revenue of US\$285 million in 2024, operates 16 manufacturing plants and has around 1,000 employees.

In accordance with IFRS 3, an allocation of the €0.7 billion purchase price was carried out at December 31, 2025. The goodwill resulting from this process amounted to €422 million (see note 4.2.1, p. 16).

This acquisition was fully financed in cash.

2.1.2 Acquisition of Fosroc

On February 7, 2025, Saint-Gobain completed the acquisition of Fosroc, a leading global player in construction chemicals with 2024 revenue of around US\$490 million, 20 manufacturing plants and around 3,000 employees.

In accordance with IFRS 3, an allocation of the €0.9 billion purchase price was carried out at December 31, 2025. The goodwill resulting from the purchase price allocation represented €422 million (see note 4.2.1, p. 16).

This acquisition was fully financed in cash.

2.1.3 Bond issue

On April 4, 2025, Saint-Gobain carried out a €1.2 billion bond issue comprising two tranches: €0.7 billion with a 3-year maturity and a 2.75% coupon, and €0.5 billion with an 8-year maturity and a 3.50% coupon. With this transaction Saint-Gobain has taken advantage of favorable market conditions to anticipate its future refinancing needs.

2.1.4 New Group organization and governance structure

On June 5, 2025, Saint-Gobain announced a new operational organization designed to deepen its proximity to local markets and accelerate its profitable growth. As a result, as of July 1, 2025, Country CEOs are responsible for the full range of the Group's solutions, including those previously managed under the former segment: High Performance Solutions. Alongside this new organization, a new Executive Committee has been put in place and a Group Operational Performance department has been set up.

Consequently, as of July 1, 2025, the Group's external reporting is based on four major Regions: Northern Europe, Southern Europe – Middle East & Africa, Americas and Asia-Pacific.

2.1.5 New Strategic Plan

On October 6, 2025, Saint-Gobain launched "Lead & Grow", its new strategic plan designed to accelerate its profitable growth trajectory. The Group is planning almost €12 billion in growth capex and acquisitions (net of disposals) over the period 2026-2030, with asset rotation representing over 20% of sales. Financial targets also include mid-single-digit sales growth in local currencies, an EBITDA margin of between 15% and 18%, a free cash flow conversion ratio above 50%, and ROCE above 13%. Lastly, the plan also provides for around €8 billion in shareholder returns.

2.2 Macroeconomic conditions

Saint-Gobain has been facing a volatile economic environment in its main operating countries for several years. The wave of inflation observed post-pandemic and as a result of the energy crisis triggered by the war in Ukraine led the world's main central banks to introduce aggressive interest rate rises, impacting the construction sector, which is traditionally highly dependent on interest rate cycles. Since the beginning of 2025, the US government's trade policy (see note 2.2.4, p. 10), as well as the European political environment, particularly in France, have sparked uncertainty and economic volatility.

Amidst higher interest rates, the Group continued its rigorous management of liquidity, interest rate and foreign exchange risks (see note 10.1, p. 50), while increasing its oversight and tracking of credit risk and continuing to apply its strict gas and electricity price hedging policy.

Interest rates have nevertheless fallen since 2024 in most of the Group's main countries, and the Group is well positioned to take advantage of medium-term opportunities, with housing shortages in the Group's major countries (especially the US, Canada and Germany) and the major energy retrofits needed to meet climate objectives representing sources of sustainable growth for Saint-Gobain. The need to adapt buildings to increasing climate hazards has also generated opportunities for the Group.

2.2.1 Hyperinflation in Argentina and Turkey

Argentina's economy is slowly recovering from the economic adjustment begun in fall 2023, which combined a currency devaluation policy with severe fiscal tightening. Inflation continues to ease, down to 31.5% year-on-year as of end-December 2025, after peaking at 289% in April 2024. Economic activity is gradually picking up, with real GDP growth expected to be close to 4% in 2025 and 2% to 3% in 2026. Pressure to devalue the currency remains strong, but the authorities are continuing their policy of stabilization assisted by external partners (United States, the IMF).

As for the Turkish economy, it continues to grow, but the current slowdown is likely to extend into 2026 due to the country's exposure to global geopolitical and trade uncertainty and weak economic momentum in Europe. Thanks to a tight monetary policy, inflation continues to ease, standing at 31% year-on-year as of end-December 2025, its lowest level in four years.

In accordance with IAS 29, hyperinflation in these two countries, and in particular its consequences in terms of the impairment in value of monetary items, are reflected in the Group's net financial expense for the year ended December 31, 2025.

2.2.2 Impact of the Russia-Ukraine conflict on the Group's strategy and financial performance

Information concerning the Group's operating activities

Since the outbreak of the conflict between Russia and Ukraine, in addition to the Group's application of the sanctions imposed against Russia, Saint-Gobain has decided to halt all its exports to customers in Russia and Belarus, and all its imports from these two countries.

Nevertheless, its local Russian operations, which represent around 0.7% of the Group's worldwide sales and 1.1% of its operating income and do not involve any local partnerships, continue to operate in an autonomous mode, with locally produced solutions sold exclusively on local construction markets.

In Ukraine, the plaster production plant in the west of the country has been operational since November 2024. However, sales reported in 2025 were still not material for the Group.

In organizational terms, Ukraine is included in a Poland-Ukraine cluster falling under the direct responsibility of the management team in Poland.

Scope of consolidation

Insofar as the Group continues to produce and sell in Russia for the local market, and to ensure its local business can continue to operate with complete autonomy of management, Saint-Gobain still controls its Russian subsidiaries.

In accordance with IFRS 10, its Russian and Ukrainian companies have not therefore been deconsolidated and were still included in the Group's scope of consolidation for the preparation of the consolidated financial statements for the year ended December 31, 2025.

Asset impairment review

Total non-current assets in Russia represent €298 million, or 0.8% of the Group's total non-current assets at December 31, 2025 (€159 million at December 31, 2024).

The value of the consolidated net assets of the Group's Russian entities was €432 million at December 31, 2025 (€303 million at December 31, 2024). Cumulative currency translation adjustments recognized at December 31, 2025 for the Russian entities represented a negative amount of €191 million (negative €261 million at December 31, 2024).

No indication of impairment was identified for these companies. Consequently, no impairment losses related to the Russia-Ukraine conflict were recognized in 2025.

Financial risks

Given the Group's limited presence in Russia and Ukraine, the conflict has not generated any credit or liquidity risks, and forex exposure is also being managed effectively.

Group cash and cash equivalents held in Russia represented €125 million, i.e., 1.6%, of the Group's total cash and cash equivalents at December 31, 2025. The Group does not consider these cash and cash equivalents to be restricted within the meaning of IAS 7, insofar as it is available for use in local operations, including for the purposes of international trade. However, cash repatriation is constrained by international sanctions and local capital control measures.

Since March 2, 2022, the Group has been using the Russian ruble exchange rate published by Reuters for the translation of its consolidated financial statements.

While the Russia-Ukraine conflict has not had a direct material impact on the financial statements for the year ended December 31, 2025, the situation remains unstable and complex. The Group therefore remains vigilant in analyzing the potential future impacts of the conflict.

2.2.3 Impact of the Middle East conflicts on the Group's strategy and financial performance

The Group does not have any operations in the countries directly involved in the main conflicts in the Middle East. The only exception is Lebanon, where the Group's operations remain nevertheless very limited, with sales and total non-current assets representing less than 0.5% of the Group's consolidated data.

Nevertheless, the Group is keeping a close watch on its operations, particularly on account of the risk that the conflict extends across the rest of the region.

2.2.4 Impact of new US tariffs on the Group's strategy and financial performance

In early 2025, the United States introduced significantly higher tariffs on several categories of imported goods, notably steel and aluminum. The move prompted similar measures from several of their trading partners, heightening geopolitical tensions and disrupting global supply chains. In the second half of 2025, tensions partially eased following the signature of bilateral agreements (European Union, Japan, United Kingdom, etc.) limiting tariff increases, and the implementation of a trade truce with China in particular.

In this context, Saint-Gobain's multi-local approach, based on market proximity and geographic diversification, has strengthened the Group's resilience to disruptions in international trade. Thanks to its local value chains – industrial facilities, logistics, purchasing, brands, sales and customers – the Group is perfectly positioned in local construction markets, with no direct exposure to customs barriers.

As a result, changes in tariffs did not have a material impact on the Group's consolidated financial statements for 2025. Accordingly, no indications of impairment were identified in the Group's activities, and no impairment losses were recognized in respect of the impact of tariffs at the end of the 2025 reporting period.

However, such developments introduce an element of uncertainty into the global macroeconomic environment, which the Group continues to monitor with vigilance.

NOTE 3 CLIMATE ISSUES

3.1 Climate issues at the heart of the Group's strategy

Saint-Gobain develops and proposes solutions to help decarbonize the construction sector and its customers' markets. Sustainability matters are essential in supporting the Group's growth.

The innovative solutions developed by Saint-Gobain help to:

- improve the energy performance of buildings so as to reduce both the negative impact of construction on the environment and their occupants' energy bills, while also enhancing occupant well-being. Saint-Gobain's solutions play an important role in the fight against climate change, since they reduce the amount of greenhouse gas emissions by reducing energy use;
- encourage the replacement of heavy materials (cement, concrete, brick) by light materials (plasterboard structures when feasible, etc.);
- better anticipate the impacts of climate change on buildings and infrastructure: preserving buildings and user comfort in the face of the combined effects of rising temperatures and weather events (drought, floods, fires, storms);
- accelerate the decarbonization of heavy materials, industrial processes and mobility.

Following the acquisition of Chryso and GCP Applied Technologies Inc. (GCP), the Group further strengthened, in 2025, its position in construction chemicals, whose products play a significant role in helping to decarbonize construction through the design of innovative additives and admixtures that reduce the carbon footprint of cement and concrete. In 2025, Saint-Gobain notably acquired Fosroc (India / Middle East / Asia-Pacific), Ovniver/Cemix (Mexico and Central America), Maturix (Denmark), Interstar Materials (North America), Isoltech (Italy) and Soquimic (Peru), while in December, it formed a joint venture in Indonesia with a subsidiary of Indocement.

In 2019, the Group committed to achieving net-zero-emissions by 2050. This commitment was validated by the Science Based Targets initiative (SBTi) in September 2022, considering the Group's roadmap to be consistent with the new net-zero standard and the Paris climate agreement.

In order to meet this net-zero emissions target by 2050, in November 2020, Saint-Gobain defined an initial roadmap for the period to 2030. The roadmap identifies the levers and action plans that will enable the Group to meet its goal of a 33% absolute reduction in scope 1 and 2 carbon emissions compared to a 2017 baseline, and a 16% reduction in scope 3 emissions.

To coincide with the launch of its "Lead & Grow" strategic plan, Saint-Gobain published a new medium-term emissions reduction target for scopes 1 and 2. Given the uncertainties as to changes in standards for determining scope 1, 2 and 3 emissions, and the SBTi's extension of the validity of its targets through to 2030, the Group has defined a new target - which will be revised if necessary - consisting of a reduction of between 40% to 45% in its scope 1 and scope 2 emissions between 2017 and 2035 in absolute terms.

At the end of 2025, the Group had reduced its scope 1 and scope 2 CO₂ emissions by 35% compared to the 2017 baseline. This performance is equivalent to that measured at the end of 2024 on a like-for-like basis, i.e., including recent acquisitions, particularly CSR.

3.2 Taking into account the "net-zero-emissions" commitment when preparing the Group's financial statements

In line with these commitments and targets, the Group has taken into account climate change and sustainable development matters in its financial statements, mainly in the areas cited below.

A Group-wide commitment

All Regions have drawn up structured roadmaps for reducing CO₂ emissions. These roadmaps are broken down by country and entity, plant, project, and together, will be used to justify the Group's 2030 scope 1 and scope 2 emissions reduction targets and to set objectives for 2030-2050.

The roadmaps are reviewed each year in line with the Group's main financial deadlines (strategic plan, budget) and combine a large number of potential improvements, action plans and industrial projects (energy efficiency and energy mix; application of new technologies; growth in the circular economy; product reformulation, streamlining and design, etc.). The roadmaps contain measures for each site designed to reduce scope 1 direct emissions, and take into account the growing number of new Purchase Power Agreements (PPA) and Virtual Purchase Power Agreements (VPPA) on a country-by-country basis aimed at reducing scope 2 indirect emissions.

After the world firsts achieved by the Group in recent years, notably net zero-carbon production (scopes 1 and 2) of flat glass in France and plasterboard in Norway, it pursued its carbon reduction measures in 2025, including:

- decarbonization of production processes:
 - Installation of a state-of-the-art electric furnace to power the stone wool production line in Spain and reduce CO₂ emissions by 70% (scope 1 and 2) compared with 2017. The Azuqueca plant is supplied with zero-carbon electricity thanks to a PPA signed in 2022, which guarantees the supply of green electricity until 2034;
 - Inauguration in Montreal, Canada, of the first zero-carbon (scope 1 and 2) plasterboard plant in North America, powered by 100% renewable energy (hydroelectricity);
 - Launch of the lowest carbon insulation plant in the world at the Isover plant in Forssa, Finland, which is now powered exclusively by decarbonized energy (biogas and hydroelectricity).
- development of sustainable solutions:
 - UK launch of plasterboard made from 100% recycled plaster. The “Gyproc SoundBloc Infinalé 100” marks a major milestone for the whole industry toward greater circularity, as it is among the world’s first plasterboards manufactured entirely from gypsum recycled materials. It uses plaster waste from construction sites.

Renewable electricity purchase agreements

In 2025, 70% of the electricity consumed by the Group was decarbonized (67% in 2024).

The Group is continuing to negotiate and enter into renewable electricity supply (scope 2) contracts either with physical electricity delivery (Power Purchase Agreement – PPA), or financial contracts without physical delivery, including a cash settlement based on the difference between the contract price and the market price (Virtual Power Purchase Agreement – VPPA). Saint-Gobain analyzes the accounting treatment for such agreements before they are set up. They are accounted for in accordance with either IFRS 16 for leases, IAS 16 for in-substance purchases of an asset, IFRS 9 for financial instruments, or IAS 37 for regular purchase agreements qualifying for the own-use exemption provided for in IFRS 9.2.4.

The majority of the agreements signed by the Group are PPAs that are considered as agreements covered by the IFRS 9.2.4 own-use exemption. The Group is also party to four VPPAs, which are financial instruments accounted for under IFRS 9.

The most material agreements (>200 GWh over the term of the contract) at December 31, 2025 are presented in the table below along with their main characteristics:

Type of contract	Location	Type of energy	Estimated annual generation	% of country consumption	Start date	Contract duration	Accounting treatment
VPPA	USA (Blooming Grove)	Wind	460 GWh	> 25%	2020	12 years	IFRS 9 (derivatives)
VPPA	USA (Cotton Bayou)	Solar	452 GWh	> 25%	2024	10 years	IFRS 9 (derivatives)
VPPA	USA (Danish fields)	Solar	224 GWh	> 10%	2024	15 years	IFRS 9 (derivatives)
PPA	India	Mix	189 GWh	> 25%	2024	20 years	Purchase contract
VPPA	Poland	Wind	180 GWh	> 25%	2025	15 years	IFRS 9 (derivatives)
PPA	France	Wind	175 GWh	> 10%	2026	5 years	Purchase contract
PPA	Romania	Mix	160 GWh	> 75%	2026	5 years	Purchase contract
PPA	Spain	Mix	150 GWh	> 25%	2024	10 years	Purchase contract
PPA	France	Mix	108 GWh	> 10%	2026	20 years	Purchase contract
PPA	India	Mix	96.6 GWh	> 10%	2023	25 years	Purchase contract
PPA	USA (Chowchilla)	Solar	78 GWh	< 10%	2023	15 years	IFRS 16
PPA	India	Mix	56 GWh	< 10%	2026	15 years	Purchase contract
PPA	France	Solar	36 GWh	< 10%	2024	15 years	Purchase contract
PPA	India	Mix	36 GWh	< 10%	2024	20 years	Purchase contract
PPA	India	Mix	35 GWh	< 10%	2024	15 years	Purchase contract
PPA	India	Solar	35 GWh	< 10%	2027	20 years	Purchase contract
PPA	Morocco	Wind	35 GWh	< 75%	2025	20 years	Purchase contract
PPA	India	Solar	29 GWh	< 10%	2026	15 years	Purchase contract
PPA	Germany	Solar	28 GWh	< 10%	2026	10 years	Purchase contract
PPA	Italy	Wind	22 GWh	> 10%	2024	12 years	Purchase contract
PPA	Germany	Solar	21 GWh	< 10%	2026	10 years	Purchase contract
PPA	India	Solar	20 GWh	< 10%	2024	15 years	Purchase contract
PPA	Spain	Solar	18.5 GWh	< 10%	2023	12 years	Purchase contract
PPA	India	Wind	17 GWh	< 10%	2024	15 years	Purchase contract
PPA	Romania	Solar	12 GWh	< 10%	2023	20 years	Purchase contract

In accordance with IFRS 9, VPPAs are measured at fair value through profit or loss, with the exception of one VPPA qualified as a hedge (Poland VPPA), for which changes in fair value are recognized in other comprehensive income. The impact of changes in fair value of VPPAs on the Group’s financial statements for the year ended December 31, 2025 is overall not material.

Carbon Contracts for Difference (CCfD) - Germany

Nature and purpose of the scheme

As part of its climate policy to achieve carbon neutrality by 2045, in 2024 the German government launched its Carbon Contracts for Difference (CCfD) to support the decarbonization of energy-intensive industries (e.g., steel, cement, chemicals, paper, glass, etc.). With the aim of accelerating investment in low-carbon processes, these contracts guarantee a reference price for CO₂ over a period of up to 15 years, designed to offset the extra cost of low-carbon technologies compared with conventional processes. The bilateral mechanism works as follows:

- if the price of CO₂ on the market is lower than the reference price, the government pays the company the difference;
- if the price of CO₂ on the market is higher than the reference price, the company pays the difference back to the government.

The Saint-Gobain Group has entered into two contracts with the German Federal Ministry for Economic Affairs and Climate Action (BMWK) for two of its plants in Germany: one specializing in the manufacture of glass and the other in the production of mineral wool insulation materials. These contracts cover both capital expenditure for the construction of low-carbon facilities and operating expenditure over a 15-year period. The Group's commitment, as set out in the contracts, is to cut emissions by 90% compared with conventional technologies by the end of the contract period.

Accounting treatment in the consolidated financial statements

The CCfD entered into by the Group with the German government were analyzed in light of IFRS 9 since they meet the criteria for classification as a derivative instrument: namely, their value changes in response to changes in the price of CO₂ on the European market (EU ETS), they do not require significant initial investment, and the contracts are settled at a future date.

In accordance with IFRS 9, the two contracts were therefore recognized at fair value on initial recognition for a total of €281 million. At the reporting date, they were remeasured at fair value for €311 million, with the change in fair value recognized in business income in an amount of €30 million. Fair value is calculated using valuation models developed by an independent expert, incorporating notably forward CO₂ prices, expected volatility and discount rates.

These contracts also meet the criteria of a government grant. The grant corresponds to the future compensation to be received from the German government to cover the additional costs associated with the transition to low-carbon technology. In this respect, upon initial recognition of the contracts, deferred income was also recognized on the liabilities side of the balance sheet for an amount equal to the fair value of the derivatives, i.e., €281 million. This amount will be written back in accordance with IAS 20, either as a reduction in the cost of assets for investment subsidies, or as income as and when the operating expenses covered by the contracts are booked.

At the reporting date, the net amount to be written back represented €281 million, taking into account the expenses incurred during the year.

Measurement and tracking of value chain emissions (scope 3)

The scope 3 categories on which the Group has real leverage and which are subject to SBTi validation are mainly upstream categories (purchases of raw materials and trading products, energy purchases and transport). The Group is continuing its efforts to improve the quality and quantity of available data using a fine-tuned tool that regularly tracks emissions in the main scope 3 categories. The aim is to build an efficient and automated data model in this area.

In the raw materials and trading products, the Group's main suppliers (the biggest contributors to CO₂ emissions) are now asked to disclose, via a dedicated portal, their carbon footprints and goals.

Management of CO₂ emissions allowances

At the end of 2025, the Saint-Gobain Group had a stock of 3.4 million tonnes of greenhouse gas emissions allowances from the European Commission.

In 2025, upon expiry of the forward contracts signed in 2024, the Group made purchases of 0.5 million tonnes of CO₂ emissions allowances at an average price of €67 per tonne, as well as a spot purchase of 0.07 million tonnes of CO₂ emissions allowances at an average price of €72 per tonne. It also made forward purchases of 0.2 million tonnes of CO₂ emissions allowances at an average price of €66 per tonne, maturing in July 2026.

Accounting for forward purchases of CO₂ emissions allowances involves application of the IFRS 9 own-use exemption, which means that the nominal amount of these purchases is recorded off-balance sheet for subsidiaries until the allowances are delivered.

As of end-2025, the Group expects to be self-sufficient in terms of CO₂ emissions allowances for more than three years.

Sustainable investments, research and development expenditure, and other expenditure aimed at combating climate change and protecting the environment

Investments to reduce CO₂ emissions are tracked monthly in the Group's financial reporting.

In 2025, the Group spent €213 million on capital projects and research and development (2024: €251 million) to accelerate the reduction in its CO₂ emissions under scopes 1, 2 and 3.

Financing activities

In 2022, Saint-Gobain successfully priced a Sustainability-Linked Bond, of which a 10-year tranche of €500 million is indexed to two sustainable performance targets calculated through to 2030 compared to the 2017 baseline (reduce scope 1 and 2 CO₂ emissions by 33%, and reduce non-recovered production waste by 80%).

In December 2023, Saint-Gobain also signed a €4 billion Sustainability-Linked Loan initially maturing in December 2028, with two options for an additional one-year extension each. The first, exercised at the end of 2024, brought the current maturity to December 2029; its margin is indexed to three performance indicators relating to Saint-Gobain's sustainability roadmap to 2030, compared with the 2017 baseline year (reduce by 33% absolute scope 1 and 2 CO₂ emissions, achieve an 80% reduction in non-recovered production waste, and maintain a frequency rate for workplace accidents at or below 1.5 per 1 million hours worked). Lastly, in March 2024, Saint-Gobain successfully priced its first green bond with a double tranche issue (€1 billion with a 6-year maturity and a 3.375% coupon, and €1 billion with a 10-year maturity and a 3.625% coupon). The proceeds were used to finance projects aligned with the European taxonomy, and a report on the allocation and impact of this issue is available on the Group's website.

3.3 Corporate governance

CSR committees

Both the Board of Directors and the Group Executive Committee have set up a CSR Committee.

Internal carbon price

The Group set its internal carbon prices at €100 per tonne of CO₂ for evaluating capital expenditure decisions, and €200 per tonne for evaluating R&D projects.

Executive compensation policy

Recognizing that climate change is a strategic matter for the Group, Saint-Gobain has included CO₂ emissions reduction in the key performance indicators used to determine the short- and long-term compensation plans of Group executives.

CSR objectives determine 20% of amounts paid out under long-term plans, and 15% of annual variable compensation, while CO₂ objectives now account for 10% of long-term plans and 5% of annual variable compensation.

3.4 Asset impairment tests and net CO₂ emissions

As stated in the section on asset impairment reviews (see note 7.5.3, p. 41), the Group includes sensitivity to changes in the price of CO₂ emissions allowances in its annual impairment tests.

As a reminder, no indications of impairment were identified for any of the net assets in the groups of CGUs, given the headroom observed for all groups of CGUs.

3.5 Climate impact assessment on Group assets

In 2023, with the help of an external firm, Saint-Gobain began an assessment of assets at nearly 500 of its biggest industrial and logistics sites to identify its exposure to physical risks related to the impact of climate change (floods, forest fires, cyclones, storms, droughts and heat stress), as well as earthquakes, on its activities. The study showed that the identified risks do not represent a material financial impact for the Group. The 2024 edition of the study, which was expanded to include 51 Australian CSR sites, confirmed the findings of the initial 2023 study.

3.6 Regulatory developments

The Group is continuing its impact assessments and its work on applying new regulations related to climate change and the energy transition.

NOTE 4 SCOPE OF CONSOLIDATION

4.1 Accounting principles related to consolidation

The Group's consolidated financial statements include the accounts of Compagnie de Saint-Gobain and of all companies controlled by the Group, as well as those of jointly controlled companies and companies over which the Group exercises significant influence.

4.1.1 Consolidation methods

Full consolidation

Companies over which the Group exercises control, either directly or indirectly, are fully consolidated.

Joint arrangements

Joint arrangements that meet the definition of joint ventures are accounted for by the equity method. Balance sheet and income statement items relating to joint arrangements that meet the definition of joint operations are consolidated line-by-line based on the amount actually contributed by the Group.

Equity accounting

Companies over which the Group directly or indirectly exercises significant influence are accounted for by the equity method.

The Group's share of the income of equity-accounted companies is shown on two separate lines of the income statement. The income of equity-accounted companies whose main business activity is in keeping with the Group's core operational business is presented in business income under "Share in net income of core business equity-accounted companies", while the income of other equity-accounted companies is shown under "Share in net income of non-core business equity-accounted companies" in pre-tax income.

4.1.2 Business combinations

Step acquisitions and partial disposals

When the Group acquires control of an entity in which it already holds an equity interest, the transaction is treated as a step acquisition (an acquisition in stages), as follows: (i) as a disposal of all the previously held interest, with recognition of any resulting gain or loss in the consolidated financial statements, and (ii) as an acquisition of all of the shares, with recognition of the corresponding goodwill on the entire interest.

In the event of a partial disposal resulting in the loss of control (but with the Group retaining a non-controlling interest), the transaction is also treated as both a disposal and an acquisition, as follows: (i) as a disposal of the entire interest, with recognition of any resulting gain or loss in the consolidated financial statements, and (ii) as an acquisition of a non-controlling interest, measured at fair value.

Potential voting rights and share purchase commitments

When the Group has control, potential voting rights conferred by call options on non-controlling interests are taken into account when determining the Group control.

When calculating its percentage interest in controlled companies, the Group considers the impact of cross put and call options on minority interests in the companies concerned. This approach gives rise to the recognition in the financial statements of an investment-related liability, included within other provisions and non-current liabilities, corresponding to the present value of the estimated exercise price of the put option, with a corresponding reduction in non-controlling interests and shareholders' equity. Any subsequent changes in the fair value of the liability are recognized by adjusting equity.

Non-controlling interests

Under IFRS 10, non-controlling interests are considered as a shareholder category (single economic entity approach). As a result, changes in minority interests with no loss of control continue to be recorded in the statement of changes in equity and have no impact on the income statement or balance sheet, except for changes in cash and cash equivalents.

4.1.3 Assets and liabilities held for sale - Discontinued operations

Assets and liabilities that are immediately available for sale, and for which a sale is highly probable within the next 12 months, are classified as assets and liabilities held for sale. When several assets are held for sale in a single transaction, they are accounted for as a disposal group, which also includes any liabilities directly associated with those assets. Depreciation/amortization ceases when non-current assets are classified as held for sale. Assets and liabilities held for sale are presented separately on two lines of the consolidated balance sheet, and income and expenses continue to be recognized in the consolidated income statement on a line-by-line basis. The reclassified assets are carried at the lower of their fair value less costs to sell and their carrying amount. At the end of each reporting period, the value of the assets and liabilities held for sale is reviewed to determine whether any impairment or reversals should be recorded due to a change in their fair value less costs to sell.

An operation is classified as discontinued when it represents a separate major line of business for the Group, and when the criteria for classification as an asset held for sale have been met, or when the Group has sold the asset. Discontinued operations are reported on a single line in the Group's income statement. This line shows the after-tax net income from discontinued operations until the date of disposal and the gains or losses net of taxes realized on the disposals of these operations. In addition, cash flows generated by the discontinued operations are reported, by type of operation, on a separate line in the consolidated statement of cash flows for the relevant periods.

4.1.4 Intragroup transactions

All intragroup transactions in the balance sheet and income statement are eliminated in consolidation.

4.1.5 Translation of the financial statements of foreign companies

The consolidated financial statements are presented in euros, which is Compagnie de Saint-Gobain's functional and presentation currency.

Assets and liabilities of subsidiaries outside the Eurozone are translated into euros at the closing exchange rate, while income and expense items are translated using the average exchange rate for the period.

The Group's share of any translation gains or losses is included in equity under "Cumulative translation adjustments" until the assets or liabilities and all foreign operations to which they relate are sold, liquidated or deconsolidated. In this case, these translation differences are either taken to the income statement, if the transaction results in a loss of control, or recognized directly in the statement of changes in equity, if the change in minority interests does not result in a loss of control.

4.1.6 Foreign currency transactions

Expenses and income from operations in currencies other than the Company's functional currency are translated at the exchange rates prevailing at the transaction date. Assets and liabilities denominated in foreign currencies are translated at the closing rate and any exchange differences are recorded in the income statement. However, exchange differences relating to loans and borrowings between consolidated Group companies are recorded in equity, net of tax, under "Cumulative translation adjustments", as they are in substance an integral part of the net investment in a foreign subsidiary.

4.1.7 Hyperinflation

Under IAS 29, "Financial Reporting in Hyperinflationary Economies", financial statements prepared based on historical cost must be restated. This involves applying a general price index that enables the financial statements to be presented in the measuring unit in force at the reporting date. All non-monetary assets and liabilities must therefore be adjusted for inflation in order to reflect changes in purchasing power at the reporting date. Similarly, the income statement is adjusted for inflation during the period. Monetary items do not need to be restated as they already reflect purchasing power at the reporting date.

Argentina

Argentina has been classified as a hyperinflationary economy since July 1, 2018. IAS 29 therefore applies to entities using the Argentine peso as their functional currency (based on the table of indices issued by FACPCE).

Lebanon

Lebanon has been classified as a hyperinflationary economy since October 2020. As from December 31, 2020, IAS 29 is therefore applicable to entities using the Lebanese pound as their functional currency.

The Group's exposure to Lebanon is not material, as sales and total non-current assets in the country represent less than 0.5% of the Group's consolidated data.

Turkey

Since February 2022, Turkey has had a three-year cumulative inflation rate above 100% and was therefore included in the list of hyperinflationary economies in March 2022. IAS 29 therefore applies to entities using the Turkish lira as their functional currency.

4.2 Changes in Group structure

Significant changes in the Group's structure during 2025 and 2024 are presented below and a list of the main consolidated companies at December 31, 2025 is provided in note 16, p.67.

4.2.1 Transactions carried out in 2025

In 2025, Saint-Gobain completed 17 acquisitions of controlled companies or controlled groups of assets for a total purchase price of €1,876 million. The Group also sold six controlled companies or controlled groups of assets for a net sale price of €40 million.

Main acquisitions in 2025

Acquisitions represented full-year sales of €862 million and EBITDA of €160 million.

- On January 15, 2025, Saint-Gobain completed the acquisition announced on August 15, 2024 of Ovriver group, a leading, unlisted construction chemicals player in Mexico and Central America (see note 2.1.1 p. 8);
- On February 7, 2025, Saint-Gobain completed the acquisition of Fosroc, a leading, unlisted global construction chemicals player (see note 2.1.2 p. 8). The allocation of Fosroc's and Ovriver's purchase price to the assets acquired and the liabilities and debts assumed at the acquisition date is shown in the table below.
- On June 18, 2025, Saint-Gobain announced the acquisition of Maturix, based in Denmark, a leading construction chemicals provider;
- On July 29, 2025, Saint-Gobain reinforced its construction chemicals platform with three bolt-on acquisitions:
 - Interstar Materials (North America): a leading manufacturer of granular pigments for concrete, enriching the Group's range of decorative concrete solutions.

Interstar Materials operates three industrial facilities, in Canada and the United States,

- Isoltech (Italy): a manufacturer of additives used in the production of lightweight concrete, providing high-performance thermal and acoustic solutions. This acquisition strengthens the Group's expertise in the ready-mix, precast and screed markets,
- Soquimic (Peru): a local manufacturer of concrete admixtures, consolidating Saint-Gobain's presence in Peru following the acquisition of Z Aditivos in 2021. This acquisition complements Weber's tile adhesives and façade renders.

The process of identifying and measuring at fair value the assets acquired and liabilities assumed (purchase price allocation - PPA) within the scope of the acquisitions carried out in 2025 began during the year

and will be finalized within 12 months of each acquisition date.

In 2025, the Group finalized the fair value measurement of each major category of assets acquired and liabilities and debt assumed of its two main acquisitions in 2024, namely the Bailey group in Canada and CSR Ltd in Australia. Regarding the Bailey group, final goodwill amounted to €262 million (based on currency exchange rate at acquisition date), based on the amounts allocated to customer relationships (€156 million), intellectual property (€28 million), and brands (€24 million). Regarding CSR Ltd, final goodwill amounted to €610 million (based on currency exchange rate at acquisition date), based on the amounts allocated to customer relationships (€159 million), brands (€130 million) and provisions for asbestos-related litigation (€187 million).

The table below shows the fair value of each major category of assets acquired and liabilities and debt assumed:

<i>(in EUR millions)</i>	Fosroc	Ovniiver	Other newly-consolidated companies *	Total at the acquisition date
Intangible assets	652	313	70	1,035
Property, plant and equipment, and right-of-use assets	44	71	112	227
Financial assets and other non-current assets	23	7	48	78
NON-CURRENT ASSETS	719	391	230	1,340
Inventories	43	18	23	84
Trade accounts receivable	106	42	27	175
Other receivables	46	22	5	73
Cash and cash equivalents	23	11	46	80
CURRENT ASSETS	218	93	101	412
Non-current portion of long-term debt and lease liabilities	31		36	67
Non-current portion of provisions and other liabilities	14	5	55	74
Deferred tax liabilities	149	96	57	302
NON-CURRENT LIABILITIES	194	101	148	443
Current portion of long-term debt and lease liabilities	15	2	(16)	1
Current portion of provisions and other liabilities			2	2
Trade accounts payable	75	32	17	124
Other payables	48	27	13	88
Short-term debt and bank overdrafts			1	1
CURRENT LIABILITIES	138	61	17	216
TOTAL FAIR VALUE OF NET ASSETS ACQUIRED	605	322	166	1,093
Fair value of the consideration paid	943	744	377	2,064
Non controlling interests	84		(1)	83
GOODWILL	422	422	210	1,054

* Other newly consolidated companies also include final adjustments to the PPA for the 2024 acquisitions.

Main disposals in 2025

Disposals represent full-year sales in the amount of €352 million.

The main companies deconsolidated in 2025 are summarized below:

- On July 8, 2025, Saint-Gobain signed a definitive agreement with the German group Köster for the sale of Brüggemann, a specialist in the production and installation of prefabricated solutions;
- On October 1, 2025, Saint-Gobain finalized the transfer of Saint-Gobain Weber GmbH dry mortars to the long-existing joint venture "Franken Maxit Mauermörtel GmbH & Co. KG", 50%-owned by Saint-Gobain, to establish a national leadership position in Germany;

- On November 3, 2025, Saint-Gobain finalized its divestment of SFIC Belgium, a specialist construction materials distribution business for plasterboard, insulation and ceilings in the Belgian market;
- On December 1, 2025, Saint-Gobain finalized its divestment of Tumelero, a retail chain specializing in construction materials with a strong presence in southern Brazil.

These disposals are part of Saint-Gobain's portfolio optimization strategy, which is designed to improve the Group's growth and profitability profile.

4.2.2 Transactions carried out in 2024

In 2024, Saint-Gobain acquired 20 controlled companies or controlled groups of assets for a total purchase price of €3,606 million. The Group also sold 10 controlled companies or controlled groups of assets for a net sale price of €83 million.

The main transactions are summarized below:

- On January 5, 2024, Saint-Gobain completed the sale to SOPREMA of a majority stake in its polyisocyanurate insulation (PIR) activity in the United Kingdom under the Celotex brand;
- On January 15, 2024, Saint-Gobain signed a definitive agreement to acquire Glass Service a.s., a leading provider of digital solutions for glass furnaces, including advanced control systems and simulation software, which enable customers to reduce their energy consumption. This acquisition complements Saint-Gobain's range of digital services offering predictive, diagnostic, and data-driven solutions to improve energy efficiency for its customers and reduce the carbon footprint of their products and processes;
- On January 18, 2024, Saint-Gobain announced two acquisitions in the attractive non-residential flooring market, strengthening its presence in this segment of the construction chemicals industry:
 - R.SOL is a French manufacturer of resin-based flooring solutions. This acquisition enlarges Saint-Gobain's portfolio thanks to R.SOL's wide range of diversified resins, differentiating technology and large customer base.
 - Technical Finishes is a leading player in resin flooring solutions in South Africa. The acquisition reinforces Saint-Gobain's profitable growth profile in South Africa and elsewhere on the African continent.
- On February 2, 2024, Saint-Gobain completed the acquisition of International Cellulose Corporation (ICC), a leading manufacturer of specialty insulation in the United States, including spray-on thermal, fireproofing and acoustic finish systems for the US non-residential market. ICC's insulation solutions are manufactured with natural, plant-based fibers (primarily cellulose) and high recycled content, containing high levels of sequestered carbon. This acquisition enables Saint-Gobain to round out its offer for building envelope protection.
- On March 1, 2024, Saint-Gobain completed the sale of its treated timber products business in Ireland (PDM) to the livari Mononen group;
- On June 3, 2024, Saint-Gobain completed the acquisition, announced on April 3, 2024, of the Bailey group ("Bailey"), a privately owned manufacturer of metal building solutions for light construction in Canada;
- On July 9, 2024, Saint-Gobain completed the acquisition of CSR Limited;
- On August 30, 2024, Saint-Gobain completed the sale of Freeglass GmbH & Co. KG, the Group's manufacturer of exterior plastic parts for the

automotive industry, to HF Opportunities GmbH, a subsidiary of Hannover Finanz;

- On November 29, 2024, Saint-Gobain completed the sale of PAM Building, the Saint-Gobain PAM subsidiary (Pipe business) specialized in wastewater and stormwater drainage solutions for buildings, to the French institutional investment fund Aldebaran, with Bpifrance (France's public investment bank) acquiring a minority stake;
- On December 2, 2024, İzocam, a leading insulation manufacturer in Turkey owned jointly by Saint-Gobain and Alghanim Industries (Kutayba Alghanim Group), completed the acquisition of 100% of His Yalıtım, a local stone wool producer. This acquisition consolidates İzocam's presence in Turkey. It increased Saint-Gobain's share of the Turkish sustainable construction market, with leading positions in insulation, plaster and plasterboard, and construction chemicals.
- On December 3, 2024, Saint-Gobain completed the acquisition of Kilwaughter, a leading player in the construction chemicals market (façade mortars) in the United Kingdom and Ireland. The transaction strengthened Saint-Gobain's sustainable construction offering in the United Kingdom and Ireland.

In 2024, acquisitions represented full-year sales of around €1,824 million and EBITDA of around €322 million, while disposals represented full-year sales of around €292 million.

4.3 Assets and liabilities held for sale

As the sale of Tumelero (the Group's construction materials distribution business in Brazil) was effective December 1, 2025, assets and liabilities held for sale at December 31, 2025 no longer include that company.

Assets and liabilities held for sale at December 31, 2025 include:

- Calders & Grandidge in the United Kingdom;
- Saint-Gobain Distribuição Brasil Ltda in Brazil.

These planned disposals are part of Saint-Gobain's portfolio optimization strategy, which is designed to improve the Group's growth and profitability profile.

Since the assets and liabilities held for sale meet the qualifying criteria (see note 4.1.3, p. 15), the balance sheet items of these entities were combined and measured within assets and liabilities held for sale in the consolidated balance sheet at December 31, 2025, in accordance with IFRS 5.

These entities in the process of being sold were not considered as discontinued operations within the meaning of IFRS 5 as they do not represent a major line of business for the Group.

For confidentiality reasons, the position of each individual company at December 31, 2025 is not disclosed.

Assets and liabilities held for sale break down as follows:

<i>(in EUR millions)</i>	Dec. 31, 2025	Dec. 31, 2024
Intangible assets, property, plant and equipment, right-of-use assets and other non-current assets	26	20
Inventories, trade accounts receivable and other receivables	76	97
Cash and cash equivalents	33	38
ASSETS HELD FOR SALE	135	155
Other current and non-current liabilities and provisions	28	20
Trade accounts payable, other payables and other current liabilities	70	84
Debt and bank overdrafts	42	59
LIABILITIES HELD FOR SALE	140	163
NET ASSETS (LIABILITIES) HELD FOR SALE	(5)	(8)

4.4 Changes in the number of consolidated companies

At December 31, 2025, the number of consolidated companies was as follows:

	France	Outside France	Total
FULLY CONSOLIDATED COMPANIES			
AT DECEMBER 31, 2024	117	756	873
Newly consolidated companies	7	69	76
Merged companies	(10)	(27)	(37)
Deconsolidated companies	(1)	(19)	(20)
Change in consolidation method	1	1	2
AT DECEMBER 31, 2025	114	780	894
EQUITY-ACCOUNTED COMPANIES AND JOINT ARRANGEMENTS			
AT DECEMBER 31, 2024	5	97	102
Newly consolidated companies	3	3	6
Deconsolidated companies	(1)	(11)	(12)
Change in consolidation method	(1)	(1)	(2)
AT DECEMBER 31, 2025	6	88	94
TOTAL AT DECEMBER 31, 2024	122	853	975
TOTAL AT DECEMBER 31, 2025	120	868	988

4.5 Off-balance sheet commitments related to companies within the scope of consolidation

At December 31, 2025, non-cancelable purchase commitments related to companies within the scope of consolidation are not material.

NOTE 5 INFORMATION CONCERNING THE GROUP'S OPERATING ACTIVITIES

5.1 Income statement items

5.1.1 Revenue recognition

Revenue generated by the sale of goods or services is recognized net of rebates, discounts and sales taxes when control of the goods or services has been transferred to the customer. Revenue generated by the sale of goods is primarily recognized at the time the goods are delivered. Revenue generated by the sale of services is recognized when the services have been rendered, or based on the stage of completion of the services, as calculated based on costs incurred. Similarly, within the Distribution entities, estimated returns are recognized as a deduction from revenue (sales) and reclassified within inventories for their net carrying amount, since there is a possibility that goods will be returned within the allotted timeframe. A liability relating to future refunds for goods returned is also recognized.

Revenue generated under construction contracts is accounted for by the Group's companies on a percentage-of-completion basis, as calculated based on costs incurred. The related costs are expensed as incurred. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized to the extent of contract costs incurred that it is probable will be recovered. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

Construction contract revenues are not material in relation to total consolidated sales.

5.1.2 Operating income

Operating income is a measure of the performance of the Group's different reporting segments. Foreign exchange gains and losses are included in operating income, as are changes in the fair value of financial instruments that do not qualify for hedge accounting when they relate to operating items. The share of income of core business equity-accounted companies is also posted under operating income.

Supplier discounts granted to entities in the Distribution business are included in operating income as a reduction of cost of sales. Contractual supplier discounts are customary practice in the industrial goods distribution sector. These discounts are mostly calculated by applying a contractually guaranteed rate by product type to volumes purchased. The calculation is made automatically, based on the supplier invoices. Consequently, little judgment is needed when

determining the amounts to be recognized in the income statement for these discounts. Other discounts are calculated based on a step mechanism linked to specified targets, whereby the percentage discount increases as the entity achieves the various targets over a given period. In this case, judgment is required based on historical data, past performance and future trends in order to determine the discount to be recognized in the income statement. Such judgment is exercised in a prudent manner and consistently from one period to the next.

5.1.3 Business income

Business income includes all income and expenses other than financial income and expense, the Group's share in net income of non-core business equity-accounted companies, and income taxes.

Business income is detailed by type below:

<i>(in EUR millions)</i>	2025	2024
SALES	46,483	46,571
Personnel expenses:		
Salaries and payroll taxes	(9,458)	(9,299)
Share-based payments ⁽¹⁾	(89)	(72)
Pensions and employee benefit obligations	(148)	(100)
Depreciation and amortization of property, plant and equipment, intangible assets and right-of-use assets ⁽²⁾	(2,141)	(2,137)
Share in net income of core business equity-accounted companies	50	76
Other ⁽³⁾	(29,404)	(29,735)
OPERATING INCOME	5,293	5,304
Other business income	133	107
Other business expense ⁽²⁾	(875)	(1,034)
OTHER BUSINESS INCOME AND EXPENSE	(742)	(927)
BUSINESS INCOME (EXPENSE)	4,551	4,377

⁽¹⁾ Share-based payments (IFRS 2 expense) are detailed in note 6, p. 27.

⁽²⁾ Total depreciation and amortization of property, plant and equipment, intangible assets and right-of-use assets, along with amortization charged against intangible assets as part of the purchase price allocation, represented €2,431 million in 2025 versus €2,370 million in 2024.

⁽³⁾ The "Other" operating income line relates to cost of sales, supplier discounts and selling expenses for Distribution entities, and to transport costs, raw materials costs, and other production costs for the other entities. This item also includes research and development costs recorded under operating expenses, amounting to €588 million in 2025 (€585 million in 2024).

5.1.4 Other business income and expense

Other business income and expense mainly include changes in provisions for claims and litigation (excluding those arising in the ordinary course of business) and environmental matters, disposal gains and losses, asset impairment, amortization of intangible assets recognized

as part of the purchase price allocation, restructuring costs incurred upon the disposal or discontinuation of operations, the costs of workforce reduction measures and changes in the fair value of certain derivatives not eligible for hedge accounting, namely Virtual Power Purchase Agreements (VPPA) and Carbon Contracts for Difference (CCfD).

Other business income and expense can be analyzed as follows:

<i>(in EUR millions)</i>	2025	2024
Impairment of assets ⁽¹⁾	(216)	(291)
Amortization of intangible assets related to PPA ⁽²⁾	(290)	(233)
Other business items ⁽³⁾	(138)	(274)
Gains on disposals of non-current assets	133	107
Non-operating income and expense ⁽⁴⁾	(231)	(236)
OTHER BUSINESS INCOME AND EXPENSE	(742)	(927)

⁽¹⁾ The "Impairment of assets" line includes the impairment of goodwill, other intangible assets, property, plant and equipment, right-of-use assets, assets held for sale and other assets.

⁽²⁾ Amortization charged against brands and customer relationships is included on a separate line within "Other business income and expense" together with other gains and losses arising on business combinations which are not taken into account when determining the performance of the Group's operating segments.

⁽³⁾ In 2025, as in 2024, other business items mainly includes capital losses on assets divested or scrapped, acquisition costs, contingent consideration incurred in connection with business combinations, and the impact of changes in fair value of VPPAs and CCfD.

⁽⁴⁾ Non-operating income and expense mainly include claims-related charges and restructuring costs.

5.2 Segment information

In accordance with IFRS 8, segment information reflects the Group's internal organization as presented to management. As such the Group presents the segment information in line with its internal reporting. Segment assets and liabilities include net property, plant and equipment, working capital, goodwill and net other intangible assets, after deducting deferred taxes on brands and land, and assets and liabilities held for sale. Capital expenditure corresponds to acquisitions of property, plant and equipment and does not include right-of-use assets.

Under the Group's new organization (see note 2.1.4, p. 8), there are four major Regions. Segment information is thus presented for:

- **Northern Europe**, comprising the Nordic countries, United Kingdom, Ireland, Switzerland, Germany, Austria, Eastern Europe and Russia;
- **Southern Europe - Middle East (ME) & Africa**, comprising France, Benelux, Mediterranean, Middle East and Africa;
- **Americas**, comprising North America and Latin America;
- **Asia-Pacific**, comprising the Asia region as well as Australia and India;
- **Other**, comprising the Group's various holding companies.

Based on the new organization put in place on July 1, 2025, segment information for 2025 and 2024 is as follows:

2025

<i>(in EUR millions)</i>	Northern Europe	Southern Europe - ME & Africa	Americas	Asia-Pacific	Other ⁽¹⁾	Group Total ⁽²⁾
Sales	13,783	16,068	12,957	5,256	(1,581)	46,483
Operating income (loss)	1,182	1,257	2,230	698	(74)	5,293
Business income (loss)	900	1,150	1,913	676	(88)	4,551
Share in net income of equity-accounted companies	13	9	17	12	3	54
Operating depreciation and amortization	628	711	482	245	75	2,141
Impairment of property, plant and equipment and intangible assets	102	24	63	3	4	196
EBITDA	1,688	1,940	2,655	932	(12)	7,203
Acquisitions of property, plant and equipment and intangible assets ⁽³⁾	431	519	640	338	121	2,049
Goodwill, net ⁽⁴⁾	4,508	3,100	5,542	1,251	0	14,401
Brands, customer relationships and intellectual property ⁽⁴⁾	1,142	1,087	1,875	673	34	4,811
Total segment assets and liabilities ⁽⁴⁾	10,014	9,985	12,447	4,845	486	37,777

⁽¹⁾ "Other" corresponds to holding company transactions and to the elimination of intragroup transactions for internal sales.

⁽²⁾ France and United States sales represent €10,715 million and €7,881 million, respectively. Segment assets for France and the United States represent €6,961 million and €7,366 million, respectively.

⁽³⁾ This item does not include right-of-use assets.

⁽⁴⁾ "Goodwill, net" and "Brands, customer relationships and intellectual property" do not include assets relating to companies held for sale (assets and liabilities relating to companies held for sale are however included in the line "Total segment assets and liabilities").

2024

<i>(in EUR millions)</i>	Northern Europe	Southern Europe - ME & Africa	Americas	Asia-Pacific	Other ⁽¹⁾	Group Total ⁽²⁾
Sales	13,773	16,176	13,558	4,733	(1,669)	46,571
Operating income (loss)	1,168	1,329	2,279	615	(87)	5,304
Business income (loss)	953	1,180	1,882	585	(223)	4,377
Share in net income of equity-accounted companies	12	34	21	10	5	82
Operating depreciation and amortization	619	698	537	216	67	2,137
Impairment of property, plant and equipment and intangible assets	131	20	109	1	0	261
EBITDA	1,740	1,958	2,727	818	(38)	7,205
Acquisitions of property, plant and equipment and intangible assets ⁽³⁾	471	496	762	216	104	2,049
Goodwill, net ⁽⁴⁾	4,574	2,924	5,657	1,081	0	14,236
Brands, customer relationships and intellectual property ⁽⁴⁾	1,127	984	1,901	406	0	4,418
Total segment assets and liabilities ⁽⁴⁾	9,887	9,707	12,597	5,071	418	37,680

⁽¹⁾ "Other" corresponds to holding company transactions and to the elimination of intragroup transactions for internal sales.

⁽²⁾ France and United States sales represent €11,040 million and €8,585 million, respectively. Segment assets for France and the United States represent €7,128 million and €7,927 million, respectively.

⁽³⁾ This item does not include right-of-use assets.

⁽⁴⁾ "Goodwill, net" and "Brands, customer relationships and intellectual property" do not include assets relating to companies held for sale (assets and liabilities relating to companies held for sale are however included in the line "Total segment assets and liabilities").

Based on the new organization put in place on July 1, 2025, the breakdown of 2025 and 2024 sales by segment and for the Group's main countries or groups of countries is as follows:

	2025	2024
Northern Europe	28.3%	28.2%
Of which :		
Nordic countries	11.5%	11.5%
United Kingdom - Ireland	4.1%	3.9%
Germany - Austria	3.6%	4.0%
Southern Europe - ME & Africa	33.3%	33.4%
Of which :		
France	23.1%	23.7%
Spain-Italy	5.6%	5.4%
Americas	27.5%	28.7%
Of which :		
North America	19.8%	21.4%
Latin America	7.7%	7.3%
Asia-Pacific	10.9%	9.7%

No single external customer accounts for 10% or more of the Group's consolidated sales.

5.3 Performance indicators

5.3.1 EBITDA

Since the new "Lead & Grow" strategic plan was announced, EBITDA has been the main indicator used internally and externally to track the performance of the Group's segments. It represents operating income plus depreciation and amortization of property, plant and equipment, intangible assets and right-of-use assets, as well as non-operating income and expense.

EBITDA amounted to €7,203 million in 2025 (2024: €7,205 million), calculated as follows:

<i>(in EUR millions)</i>	2025	2024
Operating income	5,293	5,304
Depreciation/amortization of property, plant and equipment and intangible assets	1,394	1,410
Depreciation of right-of-use assets	747	727
Non-operating income and expense	(231)	(236)
EBITDA	7,203	7,205

5.3.2 Free cash flow

Free cash flow (FCF) is the surplus cash generated from the entity's activities. It represents EBITDA plus net financial income/(expense) (excluding dividends received from equity interests), income tax and changes in working capital, less depreciation of right-of-use assets and investments in property, plant and equipment and intangible assets excluding additional capacity investments.

5.3.3 Operating free cash flow

Operating free cash flow (OFCF) represents the surplus cash generated from the entity's operating activities and is calculated as operating income plus non-operating income and expense and changes in working capital, less operating depreciation and amortization, investments in

property, plant and equipment and intangible assets, and right-of-use assets.

5.3.4 Return on capital employed

Return on capital employed (ROCE) corresponds to annualized operating income adjusted for changes in the scope of consolidation (based on 12 months' of operating income for acquired companies and with no operating income taken into account for divested companies), expressed as a percentage of total assets at the year end. Total assets include net property, plant and equipment, working capital, net goodwill, other intangible assets, the assets of core business equity-accounted companies and assets and liabilities held for sale, but exclude deferred tax assets arising on non-amortizable brands, customer relationships and land.

5.3.5 Recurring net income

Recurring net income corresponds to income after tax and non-controlling interests, less capital gains or losses on disposals, impairment of assets, amortization of intangible assets recognized as part of the purchase price allocation, acquisition costs on business combinations accounted for in accordance with IFRS 3, other non-recurring items (notably material non-recurring provisions and the impact of hyperinflation) and related tax and non-controlling interests.

Recurring net income totaled €3,309 million in 2025 (2024: €3,474 million). Based on the weighted average number of shares outstanding at December 31 (494,245,178 shares in 2025 and 499,715,108 shares in 2024), recurring earnings per share amounted to €6.70 in 2025 and €6.95 in 2024.

The difference between net income and recurring net income corresponds to the following items:

<i>(in EUR millions)</i>	2025	2024
GROUP SHARE OF NET INCOME	2,883	2,844
Less:		
Gains and losses on disposals of assets	(21)	(52)
Impairment of assets	(216)	(291)
Amortization of intangible assets related to PPA	(290)	(233)
IFRS 3 acquisition costs	(25)	(132)
Other non-recurring items*	3	(41)
Impact of non-controlling interests	8	7
Tax effects on non-recurring items	115	112
GROUP SHARE OF RECURRING NET INCOME	3,309	3,474

* "Other non-recurring items" notably includes the negative impact of hyperinflation for an amount of €30 million in 2025 (negative impact of €61 million in 2024).

5.4 Working capital

Working capital can be analyzed as follows:

<i>(in EUR millions)</i>	Dec. 31, 2025	Dec. 31, 2024
INVENTORIES, NET	6,895	7,031
TRADE ACCOUNTS RECEIVABLE, NET	4,737	4,948
Other operating receivables	1,287	1,327
Other non-operating receivables	425	253
OTHER RECEIVABLES, NET	1,712	1,580
CURRENT TAX RECEIVABLE	149	149
TRADE ACCOUNTS PAYABLE	6,809	6,773
Other operating payables	4,697	4,957
Other non-operating payables*	847	722
OTHER PAYABLES	5,544	5,679
CURRENT TAX LIABILITIES	172	240
Operating working capital	1,413	1,576
Non-operating working capital (including current tax receivable and liabilities)	(445)	(560)
WORKING CAPITAL	968	1,016

* Other non-operating payables include payables to suppliers of non-current assets, grants received and miscellaneous other non-operating payables (see note 5.4.2, p. 25).

5.4.1 Inventories

Inventories are stated at the lower of cost and net realizable value. The cost of inventories includes purchase costs (net of supplier discounts), processing costs and other costs incurred in bringing the inventories to their present location and condition. Cost is generally determined using the weighted-average cost method, and in some cases the First-In-First-Out (FIFO) method. Inventory costs may also include the transfer from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of raw materials. Net realizable value is the selling price in the ordinary course of business, less estimated completion and selling costs. No account is taken in the inventory valuation process of the impact of below-normal capacity utilization rates.

At December 31, 2025 and 2024, inventories were as follows:

<i>(in EUR millions)</i>	Dec. 31, 2025	Dec. 31, 2024
GROSS VALUE		
Raw materials	2,038	2,097
Work in progress	555	508
Finished goods	4,977	5,168
GROSS INVENTORIES	7,570	7,773
PROVISIONS FOR IMPAIRMENT		
Raw materials	(250)	(276)
Work in progress	(20)	(16)
Finished goods	(405)	(450)
TOTAL PROVISIONS FOR IMPAIRMENT	(675)	(742)
INVENTORIES, NET	6,895	7,031

The net value of inventories was €6,895 million at December 31, 2025 compared with €7,031 million at December 31, 2024. Impairment losses on inventories recorded in the 2025 income statement totaled €270 million (2024: €277 million). Reversals of impairment losses on inventories amounted to €304 million in 2025 (€285 million in 2024).

5.4.2 Operating and non-operating receivables and payables

Trade accounts receivable and payable and other receivables and payables are stated at their carrying amount, which approximates their fair value as they generally have maturities of less than three months. Provisions for impairment are booked to cover the risk of total or partial non-recovery, within the limit of expected credit losses.

The Group deems that its exposure to concentrations of credit risk is limited due to its diversified business line-up, broad customer base and global presence. Past-due trade receivables are regularly monitored and analyzed, and impairment losses recognized are adjusted where appropriate.

The Group has various securitization and factoring programs for its trade receivables. Receivables transferred under some of these programs continue to be shown on the balance sheet with a corresponding liability in short-term debt if, based on an analysis of the contracts, the risks associated with the receivables are not transferred in substance to the financing institutions (further information is provided in notes 10.3.9, p. 55 and 10.3.10, p. 52). The Group also operates reverse factoring

programs, for which the factored payables continue to be shown on the balance sheet under operating payables (see note 10.3.10 p. 55).

Trade and other accounts receivable

Trade and other accounts receivable can be analyzed as follows:

<i>(in EUR millions)</i>	Dec. 31, 2025	Dec. 31, 2024
Gross value	5,173	5,395
Provisions for impairment	(436)	(447)
TRADE ACCOUNTS RECEIVABLE, NET	4,737	4,948
Discounts obtained from and advances granted to suppliers	484	485
Prepaid payroll taxes	32	30
Other prepaid and recoverable taxes (other than income tax)	436	466
Miscellaneous operating receivables	341	351
Other non-operating receivables	425	254
Provision for impairment of other receivables	(6)	(6)
OTHER RECEIVABLES, NET	1,712	1,580

* Other non-operating receivables include in particular the value of derivatives measured under CcFd (see note 3.2, p. 11.).

The impact of movements in provisions and bad debt write-offs represented an expense of €38 million in 2025, versus an expense of €46 million in 2024.

Bad debt write-offs were stable at €55 million, compared to €53 million at end-2024.

Trade accounts receivable at December 31, 2025 and 2024 are analyzed below by maturity:

<i>(in EUR millions)</i>	Gross value		Impairment		Net value	
	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
TRADE ACCOUNTS RECEIVABLE NOT YET DUE	4,182	4,406	(80)	(70)	4,102	4,336
Less than 1 month	402	410	(39)	(44)	363	366
1-3 months	178	182	(44)	(48)	134	134
More than 3 months	411	397	(273)	(285)	138	112
TRADE ACCOUNTS RECEIVABLE PAST DUE	991	989	(356)	(377)	635	612
TRADE ACCOUNTS RECEIVABLE	5,173	5,395	(436)	(447)	4,737	4,948

Trade and other accounts payable

Trade and other accounts payable and accrued expenses can be analyzed as follows:

<i>(in EUR millions)</i>	Dec. 31, 2025	Dec. 31, 2024
TRADE ACCOUNTS PAYABLE	6,809	6,773
Downpayments received and rebates granted to customers	1,933	2,127
Payables to suppliers of non-current assets	363	508
Grants received	74	78
Accrued personnel expenses	1,600	1,683
Accrued taxes other than on income	501	407
Other miscellaneous operating payables	663	740
Other miscellaneous non-operating payables*	410	136
OTHER PAYABLES	5,544	5,679

* Other miscellaneous non-operating payables include in particular deferred income in respect of CcFd (see note 3.2, p. 11).

5.5 Off-balance sheet commitments related to operating activities

5.5.1 Non-cancelable purchase commitments

Non-cancelable purchase commitments include contractual commitments to purchase raw materials and services along with firm orders for property, plant and equipment and intangible assets.

<i>(in EUR millions)</i>	Total 2025	Payments due by period			Total 2024
		Due within 1 year	Due in 1 to 5 years	Due beyond 5 years	
Property, plant and equipment and intangible assets	51	48	3	0	47
Raw materials and energy	2,685	775	1,281	629	2,620
Services	309	83	215	11	453
TOTAL	3,045	906	1,499	640	3,120

5.5.2 Guarantee commitments

In some cases, the Group grants seller's warranties to the buyers of divested businesses. A provision is recognized whenever a risk is identified and the related cost can be estimated reliably. Saint-Gobain was also granted guarantee commitments, amounting to €61 million in 2025 (€108 million in 2024).

5.5.3 Commercial commitments

The Group's commercial commitments are shown below:

<i>(in EUR millions)</i>	Total 2025	Commitment amounts by period			Total 2024
		Due within 1 year	Due in 1 to 5 years	Due beyond 5 years	
Security for borrowings	62	31	22	9	72
Other commitments given	283	78	47	158	295
TOTAL	345	109	69	167	367

Guarantees given to the Group in respect of receivables amounted to €134 million at December 31, 2025 (€70 million at December 31, 2024). Certain UK subsidiaries have issued guarantees to secure some of the employee benefit liabilities (see note 6.3 p. 27) for a total amount of €1,129 million at December 31, 2025 (€1,188 million at December 31, 2024). Regarding the €1,129 million, €728 million has been guaranteed by access to certain UK bank accounts and €401 million by non-specific pledged assets (floating charge).

5.5.4 Other commitments

A provision for greenhouse gas emissions allowances is recorded in the consolidated financial statements to cover any difference between emissions and the allowances granted.

Saint-Gobain had 3.4 million tonnes of greenhouse gas emissions allowances at December 31, 2025, which will cover its actual CO₂ emissions for 2025.

NOTE 6 EMPLOYEES, PERSONNEL EXPENSES AND EMPLOYEE BENEFIT OBLIGATIONS

6.1 Employees of fully consolidated companies

Average headcount

	2025	2024
Managerial-grade employees	32,259	31,119
Administrative employees	63,235	62,061
Other employees	67,944	67,357
TOTAL AVERAGE NUMBER OF EMPLOYEES	163,438	160,537

Closing headcount

The total number of Group employees for fully consolidated companies was 161,688 employees at December 31, 2025 and 161,482 employees at December 31, 2024.

6.2 Management compensation

Direct and indirect compensation and benefits paid to the members of the Board of Directors and to the Group's senior management were as follows in 2025 and 2024:

<i>(in EUR millions)</i>	2025	2024
Directors' compensation	1.4	1.4
Direct and indirect compensation (gross)		
Fixed portion	10.7	10.6
Variable portion	8.1	7.3
Share-based payment expense (IFRS 2)	19.4	14.6
Termination, retirement and other benefits	2.8	0.0
TOTAL EXCLUDING ESTIMATED COST OF PENSIONS AND OTHER EMPLOYEE BENEFIT OBLIGATIONS (IAS 19)	42.4	33.9
Estimated cost of pensions and other employee benefit obligations (IAS 19)	7.5	7.2
TOTAL	49.9	41.1

Total gross compensation and benefits paid in 2025 to Saint-Gobain management by the French and foreign companies in the Group (excluding any long-term cash settled compensation) amounted to €21.6 million (2024: €17.9 million), including €8.1 million in gross variable compensation (2024: €7.3 million).

Provisions for pensions and other post-employment benefit obligations (defined benefit obligations [DBO] in respect of length-of-service awards and pensions) accruing to Group management totaled €40.4 million at December 31, 2025 (December 31, 2024: €36.3 million).

6.3 Provisions for pensions and other employee benefits

6.3.1 Description of defined benefit plans

After retirement, some of the Group's former employees are eligible for pension benefits in accordance with the applicable laws and regulations in the respective countries in which the Group operates. There are also additional pension obligations in certain Group companies, both in France and in other countries.

The Group's obligation for the payment of pensions and length-of-service awards is determined at the end of the reporting period by independent actuaries using the projected unit credit method (taking into account changes in salaries until retirement) and the economic conditions in each country. This obligation may be financed by pension funds, with a provision recognized in the balance sheet for the unfunded portion.

When plan assets exceed the defined benefit obligation, the excess is recognized in other non-current assets under "Net pension assets". The asset ceiling corresponds to the maximum future economic benefit. Changes in the asset ceiling are recognized in equity.

Actuarial gains and losses result from changes in actuarial assumptions, experience adjustments and the difference between the funds' actual and estimated (calculated) rates of return. They are recognized against equity as and when they arise.

The interest cost of these obligations and the return on the related plan assets are measured by the Group using the discount rate applied to estimate the obligation at the beginning of the period, and are recognized as financial income or expense.

The Group's main defined benefit plans are described below.

In France, employees receive length-of-service awards on retirement based on years of service and the calculation methods prescribed in the applicable collective bargaining agreements.

Since 2023, following publication of the June 3, 2023 implementing decree 2023-435, as of September 1, 2023, the retirement age in France used to calculate pension obligations is gradually being raised, up to 64 by 2030. In 2025, the suspension of this reform voted by parliament at the end of the year has no material impact and has not been taken into account in the measurement of pension obligations.

In November 2025, a contract was signed with an insurance company to fund length-of-service awards. This resulted in a payment of €80 million, which reduced the Group's net obligation in France, with no impact on the consolidated income statement.

In addition to length-of-service awards, there are three defined benefit plans, all of which are final salary plans. These plans were closed to new entrants by the companies concerned between 1969 and 1997. On October 1, 2024, the portion of the plans' commitments corresponding to retirees was outsourced to an insurance company. These plans were already partially funded and their funding was topped up by an amount of €147 million. This operation had no impact on the consolidated income statement.

The changes resulting from the adoption of France's Green Industry Act to the mortality tables used in France since 2024 to value pension commitments financed by insurance companies have not generally been taken into account, as their impact on the Group's financial statements is not material.

Effective March 1, 2012, a defined benefit plan complying with Article L.137-11 of France's Social Security Code (*Code de la sécurité sociale*) was set up by Compagnie de Saint-Gobain. Pursuant to an order of July 4, 2019 issued in the wake of France's PACTE Law setting out an action plan for business growth and transformation, this plan was closed and any vested rights frozen at December 31, 2019. In 2021, two new plans were set up pursuant to Article L. 137-11-2 resulting from the PACTE Law, effective January 1, 2020. Under these plans, final payments are made to a third-party insurer who takes on responsibility for the liability.

In Germany, retirement plans provide pensions and death and disability benefits for employees. These plans have been closed to new entrants since 1996. Since January 1997, new employees have been offered pension plans based on contributions financed jointly by employer and employee.

In the United Kingdom, retirement plans provide pensions as well as death and permanent disability benefits. These defined benefit plans – which are based on employees' average salaries over their final years of employment – have been closed to new entrants since 2001. In 2021, the legal structure of the plans was altered, resulting in the closure of the Building Distribution section to future accrual as of January 1, 2022.

In 2025, a tender process was launched concerning the partial outsourcing of the funding of certain pension obligations in the United Kingdom. This resulted in an agreement with an insurance company, covering retiree plans for most industrial entities and representing an obligation of around £460 million. This funding will be taken from funds already paid to the trustees and will therefore have no impact on the Group's cash position. The agreement was signed at the end of 2025, but will only take effect from January 1, 2026. Accordingly, it was not taken into account at December 31, 2025.

In the United States and Canada, the Group's defined benefit plans are final-salary plans. Since January 1, 2001, new employees have been offered a defined contribution plan. In 2024, the Group completed the full transfer of a portion of its pension obligations in the United States to a third party.

This transfer resulted in a US\$677 million decrease in the Group's pension obligations, and a simultaneous US\$641 million decrease in plan assets, corresponding to the amount paid to the insurance company. The difference between the two amounts was recognized in 2024 as a settlement gain and represented US\$36 million (€34 million).

In the United States and Spain, retired employees receive benefits other than pensions, mainly concerning healthcare. The Group's obligation under these plans is determined using the actuarial method and is covered by a provision recorded in the balance sheet.

Provisions for other long-term employee benefits cover all other employee benefits. These benefits primarily include long-service awards in France, jubilee awards in Germany, deferred compensation, provisions for social security benefits in the United States, and termination benefits in different countries. The related defined benefit obligation is generally calculated on an actuarial basis using the same rules as for pension obligations. Actuarial gains and losses relating to these benefits are recognized immediately in the income statement.

6.3.2 Actuarial assumptions used to measure defined benefit obligations and plan assets

Interest rate assumptions

Assumptions related to mortality, employee turnover and future salary increases take into account the economic conditions specific to each country and Group company. The discount rates are established by region or country based on observed bond yields at December 31, 2025.

For the Eurozone (including France), two discount rates were calculated for 2025 based on the term of the plans using a yield curve model developed by consulting firm Mercer: one rate for plans with a term of 13 years or less (13 years in 2024) and one for plans with a term of over 13 years (13 years in 2024).

The rates used in 2025 for the Group's main plans were the following:

(in %)	France		Eurozone (excluding France)		United Kingdom	United States
	Short-term plans	Long-term plans	Short-term plans	Long-term plans		
Discount rate	4.13%	4.31%	4.13%	4.31%	5.60%	5.30%
Salary increases	3.30% to 7.00%		2.00% to 3.00%		2.00% *	2,50% to 6,00%
Inflation rate	2.00%		2.00%		CPI 2,35% RPI 2,75%	2.50%

* A cap applies to the reference salaries used to calculate benefit entitlements.

The rates used in 2024 for the Group's main plans were the following:

(in %)	France		Eurozone (excluding France)		United Kingdom	United States
	Short-term plans	Long-term plans	Short-term plans	Long-term plans		
Discount rate	3.41%	3.51%	3.41%	3.51%	5.55%	5.60%
Salary increases	3.30% to 7.00%		2.00% to 3.00%		2.00% *	3.00%
Inflation rate	2.00%		2.00%		CPI 2,65% RPI 3,05 %	2.50%

* A cap applies to the reference salaries used to calculate benefit entitlements.

As the above regions account for substantially all of the Group's pension obligation, the €212 million decrease in actuarial gains and losses recognized as an adjustment to the provision was primarily due to the use of revised discount and inflation rates.

The actual return on plan assets for almost all plans was €36 million more than expected, leading to a decrease in the provision of the same amount. In addition, a €49 million decrease in the asset ceiling, mainly affecting Switzerland, generated an increase in the provision in the same amount.

Sensitivity to assumptions

A 0.5-point decrease (increase) in the discount rate would lead to an increase (decrease) in defined benefit obligations of around €80 million for the United States plans, €107 million for the Eurozone plans and €178 million for the United Kingdom plans.

A 0.5% decrease (increase) in the inflation rate would lead to an overall decrease (increase) in defined benefit obligations of around €225 million.

The same assumptions concerning mortality, employee turnover and interest rates are used to determine the Group's defined benefit obligations for other long-term employee benefits.

In the United States, healthcare costs for retirees of all ages (before and after 65) are expected to rise by 7.00% in 2026, then gradually decline each year to reach a rate of 4.50% from 2036 onwards. A 1-point increase in reference rates would have the effect of raising the benefit obligation by around US\$15 million.

6.3.3 Breakdown of and changes in pension and other post-employment benefit obligations

Carrying amount of provisions

Provisions for pension and other employee benefit obligations consist of the following:

(in EUR millions)	Dec. 31, 2025	Dec. 31, 2024
Pension obligations	804	996
Length-of-service awards	283	370
Post-employment healthcare benefits	217	230
TOTAL PROVISIONS FOR PENSIONS AND OTHER POST-EMPLOYMENT BENEFIT OBLIGATIONS	1,304	1,596
Healthcare benefits	38	31
Long-term disability benefits	3	5
Other long-term benefits	99	118
TOTAL PROVISIONS FOR PENSIONS AND OTHER EMPLOYEE BENEFITS	1,444	1,750

Provisions for all other long-term benefits totaled €140 million at December 31, 2025 (€154 million at December 31, 2024).

The following table shows net obligations under pensions and other post-employment benefit plans, excluding other long-term benefits:

(in EUR millions)	Dec. 31, 2025	Dec. 31, 2024
Provisions for pensions and other post-employment benefit obligations - liabilities	1,304	1,596
Pension plan surpluses - assets	(332)	(316)
NET PENSION AND OTHER POST-EMPLOYMENT BENEFIT OBLIGATIONS	972	1,280

Analysis of obligations

At December 31, 2025, pension obligations and provisions for other post-employment benefit obligations break down by major geographic region as follows:

<i>(in EUR millions)</i>	France	Eurozone (excluding France)	United Kingdom	United States	Rest of the world	Net total
AVERAGE DURATION (IN YEARS)	12	13	12	10	13	12
Defined benefit obligations - funded plans	500	1,064	2,935	1,571	1,061	7,131
Defined benefit obligations - unfunded plans	166	23	7	171	264	631
Fair value of plan assets	(425)	(643)	(3,175)	(1,423)	(1,272)	(6,938)
DEFICIT (SURPLUS)	241	444	(233)	319	53	824
Asset ceiling	0	2	0	0	146	148
NET PENSION AND OTHER POST-EMPLOYMENT BENEFIT OBLIGATIONS	241	446	(233)	319	199	972

At December 31, 2024, pension obligations and provisions for other post-employment benefit obligations break down by major geographic region as follows:

<i>(in EUR millions)</i>	France	Eurozone (excluding France)	United Kingdom	United States	Rest of the world	Net total
AVERAGE DURATION (IN YEARS)	13	14	12	9	13	12
Defined benefit obligations - funded plans	437	1,159	3,177	1,746	1,087	7,606
Defined benefit obligations - unfunded plans	294	38	7	167	258	764
Fair value of plan assets	(343)	(661)	(3,406)	(1,538)	(1,240)	(7,188)
DEFICIT (SURPLUS)	388	536	(222)	375	105	1,182
Asset ceiling	0	3	0	0	95	98
NET PENSION AND OTHER POST-EMPLOYMENT BENEFIT OBLIGATIONS	388	539	(222)	375	200	1,280

Changes in provisions

Changes in pensions and other post-employment benefit obligations are as follows:

<i>(in EUR millions)</i>	Pension and other post-employment benefit obligations	Fair value of plan assets	Asset ceiling	Net pension and other post-employment benefit obligations
AT JANUARY 1, 2024	9,164	(7,785)	127	1,506
CHANGES DURING THE YEAR				
Service cost	135			135
Interest cost/return on plan assets as per calculations	374	(324)		50
Employee contributions and plan administration costs		(5)		(5)
Past service cost	(25)			(25)
Plan curtailments/settlements	(626)	592		(34)
Pension contributions		(250)		(250)
Benefit payments	(577)	479		(98)
Actuarial gains and losses and asset ceiling	(388)	420	(25)	7
Translation adjustments	250	(242)	(4)	4
Changes in Group structure	63	(73)		(10)
TOTAL CHANGES	(794)	597	(29)	(226)
AT DECEMBER 31, 2024	8,370	(7,188)	98	1,280
CHANGES DURING THE YEAR				
Service cost	143			143
Interest cost/return on plan assets as per calculations	363	(318)		45
Employee contributions and plan administration costs		(7)		(7)
Past service cost	(9)			(9)
Plan curtailments/settlements	1			1
Pension contributions		(198)		(198)
Benefit payments	(523)	451		(72)
Actuarial gains and losses and asset ceiling	(212)	(36)	49	(199)
Translation adjustments	(404)	374	1	(29)
Changes in Group structure	33	(16)		17
TOTAL CHANGES	(608)	250	50	(308)
AT DECEMBER 31, 2025	7,762	(6,938)	148	972

Actuarial gains and losses

Actuarial gains and losses on provisions result from the following items:

<i>(in EUR millions)</i>	2025	2024
Pension and other post-employment obligations	(212)	(388)
Fair value of plan assets	(36)	420
Asset ceiling	49	(25)
TOTAL CHANGES	(199)	7

Plan assets

Plan assets have been progressively built up by contributions, primarily in the United Kingdom and the United States. Contributions paid by the Group in 2025 totaled €198 million (2024: €250 million).

A 0.5-point increase or decrease in the actual return on plan assets would have an impact of approximately €35 million on equity.

Plan assets mainly comprise:

	Dec. 31, 2025	Dec. 31, 2024
Equities	15%	17%
Bonds	60%	57%
Other	25%	26%
TOTAL	100%	100%

Contributions to pension plans for 2026 are estimated at around €39 million.

6.3.4 Defined contribution plans

Contributions to defined contribution plans are expensed as incurred.

Contributions to defined contribution plans for 2025 represented an estimated €707 million (2024: €699 million), including €473 million for government-sponsored basic pension schemes (2024: €476 million), €151 million for government-sponsored supplementary pension schemes, mainly in France (2024: €148 million), and €83 million for corporate-sponsored supplementary pension plans (2024: €75 million).

6.4 Share-based payments

6.4.1 Group Savings Plan (PEG)

The Group Savings Plan (Plan d'Épargne Groupe – PEG) is an employee stock purchase plan open to all Group employees in France and most other countries where the Group is present. Eligible employees must have completed a minimum of three months' service with the Group. Eligible employees are able to invest in Saint-Gobain shares at a preferential subscription price. These shares are held either directly or through the employee saving plan's mutual funds, depending on local legislation, and are subject to a mandatory five- or ten-year lock-up, except following the occurrence of certain events. The Board of Directors delegates authorization for setting the subscription price to the Chief Executive Officer of Compagnie de Saint-Gobain. The subscription price corresponds to the average of the opening prices for the Saint-Gobain share on Euronext Paris over the 20 trading days preceding the date of the decision, subject to a 20% discount, in accordance with applicable laws, the Shareholders' Meeting resolutions and the deliberations of the Board of Directors. The Group makes a matching contribution to amounts paid in by employees, which is expensed in the consolidated financial statements.

The Saint-Gobain Group implemented a new PEG in the first half of 2025. As approved by the Chief Executive Officer on March 10, 2025, the reference price is €96.09 (€69.12 in 2024), representing a subscription price of €76.88 (€55.30 in 2024) after a 20% discount.

In 2025, a total of 3,131,501 new shares with a par value of €4 were issued to employees under the PEG at an average subscription price of €76.88 (4,007,048 shares at an average price of €55.30 in 2024), representing a share capital increase of €240 million (€221 million in 2024), net of transaction fees.

The Group recorded an IFRS 2 expense representing the benefit granted to employees, which amounted to €29.5 million in 2025 (€27.4 million in 2024).

6.4.2 Stock option plans

Until 2018, Compagnie de Saint-Gobain operated stock option plans for certain categories of employees.

Under these plans, the Board of Directors granted options allowing beneficiaries to obtain Saint-Gobain shares at a price set, at no discount, by reference to the average of the opening prices for the Saint-Gobain share over the 20 stock market trading days preceding the date of the decision by the Board of Directors.

For all of the plans, beneficiaries must wait at least four years from the grant date to exercise any options. None of the options received may be exercised until this four-year period has lapsed. Options must be exercised within 10 years of the grant date. Except in specified circumstances, grantees forfeit these options if they leave the Group.

Among the plans outstanding at December 31, 2025, the 2016 and 2017 plans offer stock purchase options. The 2018 plan was classified as a stock subscription option plan further to a decision of the Board of Directors in 2022, prior to the start of the exercise period.

A performance condition applies for all beneficiaries under current plans.

No stock option plans have been launched since 2019.

The following table presents changes in the number of outstanding options:

	€4 per value shares	Average exercise price (in EUR)
OPTIONS OUTSTANDING AT DECEMBER 31, 2023	337,615	39.62
Options exercised	(94,836)	38.99
Options forfeited	0	
OPTIONS OUTSTANDING AT DECEMBER 31, 2024	242,779	39.87
Options exercised	(68,307)	41.72
Options forfeited	(7,449)	39.47
OPTIONS OUTSTANDING AT DECEMBER 31, 2025	167,023	39.14

The cost of stock option plans is calculated using the Black & Scholes option pricing model.

The following inputs were used:

- volatility assumptions that take into account the historical volatility of the share price over a rolling 10-year period, as well as implied volatility from traded share options. Periods of extreme share price volatility are disregarded;
- assumptions relating to the average holding period of options, based on observed behavior of option holders;
- expected dividends, as estimated on the basis of historical dividend information dating back to 1988;
- a risk-free interest rate corresponding to the yield on long-term government bonds;

- the effect of any stock market performance conditions, which is taken into account in the initial measurement of IFRS 2 share-based payment expense.

The cost calculated using this method is recognized in the income statement over the vesting period of the options, which is a maximum of four years.

As in 2024, no expense was recognized in accordance with IFRS 2 for the amortization of stock options granted under previous plans in 2025.

The table below summarizes information about stock options outstanding at December 31, 2025, after taking into account partial fulfillment of the performance criteria attached to certain plans:

Exercisable options outstanding				
Grant date	Exercise price (in EUR)	Number of options	Weighted average contractual life (in months)	Type of options
2016	40.43	10,901	11	Purchase
2017	49.38	61,992	23	Purchase
2018	32.24	94,130	35	Subscription
TOTAL		167,023		

At December 31, 2025, all options were exercisable at an average exercise price of €39.14.

6.4.3 Performance share and performance unit grants

Performance share plans

Since 2009, performance share plans have also been set up for certain categories of employees. These plans are subject to eligibility criteria based on the grantee's period of service (service conditions) with the Group as well as performance criteria (performance conditions), which are described below. The IFRS 2 share-based payment expense takes into account these conditions. It is determined after deducting the present value of the dividends forfeited on the performance shares and is recognized over the vesting period, not exceeding four years.

At December 31, 2025, there were four outstanding performance share plans, approved by the Board of Directors in 2022, 2023, 2024 and on November 27, 2025.

The expense recorded for these plans in the 2025 income statement amounted to €59.1 million (2024: €45.0 million).

All plans are subject to service and performance conditions. The vesting period for the shares awarded under these plans is four years and the shares will be delivered under all plans the fourth day after the end of the vesting period for the 2022, 2023, 2024 and 2025 plans.

The table below shows changes in the number of performance share rights:

	Number of rights
NUMBER OF PERFORMANCE SHARE RIGHTS AT DECEMBER 31, 2023	4,952,395
Performance share rights granted in November 2024	1,314,901
Shares issued/delivered	(1,169,085)
Lapsed and canceled rights	(99,260)
NUMBER OF PERFORMANCE SHARE RIGHTS AT DECEMBER 31, 2024	4,998,951
Performance share rights granted in November 2025	1,240,962
Shares issued/delivered	(1,099,400)
Lapsed and canceled rights*	(84,300)
NUMBER OF PERFORMANCE SHARE RIGHTS AT DECEMBER 31, 2025	5,056,213

* Including 84,300 rights that lapsed after they had been withdrawn (no rights lapsed because the performance conditions had only been partly met).

The fair value of the performance shares corresponds to the Saint-Gobain share price on the grant date, less the value of dividends not payable on the shares during the vesting period. The expense is recognized over the vesting period, which covers a maximum of four years.

The following table shows the expected dates when shares under the four performance share plans outstanding at December 31, 2025 will be delivered (except in the case of early release following the grantee's death or disability, along with the service and performance conditions remaining to be fulfilled):

Grant date	Number of rights granted at inception of the plan	Deliveries	Number of rights at December 31, 2025*	Delivery date	Type of shares
November 24, 2022	1,232,792	500	1,232,292	November 27, 2026	existing
November 23, 2023	1,268,633	450	1,268,183	November 26, 2027	existing
November 28, 2024	1,314,901	125	1,314,776	December 1, 2028	existing
November 27, 2025	1,240,962		1,240,962	November 30, 2029	existing
TOTAL	5,057,288	1,075	5,056,213		

* Subject to fulfillment of the service and performance conditions applicable to each plan.

Performance unit plans

Performance unit plans subject to service and performance conditions were set up every year between 2012 and 2015 for certain management-grade employees and senior managers of the Group in France. These plans do not give rise to the delivery of shares but entitle grantees to receive cash compensation deferred over the long-term (exercise period between four and ten years after the grant date), the amount of which will be determined by reference to Saint-Gobain's share price. These plans are also subject to service and performance conditions. The IFRS 2 share-based payment expense therefore takes into account these factors, as well as the fact that the units are cash-settled. IFRS 2 stipulates that for cash-settled share-based payment transactions, the

granted instruments are initially measured at fair value at the grant date, then remeasured at the end of each reporting period, with the expense adjusted accordingly pro rata to the rights that have vested at the reporting date. The expense is recognized over the vesting period of the rights.

No long-term compensation plan in the form of performance units has been set up since 2016.

Since the vesting period of the last plan ended in 2019, there are no longer any expenses in respect of such plans.

All obligations under these plans expired in 2025.

NOTE 7 INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT, AND RIGHT-OF-USE ASSETS

7.1 Goodwill

When an entity is acquired by the Group, its identifiable assets acquired, liabilities assumed and contingent liabilities are recognized at their fair value. IFRS allows a 12-month period after the acquisition date ("measurement period") to identify the assets and liabilities of the acquired entity that were not recognized in the initial accounting for the combination, and to retroactively modify the amounts initially allocated.

The final acquisition price ("consideration transferred" in IFRS 3), including, as appropriate, the estimated fair value of any earn-out payments or other deferred consideration ("contingent consideration" in IFRS 3), is determined in the 12 months following the acquisition. Under IFRS 3, any adjustments to the acquisition price beyond this 12-month period are recorded in the income statement. Directly attributable acquisition costs are expensed as incurred.

In addition, goodwill is recognized only at the date that control is achieved. Any subsequent increase in

ownership interest (without change of control) is recorded as a change in equity without adjusting goodwill.

Goodwill is recorded in the consolidated balance sheet as the difference between (i) the consideration transferred at the acquisition date plus the amount of any non-controlling interests in the acquiree - measured either at fair value (full goodwill method) or at the proportionate interest in the fair value of the net identifiable assets acquired (partial goodwill method) - and (ii) the net amount of assets and liabilities acquired at their fair value at the acquisition date. The Group generally applies the partial goodwill method and the amount of goodwill calculated under the full goodwill method is not therefore material.

Any excess of the cost of an acquisition over the fair value of the Group's share of the assets and liabilities of the acquired entity is recorded as goodwill. If the fair value of the net assets acquired and liabilities assumed exceeds their acquisition cost, this negative difference is recognized in the income statement in the year of acquisition.

Changes in goodwill in 2025 and 2024 are detailed below:

<i>(in EUR millions)</i>	Dec. 31, 2025	Dec. 31, 2024
AT JANUARY 1		
Gross value	15,776	14,534
Accumulated impairment	(1,540)	(1,423)
NET VALUE	14,236	13,111
Changes during the period		
Impairment	(87)	(82)
Translation adjustments and restatement for hyperinflation	(792)	302
Changes in Group structure	1,044	905
TOTAL CHANGES	165	1,125
AT DECEMBER 31		
Gross value	15,863	15,776
Accumulated impairment	(1,462)	(1,540)
NET VALUE	14,401	14,236

In 2025, changes in Group structure correspond mainly to additions to the scope of consolidation for a total amount of €1,054 million, including the acquisition of Fosroc for €422 million and Ovniver for €422 million (see note 4.2.1, p. 16).

Goodwill impairment losses were recognized for a total of €87 million against individual assets during the period. The translation adjustments and restatements for hyperinflation primarily reflect the impacts of fluctuations in the US dollar, Canadian dollar, pound sterling, Indian rupee, Australian dollar and Argentine peso.

In 2024, changes in Group structure corresponded mainly to additions to the scope of consolidation for a total amount of €916 million, including the acquisitions of CSR for €569 million and Bailey for €262 million.

Impairment losses were recognized for a total of €82 million, mainly against individual assets in the period. The translation adjustments and restatements for hyperinflation primarily reflect the impacts of fluctuations in the US dollar, pound sterling, Argentine peso, Turkish lira, Brazilian real, Norwegian krone and Australian dollar.

7.2 Other intangible assets

Other intangible assets primarily include brands, customer relationships, intellectual property, software, patents and development costs. They are measured at historical cost less accumulated amortization and impairment.

Certain retail or manufacturing brands acquired are treated as intangible assets with indefinite useful lives as they have a strong national and/or international reputation. These brands are not amortized but are tested systematically for impairment on an annual basis. Other brands are amortized over their useful lives, not exceeding 40 years.

Customer relationships are amortized over the attrition period used to value these assets.

Costs incurred to develop software in-house - primarily configuration, programming and testing costs - are recognized as intangible assets. Patents and purchased computer software are amortized over their estimated useful lives, not exceeding 20 years for patents. Purchased software is amortized over a period of between three and five years, while software developed in-house is amortized over a maximum period of eight years.

Research costs are expensed as incurred. Development costs meeting the recognition criteria under IAS 38 are included in intangible assets and amortized over their estimated useful lives (not exceeding five years) from the date when the products to which they relate are first marketed.

Changes in other intangible assets during 2025 and 2024 are analyzed below:

<i>(in EUR millions)</i>	Brands	Intellectual property and customer relationships	Software	Other	Total intangible assets
AT JANUARY 1, 2024					
Gross value	1,982	2,540	1,389	509	6,420
Accumulated amortization and impairment	(148)	(399)	(1,141)	(364)	(2,052)
NET VALUE	1,834	2,141	248	145	4,368
CHANGES DURING THE PERIOD					
Acquisitions			41	105	146
Disposals			(2)	(1)	(3)
Translation adjustments and restatement for hyperinflation	4	67	(2)	1	70
Amortization*	(23)	(211)	(104)	(8)	(346)
Impairment	(30)	(3)	(3)		(36)
Transfers		5	53	(58)	0
Changes in Group structure and other	195	439	9	7	650
Assets held for sale					0
TOTAL CHANGES	146	297	(8)	46	481
AT DECEMBER 31, 2024					
Gross value	2,186	3,077	1,469	559	7,291
Accumulated amortization and impairment	(206)	(639)	(1,229)	(368)	(2,442)
NET VALUE	1,980	2,438	240	191	4,849
CHANGES DURING THE PERIOD					
Acquisitions			36	128	164
Disposals				(5)	(5)
Translation adjustments and restatement for hyperinflation	(50)	(255)	(2)	(3)	(310)
Amortization*	(36)	(256)	(103)	(8)	(403)
Impairment		(34)	(1)		(35)
Transfers		1	136	(137)	0
Changes in Group structure and other	179	844	10	3	1,036
Assets held for sale					0
TOTAL CHANGES	93	300	76	(22)	447
AT DECEMBER 31, 2025					
Gross value	2,283	3,609	1,572	512	7,976
Accumulated amortization and impairment	(210)	(871)	(1,256)	(343)	(2,680)
NET VALUE	2,073	2,738	316	169	5,296

* "Amortization" includes amortization charged against intangible assets within the scope of purchase price allocation, representing €290 million in 2025 (2024: €233 million).

The breakdown of brands, intellectual property and customer relationships by segment is provided in the segment information tables under note 5, p. 20.

In 2025, changes in Group structure correspond mainly to adjustments to the purchase price allocation for customer relationships, brands and intellectual property related to the Fosroc acquisition, representing €502 million, €110 million and €39 million, respectively. They also include adjustments to the purchase price allocation for customer relationships and brands related to the Ovniver acquisition for €259 million and €54 million respectively. Translation adjustments and restatements for hyperinflation primarily reflect the impacts of fluctuations in the US dollar, Canadian dollar, Indian rupee and pound sterling.

In 2024, changes in Group structure mainly concerned the first-time consolidation of companies following the acquisition of Bailey on customer relationships intellectual property and brands for €156 million, €28 million and €24 million, respectively, and the acquisition of CSR on customer relationships and brands for €159 million and €130 million, respectively. The translation adjustments and restatements for hyperinflation primarily reflected the impacts of fluctuations in US dollar, in Turkish lira and in pound sterling.

7.3 Property, plant and equipment

Land, buildings and equipment are carried at historical cost less accumulated depreciation and impairment.

Cost may also include incidental expenses directly attributable to the acquisition, as well as the impact of transfers from equity of any gains/losses on qualifying cash flow hedges of property, plant and equipment purchases.

Expenses incurred in exploring and evaluating mineral resources are included in property, plant and equipment when it is probable that associated future economic benefits will flow to the Group. They include mainly the costs of topographical or geological studies, drilling costs, sampling costs and all costs incurred in assessing the technical feasibility and commercial viability of extracting the mineral resource.

Material borrowing costs incurred for the construction and acquisition of property, plant and equipment are included in the cost of the related asset if they are significant.

Property, plant and equipment are considered as having no residual value, as they chiefly consist of industrial assets that are intended to be used until the end of their useful lives.

Property, plant and equipment other than land are depreciated using the components approach on a straight-line basis over the following estimated useful lives, which are regularly reviewed:

■ Major factories and offices	30-40 yrs.
■ Other buildings	15-25 yrs.
■ Production machinery and equipment	5-16 yrs.
■ Vehicles	3-5 yrs.
■ Furniture, fixtures, office and computer equipment	4-16 yrs.

Gypsum quarries are depreciated over their estimated useful lives, based on the quantity of gypsum extracted during the year compared with extraction capacity.

Provisions for site restoration are recognized as a component of assets whenever the Group has a legal or constructive obligation to restore a site in accordance with contractually determined conditions or in the event of a sudden deterioration in site conditions. These provisions are reviewed periodically and may be discounted over the expected useful lives of the assets concerned. The component is depreciated over the same useful life as that used for mines and quarries.

Changes in property, plant and equipment in 2025 and 2024 are analyzed below:

<i>(in EUR millions)</i>	Land and quarries	Buildings	Machinery and equipment	Assets under construction and others	Total property, plant and equipment
AT JANUARY 1, 2024					
Gross value	2,393	8,265	21,322	2,271	34,251
Accumulated depreciation and impairment	(729)	(5,106)	(15,643)	(29)	(21,507)
NET VALUE	1,664	3,159	5,679	2,242	12,744
CHANGES DURING THE PERIOD					
Acquisitions	77	58	248	1,520	1,903
Disposals	(67)	(16)	(43)	(25)	(151)
Translation adjustments and restatement for hyperinflation	(27)	12	10	4	(1)
Depreciation	(36)	(254)	(1,010)	3	(1,297)
Impairment	(3)	(25)	(44)	(11)	(83)
Transfers		291	1,192	(1,483)	0
Changes in Group structure and other	1,164	163	313	124	1,764
Assets held for sale			1		1
TOTAL CHANGES	1,108	229	667	132	2,136
AT DECEMBER 31, 2024					
Gross value	3,539	8,713	22,879	2,397	37,528
Accumulated depreciation and impairment	(767)	(5,325)	(16,533)	(23)	(22,648)
NET VALUE	2,772	3,388	6,346	2,374	14,880
CHANGES DURING THE PERIOD					
Acquisitions	51	2	228	1,604	1,885
Disposals*	(278)	(27)	(26)	(40)	(371)
Translation adjustments and restatement for hyperinflation	(121)	(124)	(282)	(139)	(666)
Depreciation	(36)	(254)	(994)	3	(1,281)
Impairment	(4)	(18)	(26)	(3)	(51)
Transfers		205	994	(1,199)	0
Changes in Group structure and other	49	37	53	19	158
Assets held for sale			2		2
TOTAL CHANGES	(339)	(179)	(51)	245	(324)
AT DECEMBER 31, 2025					
Gross value	3,192	8,531	22,552	2,653	36,928
Accumulated depreciation and impairment	(759)	(5,322)	(16,257)	(34)	(22,372)
NET VALUE	2,433	3,209	6,295	2,619	14,556

* The land disposals mainly relate to the sale of some CSR real estate assets.

In 2025, changes in Group structure mainly corresponded to the first-time consolidation of companies, in particular following the acquisition of Ovniver for €69 million, His Yalitim for €48 million, as well as Kilwaughter and Fosroc for €37 million and €21 million, respectively. Impairment losses recognized against property, plant and equipment amounted to €51 million. Translation adjustments and restatements for hyperinflation primarily reflect the impacts of fluctuations in the US dollar, Indian rupee, Australian dollar, Canadian dollar and Chinese yuan renminbi.

In 2024, changes in Group structure mainly concerned the first-time consolidation of companies, in particular following the acquisition of CSR and Bailey for €1,604 million and €122 million, respectively, and purchase price allocation adjustments relating to the acquisition of Building Products of Canada for €54 million. Impairment losses were recognized for a total of €83 million. Translation adjustments and restatements for hyperinflation primarily reflected the impacts of fluctuations in the US dollar, Brazilian real, Mexican peso, Australian dollar, Argentine peso and Turkish lira.

7.4 Right-of-use assets linked to leases

The Saint-Gobain Group applies IFRS 16 and restates all of its leases.

The following recognition exemptions proposed by IFRS 16 have been used by the Group:

- leases with a lease term of 12 months or less;
- leases where the underlying asset has a value of less than US\$5,000 when new.

Property leases

The lease term corresponds to the non-cancelable period of the lease, plus any renewal (or termination) options that the Group is reasonably certain to exercise (or not to exercise). The Group determined whether or not lease renewal (or termination) options were reasonably certain to be exercised based on the location of, and any improvements inseparable from, the leased asset. The lease term at inception for "3/6/9-year" commercial leases in France is generally nine years. The Group did not identify any material leases with similar characteristics in other countries.

The discount rate used to calculate the lease liability is the incremental borrowing rate. This rate is applied at the commencement of the lease or at the date of the decision to renew the lease. The Group calculated the rate applicable to each lease contract on the basis of its duration, which reflects the payment profile of the lease liability.

The useful life of non-movable leasehold improvements cannot exceed the useful life of the right-of-use assets to which they relate.

Leases other than property leases

The main leases identified correspond to leases of vehicles, machinery and production equipment.

The lease capitalization period (lease term) represents the non-cancelable period of the lease. Where leases provide for a renewal (or termination) option, the Group determined whether or not that option was reasonably certain to be exercised based on the ease with which the leased asset could be replaced and its criticality.

The discount rate used to determine the lease liability is calculated using the same approach as for property leases.

The interest rate implicit in the lease is used as the discount rate only in the case of non-property leases and only if this is expressly stipulated in the lease contract.

Although leases can generally incorporate indexation clauses, lease liabilities are measured based solely on indexes known at the end of the reporting period.

In 2025, right-of-use assets linked to leases related mainly to land and buildings for €2,420 million (€2,455 million at December 31, 2024) and to machinery and equipment for €563 million (€553 million at December 31, 2024).

Lease payments made under low-value and/or short-term leases, along with variable lease payments or lease payments falling outside the scope of IFRS 16, totaled €230 million at December 31, 2025 (€247 million at December 31, 2024).

The table below presents right-of-use assets for lease contracts by category:

<i>(in EUR millions)</i>	Land and buildings	Machinery and equipment	Total
AT JANUARY 1, 2024			
Gross value	5,552	983	6,535
Accumulated depreciation and impairment	(3,209)	(516)	(3,725)
NET VALUE	2,343	467	2,810
CHANGES DURING THE PERIOD			
New leases*	548	300	848
Disposals	(4)	(1)	(5)
Translation adjustments and restatement for hyperinflation	(25)	(1)	(26)
Depreciation	(497)	(230)	(727)
Impairment	(60)		(60)
Changes in Group structure and other	91	17	108
Assets held for sale	59	1	60
TOTAL CHANGES	112	86	198
AT DECEMBER 31, 2024			
Gross value	5,957	1,109	7,066
Accumulated depreciation and impairment	(3,502)	(556)	(4,058)
NET VALUE	2,455	553	3,008
CHANGES DURING THE PERIOD			
New leases*	489	263	752
Disposals	(1)	(1)	(2)
Translation adjustments and restatement for hyperinflation	(25)	(11)	(36)
Depreciation	(505)	(242)	(747)
Impairment	(22)	(1)	(23)
Changes in Group structure and other	29	2	31
Assets held for sale			
TOTAL CHANGES	(35)	10	(25)
AT DECEMBER 31, 2025			
Gross value	6,128	1,159	7,287
Accumulated depreciation and impairment	(3,708)	(596)	(4,304)
NET VALUE	2,420	563	2,983

* Including €0 in dismantling and site rehabilitation costs recognized in assets in 2025 (€4 million at end-December 2024).

7.5 Impairment review

7.5.1 Definition of groups of CGUs and goodwill values

Following implementation of the “Transform & Grow” strategic plan in 2019, the “Grow & Impact” plan in 2021 and the “Lead & Grow” plan in 2025, the Group’s strategy is now based on an organization of its businesses by country. The aim is to provide Saint-Gobain customers with multi-product solutions for local markets and projects.

These organizational changes led the Group to redefine the basis for managing its industrial assets: its regional businesses (Industry, Distribution) are now managed by geographic area, while its global businesses within the Industrial Solutions segment are managed by Business Unit. Its CGU organization was therefore also adapted accordingly. Their structure reflects the way in which management oversees the Group’s operations and makes decisions.

Groups of cash-generating units (CGUs) have been defined for regional businesses in each of Northern Europe, Southern Europe, North America, Latin America and Asia-Pacific. In Northern and Southern Europe, where the Group has distribution businesses, separate groups of CGUs are defined for Industry and Distribution activities.

Industrial Solutions activities are organized into three groups of CGUs: Ceramics, Performance Polymers Solutions and Mobility. In all, the Group now monitors 10 groups of CGUs.

In order to test for impairment, goodwill is allocated to each of the groups of CGUs, which now perfectly reflect the organization of management and internal reporting, and remain at a smaller level than the operating segments as required by IAS 36.

The carrying amounts of goodwill at December 31, 2025 are as follows by operating segment:

<i>(in EUR billions)</i>	Goodwill, net Valeur nette des écarts d'acquisition	
	Dec. 31, 2025	Dec. 31, 2024
Northern Europe	4.5	4.5
Southern Europe – ME & Africa	3.1	2.9
Americas	5.5	5.7
Asia-Pacific	1.3	1.1
TOTAL	14.4	14.2

7.5.2 Impairment of property, plant and equipment, intangible assets, goodwill and right-of-use assets: testing approach

In accordance with IAS 36, goodwill and non-amortizable brands are tested for impairment each year at the level of the groups of CGUs to which they relate. Impairment is tested by comparing the net carrying amount of the assets with their recoverable value.

In addition, the Group carries out impairment tests on property, plant and equipment, right-of-use assets, goodwill, assets of equity-accounted companies and other intangible assets whenever there is any indication of impairment. These tests consist of comparing the asset's carrying amount to its recoverable amount. The recoverable amount is the higher of the asset's fair value less disposal costs and its value in use.

The Group's main indicator of impairment is a significant downward trend in EBITDA for a group of CGUs year-on-year and/or versus forecasts.

Actual and projected business performance within each group of CGUs is therefore monitored on a very regular basis (four "rolling forecast" phases each year, plus the budget campaign), enabling any downward trends to be identified. Each year, Saint-Gobain also verifies that budgets for the businesses within its groups of CGUs are in line with the business plans used in the most recent DCF tests.

Every three years, all groups of CGUs are tested for impairment using the DCF method (the full method). In the two intervening years, impairment tests are performed only using EBITDA multiples (simplified method).

Although the full discounted cash flows (DCF) method was applied to all groups of CGUs in 2024, the Group exceptionally decided to use the DCF approach again in 2025 given the changes to its groups of CGUs.

In the tests performed using the DCF approach, value in use is calculated using the net present value of future cash flows excluding interest but including tax. It is determined using assumptions made by management based on estimates and judgments including future changes in sales, profitability, investments and other cash flows arising from the use of the corresponding assets, as well as the discount rate applied to future cash flows. This approach projects the cash flows forecast in the last year of the three-year business plan a further two years, and then projects them to perpetuity using an annual growth rate. The test also takes into account the estimated impact over the plan period of the net cost of CO₂ emissions.

During the impairment tests performed using the DCF approach, different assumptions measuring the method's sensitivity are systematically tested using the following inputs:

- 0.5% increase in the discount rate applied to cash flows;

- 0.5% decrease in the annual average rate of growth in cash flows projected to perpetuity;
- 1-point decrease in the operating income rate for Industry activities and a 0.5-point decrease for Distribution activities.

When the annual impairment test reveals that the recoverable amount of an asset is less than its carrying amount, an impairment loss is recorded. Impairment losses on goodwill can never be reversed through income. For property, plant and equipment and other intangible assets, an impairment loss recognized in prior periods may be reversed, taking into account depreciation/amortization adjustments, if there is an indication that the impairment no longer exists and that the recoverable amount of the asset concerned exceeds its carrying amount.

Assets and liabilities held for sale are carried at the lower of their fair value less costs to sell and their net carrying amount.

These impairment tests on the various groups of CGUs, carried out on the basis of the assumptions described above, did not lead to the impairment of any net assets, given the positive headroom.

7.5.3 Asset valuation and net CO₂ emissions

The Group now has highly structured roadmaps on which its net-zero-emissions target is based. These roadmaps consist of many different action plans and industrial projects (energy efficiency, alternative energies, electrification, etc.), detailed for each site and aimed at reducing scope 1 direct emissions, combined with a growing number of new Purchase Power Agreements (PPAs) and Virtual Purchase Power Agreements (VPPAs) on a country-by-country basis, designed to reduce scope 2 indirect emissions.

Following a major effort to improve the integrity and automated process for CO₂ data reporting, along with the implementation of an internal tool for calculating, using and communicating such data, the Group is now able to consolidate and analyze quantitative changes in its CO₂ emissions on a monthly basis, as well as the nature of these changes.

CO₂ data is now an integral part of the KPIs tracked by each local Saint-Gobain manager in the same way as financial data, and is therefore included in all of the Group's forecasting phases (budget and strategic plan).

These CO₂ roadmaps are incorporated into the annual impairment tests for groups of CGUs. Based on information on current CO₂ emissions from production sites, and factoring in projections and assumptions as regards business trends and CO₂ emissions reductions (scope 1 and 2), validated by each of the Regions and by Industrial Solutions, a projection of future CO₂ emissions was determined for each site up to 2030.

These projections take into account planned investments to:

- maximize energy efficiency by exploring all energy switching options (biofuel, hydrogen or synthetic fuel, green electricity);
- make products lighter, replace them with low-carbon alternatives, increase recycled content and significantly rethink formulations and processes.

For the European Union scope, the Group has determined projected changes in CO₂ emissions up to 2030 as per the roadmaps drawn up for each Region, taking into account historical business levels, a factor reflecting exposure to the risk of carbon leakage in a carbon emissions trading system, and the stock of CO₂ emissions allowances held at the end of December 2025. As expected, the Group takes into account the gradual reduction in free CO₂ emissions allowances granted to industrial sites under the EU Emissions Trading Scheme. These CO₂ emissions were valued on the basis of a euro price per tonne resulting from a panel of analysts (source: Carbon Market Pulse Limited, an independent private company based in London).

<i>(in euros/tonne)</i>	2025	2026	2027	2030
Analysts average	85	91	109	135

For the non-European scope, forecast reductions in CO₂ emissions as per the roadmaps for each Region were also taken into account, and tonnes of CO₂ emitted were priced in the tests assuming a fixed price of €100 per tonne as from 2025 and no government support schemes such as CO₂ emissions allowances. This assumption of €100 per tonne is consistent with the application of an internal carbon price set by Saint-Gobain, and is conservative in that few countries outside Europe have so far defined a price per tonne of carbon.

The recoverable amounts of the assets of each group of CGUs, determined based on the DCF approaches, were impacted by the forecast costs of CO₂ emissions – net of the free emissions allowances received – projected to perpetuity, and compared to the net carrying amount of assets at December 31, 2025 (property, plant and equipment, intangible assets and working capital).

NOTE 8 INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES AND OTHER NON-CURRENT ASSETS

A joint venture is a joint arrangement whereby the parties have joint control of the arrangement, and decisions about the relevant activities require the unanimous consent of the parties sharing control. The parties that have joint control of the arrangement have rights to the net assets of the arrangement. By contrast, an associate is an entity over which a partner has

significant influence over the power to participate in decisions, but not control.

Under IAS 28, investments in both associates and joint ventures must be recognized using the same equity-accounting consolidation method.

8.1 Changes in investments in equity-accounted companies

Changes in investments in equity-accounted companies in 2025 and 2024 can be analyzed as follows:

<i>(in EUR millions)</i>	2025	2024
AT JANUARY 1		
Group share in:		
Associates	436	281
Joint ventures	432	333
TOTAL	868	614
Goodwill	137	91
INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES	1,005	705
CHANGES DURING THE PERIOD		
Group share in net income of associates	48	44
Group share in net income of joint ventures	6	38
Dividends paid	(33)	(59)
Translation adjustments and restatement for hyperinflation	(53)	97
Changes in Group structure, transfers and other variations	(75)	180
TOTAL CHANGES	(107)	300
AT DECEMBER 31		
Group share in:		
Associates	415	436
Joint ventures	391	432
TOTAL	806	868
Goodwill	92	137
INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES*	898	1,005

* Including €827 million in assets of core business equity-accounted companies and €71 million in assets of non-core business equity-accounted companies.

In 2024 and 2025, the changes in Group structure, transfers and other variations corresponded mainly to investments accounted for by the equity method by CSR.

The principal financial aggregates of equity-accounted companies are as follows:

<i>(in EUR millions)</i>	2025			2024		
	Associates	Joint ventures	Total	Associates	Joint ventures	Total
Sales	2,207	719	2,926	1,971	848	2,819
Net income	170	13	183	174	76	250
Non-current assets	1,085	580	1,665	1,106	639	1,745
Current assets	1,211	419	1,630	1,257	431	1,688
Non-current liabilities	1,684	871	2,555	1,698	943	2,641
Current liabilities	613	128	741	665	127	792
Shareholders' equity	1,315	808	2,123	1,336	895	2,231

8.2 Transactions with equity-accounted companies – related parties

The consolidated financial statements include transactions conducted by the Group in the normal course of its businesses with associates and joint ventures. These transactions are carried out on an arm's length basis.

The assets and liabilities of equity-accounted companies at December 31 are as follows:

<i>(in EUR millions)</i>	Dec. 31, 2025	Dec. 31, 2024
Financial receivables	15	38
Inventories	5	0
Short-term receivables	14	8
Cash and cash equivalents	0	0
Short-term debt	9	4
Cash advances	0	0

Purchases and sales transactions with equity-accounted companies are as follows:

<i>(in EUR millions)</i>	2025	2024
Purchases	81	38
Sales	43	35

8.3 Other non-current assets

Changes in other non-current assets in 2025 and 2024 are analyzed below:

<i>(in EUR millions)</i>	Equity investments	Loans, deposits, surety and other financial receivables	Total other non- current assets
AT JANUARY 1, 2024			
Gross value	258	356	614
Provisions for impairment	(10)	(8)	(18)
NET VALUE	248	348	596
CHANGES DURING THE PERIOD			
Increases (decreases)	214	2	216
Provisions for impairment	(1)	(11)	(12)
Translation adjustments and restatement for hyperinflation	7	(12)	(5)
Transfers and other movements		35	35
Changes in Group structure	(88)	7	(81)
Changes in fair value	2	(1)	1
Assets held for sale		(15)	(15)
TOTAL CHANGES	134	5	139
AT DECEMBER 31, 2024			
Gross value	390	375	765
Provisions for impairment	(8)	(22)	(30)
NET VALUE	382	353	735
CHANGES DURING THE PERIOD			
Increases (decreases)	26	124	150
Provisions for impairment	(2)	(13)	(15)
Translation adjustments and restatement for hyperinflation	(11)	(20)	(31)
Transfers and other movements		43	43
Changes in Group structure	(203)	19	(184)
Changes in fair value	(38)	(3)	(41)
Assets held for sale		(5)	(5)
TOTAL CHANGES	(228)	145	(83)
AT DECEMBER 31, 2025			
Gross value	165	523	688
Provisions for impairment	(11)	(25)	(36)
NET VALUE	154	498	652

NOTE 9 OTHER CURRENT AND NON-CURRENT LIABILITIES AND PROVISIONS, CONTINGENT LIABILITIES AND LITIGATION

A provision is booked when (i) the Group has a present legal or constructive obligation towards a third party as a result of a past event, (ii) it is probable that an outflow of resources will be required to settle the obligation, and (iii) the amount of the obligation can be estimated reliably.

If the amount or due date of the obligation cannot be estimated reliably, it is classified as a contingent liability and reported as an off-balance sheet commitment.

Provisions for other material liabilities and charges whose timing can be estimated reliably over the long term are discounted to present value.

9.1 Other current and non-current liabilities and provisions

The table below provides a breakdown by type along with details of changes in other current and non-current liabilities and provisions:

<i>(in EUR millions)</i>	Provisions for claims, litigation and environmental risks	Provisions for restructuring costs and personnel expenses	Provisions for customer warranties	Provisions for other contingencies	Total provisions	Investment -related liabilities	Total provisions and investment -related liabilities
AT JANUARY 1, 2024							
Current portion	291	102	182	205	780	38	818
Non-current portion	205	133	160	510	1,008	174	1,182
TOTAL PROVISIONS AND INVESTMENT-RELATED LIABILITIES	496	235	342	715	1,788	212	2,000
CHANGES DURING THE PERIOD							
Additions	68	144	104	122	438		438
Reversals	(23)	(34)	(26)	(50)	(133)		(133)
Utilizations	(68)	(140)	(61)	(70)	(339)		(339)
Changes in Group structure	155	7	8	15	185		185
Translation adjustments, reclassifications and other	19	1	5	6	31	107	138
Liabilities held for sale	(1)			(2)	(3)		(3)
TOTAL CHANGES	150	(22)	30	21	179	107	286
AT DECEMBER 31, 2024							
Current portion	316	90	193	211	810	26	836
Non-current portion	330	123	179	525	1,157	293	1,450
TOTAL PROVISIONS AND INVESTMENT-RELATED LIABILITIES	646	213	372	736	1,967	319	2,286
CHANGES DURING THE PERIOD							
Additions	50	161	82	83	376		376
Reversals	(18)	(35)	(32)	(58)	(143)		(143)
Utilizations	(67)	(102)	(91)	(79)	(339)		(339)
Changes in Group structure	43		1	2	46		46
Translation adjustments, reclassifications and other	(34)	(4)	(11)	30	(19)	127	108
Liabilities held for sale		1		(4)	(3)		(3)
TOTAL CHANGES	(26)	21	(51)	(26)	(82)	127	45
AT DECEMBER 31, 2025							
Current portion	273	139	171	232	815	14	829
Non-current portion	347	95	150	478	1,070	432	1,502
TOTAL PROVISIONS AND INVESTMENT-RELATED LIABILITIES	620	234	321	710	1,885	446	2,331

9.1.1 Provisions for claims, litigation and environmental risks

These provisions cover costs relating to litigation, environmental protection measures, as well as site rehabilitation and clean-up costs.

They cover in particular PFOA-related proceedings, asbestos-related litigation and the antitrust lawsuit in the Distribution sector in Switzerland.

Litigation provisions amounted to €408 million at December 31, 2025. These provisions are described in further detail in note 9.2 "Contingent liabilities and litigation".

9.1.2 Provisions for restructuring costs and personnel expenses

Provisions for restructuring costs and personnel expenses amounted to €234 million at December 31, 2025 (December 31, 2024: €213 million).

These provisions cover restructuring transactions (personnel costs and other charges linked to reorganization plans), as well as provisions for personnel expenses unrelated to restructuring plans, in particular provisions for severance payments.

9.1.3 Provisions for customer warranties

These provisions cover the Group's commitments under warranties granted to customers mainly in the United States. They are determined on a statistical basis using a range of criteria and take into account contractual warranty payments made in prior years in the business and region concerned. In addition, specific provisions may be set aside for identified contingencies in the context of a specific claim.

9.1.4 Provisions for other contingencies

At December 31, 2025, provisions for other contingencies amounted to €710 million (December 31, 2024: €736 million) and mainly concern the United States (€417 million).

9.1.5 Investment-related liabilities

Investment-related liabilities correspond to commitments to purchase minority interests, liabilities relating to the acquisition of shares in Group companies, and minority shareholder puts.

In 2025, changes in investment-related liabilities reflect net increases in acquisition debt and minority shareholder puts for €69 million and €58 million, respectively.

9.2 Contingent liabilities and litigation

9.2.1 Competition law and related proceedings

Investigation by the Swiss Competition Commission in the sanitary products wholesale industry

In November 2011, the Swiss Competition Commission (Commission suisse de la concurrence) opened an investigation into anti-competitive practices in the

sanitary products wholesale industry. In May 2014, the Commission Secretariat issued a notice of complaints against Sanitas Troesch and other wholesalers in the industry alleging that Sanitas Troesch and some of its competitors had, among other things, agreed in 2005 and 2012 to lower gross prices.

The total fine imposed on all companies involved is CHF 80 million. For Sanitas Troesch, the fine is CHF 28.8 million. Sanitas Troesch appealed this decision on May 2, 2016 and continues to firmly refute the claims made. The hearing took place before the Federal Administrative Court on January 21, 2020 and the date on which the Federal Administrative Court will issue its decision is not yet known. A provision for claims and litigation was recognized at December 31, 2015 in an amount equivalent to the fine. As of December 31, 2025, this provision amounts to CHF 21.7 million.

Investigation by the Mexican competition authority in the flat glass market

In June 2022, the Mexican competition authority opened an investigation for alleged anticompetitive behaviour in the flat glass market and products derived from flat glass. In June 2025, the authority notified a statement of objections to Saint-Gobain México SA de CV and to another industry player. According to this statement of objections, the authority alleges that Saint-Gobain Glass México and one of its competitors coordinated price increases between September 2015 and November 2022.

Saint-Gobain México SA de CV has cooperated with the authority during its investigation but rejects these allegations entirely. At this stage of the procedure, it is not possible to determine what the outcome of the Mexican authority's decision will be, nor the amount of a potential fine, if any.

Investigations by Competition Authorities in the additives and admixtures sector

The European Commission, the Competition and Markets Authority in the UK and the Turkish competition authority have launched investigations into anti-competitive practices in relation to the supply of chemical additives for cement and chemical admixtures for concrete and mortar. As of December 31, 2025, no statement of objections had yet been issued by the European Commission. The Competition and Markets Authority in the UK has announced on January 23, 2025 its decision to drop its investigation. The Turkish competition authority issued its decision on June 30, 2025 and imposed an administrative fine of approximately €0.2 million on Chryso-Kat Katkı Malzemeleri San. ve Tic. AŞ.

Incidentally, the Group has been involved in class actions in the United States and Canada in connection with these investigations and has settled such class actions in the United States for an amount of US\$3 million, without admission of wrongdoing. The proceedings are still ongoing in Canada.

9.2.2 Asbestos-related litigation

Current legal actions related to asbestos are described below.

Asbestos-related litigation in France

Inexcusable fault lawsuits

Several French companies of the Group were the subject of actions by former employees of these companies (or persons claiming through them) for recognition of inexcusable fault following diseases recognized as being of occupational origin resulting from exposure to asbestos dust.

As of December 31, 2025, 49 actions are still pending.

Anxiety claims

Several Group's subsidiaries that have operated facilities in France classified as containing asbestos, were the subject of anxiety claims brought by current or former employees not suffering from an occupational disease due to asbestos – claiming compensation for prejudice of anxiety suffered as a result of their alleged exposure to asbestos.

As of December 31, 2025, 186 actions are still in progress.

Last, the total amount of compensation during the 2025 financial year for asbestos-related litigations in France – inexcusable faults lawsuits and anxiety claims – by the Group companies concerned totaled approximately EUR 1 million compared to approximately EUR 3 million during the 2024 financial year and the total amount registered as provision for this asbestos-related litigations amounted to approximately EUR 11 million as of December 31, 2025 (compared to approximately EUR 9 million as of December 31, 2024).

Situation in the United States

Measures taken to achieve an equitable and permanent resolution of the former CertainTeed Corporation's legacy asbestos liabilities in the United States

DBMP LLC, an affiliate of CertainTeed LLC based in North Carolina, that holds the legacy asbestos liabilities of the former CertainTeed Corporation, filed, on January 23, 2020, a voluntary petition for relief under Chapter 11 of the US Bankruptcy Code in the US Bankruptcy Court for the Western District of North Carolina in Charlotte. The matter remains pending. The purpose of the filing is to achieve a certain, final and equitable resolution of all current and future claims arising from asbestos-containing products manufactured and sold by the former CertainTeed Corporation.

DBMP LLC intends to seek court authority to establish a trust under section 524(g) of the US Bankruptcy Code – a specific provision that is applicable to companies that face substantial numbers of asbestos-related claims – to achieve a fair and equitable resolution of its asbestos-related liabilities. Upon establishment of the trust, current and future plaintiffs with qualifying claims will be able to receive faster payment of their claims without the delay, stress and uncertainty of litigation in the tort system; at the same time, the creation and funding of such a trust will permanently and finally resolve DBMP LLC's asbestos liability.

During the course of this bankruptcy process, which could take at least eight years or more, all asbestos

litigations have been stayed and all related costs suspended, providing DBMP LLC with the time and protection to negotiate an agreement to be approved on behalf of all claimants and by the court.

This action was taken as a result of the increasing risks presented in the US tort system. Despite the passage of time, the aging of the population and lessening opportunity for claimants to assert legitimate claims of exposure to the asbestos-containing products of the former CertainTeed Corporation, naming practices in the tort system continued to result in a steady volume of claims against DBMP LLC, with no foreseeable end in sight. In addition, there has been, in general, an escalation of settlement demands and verdicts in the tort system.

Certain adversary proceedings have been filed by representatives of current and future asbestos plaintiffs against DBMP LLC, CertainTeed LLC, Saint-Gobain Corporation, Compagnie de Saint-Gobain and various other parties. No decisions on the merits of the claims have been made and such claims do not affect the Company's financial assessment of the Chapter 11 case.

Impact on financial statements

Following the commencement of the proceeding under Chapter 11 of the US Bankruptcy Code on January 23, 2020, the assets and liabilities of DBMP LLC and its wholly-owned subsidiary Millwork & Panel LLC, and in particular the provision for asbestos-related litigation in the United States, are no longer consolidated in the Group's financial statements.

Nonetheless, because of a funding agreement between CertainTeed LLC and DBMP LLC by which CertainTeed LLC has agreed to fund the costs of the Chapter 11 case and, ultimately, the 524(g) trust, in both cases solely to the extent DBMP LLC is unable to do so in full, the Group recorded in its consolidated financial statements a provision corresponding to the amount of the estimated debt against DBMP LLC amounting to US\$402 million as of December 31, 2025 (compared to US\$405 million as of December 31, 2024).

The Group's consolidated income for 2025 is not impacted by the ongoing Chapter 11 proceeding described above.

As a result of this bankruptcy proceeding, all legal costs and indemnity payments related to DBMP LLC's asbestos tort claims have been suspended, and no further charges in relation to such claims have been taken as of December 31, 2025 (as in 2024).

Situation in Brazil

In Brazil, former employees of Brasilit, that once manufactured fiber cement containing asbestos, suffering from asbestos-related occupational illnesses are offered, depending on the case, either financial compensation alone or lifetime medical assistance combined with financial compensation. Around 1,200 contractual instruments have accordingly been signed to date.

Two class actions were initiated against Brasilit in 2017 by two associations defending former employees exposed to asbestos at the São Caetano (São Paulo state) and Recife (Pernambuco state) plants, asking for their medical assistance and compensation to be revised. First and second instance decisions were rendered in connection with the suit related to the São Caetano plant respectively in July 2020 and July 2021, rejecting the claims of the plaintiffs. The latter have nevertheless appealed the second instance decision. First and second instance decisions were rendered in relation to Recife case, respectively in February and October 2022 rejecting the claiming party arguments. The plaintiff has appealed such second instance decision.

A third class action was initiated against Brasilit in 2019 in Capivari (State of São Paulo) by the Labor prosecutor asking for health insurance, as well as collective moral damages, in favor of employees, former employees and their respective families, as well as subcontractors who were exposed to asbestos. First and second instance decisions were rendered respectively in September 2020 and May 2023 partly in favor of the plaintiffs. In particular, collective moral damages were granted to the plaintiffs, for an amount currently estimated as of December 31, 2025 (based on the indexation) at approximately BRL 10 million (approximately €1.6 million).

Brasilit is subject to controls by the Ministry of Labor and continues to comply with all of its legal obligations with regard to medical assistance for its current and former employees.

In November 2017, the Supreme Court of Brazil decided to ban asbestos definitively across the country. Brasilit stopped using asbestos voluntarily as early as 2002.

Situation in Australia

On July 9, 2024, the Company finalized the acquisition of CSR Ltd a leading player in building materials in Australia.

CSR Ltd and/or certain subsidiaries (CSR) were involved in mining asbestos and manufacturing and marketing products containing asbestos in Australia and exporting asbestos to the United States. CSR's involvement in asbestos mining, and the manufacture of products containing asbestos, began in the early 1940s and ceased in 1977.

As a result of these activities, CSR has been named as a defendant in litigation in Australia and the United States. CSR has been settling claims since 1989. Default judgments have been sought and obtained against CSR in the US, without CSR being present or represented. Australian law does not recognize the jurisdiction of US courts in such matters. There have not been any US judgments enforced against CSR. In 2025, CSR has paid asbestos related claims of approximately AUD 30 million, corresponding to approximately EUR 17 million.

As of December 31, 2025, for the Group companies concerned, the total provision for asbestos-related litigation amounts to AUD 278 million, corresponding to approximately EUR 158 million (AUD 225 million, corresponding to approximately EUR 134 million as of December 31, 2024).

9.2.3 Environmental disputes

PFOA proceedings in the United States

Levels of PFOA (perfluorooctanoic acid) in excess of US Environmental Protection Agency (EPA) and/or state maximum contaminant levels for drinking water have been found in municipal water systems and private wells near Saint-Gobain Performance Plastics (SG PPL): two current facilities in Hoosick Falls (New York), a former facility in Merrimack (New Hampshire), and two former facilities in North Bennington (Vermont) in the United States. PFOA and PTFE (polytetrafluoroethylene) have never been manufactured by these plants. SG PPL is a processor of PTFE which it purchases from third party suppliers. PFOA was a processing aid in PTFE coating mixtures.

SG PPL has voluntarily provided bottled water in all three communities, installed point-of-entry treatment systems to residents and businesses in all three communities, installed carbon filtration systems on the municipal water supply in Hoosick Falls as well as a new water supply and funded the installation of a carbon filtration system on the Merrimack Valley District's municipal water supply. In addition, it has voluntarily funded construction of water line extensions in certain communities in the Merrimack and Bennington areas. The SG PPL facility in Merrimack was closed in 2024.

Without admitting liability, SG PPL has signed consent orders with the environmental regulators in New York in 2016 and 2023, in Vermont in 2017 and 2019 with respect to two different areas, and in New Hampshire in 2018, pursuant to which SG PPL has agreed to complete investigations, implement interim or final remediation measures at its current and former facilities and in the case of Vermont and New Hampshire, fund construction of water lines. Responsibility, if any, is expected to be shared with other parties as regards in particular the Hoosick Falls site. Investigations are still on-going and the scope of responsibility for SG PPL arising from environmental remediation in New Hampshire and New York and, clean-up obligations at certain sites, has not yet been established. With respect to Vermont, the scope of the original remediation is defined and largely completed; future operation and maintenance obligations remain, and further testing and remediation are being discussed.

PFOA-related lawsuits alleging both health-related and economic damages claims have been filed in civil courts in New York, New Hampshire and Vermont, some of which are in the form of class actions. It is difficult to predict the timing or outcome of any such litigation, or whether any additional litigation will be brought against SG PPL, however, both the New York and Vermont class actions are settled.

On December 31, 2025, the provision recorded by the concerned company in respect of this matter amounts to approximately USD 244 million, approximately EUR 207 million (approximately USD 249 million corresponding to EUR 240 million as of December 31, 2024). This provision covers both remediation and litigation related to PFOA matters.

9.2.4 Other contingent liabilities

Grenfell Tower fire in the United Kingdom

The Celotex business whose control was transferred by Saint-Gobain Construction Products UK Limited outside of the Group in January 2024, provides insulation materials for specific applications for the building and construction industry. Insulation materials from two Celotex ranges were purchased via distributors and used in refurbishing Grenfell Tower, in London in 2015/2016, including as one component of the rainscreen cladding system designed and installed (by third parties) on the tower's external facade.

Following the Grenfell Tower fire on June 14, 2017, a Public Inquiry was constituted to consider, among other things, the modifications made to the building as part of the refurbishment, the role played by the various construction professionals, and the information provided by the manufacturers of the products used. The Inquiry's work was divided into two phases. Its phase 1 report was published on October 30, 2019 and the phase 2 report was published on September 4, 2024. A criminal investigation into the circumstances of the fire is also in progress.

Following this fire, building owners, construction professionals and industry bodies are also considering the implications for high-rise buildings, working practices and construction regulation more generally.

There are a large number of issues and circumstances that need to be explored and the full implications for Celotex Limited and Saint-Gobain Construction Products UK Limited are unlikely to be known for some time.

Civil proceedings in connection with Grenfell Tower brought against Celotex Limited and/or Saint-Gobain Construction Products UK Limited and a number of other defendants were issued by bereaved, survivors and residents and emergency responders.

Following confidential alternative dispute resolution processes involving a number of parties, confidential settlements have been concluded in relation to the majority of these claims and resulted in payments to relevant claimants without admission of liability. The remaining claims brought by the emergency responders were settled in 2025 based on the same principles.

In October 2024, the owner of Grenfell Tower at the time of the fire has issued a claim against Celotex Limited and Saint-Gobain Construction Products UK Limited, and a number of third parties, for losses arising as a result of the fire. This claim is at a preliminary stage.

The extent to which Celotex Limited and Saint-Gobain Construction Products UK Limited may incur further financial expenditure or civil or criminal liability in connection with the production, marketing, supply or use of Celotex products is currently unclear and these companies are currently unable to make a reliable estimate of their potential liability in this respect.

9.2.5 Other proceedings and disputes

Some of the Group's companies may also be the subject of other claims made by their employees or by the tax authorities, or in the context of the enforcement of seller's warranties granted by the Group to the buyers of divested businesses (note 5.5.2, p 26). Apart from the proceedings and litigation described above, to the best of the Company's knowledge, no other government, court or arbitration proceedings exist (including pending proceedings or proceedings where the Company and/or the Group might be threatened) which could have or have had, in the last 12 months, a significant impact on the financial position or profitability of the Company and/or Group.

NOTE 10 FINANCING AND FINANCIAL INSTRUMENTS

10.1 Financial risks

10.1.1 Liquidity risk

Liquidity risk on financing

In a crisis environment, the Group might be unable to raise the financing or refinancing needed to cover its investment plans on the credit or capital markets, or to obtain such financing or refinancing on acceptable terms.

The Group's overall exposure to liquidity risk on its net debt is managed by the Treasury and Financing Department of Compagnie de Saint-Gobain, the Group's parent company. The subsidiaries enter into short- or long-term financing arrangements as a priority with Compagnie de Saint-Gobain or with the regional cash pools.

The Group's policy is to ensure that the Group's financing will be rolled over at maturity and to optimize borrowing costs. Long-term debt therefore systematically represents a high percentage of overall debt. At the same time, the maturity schedules of long-term debt are set in such a way that replacement capital market issues are spread over time.

The Group's main source of long-term financing is constituted by bonds, which are generally issued under the Medium Term Notes program. The Group also uses lease financing, perpetual bonds, participating securities, a long-term securitization program and bank borrowings.

Short-term debt is composed of borrowings under Negotiable European Commercial Paper (NEU CP) programs, and occasionally Euro Commercial Paper and US Commercial Paper programs, but also includes receivables securitization programs and bank financing.

The Group also has various factoring and reverse factoring programs.

Compagnie de Saint-Gobain's liquidity position is secured by a confirmed syndicated line of credit.

A breakdown of long- and short-term debt by type and maturity is provided in note 10.3, which also details the main characteristics of the Group's financing programs and confirmed credit lines.

Saint-Gobain's long-term debt issues have been rated BBB+ with a stable outlook by Standard & Poor's since April 24, 2023, and Baa1 with a stable outlook by Moody's since June 15, 2022.

There is no guarantee that the Company will be in a position to maintain its credit risk ratings at current levels. Any deterioration in the Group's credit risk rating could limit its capacity to raise funds and could lead to higher rates of interest on future borrowings.

Liquidity risk on investments

Short-term investments consist of bank deposits and mutual fund units. To reduce liquidity and high volatility risks, the Group invests in money market funds and/or bonds whenever possible. These investments are classified as cash at bank, cash equivalents and other liquid assets.

10.1.2 Financial counterparty credit risk

The Group is exposed to the risk of default by the financial institutions that manage its cash or other financial instruments, since such default could lead to losses for the Group.

The Group limits its exposure to risk of default by its counterparties by dealing solely with reputable financial institutions and regularly monitoring their credit ratings. However, the credit quality of a financial counterparty can change rapidly, and a high credit rating cannot eliminate the risk of a rapid deterioration of its financial position. As a result, the Group's policy in relation to the selection and monitoring of its counterparties is unable to entirely eliminate exposure to a risk of default.

To limit Compagnie de Saint-Gobain's exposure to counterparty credit risk, the Treasury and Financing Department deals primarily with counterparties with a long-term rating of A- or above from Standard & Poor's or A3 or above from Moody's. Concentrations of credit risk are also closely monitored to ensure that they remain at reasonable levels, taking into account the relative CDS ("Credit Default Swap") level of each counterparty.

10.1.3 Market risks

Energy and commodity risk

The Group is exposed to changes in the price of the energy it consumes and the raw materials used in its activities. Its energy and commodity hedging programs may be insufficient to protect the Group against significant or unforeseen price swings that could result from the prevailing financial and economic environment.

The Group may limit its exposure to energy price fluctuations by using swaps and options to hedge part of its fuel oil, natural gas and electricity purchases. The swaps and options are mainly contracted in the functional currency of the entities concerned. Hedges of fuel oil, gas and electricity purchases are contracted in accordance with the Group's purchasing policy.

These hedges (excluding fixed-price purchases negotiated directly with suppliers by the Purchasing Department) are generally arranged by the Group Treasury and Financing Department (or with regional treasury departments) in accordance with instructions received from the Purchasing Department.

From time to time, and in accordance with the same principles as those outlined above for energy, the Group may enter into contracts to hedge purchases of certain commodities or engage in the CO₂ emissions market with spot or forward purchases.

Note 10.4 provides a breakdown of instruments used to hedge energy and commodity risks.

Interest rate risk

The Group's overall exposure to interest rate risk on consolidated debt is managed by the Treasury and Financing Department of Compagnie de Saint-Gobain.

The Group's policy is aimed at fixing and optimizing its medium-term borrowing costs by hedging interest rate risk. According to Group policy, the derivative financial instruments used to hedge interest rate risk can include interest rate swaps, cross-currency swaps, options – including caps, floors and swaptions – and forward rate agreements.

The table below shows the sensitivity at December 31, 2025 of pre-tax income and pre-tax equity to fluctuations in the interest rate on the Group's net debt after hedging:

<i>(in EUR millions)</i>	Impact on pre-tax income	Impact on pre-tax equity
Interest rate increase of 50 basis points	32	3
Interest rate decrease of 50 basis points	(32)	(3)

Note 10.4 provides a breakdown of instruments used to hedge interest rate risk and of gross debt by type of interest (fixed or variable) after hedging.

Foreign exchange risk

The currency hedging policies described below could be insufficient to protect the Group against unexpected or sharper than expected fluctuations in exchange rates resulting from economic and financial market conditions.

Foreign exchange risks are managed by hedging virtually all transactions entered into by Group entities in currencies other than the functional currency of the particular entity. Compagnie de Saint-Gobain and its subsidiaries may use forward contracts and options to hedge exposures arising from current and forecast transactions.

The subsidiaries generally set up contracts through the Group's parent company, Compagnie de Saint-Gobain, which then carries out the corresponding forex hedging transactions on their behalf, or through the regional cash pools. Failing this, contracts are taken out with one of the subsidiary's banks.

Most forward contracts have short maturities of less than one year. However, forward contracts taken out to hedge firm orders may have longer terms.

The Group monitors its exposure to foreign exchange risk using a monthly reporting system that captures the foreign exchange positions taken by its subsidiaries. At December 31, 2025, 94% of the Group's foreign exchange exposure was hedged.

The residual net foreign exchange exposure of subsidiaries for the currencies presented below was as follows at December 31, 2025:

<i>(in millions of euro equivalent)</i>	Long	Short
EUR	11	20
USD	20	32
Other currencies	1	6
TOTAL	32	58

The table below gives an analysis, as of December 31, 2025, of the sensitivity of the Group's pre-tax income to a 10% increase in the exchange rates of the following currencies given the subsidiaries' residual net foreign exchange exposure:

<i>Currency of exposure (in millions of euro equivalent)</i>	Impact on pre-tax income
EUR	(0.9)
USD	(1.2)
Other currencies	(0.5)
TOTAL	(2.6)

Assuming that all other variables remained unchanged, a 10% fall in the exchange rates for these currencies at December 31, 2025 would have the opposite impact.

Note 10.4 provides a breakdown of instruments used to hedge foreign exchange risk.

Saint-Gobain share price risk

The Group could be exposed to changes in the Saint-Gobain share price as a result of its performance unit incentive plans. To reduce its exposure to fluctuations in the share price, the Group may use hedging instruments such as equity swaps.

As a result, if the price of the Saint-Gobain share changes, any changes in the expense recorded in the income statement would be fully offset by the hedges in place.

Note 10.4 provides a breakdown of instruments used to hedge share price risk.

10.2 Net financial income (expense)

Net financial income (expense) includes borrowing and other financing costs, income from short term investments, interest on lease liabilities, interest cost for pension and other post-employment benefit plans net of the return on plan assets, and other financial income and expense.

Net financial income (expense) in 2025 and 2024 comprises:

<i>(in EUR millions)</i>	2025	2024
Borrowing costs, gross	(479)	(457)
Income from short term investments	193	301
BORROWING COSTS, NET, EXCLUDING LEASE LIABILITIES	(286)	(156)
Interest on lease liabilities	(102)	(97)
TOTAL BORROWING COSTS, NET	(388)	(253)
Interest cost – pension and other post-employment benefit obligations	(369)	(380)
Return on plan assets	318	324
INTEREST COST – PENSION AND OTHER POST-EMPLOYMENT BENEFIT OBLIGATIONS, NET	(51)	(56)
Other financial expense	(182)	(163)
Other financial income	16	17
OTHER FINANCIAL INCOME AND EXPENSE	(166)	(146)
NET FINANCIAL INCOME (EXPENSE)	(605)	(455)

10.3 Net debt

The Group's net debt consists of financial debt and lease liabilities less short-term investments.

10.3.1 Long- and short-term debt

Long-term debt

Long-term debt includes bonds, perpetual bonds, participating securities, long-term securitization and all other types of long-term financial liabilities, including the fair value of interest rate hedging derivatives.

Under IAS 32, the distinction between financial liabilities and equity is based on the substance of the contracts concerned rather than their legal form. As a result, participating securities are classified as debt.

At the end of the reporting period, long-term debt (excluding interest rate derivatives) is measured at amortized cost. Premiums and issuance costs are amortized using the effective interest method.

Short-term debt

Besides the current portion of long-term debt described above, short-term debt includes financing programs such as commercial paper, short-term securitization, bank overdrafts and other short-term financial liabilities including the fair value of derivatives related to debt and accrued interest on borrowings.

Short-term debt, excluding derivatives related to debt, is measured at amortized cost at the end of the reporting period. Premiums and issuance costs are amortized using the effective interest rate method.

Lease liabilities

Lease liabilities represent obligations to make lease payments in accordance with IFRS 16.

10.3.2 Short-term investments

Short-term investments consists of cash and cash equivalents and other liquid assets.

Cash and cash equivalents

Cash and cash equivalents mainly consist of bank accounts and short-term investments that meet the definition of cash equivalents set out in IAS 7 (i.e., generally with maturities of less than three months, highly liquid investments readily convertible into known amounts of cash and subject to an insignificant risk of changes in value).

Cash equivalents are measured at fair value through profit or loss.

Other liquid assets

Other liquid assets consist of investments (current financial assets) which, although they can generally be sold in less than three months and are fairly insensitive to interest rate risks, do not meet the definition of cash equivalents under IAS 7.

Other liquid assets are measured at fair value through profit or loss.

Long- and short-term debt and short-term investments consist of the following:

<i>(in EUR millions)</i>	Dec. 31, 2025	Dec. 31, 2024
Bond issues	11,529	12,090
Perpetual bonds and participating securities	197	197
Long-term securitization	370	370
Other long-term financial liabilities	147	174
NON-CURRENT PORTION OF LONG-TERM DEBT	12,243	12,831
Bond issues	1,749	1,249
Long-term securitization	130	130
Other long-term financial liabilities	212	225
CURRENT PORTION OF LONG-TERM DEBT	2,091	1,604
Short-term financing programs (NEU CP, US CP, Euro CP)	0	0
Short-term securitization	62	217
Bank overdrafts and other short-term financial liabilities	528	408
SHORT-TERM DEBT	590	625
TOTAL GROSS DEBT EXCLUDING LEASE LIABILITIES	14,924	15,060
Lease liabilities	3,164	3,178
TOTAL GROSS DEBT	18,088	18,238
Cash and cash equivalents ⁽¹⁾	(7,582)	(8,460)
Other liquid assets ⁽²⁾	(150)	-
TOTAL SHORT TERM INVESTMENTS	(7,732)	(8,460)
TOTAL NET DEBT	10,356	9,778

⁽¹⁾ Including €2,028 million in cash and €5,554 million in mutual funds and other marketable securities at December 31, 2025 (December 31, 2024: €2,145 million and €6,315 million, respectively).

⁽²⁾ Other liquid assets are shown under "Other short-term investments" on the assets side of the balance sheet and consist of mutual funds that do not meet the definition of cash equivalents under IAS 7.

Changes in the Group's long-term debt (excluding lease liabilities) can be analyzed as follows:

<i>(in EUR millions)</i>	Dec. 31, 2024	Cash impact		No cash impact			Dec. 31, 2025
		Increases	Decreases	Changes in Group structure			
				Translation adjustments	Other	Other	
Non-current portion of long-term debt	12,831	1,262	(48)	18	(55)	(1,765)	12,243
Current portion of long-term debt	1,604	13	(1,297)	4	(1)	1,768	2,091
TOTAL LONG-TERM DEBT	14,435	1,275	(1,345)	22	(56)	3	14,334

The main changes with an impact on cash are described in note 10.3.4, p. 54. The main change with no cash impact in the "Other" column relates to the reclassification of debt maturing within 12 months in the current portion of long-term debt.

The fair value of gross long-term debt (including the current portion), excluding lease liabilities, managed by Compagnie de Saint-Gobain amounts to €13.5 billion at December 31, 2025 (carrying amount: €13.5 billion). The fair value of bonds corresponds to the market price at the last market quotation of the year. For other borrowings, fair value is considered equal to the amount repayable.

10.3.3 Gross debt repayment schedule

The schedule of the Group's total gross debt, at amortized cost, at December 31, 2025 is as follows:

<i>(in EUR millions)</i>	Currency	Within 1 year	1 to 5 years	Beyond 5 years	Total
Bond issues	EUR	1,749	6,827	4,416	12,992
	GBP	0	286	0	286
Perpetual bonds and participating securities	EUR	0	0	197	197
Long-term securitization	EUR	130	370	0	500
Other long-term financial liabilities	All currencies	15	63	84	162
Accrued interest on long-term debt	All currencies	197	0	0	197
TOTAL LONG-TERM DEBT		2,091	7,546	4,697	14,334
SHORT-TERM DEBT	All currencies	590	0	0	590
TOTAL GROSS DEBT EXCLUDING LEASE LIABILITIES		2,681	7,546	4,697	14,924
Lease liabilities	All currencies	669	1,643	852	3,164
TOTAL GROSS DEBT		3,350	9,189	5,549	18,088

At December 31, 2025, future interest payments on gross long-term debt (including the current portion), excluding lease liabilities, managed by Compagnie de Saint-Gobain can be broken down as follows:

<i>(in EUR millions)</i>	Within 1 year	1 to 5 years	Beyond 5 years	Total
Future interest payments on gross long-term debt	385	1,065	552	2,002

Interest on perpetual bonds and on participating securities is calculated up to 2049.

10.3.4 Bonds

Compagnie de Saint-Gobain also redeemed the following instruments at maturity:

- on March 17, 2025, a €750 million bond with a coupon of 1.00%;
- on August 11, 2025, a €500 million bond with a coupon of 1.625%;

On April 4, 2025, Compagnie de Saint-Gobain issued a €1.2 billion bond divided into two tranches:

- a €700 million tranche maturing April 4, 2028 and paying a coupon of 2.75%;
- a €500 million tranche maturing April 4, 2033 and paying a coupon of 3.50%.

10.3.5 Perpetual bonds

In 1985, Compagnie de Saint-Gobain issued 25,000 perpetual bonds with a face value of ECU 5,000 (€5,000 today).

A total of 19,541 perpetual bonds have since been bought back and canceled.

A total of 5,459 perpetual bonds therefore remained outstanding at December 31, 2025, representing a face value of approximately €27 million.

The bonds bear interest at a variable rate (average of interbank rates offered by a panel of reference banks for six-month euro deposits).

The amount paid per bond in 2025 was €140.82, settled in two installments (€80.13 and €60.69).

The bonds are not redeemable and interest on the bonds is classified as a component of finance costs.

10.3.6 Non-voting participating securities

In June 1983, Compagnie de Saint-Gobain issued 1,288,299 non-voting participating securities with a face value of FRF 1,000. Their face value is now €152.45, following their translation into euros in 1999.

A certain number of these participating securities have been bought back over the years. At December 31, 2025, 606,883 securities were still outstanding with an aggregate face value of €92.5 million.

Interest on the securities ranges from 75% to 125% of the average corporate bond yield (TMO), based on the Group's consolidated income. The amount paid per security in 2025 was €6.14.

In April 1984, 194,633 non-voting participating securities were issued by Compagnie de Saint-Gobain with a face value of ECU 1,000 (€1,000 today).

A certain number of these participating securities has been bought back over the years. At December 31, 2025, 77,516 securities were still outstanding, with an aggregate face value of €77.5 million.

Interest comprises (i) a fixed portion of 7.5% paid per year applicable to 60% of the nominal amount of the security, and (ii) a variable portion applicable to the remaining 40% of the nominal amount of the security, which is linked to consolidated net income of the previous year and to the reference six-month Euribor rate +7/8%. The amount paid per security in 2025 was €67.50, paid in two equal installments.

These participating securities are not redeemable and the interest paid on them is classified as a component of finance costs.

10.3.7 Financing programs

The Group has a number of medium- and long-term financing programs (Medium-Term Notes) and short-term financing programs (Commercial Paper).

The state of these programs is as follows:

<i>(in EUR millions)</i>	Authorized drawings	Authorized limits at Dec. 31, 2025	Balance outstanding at Dec. 31, 2025	Balance outstanding at Dec. 31, 2024
Medium Term Notes	any duration	20,000	13,350	13,400
NEU CP	up to 12 months	4,000	0	0
US Commercial Paper	up to 12 months	851 *	0	0
Euro Commercial Paper	up to 12 months	851 *	0	0

* Equivalent of US\$ 1,000 million based on the exchange rate at December 31, 2025.

In accordance with market practices, Negotiable European Commercial Paper (NEU CP), US Commercial Paper and Euro Commercial Paper are generally issued with maturities of one to six months. They are treated as variable-rate debt since they are rolled over at frequent intervals.

10.3.8 Syndicated line of credit

Compagnie de Saint-Gobain has a €4 billion syndicated line of credit that is intended to provide a secure source of financing for the Group (including as additional backing for its short-term NEU CP, US Commercial Paper and Euro Commercial Paper programs).

This syndicated line of credit is not subject to any hard covenants. It was initially due to expire in December 2028, with two one-year rollover options; the two one-year rollover options were exercised in November 2024 and in November 2025, extending the line's expiry date to December 2030.

The facility is a "Sustainability-Linked Loan" (SLL) on which the margin is indexed to three KPIs set out in Saint-Gobain's sustainable roadmap (reduction of scope 1 and 2 CO₂ emissions, reduction in non-recovered production waste and limited work accident frequency rate).

At December 31, 2025, no drawdowns had been made on this credit facility.

10.3.9 Receivables securitization programs

The Group has set up two receivables securitization programs, one through its French subsidiary Point.P Finances GIE, and the other through its US subsidiary, Saint-Gobain Receivables Corporation. The receivables sold under the two programs are not deconsolidated.

The French program, covering an amount of up to €500 million, represented €500 million at both December 31, 2025 and December 31, 2024.

Based on observed seasonal fluctuations in receivables included in the program and on the contract's features, €370 million of this amount is classified as non-current and the remaining balance as current.

Under the US program, covering an amount of up to US\$500 million, a total of US\$73 million had been used at December 31, 2025, representing the equivalent of €62 million compared with €217 million at December 31, 2024.

10.3.10 Factoring

The Group has set up several trade receivables factoring programs. The main countries concerned are France, China, Italy, Spain and Japan. Based on an analysis of the risks and rewards as defined by IFRS 9, the Group has deconsolidated all of the receivables sold under these programs. A total of €756 million in factored receivables was deconsolidated at December 31, 2025, compared to €651 million at December 31, 2024.

10.3.11 Reverse factoring

The Group has set up several programs for the reverse factoring of trade payables. The main countries concerned are Brazil and Mexico.

At December 31, 2025, trade payables reverse factored under these programs amounted to €145 million (€106 million at December 31, 2024). The programs enabled the Group to extend the contractual payment terms on an estimated €59 million at December 31, 2025 (€49 million at December 31, 2024).

None of the reverse factored payables have been reclassified as financial debt.

10.4 Financial instruments

The Group uses interest rate, foreign exchange, energy, commodity and equity derivatives to hedge its exposure to changes in interest rates, exchange rates, and energy, commodity and equity prices that may arise in the normal course of business.

In accordance with IAS 32 and IFRS 9, all such instruments not qualifying for the own use exemption are recognized in the balance sheet and measured at fair value, irrespective of whether or not they are part of a hedging relationship that qualifies for hedge accounting under IFRS 9.

Changes in the fair value of both derivatives that are designated and qualified as fair value hedges and derivatives that do not qualify for hedge accounting during the period are taken to the income statement (in business income and expense for operational foreign exchange derivatives and commodity derivatives not qualifying for hedge accounting, and in financial income and expense for all other derivatives). However, in the case of derivatives that qualify as cash flow hedges, the effective portion of the gain or loss arising from changes in fair value is recognized directly in equity, and only the ineffective portion is recognized in the income statement.

Fair value hedges

Fair value hedge accounting is applied by the Group mainly for derivative instruments which swap fixed rates against variable rates (fixed-for-floating interest rate swaps). These derivatives hedge fixed-rate debt exposed to a fair value risk. In accordance with hedge accounting principles, debt included in a designated fair value hedging relationship is remeasured at fair value to the extent of the risk hedged. As the loss or gain on the underlying hedged item offsets the effective portion of the gain or loss on the fair value hedge, the income statement is only impacted by the ineffective portion of the hedge.

Cash flow hedges

Cash flow hedge accounting is applied by the Group mainly for derivative instruments which fix the cost of future investments (financial assets or property, plant and equipment) and the price of future purchases, mostly gas and electricity (commodity swaps) or foreign

currencies (foreign exchange forwards). Transactions hedged by these instruments are qualified as highly probable. Hedge accounting is also applied to derivatives exchanging floating rates for fixed rates (interest rate swaps) or rates in one currency for rates in another currency (Cross Currency Swaps). The application of cash flow hedge accounting allows the Group to defer the impact on the income statement of the effective portion of changes in the fair value of these derivatives by recording them in a hedging reserve in equity. This reserve is reclassified to the income statement when the hedged transaction occurs and the hedged item itself affects income. In the same way as for fair value hedges, cash flow hedging limits the Group's exposure to changes in the fair value of these derivatives to the ineffective portion of the hedge.

Derivatives that do not qualify for hedge accounting

Changes in the fair value of derivatives that do not qualify for hedge accounting are recognized in the income statement. The instruments concerned are mainly foreign exchange swaps, foreign exchange forwards, certain short-term currency swaps, certain Virtual Power Purchase Agreements (VPPA) and Carbon Contracts for Difference (CCfD) – see note 3.2.

Fair value of financial instruments

The fair value of financial assets and financial liabilities corresponds to their quoted price on an active market (if any): this represents level 1 in the fair value hierarchy defined in IFRS 7 and IFRS 13. The fair value of instruments not quoted in an active market, such as derivatives or financial assets and liabilities, is determined by reference to commonly used valuation techniques such as the fair value of another recent and similar transaction, or discounted cash flow analysis based on observable market inputs. This represents level 2 in the fair value hierarchy defined in IFRS 7 and IFRS 13. In some cases (i.e., Carbon Contracts for Difference), fair value is calculated using a specific model. This represents level 3 in the fair value hierarchy defined in IFRS 7 and IFRS 13.

The fair value of short-term financial assets and liabilities is considered as being the same as their carrying amount due to their short maturities.

The following table presents a breakdown of the main derivatives used by the Group:

	Fair value		Nominal amount by maturity					Dec. 31, 2025
	Derivatives recorded in assets	Derivatives recorded in liabilities	Dec. 31, 2025	Dec. 31, 2024	Within 1 year	1 to 5 years	Beyond 5 years	
<i>(in EUR millions)</i>								
FAIR VALUE HEDGES	0	0	0	0				0
Cash flow hedges								
Currency	1	(2)	(1)	88	220	9	0	229
Interest rate	7	(42)	(35)	(35)	0	302	80	382
Energy and commodities	1	(73)	(72)	(2)	214	269	149	632
Other risks: equities	0	0	0	3	0	0	0	0
CASH FLOW HEDGES - TOTAL	9	(117)	(108)	54	434	580	229	1,243
Derivatives not qualifying for hedge accounting								
Currency	6	(15)	(9)	30	4,458	0	0	4,458
Interest rate	0	0	0	11	0	0	0	0
Energy and commodities	27	(3)	24	29	28	111	127	266
Carbon Contracts for Difference	311	0	311	0	0	63	349	412
DERIVATIVES NOT QUALIFYING FOR HEDGE ACCOUNTING - TOTAL	344	(18)	326	70	4,486	174	476	5,136
TOTAL	353	(135)	218	124	4,920	754	705	6,379

10.4.1 Currency instruments

Currency swaps

The Group uses currency swaps mainly to convert euro-denominated funds into foreign currencies for cash management purposes.

Forward foreign exchange contracts and currency options

Forward foreign exchange contracts and currency options are used to hedge foreign currency transactions, particularly commercial transactions (purchases and sales) and investments.

10.4.2 Interest rate instruments

Interest rate swaps

The Group uses interest rate swaps to convert part of its fixed/variable-rate bank debt and bond debt to variable/fixed rates.

Cross Currency Swaps

The Group uses cross-currency swaps to convert foreign currency (euro) debt into euro (foreign currency) debt.

10.4.3 Energy and commodities

Energy and commodity swaps

Energy and commodity swaps are used to hedge the risk of changes in the price of certain purchases used in Group subsidiaries' operating activities, particularly energy (fuel oil, natural gas and electricity) purchases.

Renewable electricity purchase agreements

As indicated in the note on climate matters (see note 3.2), at December 31, 2025, the Group had entered into four Virtual Power Purchase Agreements, which were accounted for as derivatives under IFRS 9, of which only one qualified as a hedge.

10.4.4 Forward purchases of carbon emission allowances

Forward purchases of carbon emissions allowances for the Group's own use are reported under off-balance sheet commitments, as they qualify for the own use exemption under IFRS 9. At December 31, 2025, these forward purchases represented a total of €14 million.

10.4.5 Other risks

Equity derivatives

Equity derivatives are used to hedge the risk of changes in the Saint-Gobain share price in connection with the performance units long-term incentive plan. This plan expired on November 30, 2025.

At December 31, 2025, the Group no longer had any equity derivatives.

Carbon Contracts for Difference (CCfD)

As indicated in the note on climate matters (see note 3.2), at December 31, 2025 the Group had entered into two CCfD relating to two plants in Germany giving rise to government grants. These contracts meet the criteria for classification as derivative instruments under IFRS 9. They do not qualify as hedges.

10.4.6 Credit value adjustments to derivative instruments

Credit value adjustments to derivative instruments are calculated in accordance with IFRS 13 based on historical probabilities of default derived from calculations performed by a leading rating agency and on the estimated loss given default. At December 31, 2025, credit value adjustments were not material.

10.4.7 Impact on equity of financial instruments qualifying for cash flow hedge accounting

At December 31, 2025, the IFRS cash flow hedge reserve carried in equity had a debit balance of €80 million, consisting mainly of:

- a debit balance of €14 million in relation to cross-currency swaps classified as cash flow hedges that are used to convert a GBP bond issue into euros;
- a debit balance of €72 million corresponding to changes in fair value of energy hedges classified as cash flow hedges;
- a credit balance of €7 million corresponding to changes in fair value of interest rate hedges classified as cash flow hedges;
- a debit balance of €1 million corresponding to changes in fair value of currency hedges classified as cash flow hedges.

The ineffective portion of cash flow hedge derivatives is not material.

10.4.8 Impact on income of financial instruments not qualifying for hedge accounting

For derivatives classified as financial assets and liabilities at fair value through profit or loss, fair value remeasurements recognized in the income statement represented a gain of €45 million at December 31, 2025 compared to a gain of €70 million at December 31, 2024.

10.4.9 Embedded derivatives

The Saint-Gobain Group regularly analyzes its contracts in order to separately identify financial instruments classified as embedded derivatives under IFRS.

At December 31, 2025, no embedded derivatives deemed to be material at Group level were identified.

10.4.10 Group debt structure (excluding lease liabilities)

The weighted average interest rate on total gross debt under IFRS and after hedging (interest rate swaps and cross-currency swaps) was 3.0% at December 31, 2025, compared with 3.0% at December 31, 2024.

The average internal rate of return for the main component of the Group's long-term debt before hedging (bonds) was 3.0% at December 31, 2025, compared with 2.9% at December 31, 2024.

The table below presents the breakdown by interest rate (fixed or variable) of the Group's gross debt at December 31, 2025, taking into account interest rate and cross-currency swaps.

	Gross debt, excluding lease liabilities		
	Variable rate	Fixed rate	Total
<i>(in EUR millions)</i>			
EUR	804	12,222	13,026
Other currencies	586	1,070	1,656
TOTAL	1,390	13,292	14,682
<i>(in %)</i>	9%	91%	100%
Accrued interest and other			242
TOTAL GROSS DEBT EXCLUDING LEASE LIABILITIES			14,924

10.5 Financial assets and liabilities

Financial assets and liabilities are classified as follows in accordance with IFRS 9:

At December 31, 2025

	Notes	Financial instruments			Financial instruments at fair value			Total financial instruments measured at fair value	
		Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total financial instruments	Level 1 inputs	Level 2 inputs		Level 3 inputs
<i>(in EUR millions)</i>									
Trade and other accounts receivable				6,109	6,109			0	
Loans, deposits and surety	(8)			498	498			0	
Equity investments and other	(8)		154		154		154	154	
Derivatives recorded in assets		344	9		353		42	311	353
Short-term Investments		7,732		0	7,732	7,732		7,732	
TOTAL FINANCIAL ASSETS		8,076	163	6,607	14,846	7,732	42	465	8,239
Trade and other accounts payable				(12,272)	(12,272)			0	
Long- and short-term debt				(14,883)	(14,883)			0	
Long- and short-term lease liabilities				(3,164)	(3,164)			0	
Derivatives recorded in liabilities		(18)	(117)		(135)		(135)	(135)	
TOTAL FINANCIAL LIABILITIES		(18)	(117)	(30,319)	(30,454)	0	(135)	0	(135)
FINANCIAL ASSETS AND LIABILITIES - NET		8,058	46	(23,712)	(15,608)	7,732	(93)	465	8,104

At December 31, 2024

(in EUR millions)	Notes	Financial instruments			Financial instruments at fair value				Total financial instruments measured at fair value
		Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total financial instruments	Level 1 inputs	Level 2 inputs	Level 3 inputs	
Trade and other accounts receivable				6,327	6,327				0
Loans, deposits and surety	(8)			353	353				0
Equity investments and other	(8)		382		382			382	382
Derivatives recorded in assets		73	169		242		242		242
Short-term Investments		6,315		2,145	8,460	6,315			6,315
TOTAL FINANCIAL ASSETS		6,388	551	8,825	15,764	6,315	242	382	6,939
Trade and other accounts payable				(12,369)	(12,369)				0
Long- and short-term debt				(15,066)	(15,066)				0
Long- and short-term lease liabilities				(3,178)	(3,178)				0
Derivatives recorded in liabilities		(3)	(115)		(118)		(118)		(118)
TOTAL FINANCIAL LIABILITIES		(3)	(115)	(30,613)	(30,731)	0	(118)	0	(118)
FINANCIAL ASSETS AND LIABILITIES - NET		6,385	436	(21,788)	(14,967)	6,315	124	382	6,821

IFRS 13 ranks the inputs used to determine fair value:

- Level 1: inputs resulting from quoted prices on an active market for identical instruments;
- Level 2: inputs other than level 1 inputs that can be observed directly or indirectly;
- Level 3: all other non-observable inputs. Level 3 derivatives include Carbon Contracts for Difference (CCfD) (see notes 10.4.5 p. 57).

At December 31, 2025, the sensitivity of non-observable inputs to a 10% increase or decrease is presented in the table below:

(in EUR millions)	Change in production volume		Change in CO ₂ price*		Change in electricity price*		Change in interest rate	
	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%
CCfD	21	(29)	(17)	12	10	(11)	(8)	8

* These are the most significant price factors that can have an impact on derivative volatility.

NOTE 11 SHAREHOLDERS' EQUITY AND EARNINGS PER SHARE

11.1 Equity

11.1.1 Equity

At December 31, 2025, Saint-Gobain's capital stock was composed of 494,824,319 shares with a par value of €4 each (499,050,774 shares at December 31, 2024).

11.1.2 Additional paid-in capital and legal reserve

This item includes capital contributions in excess of the par value of capital stock as well as the legal reserve, which corresponds to a cumulative portion of the yearly net income of Compagnie de Saint-Gobain.

11.1.3 Retained earnings and consolidated net income

Retained earnings and consolidated net income correspond to the Group's share in the undistributed earnings of all consolidated companies.

11.1.4 Cumulative translation adjustments

Translation adjustments and restatements for hyperinflation recognized through other comprehensive income amounted to negative €1,795 million in 2025, of which negative €1,743 million attributable to the Group and negative €52 million to non-controlling interests.

The main cumulative translation adjustments at December 31, 2025 are shown below by currency (excluding non-controlling interests):

<i>(in EUR millions)</i>	Dec. 31, 2025	Change	Dec. 31, 2024
BREAKDOWN BY CURRENCY			
US dollar	(471)	(1,087)	616
Indian rupee	(427)	(237)	(190)
Canadian dollar	(162)	(122)	(40)
Australian dollar	(171)	(87)	(84)
Norwegian krone	(225)	(43)	(182)
South Korean won	(92)	(38)	(54)
Turkish lira	(78)	(33)	(45)
Romanian leu	(72)	(7)	(65)
Egyptian pound	(115)	(7)	(108)
Brazilian real	(656)	(2)	(654)
Swiss franc	255	3	252
South African rand	(167)	6	(173)
Pound sterling	(146)	15	(161)
Czech koruna	105	19	86
Mexican peso	(89)	25	(114)
Russian ruble	(191)	70	(261)
Swedish krona	(230)	87	(317)
Other currencies	(103)	(305)	202
TOTAL	(3,035)	(1,743)	(1,292)

11.1.5 Treasury stock

Treasury stock is measured at cost and recorded as a deduction from equity. Gains and losses on disposals of treasury stock are recognized directly in equity and have no impact on net income for the period.

Forward purchases of treasury stock are treated in the same way. When a fixed number of shares is purchased forward at a fixed price, this amount is recorded in "Other liabilities" against a deduction from equity under "Retained earnings and net income for the year".

Saint-Gobain shares held or controlled by Compagnie de Saint-Gobain and Saint-Gobain Corporation are shown as a deduction from equity under "Treasury stock" at acquisition cost.

The liquidity agreement signed with Exane BNP Paribas on November 16, 2007 and implemented on December 3, 2007 for a period up to December 31, 2007 has been automatically renewed since that date.

At December 31, 2025, 2,116,741 shares were held in treasury (December 31, 2024: 2,171,226 shares). In 2025, the Group acquired 10,560,993 shares (2024: 12,146,911 shares) directly on the market. The number of shares sold in 2025 was 3,240,879 versus 2,917,233 in 2024. 7,374,599 shares were canceled in 2025, compared with 11,434,927 shares in 2024.

For the purposes of a compensation plan set up in January 2008 for certain employees in the United States, Compagnie de Saint-Gobain shares have been held in trust by the trustee, Principal Trust Company, since September 2022. In the consolidated financial statements, these shares are treated as being controlled by Saint-Gobain Corporation.

11.1.6 Number of shares

	Number of shares	
	Issued	Outstanding
NUMBER OF SHARES AT DECEMBER 31, 2023	506,438,012	502,061,537
Group Savings Plan	4,007,048	4,007,048
Stock subscription option plans	40,641	40,641
Shares purchased		(12,146,911)
Shares sold		2,917,233
Shares canceled	(11,434,927)	
NUMBER OF SHARES AT DECEMBER 31, 2024	499,050,774	496,879,548
Group Savings Plan	3,131,501	3,131,501
Stock subscription option plans	16,643	16,643
Shares purchased		(10,560,993)
Shares sold		3,240,879
Shares canceled	(7,374,599)	
NUMBER OF SHARES AT DECEMBER 31, 2025	494,824,319	492,707,578

11.1.7 Dividends

The Annual Shareholders' Meeting of June 5, 2025 approved the recommended dividend payout for 2024 representing €2.20 per share (€2.10 per share for 2023). The ex-dividend date was June 9 and the dividend was paid on June 11, 2025.

A 2025 dividend of €2.30 per share will be recommended at the Annual General Meeting on June 4, 2026.

11.2 Earnings per share

11.2.1 Basic earnings per share

Basic earnings per share are calculated by dividing net income by the weighted average number of shares of the Group outstanding during the period.

Basic earnings per share are as follows:

	2025	2024
Group share of net income (in EUR millions)	2,883	2,844
Weighted average number of shares in issue	494,245,178	499,715,108
BASIC EARNINGS PER SHARE, GROUP SHARE (in EUR)	5.83	5.69

11.2.2 Diluted earnings per share

Diluted earnings per share are calculated by adjusting earnings per share and the average number of shares outstanding for the effects of all potential dilutive common shares, such as stock options and performance shares.

Diluted earnings per share are as follows:

	2025	2024
Group share of net income (in EUR millions)	2,883	2,844
Weighted average number of shares assuming full dilution	498,373,944	503,934,048
DILUTED EARNINGS PER SHARE, GROUP SHARE (in EUR)	5.78	5.64

The weighted average number of shares assuming full dilution is calculated based on the weighted average number of shares outstanding, assuming conversion of all dilutive instruments. The Group's dilutive instruments include stock options and performance share grants, corresponding to a weighted average of 100,483 and 4,028,283 instruments, respectively, at December 31, 2025.

NOTE 12 TAX

12.1 Income taxes

Current income tax is the estimated amount of tax payable in respect of income for a given period, calculated by reference to the tax rates that have been enacted or substantively enacted at the end of the reporting period, plus any adjustments to current taxes recorded in previous financial periods.

Income tax expense breaks down as follows:

<i>(in EUR millions)</i>	2025	2024
CURRENT TAXES	(937)	(1,034)
France	(77)	(71)
Outside France	(860)	(963)
DEFERRED TAXES	(38)	40
France	(1)	(51)
Outside France	(37)	91
TOTAL INCOME TAX EXPENSE	(975)	(994)

Theoretical tax expense was reconciled with current tax expense using a tax rate of 25.82% in 2025 (25.82% in 2024), and can be analyzed as follows:

<i>(in EUR millions)</i>	2025	2024
Net income	2,975	2,934
Less:		
Share in net income of equity-accounted companies	54	82
Income taxes	(975)	(994)
PRE-TAX INCOME OF CONSOLIDATED COMPANIES	3,896	3,846
French tax rate	25.82 %	25.82 %
Theoretical tax expense at French tax rate	(1,006)	(993)
Impact of different tax rates	62	77
Asset impairment, capital gains and losses on asset disposals	(14)	(77)
Deferred tax assets not recognized and provisions for deferred tax assets	(3)	(16)
Liability method	0	1
Research tax credit and various contributions (CVAE, IRAP...)	0	5
Costs related to dividends	(60)	(33)
Other taxes and changes in provisions	46	42
TOTAL INCOME TAX EXPENSE	(975)	(994)

The contribution of countries with low tax rates explains the impact of the different tax rates applicable outside France.

Due to its scale, the Saint-Gobain Group is concerned by the OECD's Pillar Two rules introducing a minimum tax rate of 15%, applicable as from fiscal year 2024.

The Group therefore recognized an expense on the "income tax" line of the 2025 income statement, corresponding to the amount of top-up tax determined in application of these new rules, and in particular after taking into account the transitional safe harbors introduced by the OECD. As in 2024, the amount continued to be non-material in relation to the Group's total tax expense.

12.2 Deferred tax

Deferred tax assets and liabilities are recorded using the balance sheet method for temporary differences between the carrying amount of assets and liabilities and their tax basis. Deferred tax assets and liabilities are measured at the tax rates expected to apply to the period when the asset is realized or the liability settled, based on the tax laws that have been enacted or substantively enacted at the end of the reporting period. No deferred tax liability is recognized in respect of undistributed earnings of subsidiaries that are not intended to be distributed.

For investments in subsidiaries, deferred tax is recognized on the difference between the consolidated carrying amount of the investments and their tax basis when it is probable that the temporary difference will reverse in the foreseeable future.

Deferred taxes are recognized as income or expense in the income statement, unless they relate to items that are recognized directly in equity, in which case they are also recognized in equity. Income tax resulting from changes in tax rates is recognized in income, except where it relates to items initially recognized in equity.

Deferred tax assets are recognized only if it is considered probable that there will be sufficient future taxable income against which the temporary difference can be utilized. They are reviewed at the end of each reporting period and written down to the extent that it is no longer probable that there will be sufficient taxable income against which the temporary difference can be utilized.

In the balance sheet, changes in net deferred tax assets and liabilities break down as follows:

<i>(in EUR millions)</i>	Net deferred tax asset/ (liability)
NET VALUE AT JANUARY 1, 2024	(417)
Deferred tax (expense)/benefit	40
Changes in deferred taxes relating to actuarial gains and losses (IAS 19)	(4)
Translation adjustments and restatement for hyperinflation	(28)
Assets and liabilities held for sale	2
Changes in Group structure and other	(168)
NET VALUE AT DECEMBER 31, 2024	(575)
Deferred tax (expense)/benefit	(38)
Changes in deferred taxes relating to actuarial gains and losses (IAS 19)	(53)
Liability method on actuarial gains and losses	(12)
Translation adjustments and restatement for hyperinflation	67
Assets and liabilities held for sale	3
Changes in Group structure and other	(233)
NET VALUE AT DECEMBER 31, 2025	(841)

Changes in Group structure in 2025 essentially relate to the first-time consolidation of Fosroc and Ovriver. In 2024, changes in Group structure related mainly to the first-time consolidation of Bailey and CSR.

With regard to the impact of Pillar Two rules on deferred taxes, in accordance with the temporary exemption introduced by IAS 12.4A, the Saint-Gobain Group did not recognize any deferred tax at December 31, 2025.

The table below shows the main deferred tax components:

<i>(in EUR millions)</i>	Dec. 31, 2025	Dec. 31, 2024
Pensions	167	273
Brands, customer relationships and intellectual property	(1,165)	(1,081)
Depreciation and amortization, accelerated capital allowances and tax-driven provisions	(846)	(826)
Tax loss carry-forwards	212	185
Other	791	873
NET DEFERRED TAX	(841)	(575)
Of which:		
Deferred tax assets	358	366
Deferred tax liabilities	(1,199)	(941)

Deferred taxes are offset at the level of each tax entity, i.e., by tax group where applicable (mainly in France, the United Kingdom, Spain, Germany and the United States).

Deferred tax assets of €358 million were recognized at December 31, 2025 (€366 million at December 31, 2024), primarily in Germany (€110 million), Brazil (€82 million), Mexico (€40 million), China (€30 million) and Poland (€20 million). Deferred tax liabilities of €1,199 million were recognized at December 31, 2025 (€941 million at December 31, 2024) across different countries, including €239 million in Canada, €217 million in the United Kingdom, €140 million in the United States, €101 million in India and €73 million in Mexico. Deferred tax liabilities recognized in other countries represented considerably smaller amounts.

Tax loss carry-forwards

In determining whether to recognize deferred tax assets for tax loss carry-forwards, the Group applies a range of criteria that take into account the probable recovery period based on business plans and the strategy for the long-term recovery of tax losses applied in each country.

At December 31, 2025, net recognized deferred tax assets on tax loss carry-forwards amounted to €212 million (€185 million at December 31, 2024) out of a total before valuation allowances of €397 million (€418 million at December 31, 2024), and mainly concerned Germany, France, the United States, Australia and Belgium, where group relief systems generally enable the assets to be recovered. In these countries, tax losses may be carried forward indefinitely.

Nevertheless, after a specific analysis of each situation, the Group may decide not to recognize them.

At December 31, 2025, unrecognized deferred tax assets on tax loss carry-forwards totaled €185 million (€233 million at December 31, 2024). They mainly concern Germany, the United States, Australia, Belgium and China.

NOTE 13 RELATED PARTIES

The Group has identified the following related parties:

- members of Group management (see note 6.2 p. 27);
- joint ventures and associates (see note 8.2 p. 44);
- members of the Board of Directors;
- Group shareholders.

13.1 Board members

Agreements governed by Article L. 225-38 of the French Commercial Code concerning the organization and production of the Global Award for Sustainable Architecture have been entered into with Jana Revedin, a member of the Board of Directors of Compagnie de Saint-Gobain, and have been duly authorized.

In addition, to the best of the Company's knowledge, all existing transactions between the Saint-Gobain Group and entities for which directors are executive corporate officers were carried out under normal market conditions and were not material for the Group.

13.2 Group's shareholders

The corporate mutual funds together held 7.71% of the Company's capital and 13.70% of the voting rights as the principal shareholder of Compagnie de Saint Gobain.

NOTE 14 SUBSEQUENT EVENTS

The Group has not identified any disclosable events occurring subsequent to the balance sheet date, other than as described in the above notes.

NOTE 15 FEES PAID TO THE STATUTORY AUDITORS

Total fees paid to the Statutory Auditors and recognized in the income statement in 2025 and 2024 break down as follows:

	Deloitte				KPMG			
	2025		2024		2025		2024	
	Amount before tax	%	Amount before tax	%	Amount before tax	%	Amount before tax	%
<i>(in EUR millions)</i>								
Statutory audit								
Issuer	1.0	8 %	1.1	8 %	1.1	9 %	1.1	8 %
Fully consolidated subsidiaries	9.7	81 %	9.3	69 %	10.8	86 %	10.3	75 %
SUBTOTAL	10.7	89 %	10.4	77 %	11.9	95 %	11.4	83 %
Certification of Sustainability Information (CSRD)								
Issuer	1.0	8 %	0.9	7 %	0.0	– %	0.0	– %
Fully consolidated subsidiaries	0.0	– %	0.0	– %	0.0	– %	0.0	– %
SUBTOTAL	1.0	8 %	0.9	7 %	0.0	– %	0.0	– %
Other services *								
Issuer	0.1	1 %	1.2	9 %	0.0	– %	1.1	8 %
Fully consolidated subsidiaries	0.3	2 %	1.0	7 %	0.6	5 %	1.3	9 %
SUBTOTAL	0.4	3 %	2.2	16 %	0.6	5 %	2.4	17 %
TOTAL	12.1	100 %	13.5	100 %	12.5	100 %	13.8	100 %

* The other services provided by the Statutory Auditors to the parent company and its subsidiaries mainly comprise work performed in connection with planned acquisitions or disposals, accounting, tax and regulatory advisory services, and training services.

NOTE 16 PRINCIPAL CONSOLIDATED COMPANIES

The table below shows the Group's principal consolidated companies, typically those with annual sales of over €100 million.

	Country	Consolidation method	Percentage held directly and indirectly
Northern Europe			
Saint-Gobain Glass Deutschland GmbH, Stolberg*	Germany	Full consolidation	99.99%
Flachglas Torgau GmbH, Torgau*	Germany	Full consolidation	99.99%
Saint-Gobain Weisswasser GmbH, Aachen*	Germany	Full consolidation	99.99%
Saint-Gobain Deutsche Glas GmbH, Stolberg*	Germany	Full consolidation	99.99%
Vetrotech Saint-Gobain Deutschland GmbH*	Germany	Full consolidation	99.99%
Saint-Gobain Glassolutions Isolierglas-Center GmbH, Bamberg*	Germany	Full consolidation	99.99%
Kaimann GmbH	Germany	Full consolidation	100.00%
Saint-Gobain Isover G+H Aktiengesellschaft*	Germany	Full consolidation	100.00%
Saint-Gobain Rigips GmbH*	Germany	Full consolidation	100.00%
Saint-Gobain Weber GmbH	Germany	Full consolidation	100.00%
Saint-Gobain PAM Deutschland GmbH	Germany	Full consolidation	100.00%
Saint-Gobain Glassolutions Augustdorf*	Germany	Full consolidation	99.99%
SG Formula GmbH*	Germany	Full consolidation	100.00%
SG Beteiligungen GmbH*	Germany	Full consolidation	100.00%
Saint-Gobain Diamantwerkzeuge GmbH, Norderstedt*	Germany	Full consolidation	100.00%
Saint-Gobain Abrasives GmbH, Wesseling*	Germany	Full consolidation	100.00%
Supercut Europe GmbH, Baesweiler*	Germany	Full consolidation	100.00%
Saint-Gobain Performance Plastics Isofluor GmbH, Neuss*	Germany	Full consolidation	100.00%
Saint-Gobain Performance Plastics Pampus GmbH, Willich*	Germany	Full consolidation	100.00%
Saint-Gobain Performance Plastics L+S GmbH, Wertheim*	Germany	Full consolidation	100.00%
Saint-Gobain Performance Plastics Biolink GmbH, Waakirchen*	Germany	Full consolidation	100.00%
Saint-Gobain Adfors Deutschland GmbH, Neustadt an der Donau*	Germany	Full consolidation	100.00%
H.K.O. Isolier- und Textiltechnik GmbH, Oberhausen*	Germany	Full consolidation	100.00%
BEUHKO Fasertechnik GmbH, Leinefelde-Worbis*	Germany	Full consolidation	100.00%
Freudenberger Autoglas GmbH, München*	Germany	Full consolidation	99.99%
Saint-Gobain Sekurit Deutschland GmbH, Herzogenrath*	Germany	Full consolidation	99.99%
Saint-Gobain Sekurit Deutschland Beteiligungen GmbH, Herzogenrath*	Germany	Full consolidation	99.99%
FABA Autoglas Technik GmbH & Co. Betriebs-KG, Berlin*	Germany	Full consolidation	99.99%
Saint-Gobain Autover Deutschland GmbH, Kerpen*	Germany	Full consolidation	99.99%
SEPR Keramik GmbH & Co. KG, Aachen	Germany	Full consolidation	100.00%
Alfaref GmbH Handel Mit Feuerfesten Rohstoffen*	Germany	Full consolidation	100.00%
Saint-Gobain Austria GmbH	Austria	Full consolidation	100.00%
Saint-Gobain Denmark A/S	Denmark	Full consolidation	100.00%
Saint-Gobain Distribution Denmark	Denmark	Full consolidation	100.00%
Optimera Estonia A/S (currently AS Famar-Desi)	Estonia	Full consolidation	100.00%
Saint-Gobain Finland OY	Finland	Full consolidation	100.00%
Dahl Suomi OY	Finland	Full consolidation	100.00%
SGCP Hungary KFT	Hungary	Full consolidation	100.00%
Saint-Gobain Construction Products (Ireland) Limited	Ireland	Full consolidation	100.00%
Glava As	Norway	Full consolidation	100.00%
Saint-Gobain Byggevarer AS	Norway	Full consolidation	100.00%
Brødrene Dahl As (Norway)	Norway	Full consolidation	100.00%
Optimera As	Norway	Full consolidation	100.00%
Saint-Gobain HPM Polska Sp Zoo	Poland	Full consolidation	100.00%
Saint-Gobain Innovative Materials Polska Sp Zoo	Poland	Full consolidation	99.99%
Saint-Gobain Polska Sp Zoo	Poland	Full consolidation	100.00%
Saint-Gobain Construction Products Polska Sp Zoo	Poland	Full consolidation	100.00%
Saint-Gobain Construction Products CZ AS	Czechia	Full consolidation	100.00%
Saint-Gobain Construction Products Romania Srl	Romania	Full consolidation	100.00%
Saint-Gobain Glass Romania Srl	Romania	Full consolidation	100.00%

Saint-Gobain Glass (United Kingdom) Limited	United Kingdom	Full consolidation	100.00%
Saint-Gobain Construction Products United Kingdom Ltd	United Kingdom	Full consolidation	100.00%
Saint-Gobain Construction Products Russia ooo	Russia	Full consolidation	100.00%
SG Construction Products S.R.O.	Slovakia	Full consolidation	100.00%
Saint-Gobain Ecophon AB	Sweden	Full consolidation	100.00%
Saint-Gobain Sweden AB	Sweden	Full consolidation	100.00%
Saint-Gobain Distribution Sweden AB	Sweden	Full consolidation	100.00%
Vetrotech Saint-Gobain International	Switzerland	Full consolidation	100.00%
Saint-Gobain Weber AG	Switzerland	Full consolidation	100.00%
Sanitas Troesch Ag	Switzerland	Full consolidation	100.00%
Saint-Gobain Adfors CZ, S.R.O.	Czechia	Full consolidation	100.00%
Saint-Gobain Sekurit CZ, Spol S.R.O	Czechia	Full consolidation	99.99%

			Percentage held directly and indirectly
Southern Europe - ME & Africa	Country	Consolidation method	
Saint-Gobain Construction Products South Africa (Pty) Ltd	South Africa	Full consolidation	100.00%
Saint-Gobain Construction Products Belgium	Belgium	Full consolidation	100.00%
Saint-Gobain Innovative Materials Belgium	Belgium	Full consolidation	99.98%
SG Glass Egypte S.A.E.	Egypt	Full consolidation	70.00%
Saint-Gobain Cristaleria S.L	Spain	Full consolidation	99.83%
Saint-Gobain Placo Iberica	Spain	Full consolidation	99.83%
Saint-Gobain Idaplac, S.L.	Spain	Full consolidation	99.83%
SG PAM Espana S.A.	Spain	Full consolidation	99.83%
SG Iover Iberica S.L	Spain	Full consolidation	99.83%
SG Weber Cemarsa S.A.	Spain	Full consolidation	99.83%
Chryso France	France	Full consolidation	100.00%
Saint-Gobain Sully	France	Full consolidation	100.00%
Saint-Gobain Abrasifs	France	Full consolidation	100.00%
Société Européenne des Produits Réfractaires - SEPR	France	Full consolidation	100.00%
Saint-Gobain Sekurit France	France	Full consolidation	100.00%
Saint-Gobain Glass Solutions Menuisiers Industriels	France	Full consolidation	100.00%
Saint-Gobain Glass France	France	Full consolidation	100.00%
Eurofloat	France	Full consolidation	50.00%
Placoplatre SA	France	Full consolidation	99.80%
Saint-Gobain Iover	France	Full consolidation	100.00%
Saint-Gobain Weber	France	Full consolidation	100.00%
Saint-Gobain PAM Canalisation	France	Full consolidation	100.00%
Distribution Sanitaire Chauffage	France	Full consolidation	100.00%
Saint-Gobain Distribution Bâtiment France	France	Full consolidation	100.00%
SG Eurocoustic	France	Full consolidation	100.00%
SG Vitrage Bâtiment	France	Full consolidation	100.00%
Chryso Italia	Italy	Full consolidation	100.00%
Saint-Gobain Sekurit Italia S.R.L.	Italy	Full consolidation	100.00%
Saint-Gobain Glass Italia S.p.a	Italy	Full consolidation	100.00%
Saint-Gobain Italia S.p.a	Italy	Full consolidation	100.00%
SG PAM Italia	Italy	Full consolidation	100.00%
Saint-Gobain Abrasives BV	Netherlands	Full consolidation	100.00%
Saint-Gobain Construction Products Nederland BV	Netherlands	Full consolidation	100.00%
Chryso Kat	Turkey	Full consolidation	100.00%
Izocam Ticaret VE Sanayi A.S.	Turkey	Full consolidation	50.00%
SG Weber Yapi Kim.San.Tic A.S.	Turkey	Full consolidation	100.00%

Asia-Pacific	Country	Consolidation method	Percentage held directly and indirectly
CSR Limited	Australia	Full consolidation	100.00%
SG Innovation Materials (Changxing) Co., Ltd	China	Full consolidation	100.00%
Saint-Gobain Performance Plastics (Shanghai) Co., LTD	China	Full consolidation	100.00%
Saint-Gobain Abrasives (Shanghai) Co., LTD	China	Full consolidation	100.00%
SG Hanglas Sekurit (Shanghai) Co., LTD	China	Full consolidation	100.00%
SG Join Leader (Hangzhou) New Materials Co.,LTD.	China	Full consolidation	100.00%
Hankuk Sekurit Limited	South Korea	Full consolidation	100.00%
Fosroc Chemicals (India) Pvt Ltd	India	Full consolidation	100.00%
Grindwell Norton Ltd	India	Full consolidation	51.59%
Saint-Gobain India Private Limited	India	Full consolidation	99.03%
Saint-Gobain K.K.	Japan	Full consolidation	100.00%
Mag-Isover K.K.	Japan	Full consolidation	100.00%
Saint-Gobain Vietnam Ltd	Vietnam	Full consolidation	100.00%

Americas	Country	Consolidation method	Percentage held directly and indirectly
Saint-Gobain Argentina S.A	Argentina	Full consolidation	100.00%
Cebrace Cristal Plano Ltda	Brazil	Full consolidation	50.00%
Saint-Gobain Do Brasil Produtos Industriais e Para Construção Ltda	Brazil	Full consolidation	100.00%
Saint-Gobain Canalização Ltda	Brazil	Full consolidation	100.00%
Saint-Gobain Distribuição Brasil Ltda	Brazil	Full consolidation	100.00%
Placo Do Brasil Ltda	Brazil	Full consolidation	68.71%
Saint-Gobain Canada Inc.	Canada	Full consolidation	100.00%
Bailey Hunt Limited	Canada	Full consolidation	100.00%
Building Products of Canada Corp.	Canada	Full consolidation	100.00%
CertainTeed Canada, Inc.	Canada	Full consolidation	100.00%
Kaycan Ltd	Canada	Full consolidation	100.00%
KP Building Products Ltd	Canada	Full consolidation	100.00%
Chryso Inc.	United States	Full consolidation	100.00%
Saint-Gobain Adfors America, Inc.	United States	Full consolidation	100.00%
Saint-Gobain Performance Plastics Corporation	United States	Full consolidation	100.00%
Saint-Gobain Abrasives, Inc.	United States	Full consolidation	100.00%
Saint-Gobain Ceramics & Plastics, Inc.	United States	Full consolidation	100.00%
Saint-Gobain Corporation	United States	Full consolidation	100.00%
CertainTeed LLC	United States	Full consolidation	100.00%
CertainTeed Ceilings Corporation	United States	Full consolidation	100.00%
GCP Applied Technologies, Inc.	United States	Full consolidation	100.00%
Saint-Gobain Gypsum USA, Inc.	United States	Full consolidation	100.00%
Ovniver SA de CV	Mexico	Full consolidation	100.00%
Saint-Gobain America S.A De C.V	Mexico	Full consolidation	99.83%
Saint-Gobain Mexico	Mexico	Full consolidation	99.83%

* German consolidated subsidiary or sub-group with corporate or limited liability status and meeting the criteria under Articles 264 paragraph 3, 264b and 291 of the German Commercial Code (HGB) exempting the relevant entities and sub-groups from publishing their statutory and consolidated financial statements or notes to the financial statements and management reports (entities or sub-groups above or below the €100 million threshold).