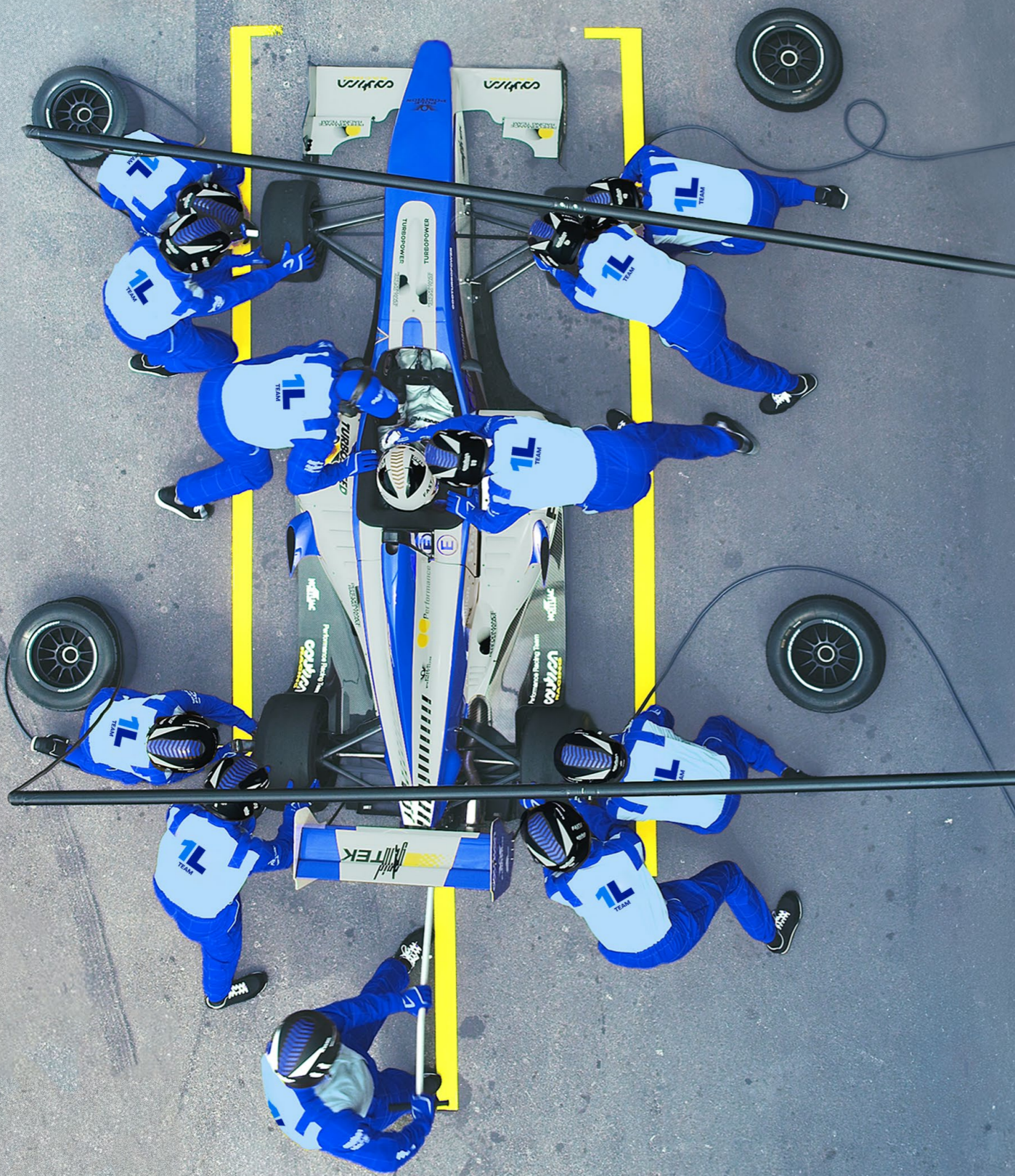


Annual Report

2025





Creating Value in 2025

6	Letter from the Chair
8	Letter from the CEO
10	2025 Highlights
12	Lonza at a Glance
14	Financial Highlights
17	Investor Information
20	One Lonza Strategy
24	Our Approach to Sustainability
26	Our People and Culture

Letter from the Chair



Jean-Marc Huët
Chair of the Board
of Directors

Dear Stakeholders,

It is my pleasure to welcome you to the Annual Report 2025 – a year characterized by sustained momentum, disciplined execution of the One Lonza strategy, and strong top line and profitable growth. Throughout the year, the Board of Directors focused on providing the company with strategic direction, strengthened governance and enhanced the board's mix of skills, expertise and effectiveness.

2025 was marked by Lonza's transformation into the world's leading pure play CDMO. The Capsules & Health Ingredients (CHI) business was carved out and then sold¹ in March 2026 to Lone Star Funds, a value investor that has the necessary capabilities to support CHI on the next stage of its growth journey. Various smaller noncore assets such as the Personalized Medicines and MODA® software businesses were also divested earlier in 2026.

On the Way to Becoming an Industry Leading Board

The Board has the ambition to be industry leading and, in this context, introduced a Board skills matrix to help ensure that we have a dynamic mix of fresh perspectives, complementary competences, diversity and independence around the Board table. We also sharpened the role and agenda of each Board committee. For example, we updated the name and focus of the People and Governance Committee (PGC) to emphasize the importance of leadership, talent and organizational health. We also asked an external partner to perform an evaluation of the functioning of the Audit Committee. Finally, each Board member now serves on two Committees, thereby enhancing their proximity to the business and at the same time ensuring that responsibilities are evenly distributed across the Board. Together, these governance updates enable us to become an agile, future-focused Board that works effectively within a dynamic operating environment.

Enhancing Board Effectiveness

The Board strengthened its effectiveness in 2025 through deeper interactions with the Executive Committee (EC) and conducted more visits to key locations in the Lonza network. We visited the sites in Geleen (NL), Vacaville (US) and Stein (CH) which each provided a good opportunity to become better acquainted with some of Lonza's most important assets and to engage directly with many Lonza colleagues.

The Board held a strategy off-site meeting with the EC in June 2025 and attended a Board offsite in October 2025. The Board performed its own self-evaluation, supported with input from the EC, and engaged a third party to assist in enhancing Board dynamics. The Board took part in educational sessions that were held each quarter and new Board members completed comprehensive onboarding programs. These included introductory meetings with the EC and other senior business leaders, completing various trainings and visiting selected Lonza sites. I continued my weekly dialogue with the CEO throughout the year and met many colleagues as part of a sustained effort to maintain momentum on the One Lonza journey.

Strengthening our Board with Relevant Expertise

We continued to diversify and enhance the composition of the Board by adding competences that are relevant to Lonza's current and future needs. Juan Andres, Eric Drapé, and David Meline joined the Board following their successful elections at the AGM in May 2025. All three bring extensive experience in manufacturing, capital discipline and quality, and have diverse international backgrounds that are well suited to Lonza. Juan and Eric bring a customer-centric lens, having been business partners of Lonza in the past, whilst David has a wealth of experience in finance and IT.

In October 2025, we announced the nomination of Claudia Süßmuth-Dyckerhoff as Vice-Chair of the Board and she will become a member of the Remuneration Committee and Strategy and Innovation Committee, subject to her election at the AGM in May 2026. Claudia brings significant international experience in healthcare, life sciences as well as perspectives on the Asian markets.

We then announced the board nomination of Sami Atiya in February 2026. Sami will become a member of the Strategy and Innovation Committee and People and Governance Committee, subject to his election at the AGM in May 2026. Sami brings deep and relevant experience in robotics, automation and A.I. having held senior roles at ABB and Siemens, amongst other leading companies. Sami also has a passion for healthcare.

Most recently, we announced the nomination of Stephen Fry to the Lonza Board. Stephen will become a member of the People and Governance Committee and Audit and Compliance Committee, subject to his election at the AGM in May 2026. Stephen has been the CHRO of Eli Lilly for over a decade and brings deep expertise in the biopharmaceutical industry, performance culture and organizational health.

As part of the planned Board composition for 2026, Marion Helmes will become Chair of the Audit and Compliance Committee, having been a member of this committee since joining Lonza. This transition reflects the Board's commitment to structured and seamless succession planning.

Barbara Richmond and Jürgen Steinemann will stand down from the Board at the AGM in May 2026 following their twelve-year tenures at Lonza. Roger Nitsch has decided not to stand for re-election in order to further focus on his entrepreneurial activities. I would like to extend my sincere thanks to Jürgen for his collaboration in particular in his capacity as Vice Chair since my arrival in 2024, and to Barbara and Roger for their dedication and commitment to the Lonza Board during their tenures.

Continuing our Commitment to Corporate Responsibility

Sustainable value creation is a priority for Lonza and a responsibility that is collectively shared across our Board. Our corporate responsibility is accordingly incorporated into the company's governance structure and remuneration policy. All employees are committed to creating value by reducing Lonza's environmental footprint, making active social contributions and supporting our communities.

In 2025, we stayed well on track to achieve our science-based near-term sustainability targets, including our commitment to reduce absolute Scope 1 and 2 greenhouse gas (GHG) emissions by 42% by 2030 (against the 2021 base year). In 2025, Lonza achieved reductions of more than 50% in both GHG and waste intensity against the 2018 base year, surpassing both 2030 targets ahead of plan. We continued to expand renewable sourcing across all key regions in 2025. Since the beginning of 2026, all electricity purchased across the US, Europe and China has been from renewable sources.

Enhancing our Dialogue with Stakeholders

The Board is committed to engaging with external perspectives which provide valuable input as we drive the strategy and overall performance of the business. Since stepping into the role of Chair, I have prioritized regular dialogue and interactions with our shareholders and launched both an annual Chairman's roadshow and a dedicated annual remuneration roadshow. We have also retained the role of Lead Independent Director to ensure clear and open communications with our investor community, if ever this would be needed.

The Board of Directors will propose a 25% increase in the dividend to CHF 5.00 per share at the Lonza AGM in May 2026. Subject to approval, 50% of the dividend will be paid out of the capital contribution reserve, ensuring it remains free from Swiss withholding tax.

As Lonza concludes a year of significant progress and positive transformation, I would like to extend my sincere thanks on behalf of the Board to all our shareholders and stakeholders for their continued confidence and partnership. I would also like to personally thank our 20,000 Lonza colleagues for their tireless efforts throughout 2025, and for their pride and passion in delivering for our shareholders, our customers and the patients they serve.

Jean-Marc Huët
Chair of the Board of Directors

¹ The divestment of CHI is expected to close in H2 2026.

Letter from the CEO



Wolfgang Wienand
Chief Executive Officer (CEO)

Dear Stakeholders,

2025 was a strong year for the One Lonza team. In my first full year as CEO, we delivered significant revenue growth, expanded profitability and made tangible progress on our transformation journey. We executed our existing business with rigor and, at the same time, continued to lay the foundations for future growth. In the face of geopolitical and economic volatility, our business model proved resilient and delivered on our promise to effectively diversify risks across the broadest technology offering, commercial portfolio and global manufacturing footprint in the CDMO industry.

Financial Performance and Investor Relations

In 2025, Lonza reported sales of CHF 6.5 billion (+21.7% CER and +19.2% AER compared to the prior year). A CORE EBITDA of CHF 2.1 billion resulted in a robust margin of 31.6%, supported by maturing growth projects, strong operational execution and operating leverage. Excluding the business related to the Vacaville site, organic CER sales growth was in the low-teens at an improved CORE EBITDA margin, in line with our CDMO Organic Growth Model.

We continued to prioritize direct engagement with our investor community in 2025. Alongside the Full-Year 2024 and Half-Year 2025 reports, we hosted roadshows in New York, London, Zurich, Edinburgh, Chicago, Boston, Singapore, Seoul, Tokyo, Toronto, Montreal, Stockholm, Copenhagen and Paris, and attended industry conferences in San Francisco, New York and Frankfurt. In May, we hosted our Annual General Meeting (AGM) in Basel, where nearly 60% of our shareholder capital was represented.

Executing our One Lonza Strategy

Following the December 2024 [announcement](#) of our global One Lonza Strategy, we made significant progress during its first full year of implementation in 2025, while maintaining agility in an increasingly dynamic global environment. We successfully deployed our streamlined operating model in [April](#) with the introduction of our three CDMO Business Platforms – Integrated Biologics, Advanced Synthesis, and Specialized Modalities – designed to enhance customer experience, strengthen scalability, and support end-to-end multimodality solutions. This new structure has enhanced internal collaboration and reinforced our ability to deliver a seamless One Lonza customer experience.

Our plug-and-play investment and integration capabilities were further strengthened through both organic growth and the strategic [acquisition of Redberry](#) in 2025. We also secured several major customer contracts across diverse modalities, from mRNA to exosome-based therapies, demonstrating the strength of our scientific and technological expertise and the value of our customer partnerships. These achievements underscore how the One Lonza Strategy is strengthening our position as a trusted global partner to deliver technologies for complex treatments with high therapeutic and commercial potential across all stages of development and manufacturing.

We completed our transformation into a pure-play CDMO in March 2026 with the [agreement](#) to divest our Capsules & Health Ingredients (CHI) business for an enterprise value of CHF 2.3 billion (USD 3 billion) at closing. Moving forward, we are now fully focused on where we can create most value for our customers and their patients, our people and our shareholders.

New Areas of Responsibility in the Executive Committee

Updates to the Executive Committee (EC) during the year were designed to enable and accelerate the implementation of our One Lonza strategy. In April, we realigned leaders' responsibilities to our new Business Platform structure: Gordon Bates became Head of Integrated Biologics, Christian Seufert became Head of Advanced Synthesis, Daniel Palmacci became Head of Specialized Modalities, and Jean-Christophe Hyvert became Head of Capsules & Health Ingredients.

We also created two new EC level roles, underscoring areas of increasing strategic importance to Lonza. In July, Andreas Bohrer was [appointed](#) Chief Legal & Corporate Affairs Officer, bringing legal, governance, sustainability and public affairs oversight together at the EC level. In October, we elevated the Quality function with the [appointment](#) of Maria Soler Nunez as Chief Quality Officer, reflecting our heightened focus on quality, compliance and regulatory excellence. Jason Berndt succeeded Maria as Head of Group Operations in October, overseeing manufacturing, engineering and large CapEx projects with a mandate to further strengthen executional excellence.

We also established six dedicated EC committees covering Strategy & Innovation, Business Performance, Investment, Quality, Operations Performance and HR. Led by EC or Extended EC members and supported by leaders from across the organization, these committees provide focused forums for in-depth discussion of mission-critical topics, which are designed to support robust decision-making by the EC. Together, these updated ways of working are designed to match the right leaders with the right roles while also aligning governance and execution with our long-term growth ambitions.

Investing to Generate Long-Term Value

Our investment strategy remains focused on areas of sustained customer demand and market growth, capturing opportunities with attractive margins while maintaining disciplined risk management. In 2025, our capital expenditure totaled CHF 1.3 billion, supporting both organic growth projects and strategic bolt-on acquisitions to strengthen our end-to-end capabilities across biologics, bioconjugates, and emerging modalities.

A key milestone was the successful integration of our Vacaville (US) site, acquired in late 2024. The site expands our large-scale mammalian manufacturing capacity and plays a central role in delivering next-generation therapies, supported by deep manufacturing expertise. Meanwhile, at our Visp (CH) facilities, we progressed with the ramp-up and operations for our HPAPI and large-scale mammalian drug substance facilities and advanced expansion projects for bioconjugates, positioning us to meet growing market demand.

These targeted investments enable us to scale efficiently, deliver on customer commitments, and generate long-term value for both our shareholders and partners. By balancing strategic growth with operational excellence, we are reinforcing our leading position and laying strong foundations for continued innovation and growth.

The Year Ahead

Based on our strong financial performance and operational progress in 2025, we are well positioned to continue executing our strategy in 2026 and beyond – for the benefit of our customers and their patients, our shareholders and our people.

As I close, my sincere thanks go to our global One Lonza team for all their energy, passion and dedicated efforts throughout 2025. Across our global network, our teams worked hard to enable our One Lonza transformation and unlock future growth opportunities, while continuing to deliver a strong performance across our existing business. We delivered on the promises we made in 2025 and I look forward to achieving even greater success, together as One Lonza, in the year ahead.

Wolfgang Wienand
Chief Executive Officer

2025 Highlights

January

We [announced](#) our collaboration with Iconovo to develop spray-dried formulations of an intranasal biologic.

We also [reported](#) solid Full-Year 2024 financial results.

April

We [launched](#) our simplified and streamlined operating model to support our One Lonza vision and strategy.

We also [announced](#) the completion of our share buyback program.

We [announced](#) a collaboration with Ethris to develop spray-dried mucosal mRNA vaccines.

We [joined](#) the Centre for Continuous Manufacturing and Advanced Crystallisation (CMAC) to enhance our service offering for specialty and enhanced drug product and particle technologies.

March

We [announced](#) the establishment of CHI's new Center of Applied Sustainability to provide solutions to reduce customers' carbon footprints.

We [communicated](#) a collaboration with Exogenus Therapeutics to develop Exo-101, its exosome-based lead candidate.

We were [recognized](#) as one of Ethisphere's World's Most Ethical Companies® for 2025.

May

We [welcomed](#) Juan Andres, Eric Drapé and David Meline as new members of the Board of Directors at our Annual General Meeting.

We [shared](#) a qualitative update on our Q1 2025 performance.

We also [launched](#) our Design2Optimize™ Platform to streamline API development.

July

Andreas Bohrer was [appointed](#) as Chief Legal & Corporate Affairs Officer and joined Lonza's Executive Committee.

We [launched](#) our Next Generation 4D-Nucleofector® LV Unit PRO for improved electroporation in GMP manufacturing.

We [communicated](#) strong Half-Year 2025 financial results.

October

We [welcomed](#) Jason Berndt as Head of Group Operations, and Maria Soler Nunez was appointed Chief Quality Officer.

We [launched](#) TheraPEAK® AmpliCell® Cytokines and TheraPEAK 293-GT® Medium to expand our GMP solutions for cell and gene therapy.

We [received](#) Swissmedic approval for our highly potent biologics drug product filling line in Stein (CH).

We [shared](#) a qualitative update on our Q3 2025 performance.

We announced the planned [acquisition](#) of Redberry to expand our Bioscience testing offering.

September

We [announced](#) our collaboration with RION to manufacture exosome based therapeutics.



Lonza at a Glance

6,531m¹

Sales in CHF

2,064m¹

CORE EBITDA in CHF

31.6¹

CORE EBITDA margin in %

11.9

ROIC in %

~20,000²

Employees (Full-time equivalent)

>1,110

Small³ and large⁴ molecules

>30

Global development and manufacturing sites

2,804

Trademark filings

306

Brands

420

Active patent families

¹ Based on Lonza continuing operations excluding Capsules & Health Ingredients business that is classified as discontinued operations.

² Including Capsules & Health Ingredients colleagues.

³ Including active pharmaceutical ingredients (API), highly potent API (HPAPI), dosage form and delivery systems and particle engineering.

⁴ Including mammalian, microbial, bioconjugates, drug product services and cell and gene therapy products (early development services are included for pre-clinical molecules only)

Financial Highlights

In 2025, we delivered strong financial results, with CHF 6.5 billion sales and +21.7% CER sales growth (+19.2% AER). This outcome exceeded our upgraded guidance and reflected strong operational execution across our network. The Vacaville site contributed approximately CHF 0.6 billion in sales, slightly above expectations, while underlying organic sales excluding Vacaville grew in the low teens at an improved CORE EBITDA margin, in line with our CDMO Organic Growth Model.

CORE EBITDA reached a margin of 31.6%, representing an improvement of +1.4 percentage points versus 2024. Margin expansion was driven by operating leverage from strong top line growth, increasing utilization of maturing growth projects, and targeted productivity initiatives across the organization. FX headwinds of approximately 2.5 percentage points on sales and CORE EBITDA, mainly due to the weaker US dollar, had a limited impact on margins due to Lonza's natural hedge and financial hedging program.

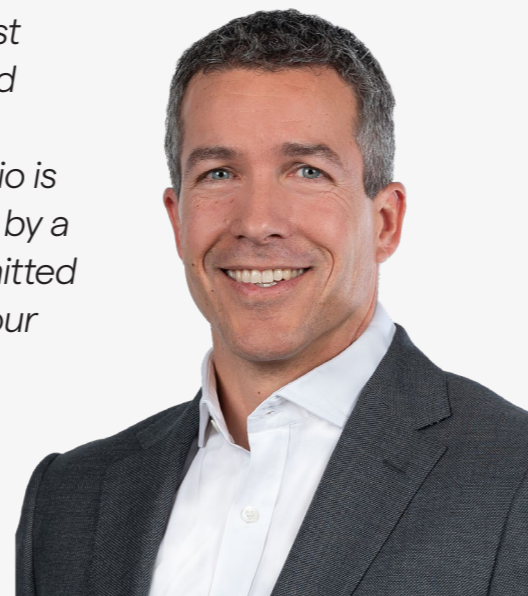
Overall, performance across our Business Platforms was strong. Integrated Biologics delivered robust sales and margins, and benefitted from higher utilization across Mammalian and Drug Product. Advanced Synthesis delivered exceptional organic growth, supported by strong momentum in Bioconjugates and Small Molecules. These contributions were partially offset by Specialized Modalities, with a softer performance in Cell & Gene and phasing in the Microbial business.

We made significant progress in executing our ongoing organic investment program to enable future growth across technologies, while maintaining a focus on capital discipline. We invested CHF 1.3 billion in CapEx, equivalent to 18% of sales, with around 60% allocated to growth. Free cash flow (FCF) increased to CHF 545 million, nearly doubled against 2024, supported by disciplined CapEx execution and effective working capital management. Our capital allocation priorities remain unchanged with maintaining our infrastructure, sustaining a progressive dividend and investing discretionary cash in organic and inorganic growth.

Personal Perspective

Philippe Deecke
Chief Financial Officer

Our focus on high-quality assets and disciplined cost management delivered strong growth and improved profitability in 2025. Driven by sustained customer demand, the progress in our growth project portfolio is the foundation for future profitable growth. Guided by a balanced capital allocation approach, we are committed to delivering long-term value for our shareholders, our customers and the patients they serve.



Historic Progression

Sales¹
Million CHF

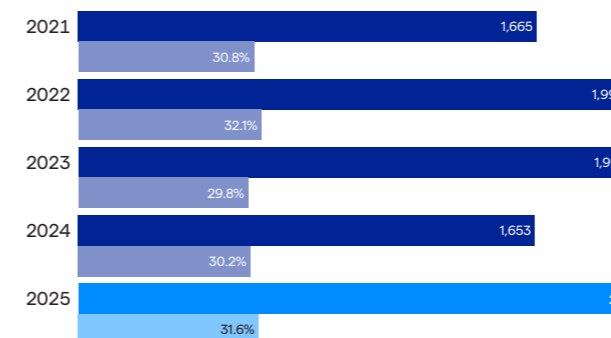


ROIC^{1,2}
in %



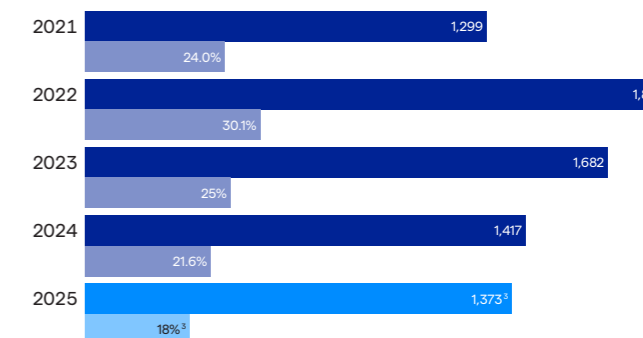
CORE EBITDA^{1,2}
Million CHF

CORE EBITDA Margin
In %



Capital Expenditures (CapEx)
Million CHF

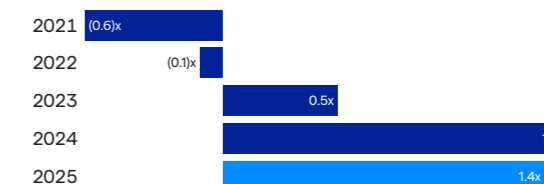
CapEx/Sales
In %



CORE EPS^{1,2}
CHF



Net Debt/CORE EBITDA^{2,4}
Ratio



¹ For 2024 and 2025, financials were reflected based on Lonza continuing operations excluding Capsules & Health Ingredients business that is classified as discontinued operations.
² Refer to section "Alternative Performance Measures" of the Financial Report for more details on the calculation methodology.
³ Lonza total group including Capsules & Health Ingredients business that is reclassified as discontinued operations.
⁴ "Net debt", "Net debt / CORE EBITDA" reflect for 2023-2025 total group including Capsules & Health Ingredients business that is reclassified as discontinued operations. For 2021 and 2022, financials were reflected based on Lonza continuing operations basis (excluding Lonza Specialty Ingredients business).



Investor Information

Shares of Lonza Group Ltd are listed on the SIX Swiss Exchange and Swiss Market Index (SMI). We also maintain a secondary listing on the SGX Singapore Exchange. The nominal value of the Lonza Group Ltd share is CHF 1. Our share price closed at the end of 2025 at CHF 537.8 per share, which represents an increase of 0.4% in 2025.

The free float in Lonza Group Ltd registered shares equaled 99.45% at year-end, and the average daily trade volume was 138,868 shares in 2025.

Listing and Security Information

Stock Exchange Listing / Trading:

SIX Swiss Exchange
SGX Singapore Exchange

Common Stock Symbols:

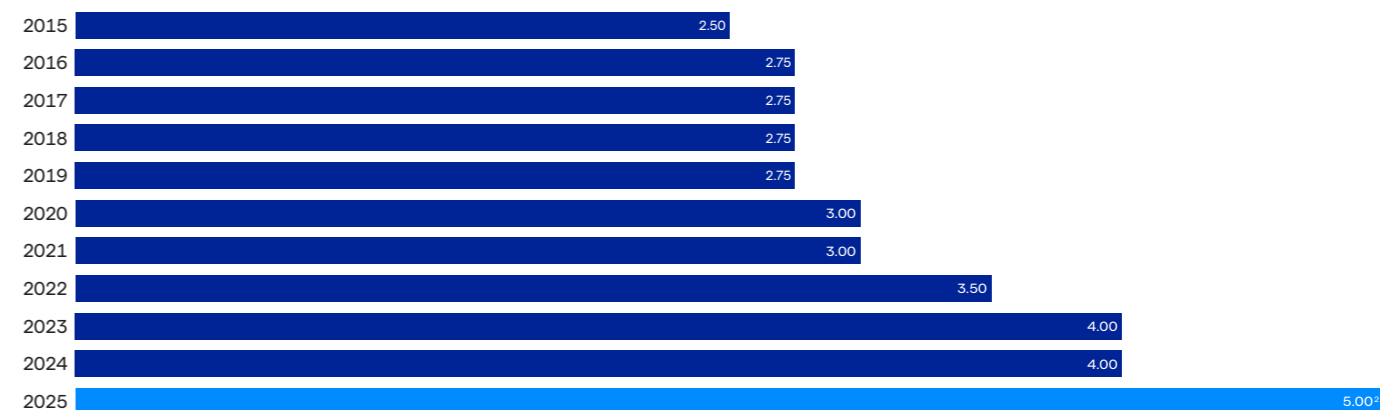
Bloomberg LONN SW
Reuters LONN.S
Six Swiss Exchange LONN
SGX Singapore Exchange O6Z

Security Number:

Valor 001384101
ISIN CH0013841017

Dividend Payment History¹

In CHF/Share



¹ The overview shows the dividend declared for the respective fiscal year.

² Proposed.

Shareholdings

According to disclosure notifications filed with Lonza, the following shareholders held more than 3% of Lonza's share capital as of 31 December 2025:

Principal Shareholders:

BlackRock, Inc., New York, NY (USA) 9.85%
UBS Fund Management (Switzerland) AG, Basel, Switzerland 6.246%

We know of no other shareholder(s) that owned more than 3% of our share capital as of 31 December 2025. To the best of our knowledge, the shareholders mentioned above are not linked by any shareholders' agreement or similar arrangement with respect to their shareholdings in Lonza or the exercise of shareholders' rights. For a full review of the individual disclosure notifications made during 2025, please refer to the [SIX Swiss Exchange disclosure platform](#).

Dividend

Lonza's Board of Directors will propose to increase the dividend by +25% to CHF 5.00 per share at the Lonza Annual General Meeting (AGM) in May 2026. The proposal represents a payout of 38.5% based on the profit for the period of Lonza Group continuing operations. Subject to approval, 50% of the dividend will be paid out of the capital contribution reserve, meaning it will be free from Swiss withholding tax.

Lonza Share Price Development 2022 – 2025

In CHF/Share



Financial Events in 2025

Full-Year Results 2024	29.01.2025
Annual Report 2024	03.04.2025
Annual General Meeting	09.05.2025
Ex-Dividend Date	13.05.2025
Record-Dividend Date	14.05.2025
Dividend-Payment Date	15.05.2025
Half-Year Results 2025	23.07.2025

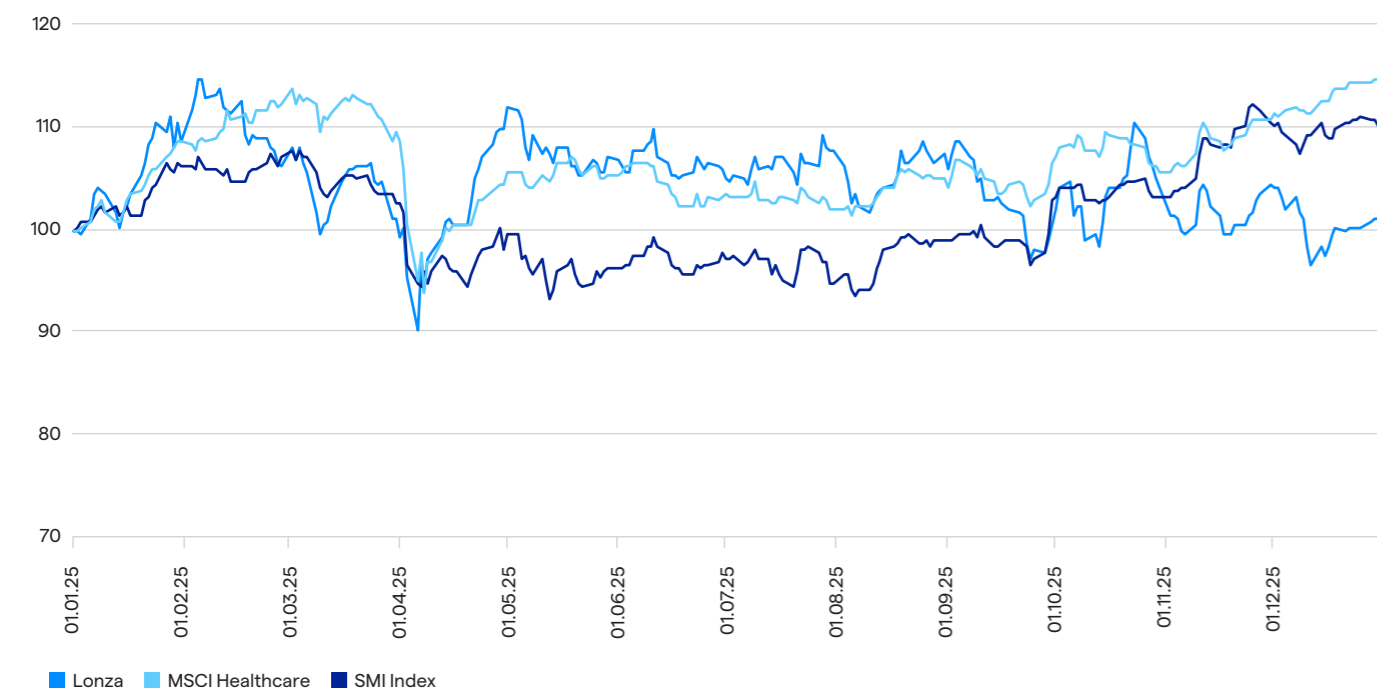
Share Price in 2025

Share Price High	CHF 613.0 on 06.02.2025
Share Price Low	CHF 514.8 on 12.12.2025
Share Price Closing	CHF 537.8 on 30.12.2025

Source: Bloomberg

Lonza Share Price Development vs. Swiss Market Index (SMI) and MSCI Healthcare Index

Rebased to 100



Source: Bloomberg

Upcoming Financial Events

Date	Time	Event
29 April 2026	5.00PM CEST	Closing of the Share Register
8 May 2026		Q1 2026 Qualitative Update
8 May 2026		Annual General Meeting for the Financial Year 2025
12 May 2026		Ex-Dividend Date
13 May 2026		Record-Dividend Date
15 May 2026		Dividend-Payment Date
22 July 2026		Half-Year Results 2026

More information for our shareholders and capital market is available on Lonza's Investor Relations [webpage](#). To learn more about Lonza's activities during 2026, refer to our [News Archive](#).

Ten-Year Overview of Major Key Indicators

million CHF	2016	2017 ²	2018 ³	2019	2020	2021	2022	2023	2024 ⁷	2025
Sales	4,132	4,548	5,542	4,207	4,508	5,409	6,223	6,717	5,480	6,531
CORE EBITDA ¹	918	1,196	1,511	1,334	1,379 ⁴	1,665	1,995	1,999	1,653	2,064
Margin in %	22.2	26.5	27.3	31.7	30.6	30.8	32.1	29.8	30.2	31.6
EBITDA	848	1,084	1,429	1,264	1,378	1,365	2,139	1,940	1,452	1,970
ROIC in % ¹	n.a.	8.4	8.0	9.2	9.1 ⁴	10.7	11.4	8.7	10.9	11.9
CORE EPS in CHF	7.81	10.87	12.03	13.67	11.73 ^{4,6}	14.36 ⁶	16.30 ⁶	13.89 ⁶	13.12	15.08
EPS in CHF	5.31	9.78	8.80	10.28	9.81	9.08	16.37	8.88	8.51	13.04
Operational free cash flow (bef. acquisitions and divestitures)	638	658	884	371	504	412 ⁶	(420) ⁶	374 ⁶	473	674
Net debt / (net cash) ⁵	1,584	3,762	3,534	2,961	2,813	(958)	(186)	922	2,859	3,258
Net debt / CORE EBITDA ⁵	1.7	2.7	2.3	1.8	1.7	(0.6)	(0.1)	0.5	1.7	1.6
Number of employees (Full-Time Equivalent)	10,130	14,618	15,375	15,468	14,062	16,218	17,494	18,000	15,734	16,866

¹ Refer to section "Alternative Performance Measures" of the Financial Report for more details on the calculation methodology.

² Until 2017, Lonza including the Water Care business. From 2018, Lonza excluding the Water Care business.

³ Until 2018, Lonza including the Specialty Ingredients business (reported as discontinued operations until effective disposal 1 July 2021). From 2019, Lonza excluding the Specialty Ingredients business.

⁴ CORE results for the Full-year 2020 (CORE EBITDA, ROIC, CORE EPS) were restated to reflect the changes from the revised Alternative Performance Measures policy that was introduced on 1 January 2021.

⁵ "Net debt", "Net debt / CORE EBITDA" reflect total group including discontinued operations. For 2021 and 2022, financials were reflected based on Lonza continuing operations basis (excluding Lonza Specialty Ingredients business).

⁶ In 2024, Lonza revised the definitions of several Performance Measures. As a result, the Operational Free Cash Flow and CORE EPS were restated for 2021, 2022 and 2023. Refer to section "Alternative Performance Measures" of the Financial Report for more details on the calculation methodology.

⁷ Restated to reflect the classification of the Capsules & Health Ingredients business as discontinued operations (see note 4). Until 2023, Lonza including Capsules & Health Ingredients business. From 2024, Lonza excluding Capsules & Health Ingredients business.

One Lonza Strategy

Our Vision, Purpose and Values

In 2025, we progressed with the disciplined execution of our One Lonza strategy, first introduced at our [December 2024 Investor Update](#). The One Lonza strategy is designed to advance our vision, to be the pioneer and world leader in the CDMO industry, setting the pace with cutting-edge science, smart technology and lean manufacturing.

As we continue to focus on the implementation of our strategy, our success is underpinned by our purpose and values, which contribute to our One Lonza culture.

Our purpose is to turn our customers' breakthrough innovations into viable therapies and manufacture the medicines of tomorrow. This is our reason for being and defines the positive impact we have on the world around us. Alongside this shared purpose, our global colleague community is united by five core values that guide how we work together and how we engage with partners and the wider world.

These values form the foundation for our unified One Lonza culture, which is recognized and respected across our global network. This will continue to define our future success, not just in what we achieve, but also in how we achieve it.

Our One Lonza Strategy

The **Lonza Engine**¹ sits at the heart of our strategy. It combines our unique set of core competencies that work together to deliver outstanding, long-term value. The Lonza Engine[®] comprises five key components.

Like a finely tuned engine, each component works in harmony to drive complementary strategic outcomes that drive lasting competitive advantage. The whole of the Lonza Engine[®] is greater than the sum of its parts.

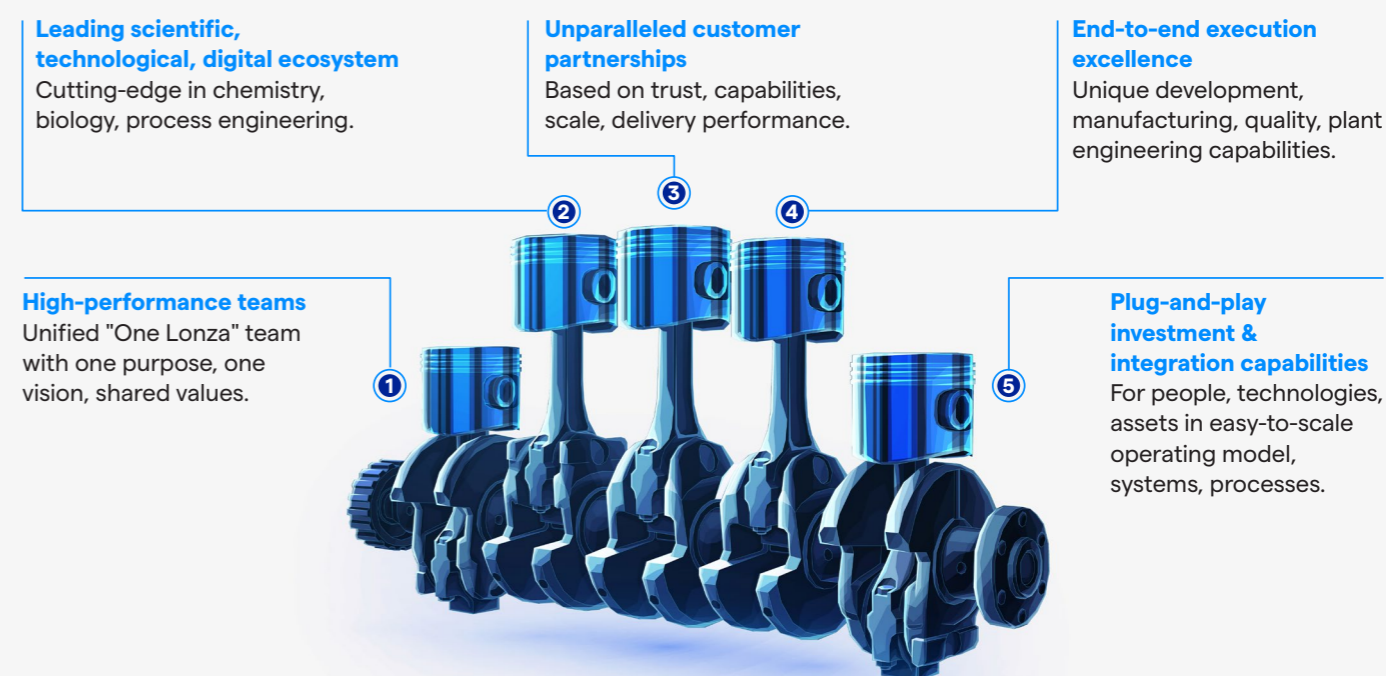
- High-performance teams
- Leading scientific, technological, digital ecosystem
- Unparalleled customer partnerships
- End-to-end execution excellence
- Plug-and-play investment and integration capabilities

¹ The Lonza Engine[®] framework

Our Values

	Collaboration We win as a strong inclusive team
	Accountability We keep the promises we make
	Excellence We strive to outperform in everything we do
	Passion We care deeply about what we do for our customers and their patients
	Integrity We are responsible for our actions and live up to our standards

The Unique Lonza Engine[®]



Executing our Strategy in 2025

Throughout the year, we balanced the disciplined execution of our One Lonza strategy with the agility needed to navigate the external developments in our industry and the world around us. A combination of planned and adaptive strategic approaches remains essential to maintaining our leadership position and continuing to ensure long-term performance and value creation.

In support of the One Lonza strategy, we implemented our simplified and streamlined operating model on 1 April 2025. Comprising three **CDMO Business Platforms**, this new structure is designed to enhance customer experience, provide scalability for future growth and strengthen our end-to-end multimodality offering:

- **Integrated Biologics**

Here, we leverage our experience in drug approvals to accelerate and de-risk the path to market with best-in-class, end-to-end CDMO biologics services – from clinical development to drug substance and drug product manufacturing. Integrated Biologics consists of two Technology Platforms: Mammalian and Drug Product.

- **Advanced Synthesis**

Here, we apply more than 125 years’ expertise in classic and complex chemistry to the manufacturing of antibody-drug conjugates (ADCs) and other bioconjugates, small molecules and highly potent active pharmaceutical ingredients (APIs). Advanced Synthesis consists of two Technology Platforms: Small Molecules and Bioconjugates, combining leading hybrid chemistry and biology solutions.

- **Specialized Modalities**

Here, we operate at the forefront of emerging and established technologies – spanning Cell & Gene, Microbial, mRNA and Bioscience – to help pioneer our customers’ breakthrough medicines.

The implementation of this new operating model has worked to strengthen all components of the Lonza Engine®. For example, the removal of the business unit layer within our updated organizational structure has enabled our high-performance teams to work more effectively together across Business Platforms. Additionally, the creation of Strategic Enterprise Account Management as a new Group Function enhances our ability to foster unparalleled customer partnerships and provide a seamless and consistent One Lonza customer experience. The streamlined structure also strengthens the scalability of our business model, supporting sustainable growth and enhancing our plug-and-play investment and integration capabilities.

Our plug-and-play investment and integration capabilities and end-to-end execution excellence were further strengthened by a combination of organic growth and strategic bolt-on acquisitions. Our highly potent API (HPAPI) plant in Visp (CH) made good progress in ramping up and commencing commercial operations. At our new large-scale mammalian drug substance facility, also located in Visp, GMP operations are now underway and commercial production is set to ramp up from 2026 onwards.

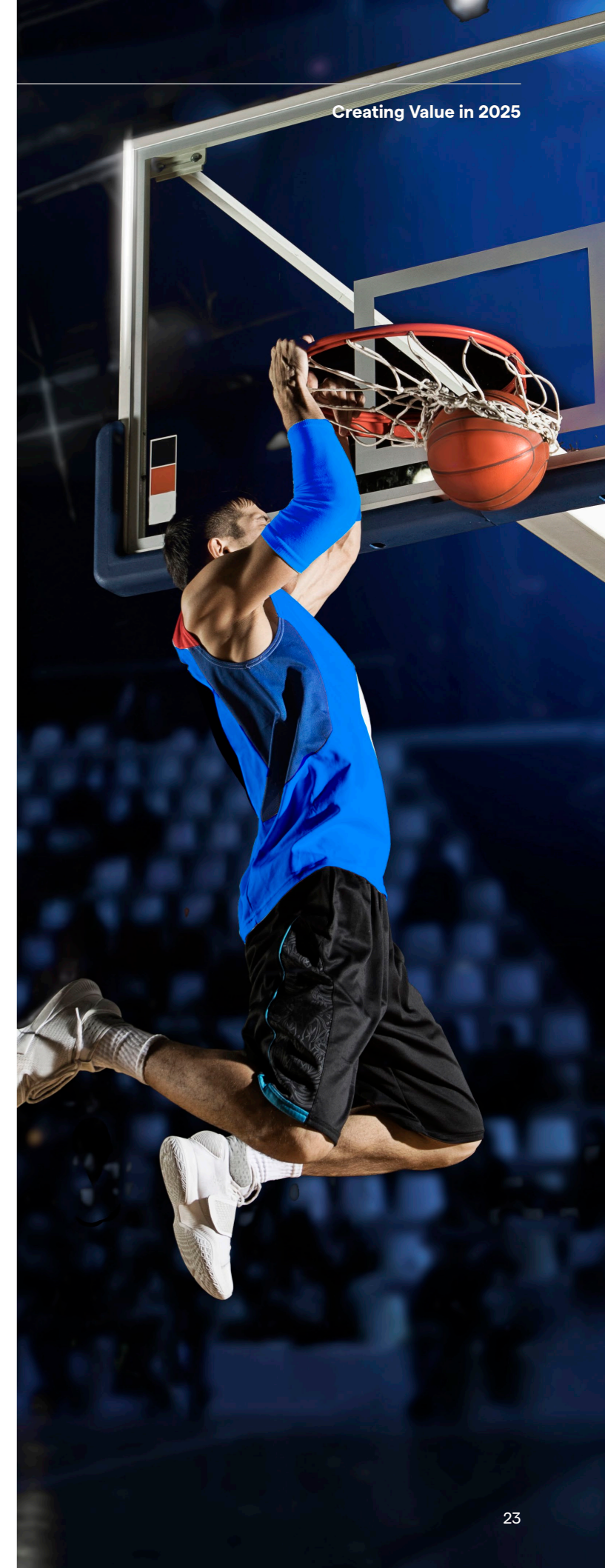
Our Vacaville (US) site – acquired in October 2024 – continued to successfully integrate into our global network in 2025. The site maintained strong operational execution and an excellent quality track record while preparing for new product introductions. The first phase of capital expenditure commenced at the site in 2025, with additional investments to follow in the next two to three years. These integration and investment efforts will ensure that Vacaville is fully equipped to deliver next-generation therapies as a critical part of our leading scientific and technological ecosystem.

In 2025, we secured several major customer contracts that highlight both the strength of our leading scientific and technological ecosystem, and our unparalleled customer partnerships. This included an agreement with Ethris for the development of spray-dried mRNA vaccines, Iconovo for the development of an intranasal biologic, Exogenous for the development of its lead exosome-based candidate, and RION for the manufacture of exosome-based drug substance. We also negotiated several new contracts for mammalian manufacturing in Vacaville (US), as the site advances its transition to a multi-product CDMO facility – with further signings expected in 2026. The diversity of modalities represented across these programs demonstrates the breadth of our specialist expertise and further reinforces how the One Lonza strategy is strengthening our position as a global partner of choice for complex therapeutic technologies, across all development and manufacturing stages.

Our Business Platforms and Technology Platforms

Integrated Biologics	Advanced Synthesis	Specialized Modalities ¹
Mammalian	Small Molecules	Cell & Gene
Drug Product	Bioconjugates	mRNA
		Microbial
		Bioscience

¹ Including Personalized Medicine (Lonza has entered into an agreement to divest its Personalized Medicine business).



Our Approach to Sustainability

Our continuing commitment to sustainable business is designed to ensure that we bring long-term benefits to the people and communities we serve. Across our global network, we focus on strengthening governance, reducing our environmental footprint and enhancing our engagement with the stakeholders who support our business.

The 17 Sustainable Development Goals (SDGs) of the United Nations (UN) comprise a global blueprint to achieve a sustainable future for humanity, and we have grouped our sustainability initiatives around the seven key SDGs that are most relevant to our business. Alongside this short overview of our progress and key achievements relating to these SDGs, the **2025 Sustainability Report** offers more information and insight into our sustainability commitments and performance indicators.

Personal Perspective

Andreas Bohrer

Chief Legal & Corporate Affairs Officer

Sustainability is an integral part of our strategy and a long-standing commitment at Lonza. We remain focused on ensuring sustainability remains a competitive advantage that secures long-term value for our business, our customers and all our stakeholders. We are proud to have been awarded the EcoVadis Gold medal for our sustainability efforts in 2025.



SDG 3 Good Health and Well-being

Ambition

To support our customers and their patients to deliver their treatments.

To provide safe workplaces, caring for well-being and the health of the planet.

Progress and achievements

- Increased EcoVadis Environmental, Social and Governance (ESG) rating by six points to achieve Gold Medal status for the first time, with a score placing us among the top 5% of companies assessed.
- Conducted the Lonza Promoter Score (LPS) survey for the sixth consecutive year to measure customer satisfaction, receiving around 1,700 responses.



SDG 9 Industry, Innovation and Infrastructure

Ambition

To construct and invest in sustainable facilities designed for a low carbon and resource efficient future.

Progress and achievements

- Estimated the future carbon footprint of each investment project and assessed potential reductions using additional measures.
- Updated our Sustainable Design standards supporting energy reduction for key utilities (e.g. heating, ventilation, air conditioning and water quality systems).
- Conducted compliance review of projects in line with our Sustainable Design standards.



SDG 4 Quality Education

Ambition

To reinforce internal learning systems and to support employees in their professional development

Progress and achievements

- Fostered a culture of continuous improvement through Lean operating principles and training to enhance quality, efficiency, and environmental performance.
- Expanded the Learn@Lonza learning experience platform.
- Empowered colleagues' growth, with Individual Development Plans (IDPs) supported by meaningful manager conversations.



SDG 12 Responsible Consumption and Production

Ambition

To engage our supply chain through responsible sourcing, improving its sustainability performance.

Progress and achievements

- Continued evaluation of suppliers' sustainability performance, now covering 85% of our spend.
- Developed a Sustainable Procurement Learning Series via the Together for Sustainability (TfS) Academy to strengthen awareness and engagement on Responsible Sourcing.



SDG 5 Gender Equality

Ambition

To ensure equal opportunity for all employees, regardless of gender.

Progress and achievements

- Operationalized our roadmap to dismantle systemic barriers to equal participation across the employee lifecycle.
- Established internal processes to strengthen focus on fairness and objectivity during talent reviews.



SDG 13 Climate Action

Ambition

To decrease our greenhouse gas (GHG) footprint over the next decade and achieve net-zero GHG emissions by 2050.

Progress and achievements

- 75% of our electricity is procured from renewable sources, supported by multiple renewable energy certificate (REC) agreements. Our sites in Europe and China already run on 100% renewable power.
- Continued to deliver progress towards our absolute carbon footprint reduction target, meaning we are managing our impact while continuing to grow.



SDG 6 Clean Water and Sanitation

Ambition

To reduce water consumption intensity by 50% by 2030 and continuously assess water risks in our network.

Progress and achievements

- Continued to evaluate and implement industrial water reduction projects, delivering absolute reduction in water consumption compared to previous year.
- Extended our water assessment to include site catchment areas, as part of our water stewardship initiative.



Sustainability Report
2025

Our People and Culture¹

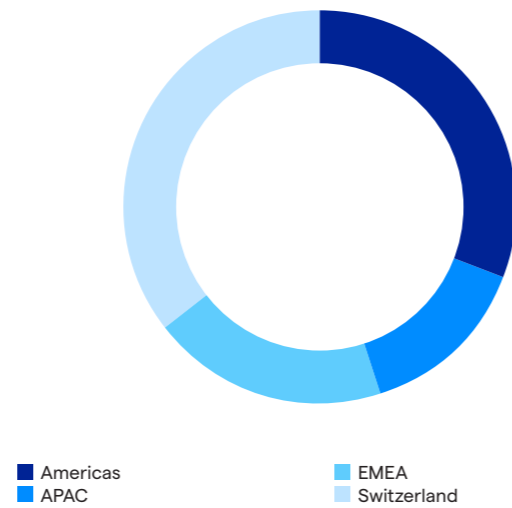
Overview

Our people are our greatest strength and are at the heart of our business, driving the implementation of our One Lonza strategy. We are committed to fostering an inclusive and inspiring environment where our people feel valued, supported, and empowered to bring their best. In 2025, our workforce represented more than 100 nationalities across a broad range of ages, with 38% women and 62% men. 2025 was a pivotal year as we embedded our new vision, strategy and values across the organization. We also introduced a shared purpose and established an organizational structure that aligned with our ambition to be the pioneer and world leader in the CDMO industry, setting the pace with cutting-edge science, smart technology and lean manufacturing.

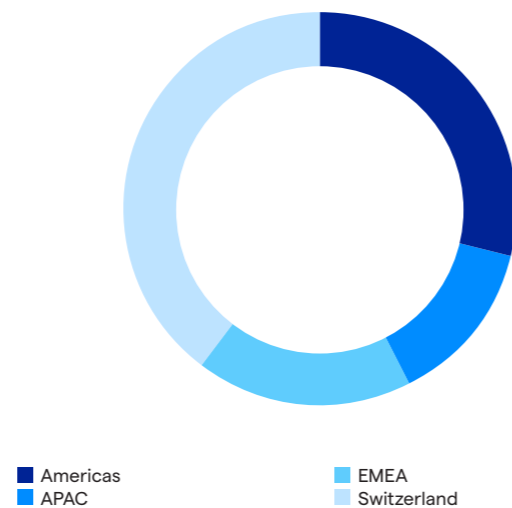
We are committed to delivering an exceptional professional experience and fostering a culture of high performance, collaboration and inclusion. Our **People Strategy**, structured around three pillars, and reinforced by data-driven decision-making and the One Lonza mindset, guides how we enable our people and shape our organization for success. These pillars: Future-Ready Organization, Leading Capabilities, and Unparalleled Environment – work together with the Lonza Engine® (see page 21) to build the talent, skills, and culture required for long-term success.

In 2025, we translated the People Strategy into action by strengthening our ability to attract, engage and develop exceptional talent. Across the organization, we focused on building a more dynamic and adaptable workforce, enhancing leadership and technical capabilities, and reinforcing a connected, inclusive culture where all colleagues can thrive.

Headcount Split by Region



External New Joiners by Region (Headcount)



Future-Ready Organization: Building a Dynamic and Adaptable Workforce

In 2025, we sharpened our ability to attract and onboard exceptional talent, through a talent acquisition strategy focused on strong alignment with our culture and purpose. Strategic collaborations with recruitment partners supported improvements in time-to-hire as well as line manager and candidate experience, while our employee referral program continued to provide a significant source of high-quality candidates.

Following the operating model changes implemented in April 2025, we placed increased focus on organizational effectiveness. We invested in targeted team effectiveness journeys based on our High-Performing Teams approach, supporting teams in strengthening collaboration, clarifying roles and accountabilities, and aligning around shared objectives. This contributed to greater cohesion and execution effectiveness, during a period of significant change.

In parallel, we advanced operational workforce planning to better align workforce needs with business and site plans. This improved visibility and accuracy in resource planning, enabling more informed decisions and supporting business continuity, productivity, and capability building.

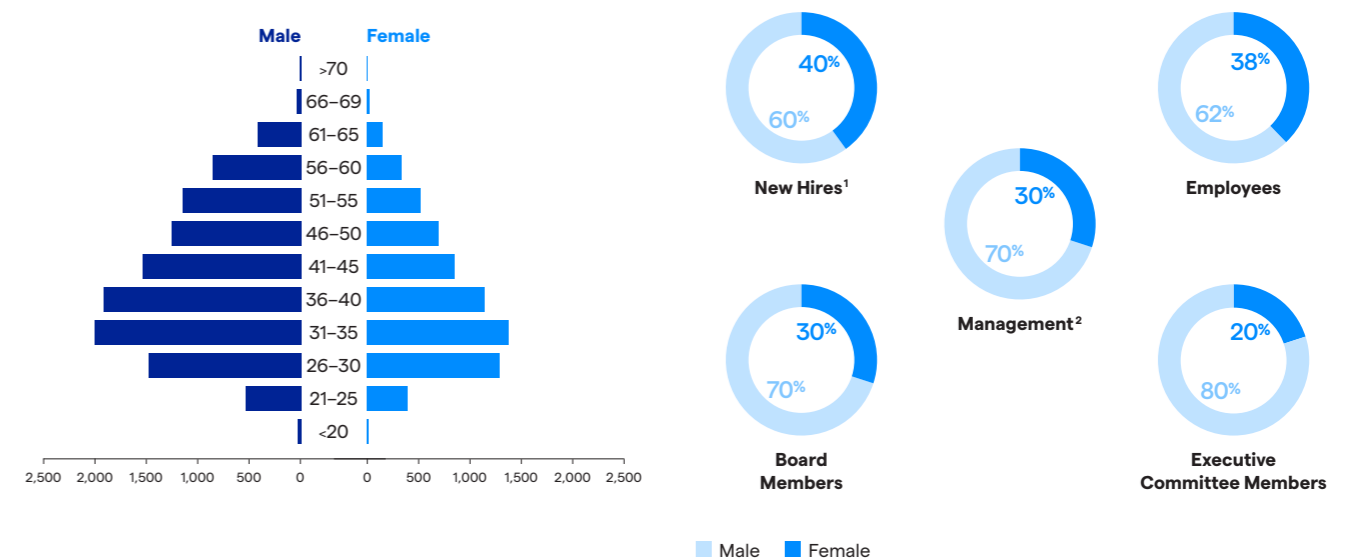
Leading Capabilities: Investing in Growth and Excellence

In 2025, we continued to invest in the growth and impact of our people through enhanced performance management, broader and deeper organizational and talent reviews, and focused development initiatives. Our performance management framework aligns individual goals and behaviors with overall Lonza objectives and One Lonza values, linking outcomes to rewards and incentives that reflect both individual contributions and overall business results.

We strengthened organizational resilience by further enhancing our talent review and succession planning, enabling earlier identification of development needs and readiness for future roles. Our commitment to internal talent development enabled many colleagues to take on new roles across teams and geographies, with a significant proportion of open positions filled internally in 2025.

We continued to expand our learning and development offerings, through our Learn@Lonza platform, providing tailored, self-paced learning opportunities. We also introduced an internal talent marketplace to connect employees with internal projects, fostering cross-functional collaboration and skill development. In parallel, we sustained our reward and well-being programs, including the employee share purchase plan and our suite of wellbeing offerings. Our Bravo platform for employee recognition continued to foster a culture of appreciation through peer-to-peer rewards. Together, these efforts support employees in performing, growing, and contributing to Lonza's long-term success.

Distribution of Employees by Gender and Age Group



¹ The data presented in the figures and graphs includes colleagues from the Capsules & Health Ingredients (CHI) organization.

Lonza allows employees to identify as male, female, transgender or to choose not to disclose their gender. 75 employees identified as transgender or chose not to disclose in 2025.

¹ 1% of new hires identified as transgender or chose not to disclose. ² Reflects employees at director level and above.

Unparalleled Environment: Fostering a Connected and Inclusive Workplace

In 2025, we continued to foster a connected, inclusive workplace where employees feel valued and inspired. Central to this is our One Lonza culture, guided by our values of collaboration, accountability, excellence, passion, and integrity. These values are embedded in both our performance management framework and recognition programs, ensuring that desired behaviors are consistently reinforced and celebrated across the organization. Voluntary turnover remained stable at 6.4% in 2025, reflecting the positive impact of our engagement, development, and wellbeing initiatives on retention.

To ensure employees' voices remain central, we conducted the Voice of Employee (VoE) survey twice in 2025 generating insights at every organizational level. Results showed progress across many key engagement drivers compared with 2024.

Our commitment to transparency, dialogue and respect continues to shape how we engage with colleagues, uphold labor rights globally and adhere to collective bargaining agreements. Through these efforts, we are reinforcing our leadership strength, individual and collective excellence and unified culture required to deliver on our long-term goals and continue to grow as One Lonza.

Personal Perspective

Nicoleta Baumgärtner
Chief Human Resources Officer

“With people at the heart of our One Lonza business, our People Strategy is built to ignite performance through agility in how we work, the capabilities we build, and the culture we create together. Looking ahead, we will continue to strengthen our talent pipeline by building a dynamic and adaptable workforce, investing in growth and excellence, and fostering a connected and inclusive environment where our people can thrive and bring their best.”

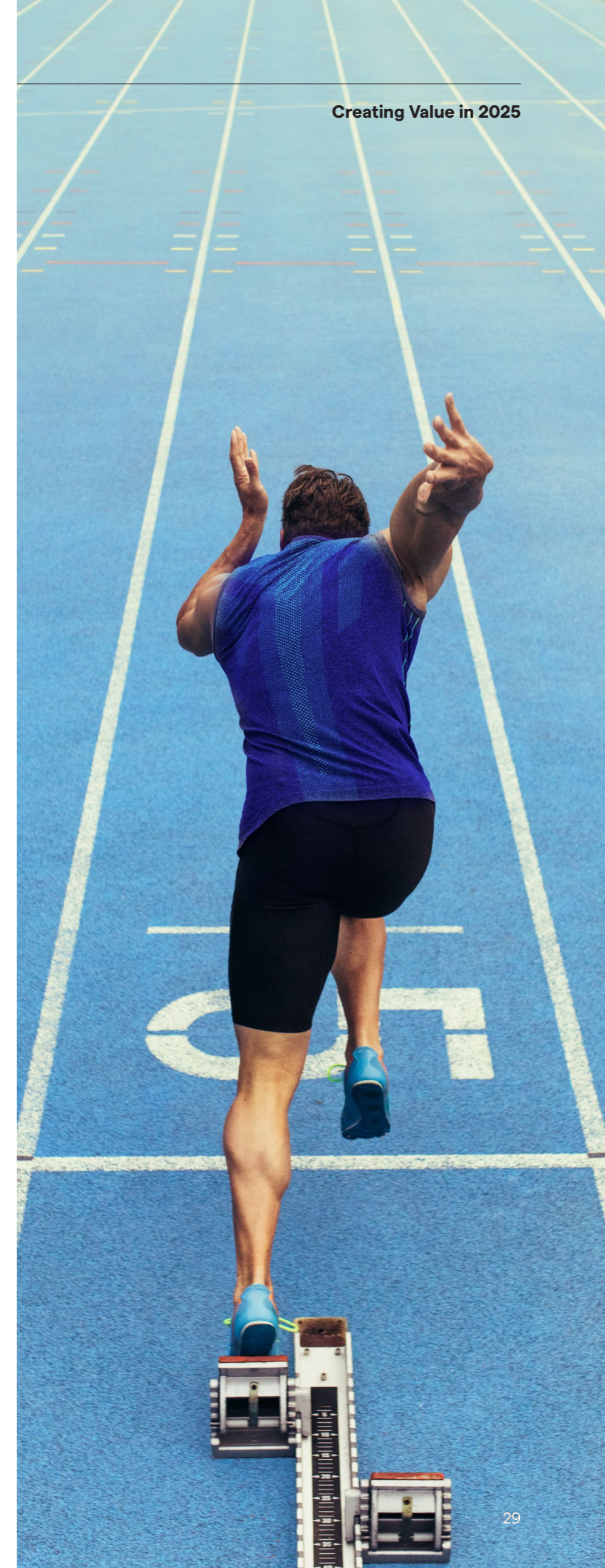


Looking to 2026

As we build on the foundations laid in 2025, we will continue advancing our People Strategy, by deepening our focus on the skills needed for sustained success. With evolving business needs, rapid technological shifts, and the changing nature of work, a skills-based approach where we identify, map, assess and develop skills in a systematic way, will become increasingly important to enhance flexibility, support development and mobility and ensure talent is deployed where it has the greatest impact. This approach will enable colleagues to grow, adapt and contribute more effectively.

We will further strengthen our One Lonza culture by embedding our values more deeply and elevating leadership capabilities to empower teams and drive performance. Continued investment in employee growth, learning, and wellbeing will ensure that our people have the opportunities and support needed to build critical skills and achieve meaningful outcomes.

Together, these efforts will further strengthen Lonza as a resilient, high-performing organization, well equipped to meet future challenges and seize opportunities. Our continued focus will reinforce Lonza's position as a place of unique opportunity, where talented people are inspired to innovate, grow, and contribute to our shared success.





Our Businesses

32 Group Operations

36 Integrated Biologics

44 Advanced Synthesis

50 Specialized Modalities

56 Capsules & Health
Ingredients

Group Operations

The Group Operations Function is responsible for delivering sustainable and scalable growth across our global operations network, driving efficiency, and ensuring a unified One Lonza experience for customers worldwide. Through process innovation, standardization and harmonization, Group Operations supports our growth trajectory while simplifying and streamlining internal processes.

The Function comprises core global teams including Environment, Health, and Safety (EHS), Engineering, Procurement, Supply Chain, Operational Excellence and Program Management.

Delivering a Seamless One Lonza Customer Experience

Our focus on unparalleled customer partnerships – a core component of the Lonza Engine® (see page 20) – underpins the focus of our Program Management team. In 2025, we advanced our end-to-end delivery model to execute operational improvements and ensure customers receive a consistent, high-quality experience across all touchpoints.

A key milestone was the introduction of the Customer Portfolio Manager role across Lonza's Business Platforms. This new role focuses on providing a seamless customer experience for complex, cross-platform and multi-technology programs across the organization, while working in close collaboration with the global Program Management team to harmonize delivery. We also continued to empower local project teams to serve customers effectively by providing a robust framework for high-performing teams and offering targeted training to further strengthen skills. In addition, we integrated our operational and customer program escalation processes to ensure timely decision-making and rapid resolution of emerging issues.

To enhance efficiency and responsiveness, we leveraged generative AI and automation to harness customer insights, increase efficiency and improve the overall customer experience. The team defined practical use cases, refined prompts for impactful results, and compiled a Program Management prompt library. Adoption of AI was carefully accelerated through targeted training, clear guidance for Program Management teams, and a form for sharing best practices. These initiatives enable faster, more informed responses to customer requests, reduce administrative overhead costs, and support a seamless customer-centric approach.

Accelerating Operational Excellence with Lean Principles

Lonza's Lean approach emphasizes a culture of continuous improvement, empowering teams to simplify processes, increase impact, and maintain customer value. This approach underlines Lonza's focus on end-to-end execution excellence, delivered through a strong combination of unique development, manufacturing, quality and plant engineering capabilities.

In 2025, we continued to expand Lean initiatives across our global network, embedding these principles into daily operations to drive efficiency and consistency. A key Lean initiative is the standardized Value Stream Mapping (VSM) methodology. Introduced across Lonza's Business Platforms, the VSM methodology enables teams to visualize the flow of materials and information throughout a process, from start to finish. By mapping every step involved, teams can identify bottlenecks and opportunities to increase productivity and design more streamlined, effective operations.

By fostering continuous improvement and enabling cross-site replication, the VSM program exemplifies One Lonza in action, empowering teams locally while advancing operational excellence across our global network.

Executing our Strategic Growth Projects

As part of Lonza's commitment to sustainable growth, our project management framework guides strategic growth projects – high-impact initiatives that align with our long-term strategy, expand our capabilities and strengthen our competitive edge – from initial concept to final delivery. Projects are selected through a rigorous process that balances evolving customer needs with long-term business objectives, considering strategic alignment, market potential, feasibility, and return on investment. This comprehensive approach supports our ability to generate sustained value for the business.

Throughout the project lifecycle, we employ a streamlined, stage-gated approach that drives efficiency and accountability. At every phase, both technical solutions and the commercial case are refined with clearly defined metrics and approvals guiding investment decisions. Continuous progress tracking facilitates early issue identification and resolution, helping to align timelines and budgets more effectively.

Each initiative is managed by a dedicated project lead and supported by a cross-functional team with close oversight through regular steering committee reviews. The broader project portfolio is monitored by the Executive Committee and

the Board of Directors. This governance structure helps keep execution on track while enabling the incorporation of lessons learned and the continuous refinement of project management capabilities.

Advancing our Growth Agenda

In 2025, we continued to advance our growth agenda through disciplined capital investment execution and a strengthened delivery model to scale effectively. Global Engineering aligned practices to our new operating structure, through four key pillars:

- **Efficiency:** Building on proven methods to further streamline planning and execution to optimize capital deployment.
- **Project-Centric Organization:** Reinforcing cross-functional collaboration and end-to-end leadership to elevate project delivery.
- **Roles and Accountabilities:** Clarifying responsibilities across teams to accelerate decision-making and foster shared ownership.
- **Project Governance:** Improving existing structures with sharper decision forums and standardized checkpoints to faster and more consistent execution.

These enhancements reflect Lonza's longstanding commitment to Lean manufacturing and continuous improvement. By embedding these principles across planning, delivery, and governance, we aim to be the reference standard for regulated manufacturing, ensuring that Lonza remains well-positioned to deliver long-term value and sustainable growth.

Enhancing our Supply Chain Maturity

Within the Global Supply Chain team, we strive to enhance Lonza's supply chain maturity by providing standardized processes and effective toolkits that support company growth. One focus area is the review and improvement of end-to-end supply chain processes across the business, with initiatives including:

- For Development Services, the implementation of a new digital end-to-end process, enabling integrated capacity planning from commercial process to service delivery. This allows us to respond to customer requests within five working days.
- For CDMO manufacturing processes, the development of a prototype that will be piloted across two sites in 2026, enabling greater operational control and a more agile supply chain.

Personal Perspective

Maria Soler Nunez
Chief Quality Officer

In 2025, we have continued to push progress in elevating operational excellence and further improving our discipline in executing CapEx investments. I wish Jason every success as he takes over the leadership of Group Operations and I focus on my new role as Chief Quality Officer.



Another priority is enhancing the maturity of supply chain teams at manufacturing sites through a Certification Program designed to drive local process excellence. The program provides a structured framework to evaluate process maturity, operational compliance, and system utilization, ensuring each site operates in line with global standards for efficiency, accuracy, and control. Certified sites have demonstrated strong performance across a broad range of supply chain KPIs, reflecting consistent execution, robust system reliability, and high master data quality. These capabilities enable comprehensive planning and reliable execution, positioning sites to effectively manage increasing complexity and support sustainable growth effectively.

Simplifying Procurement Processes

In 2025, we continued our efforts to simplify and automate procurement processes. We rolled out new systems and processes across many sites to enable lean and scalable Procure-to-Pay operations, facilitating continuous business growth with minimal operating cost increases while eliminating waste and significantly improving business user satisfaction.

We also launched a new Supplier Lifecycle Management system to streamline, simplify and automate key supplier-related processes. By increasing self-service and hands-free solutions, we achieved a 15% increase in touchless order rates, significantly boosting operational buyer productivity (+20% versus baseline) and enabling Procurement to refocus on efficiency efforts within sourcing.

We continued engaging with suppliers and conducting ESG risk assessments, while encouraging them to set science-based climate targets. Our Responsible Sourcing Framework was recognized as a winning program by the Sustainable Procurement Pledge's Pharmaceutical & Life Sciences Group, selected among six exemplary submissions from 70 entries.

We further broadened the team's mandate to include broader risk management, launching with a supply chain climate risk analysis, aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) requirements. Finally, we collaborated closely with supplier partners to secure reliable raw material supply and strengthen supply chain resilience by qualifying alternative manufacturing sites within our existing network and onboarding alternative suppliers.

Personal Perspective

Jason Berndt
Head of Group Operations

“ Maria has laid a strong foundation for execution excellence in Group Operations, and I am looking forward to supporting Lonza's ambitious growth trajectory by leading this important function into its next chapter. ”



Integrated Biologics

>715

pre-clinical and clinical large molecules¹

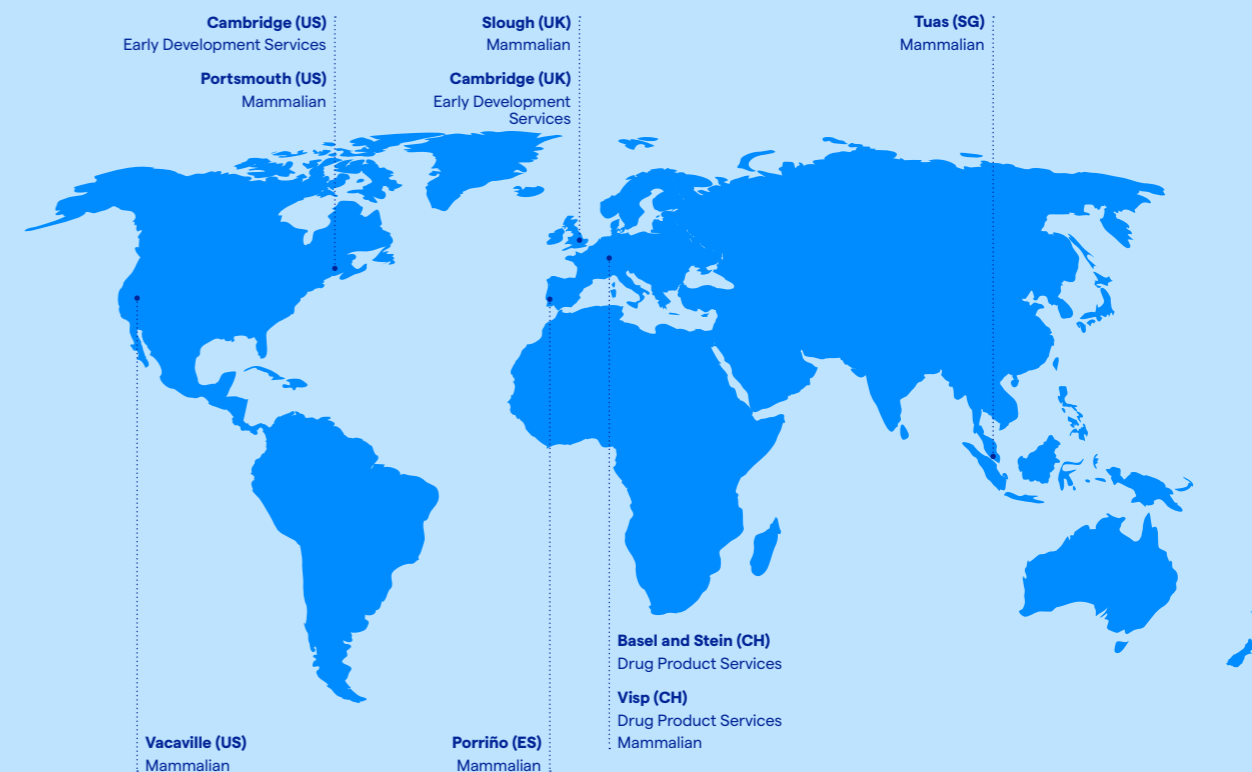
>70

commercial large molecules¹

¹ Including mammalian, microbial, bioconjugates, drug product and cell and gene therapy products (early development services are included for pre-clinical molecules only).

Our Integrated Biologics Business Platform helps to accelerate and de-risk the path to market with best-in-class, end-to-end offerings – from clinical development to drug substance and drug product manufacturing. Integrated Biologics comprises two Technology Platforms: Mammalian and Drug Product.

Our Global Development and Manufacturing Footprint



Market Trends

The **biopharmaceutical market** continued to expand in 2025 and is expected to achieve a compound annual growth rate (CAGR) in the low teens over the next five years². A key subsegment within this space is antibody therapeutics, which currently accounts for approximately 50% of the total biopharmaceutical market, underscoring its strategic importance and continued growth potential³. Historically, the biologics clinical pipeline has increased by approximately 9% per annum over the last ten years⁴.

The **mammalian and drug product CDMO market segments** continue to show positive growth, with a CAGR expected in the low to mid-teens over the next five years⁵. CDMO capacity continues to outpace capacity in customer-owned facilities, as large and small players increasingly rely on manufacturing partners to support, complement and de-risk their journey to market. Partnering models help attract customers by enabling capital preservation, direct access to leading expertise, de-risked supply, and regulatory support.

Large pharmaceutical organizations continue to contribute the majority of CDMO revenues due to commercial manufacturing activity. Small biotech businesses represent a higher proportion of the molecule pipeline, where outsourcing is built into business models to conserve capital resources. While funding has affected this segment in the short term, we expect this to normalize in the medium term.

Continued growth is evident across all phases of molecules in the biologics pipeline. This growth is supported by the increasing diversity of the pre-clinical and clinical molecule pipelines, including new biologics drug types and novel indications.

In 2025, **venture capital (VC) funding** in the biopharmaceutical industry remained selective amid tighter financial conditions and ongoing geopolitical and macroeconomic uncertainty, alongside growing competition from emerging sectors such as artificial intelligence (AI). Biotech VC funding remains available but is increasingly concentrated in fewer, larger rounds, reflecting a shift toward later-stage or de-risked opportunities. Looking ahead, funding is expected to stabilize or modestly rebound as interest rates ease. Our early-stage business continues to show a high level of utilization with good visibility. As these activities represent approximately 10% of our CDMO business, fluctuations in biotech funding are expected to have only a limited impact on our future performance.

² 2025 – 2030 CAGR in USD; Source: Evaluate Pharma (Biotechnology).
³ 2025 – 2030 CAGR in USD; Source: Evaluate Pharma (Biotechnology).
⁴ Source: Citeline Biologics trends (excl. CGT).
⁵ 2025 – 2030 CAGR in USD (Mammalian and Drug Product); Source: Frost & Sullivan (2025).

Manufacturing demand in mammalian is expected to grow, supported by an expanding clinical pipeline and increasing demand for existing commercial mammalian-derived therapies. This growth is particularly evident in high-volume oncology and anti-inflammatory products, many of which serve multiple indications and large patient populations. Antibody-drug conjugates (ADCs) represent a fast-growing segment within mammalian drug types, with global drug sales projected to grow at above 20% CAGR over the next five years¹. To manage complexity and mitigate risk, customers increasingly seek CDMOs that cover the entire ADC value chain across modalities. In this market context, our robust offering available at each step of the molecule lifecycle enables customers to efficiently advance their therapies from development through to commercial launch.

Fill-finish manufacturing remains a key area for outsourcing, both among small and mid-sized biotech firms that often lack in-house manufacturing facilities and seek to avoid high capital investment and pharma companies with inhouse capabilities to secure robust redundant supply. The rise of complex modalities such as ADCs has increased demand for specialized fill-finish capabilities. Advanced technologies such as lyophilization and cytotoxic containment require expert

handling and infrastructure, reinforcing the role of experienced CDMOs. Prefilled formats are gaining momentum, growing at approximately twice the rate of traditional vials, which reflects a shift toward patient-centric care and home administration. These trends reinforce the value of experienced CDMOs that can offer flexible capabilities across diverse delivery platforms. Integrated offerings are also emerging as a critical differentiator, with drug sponsors increasingly favoring CDMOs that can support the entire development and manufacturing value chain.

Our Offering

We have one of the most complete offerings across technologies and scales, alongside a wide range of services including regulatory support. Our customers range from small biotech to large pharmaceutical companies, and we deliver tailored services that meet specific customer needs. We support customers throughout the molecule lifecycle – from lead optimization, to pre-clinical, clinical and commercial phases, including Biologics License Application (BLA) support services. Across Integrated Biologics, we bring deep and long-standing expertise in commercial delivery with rigorous standards of quality, safety, efficiency and value.

¹ 2025 – 2030 CAGR in USD; Source: Evaluate Pharma 2025 (Antibody drug conjugates).

Mammalian

Our largest network – spanning scales, capabilities, technologies and geographies – lies in our Mammalian Technology Platform. We continue to see a healthy number of new molecules entering our pipeline across all phases. Several late-phase clinical molecules are set to reach the commercial stage in the short term, driving demand for large-scale manufacturing and supporting our future growth. The ongoing trend toward outsourcing, combined with increased demand for existing molecules and a growing number of molecules advancing toward commercialization, presents a sustained market opportunity in the coming years.

We are continuing to strengthen our robust pipeline by maintaining a strong focus on lifecycle management and integrated solutions with Drug Product and Bioconjugates. We remain committed to offering a full spectrum of mammalian development and manufacturing services across all molecule types. We will continue to invest in innovation to accelerate early development and help enable our customers to achieve their target cost of goods sold (COGS), while maintaining reliability and quality of commercial supply.

In 2025, we ramped up our new 20,000L asset in Visp (CH) to support customers seeking large-scale manufacturing. The site now consolidates demand across stages at a single site, from clinical development to launch and scale-up, with 1,000L, 2,000L and 20,000L bioreactors. This development further strengthens our global large-scale network, which has operations in Spain, Singapore, Portsmouth (US) and Vacaville (US), enhancing our ability to deliver reliable, scalable manufacturing solutions to customers worldwide.

Drug Product (DP)

Our Drug Product Technology Platform provides fully integrated, phase-appropriate solutions to biologic drug product development and manufacturing, spanning formulation, process design, and primary packaging. We continue to see increasing demand for these integrated offerings, as customers seek to simplify and de-risk their supply chains through strategic partnerships with a single CDMO. Our approach enables our customers to address challenges across formulation, analytical, process development, and drug product manufacturing in order to bring high-quality drug products to market. In the last five years, we have expanded from drug product development services into clinical and commercial fill and finish, strengthening our ability to support customers across the product lifecycle.

Our DP portfolio includes expertise in drug product injection and infusion, covering parenteral administration routes including intravenous, subcutaneous and intravitreal. Our integrated approach spans diverse biologics modalities, from standard monoclonal antibodies to complex formats such as bispecific antibodies, fusion proteins, recombinant proteins, and bioconjugates including ADCs. Following Swissmedic approval for our new aseptic drug product filling line in Stein (CH) in October 2025, we can support our customers with filling services for highly potent molecules.

Licensing

Our Licensing business manages access to our licensable Intellectual Property (IP), enabling companies to leverage proven technologies for development of new therapeutics. We support pharmaceutical and biotechnology companies, as well as research institutions conducting early research. Through strategic partnerships, we drive innovation by enabling both emerging start-ups and established industry leaders to benefit from Lonza's industrial expertise and global reach.

Our evolving IP offering spans multiple therapeutic modalities and is built upon decades of continual innovation. At its core is our GS[®] mammalian gene expression system, a cornerstone in biologics manufacturing and a key component of our comprehensive suite of expression technology solutions. Today, we serve more than 400 active licensing customers who hold more than 190 research evaluation agreements. More than 100 approved therapeutics contain Lonza's out-licensed IP, reaching millions of patients each year.

Integrated Biologics Offering

	Discovery	Development		Market
	Early Research & Drug Discovery	Pre-clinical Testing	Clinical Trials	Commercial Production & Life-cycle management
Technology				
Expression technologies across biologic modalities	●	●	●	●
Services				
Mammalian drug substance	◐	●	●	● ↗
Drug product across biologic modalities including highly potent drugs	◐	●	● ↗	● ↗

Regulatory consultancy to support Investigational New Drug (IND),
Biologics License Application (BLA) and supplemental Biologics License Application (sBLA)

● Full offering available ◐ Partial offering available ↗ Expansion



2025 Highlights

The Integrated Biologics Business Platform continued to deliver solid performance in 2025, driven by strong commercial demand and robust operational execution across its network. Growth in the Mammalian portfolio remained a key momentum driver, supported by both commercial and clinical small scale programs alongside maturing long-term growth projects. Drug Product also demonstrated resilient growth, reflecting increasing customer demand and strengthening delivery capabilities.

Across the Integrated Biologics network, contracting volumes remained high, underscoring sustained market interest and the Business Platform's strategic position in end-to-end biologics development and manufacturing.

Advancing New Facilities to Meet Customer Demand

To support growing global demand for biologics and enhance our service offerings, we continued to expand and upgrade key facilities within our Integrated Biologics network in 2025.

In Visp (CH), our large-scale 20,000L expansion achieved successful initial GMP runs. In Portsmouth (US), our new 2,000L asset produced its first Process Performance Qualification (PPQ) batches, demonstrating that the asset's defined process consistently delivers product that meets required quality, safety, and regulatory standards. A further expansion of this asset adds two additional 2,000L bioreactors and an additional downstream area. The expansion was initiated in early 2025 and is advancing according to plan.

In Stein (CH), we continued to make progress with the multi-purpose commercial fill and finish facility, with additional scope added for ADC filling and lyophilization. In October, the site also **received** full Swissmedic approval for an aseptic drug product filling line, supporting customers with clinical and commercial supply across biologics modalities including monoclonal antibodies, bispecific antibodies, and ADCs. This expansion strengthens our existing capacity for liquid and lyophilized vial filling, while introducing advanced containment technology for the safe manufacture of highly potent biologics.

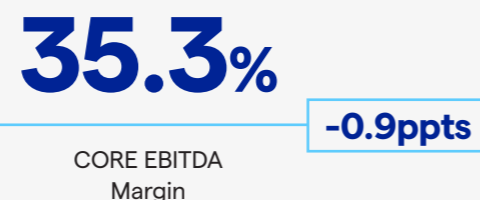
Vacaville Site Integration and Commercial Outlook

Vacaville (US) is one of the world's largest biologics manufacturing facilities, and is one of the most versatile sites in our portfolio, reinforcing our strategic footprint in the US for late-stage clinical and commercial supply. With more than 956,000 square feet of operational space across ten buildings, the site offers a total bioreactor capacity of around 330,000L. Since joining our global mammalian manufacturing network in October 2024, Vacaville's integration into Lonza has progressed in line with plan. In 2025, the site delivered strong and consistent operational execution, maintaining its excellent quality track record while advancing preparations for new product introductions.

The site comprises both mid-scale (12,000L) and large-scale (25,000L) bioreactors, enabling flexible, multi-product campaign manufacturing. Supported by diverse capabilities and a customer-centric approach, the site is well positioned to meet growing market demand while delivering operational excellence and sustainable growth. Customer interest in the facility remained strong in 2025, with several customer contracts signed, multiple customer negotiations ongoing and further signings expected in the year ahead. The first phase of capital expenditure is progressing as planned, with additional investments to follow in the next two to three years to upgrade the site's automation system and multi-purpose capabilities.

Financial Performance in Full-Year 2025

Comparison vs. Prior Year



¹ Sales growth, expressed as a percentage (%), are at constant exchange rate (CER).

Personal Perspective

Gordon Bates

Head of Integrated Biologics

In 2025, we enhanced our drug development and manufacturing offering. We upgraded our facilities in Visp, Portsmouth and Stein and achieved strong commercial momentum through operational excellence. We also continued to integrate Vacaville into our global network. These developments reflect our continuing dedication to turning breakthrough innovations into viable therapies for our customers and their patients.



Innovation Spotlight

Driving Biopharmaceutical Safety through Advancing Host Cell Protein Analytics

One of our key innovation focus areas in 2025 has been around advancing Host Cell Protein (HCP) analytics to enhance biopharmaceutical safety, process efficiency, and regulatory compliance. HCPs are critical process-related impurities that, even at trace levels, can compromise drug efficacy, stability, and patient safety. Their presence in processes may require re-engineering of purification steps, potentially impacting development timelines and manufacturing efficiency.

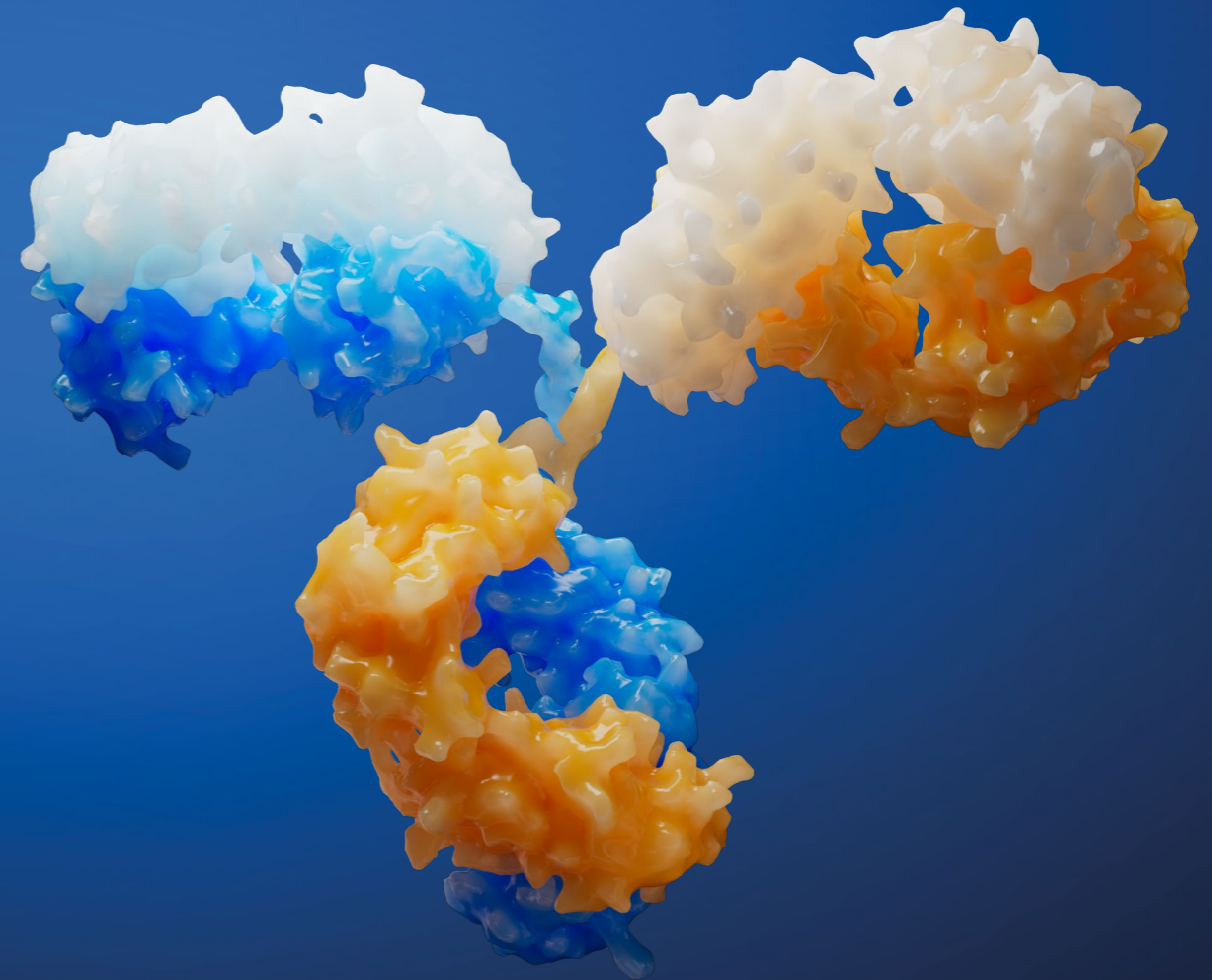
To address this challenge, we have developed a holistic HCP analysis platform that enables both quantitative and qualitative detection of HCPs. This allows us to detect previously undetectable impurities that could pose risks to patients. By combining advanced mass spectrometry with high-resolution data analytics, the platform delivers deeper insights into impurity profiles and supports the design of more targeted purification strategies. By understanding the identity and behavior of individual HCPs, purification processes can be tailored to reduce impurity levels and mitigate associated risks. This approach supports safer process development, particularly for novel and complex biologic molecules, where standard purification approaches may fall short.

These advances that improve our Gene to Clinic offering reflect a continued focus on improving biomanufacturing reliability and maintaining development timelines. With a more comprehensive understanding of HCPs, process engineers can make informed decisions earlier in development, helping to ensure the delivery of high-quality therapeutics.

Driving Scalable Production of Complex Biologics to Accelerate Market Access and Reduce Development Risk

The global biologics pipeline is rapidly evolving and, over the past couple of decades, has begun to include increasingly complex molecular formats, such as bispecific and trispecific antibodies, antibody fragments, and fusion proteins. To support processes that are economically viable and reliable across scales, improved expression solutions are needed, especially for these diverse molecules.

To meet these growing demands, we have developed a new high-strength synthetic gene promoter (LHP-1) as a key element of the GSquad[®] Pro vector system launched in 2025. LHP-1 enables significantly higher protein yields, while maintaining high product quality and long-term expression stability. This achievement supports efficient production of complex biologics and accelerates early development timelines by improving the recovery of stable cell pools. Overall, the new expression vector platform provides a scalable, reliable solution for next-generation therapeutics and sets new performance standards in pharmaceutical manufacturing.



Advanced Synthesis

>190

pre-clinical and clinical small molecules¹

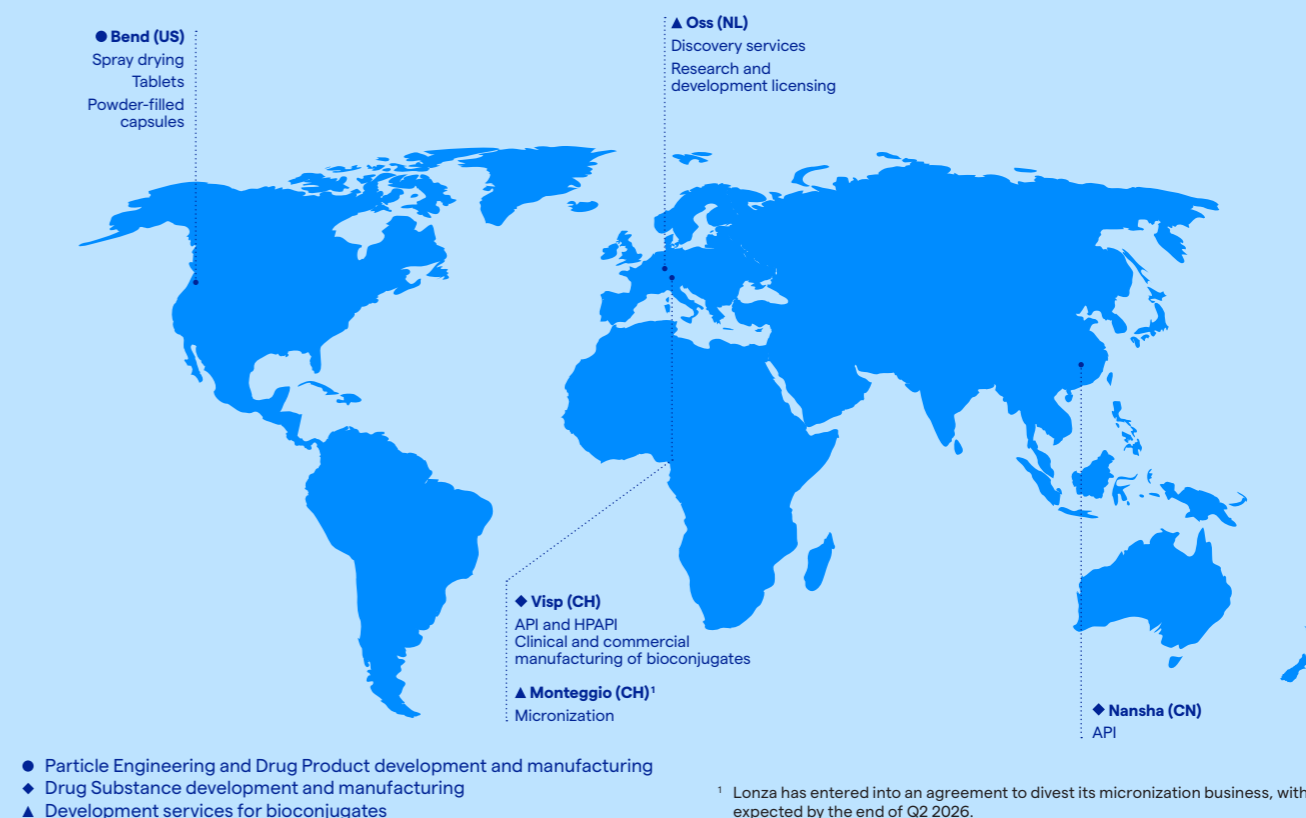
>135

commercial small molecules¹

¹ Including active pharmaceutical ingredients (API), highly potent API (HPAPI), dosage form and delivery systems and particle engineering.

Our Advanced Synthesis Business Platform combines leading hybrid chemistry and biology solutions, applying our deep and long-established expertise in classic and complex chemistry to the manufacture of antibody-drug conjugates (ADCs) and other bioconjugates, small molecules and highly potent active pharmaceutical ingredients (APIs). Advanced Synthesis comprises two Technology Platforms – Bioconjugates and Small Molecules – leveraging new and established modalities to enable innovative therapies for our customers and their patients.

Our Global Development and Manufacturing Footprint



Market Trends

The future potential of **bioconjugation** is strong, with global drug sales for drug conjugates expected to grow at a compound annual growth rate (CAGR) above 20% between 2025 and 2030². ADCs will continue to be the main class of revenue drivers during this period. A key growth factor is the generation of new, more stable, site-specific conjugation methods such as our GlycoConnect™ technology, which addresses historical challenges including premature payload release and off-target toxicities.

ADCs represent the largest share of the drug conjugate pipeline, having grown at a CAGR of over 25% between 2020 and 2025 and with approximately 850 molecules currently in development⁴. In 2025, two new ADCs received Food and Drug Administration (FDA) approval, further validating the therapeutic and commercial relevance of the modality. Building on this strong foundation, a wave of commercialization is expected in the coming years, with a CAGR of more than 25% expected in commercial bioconjugate drug products through to 2030³.

The global CDMO market for bioconjugation is also experiencing strong momentum. Biopharma companies routinely outsource bioconjugation to established CDMOs to access expertise and experience in increasingly complex and varied technologies.

Technology advances have supported a diversity of conjugated sub-modalities (such as ADCs, antibody–oligonucleotide conjugates – AOC – and radionuclide drug conjugates – RDC), new linker-payloads and site-specific conjugation technologies, dual payloads, and bispecific and multi-specific ADCs. Valued at USD 2.18 billion in 2025, the CDMO market for bioconjugation is projected to grow at a CAGR of around 15% to reach approximately USD 4.37 billion by 2030².

Amid this rapid growth, the industry continues to face a shortage of available capacity. Demand for outsourcing remains high due to the complexity of bioconjugates supply chains and manufacturing processes, with customers seeking CDMOs that can cover the entire bioconjugates value chain to manage such complexity and mitigate risk.

Small molecules play a critical role in the overall pharmaceutical landscape. With small molecules comprising 50% of all molecules in clinical development (approximately 9,000 molecules)⁵ the **small molecules** segment remains an attractive and growing market. In 2025, the outsourced small molecules CDMO market was valued at USD 78 billion and it is estimated to grow at 6% to 7% per year through to 2034⁶. Our primary focus is to support the development and manufacture of high value, innovative products, and we expect this segment to grow at the higher end of this range.

Small molecules account for more than 60%² of FDA New Molecular Entity (NME) approvals, of which approximately 80%³ are administered orally. Growth is driven by three main therapeutic areas: oncology, central nervous system (CNS) and endocrine (in particular diabetes and weight loss). Oncology accounts for 30%⁴ of small molecule NME approvals by the FDA, and this disease area is estimated to sustain 9% sales revenue growth per year through to 2030⁵. The toxicity of products required to destroy cancer cells means that they are often highly potent, involve complex chemistry, and need high containment manufacturing capabilities.

New therapies, especially specialty drugs for highly specific patient populations, are typically on expedited timelines for approval. To help customers meet these timelines, our quality system and regulatory experts can provide support for filings – a particularly important service for small companies who may not have in-house capabilities.

Our Offering

Bioconjugates

Bioconjugates represent one of the most dynamic and high-growth areas in the pharmaceutical industry, combining advanced science with complex manufacturing to deliver targeted therapies that address unmet medical needs. Developed by attaching therapeutic agents to a biomolecule, bioconjugates can be applied in many fields, such as the development of therapies, vaccines, or diagnostics. These complex and difficult-to-manufacture molecules are outpacing overall market growth, underscoring the strategic importance of bioconjugation as a key growth driver for Lonza.

ADCs and other bioconjugates have the capacity to revolutionize the cancer treatment landscape, but the production process is highly complex. Delivering these therapies requires integration, agility, deep technical expertise, leading and innovative technology, and well-controlled facilities to ensure safety, quality and efficacy. We have a successful track record in manufacturing bioconjugates, from ADCs to non-cytotoxic bioconjugates combining biomolecules with polymers.

While historically centered on ADCs for oncology, conjugation technologies are now being applied to a broader range of therapeutic areas, including muscular disorders, rare diseases, vaccines, and ophthalmology. Advances across the bioconjugation landscape – such as novel payload classes, next-generation linker technologies, bi-specific and multi-specific

² Roots Analysis: ADC Contract Manufacturing Market (6th Edition).

³ Citeline 2025.

⁴ Lonza Analysis.

⁵ Source: Citeline, pre-clinical excluded.

⁶ Source: [Small Molecule CDMO Market Size Expand \\$145.12 Bn by 2034](#).

² Evaluate Pharma 2025 (Antibody drug conjugates).

³ Source: Citeline, Pharmacricle 2024.

⁴ Source: Intern multi-year Analyses of FDA NME Approvals.

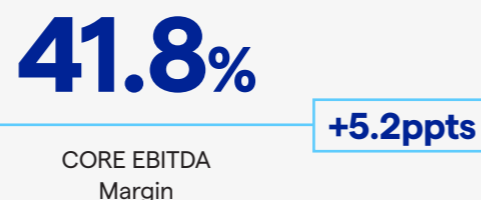
⁵ Source: Evaluate 2025.

Advanced Synthesis Offering



¹ Amorphous solid dispersions.
² Physiologically based pharmacokinetic.
³ Dry-powder inhaler.
⁴ Chemistry, manufacturing and controls.

Financial Performance in Full-Year 2025
Comparison vs. Prior Year



¹ Sales growth, expressed as a percentage (%), are at constant exchange rate (CER).

ADCs, smaller antibody formats, and combination approaches – are expanding possibilities for targeted therapies. Our expertise extends across this spectrum, covering a full range of conjugated sub-modalities and linker-payload technologies.

We develop and produce all ADC components as part of our integrated offering, drawing on expertise across Technology Platforms, including Mammalian, Small Molecules (drug linkers, HPAPI), and parenteral Drug Product. Our offering spans drug substance and drug product manufacture for early clinical and commercial supply, including an early development focus on payload and site-specific linker technology. We are a leader in manufacturing commercially available ADCs and we see significant further growth potential. Since 2006, we have produced more than 1,400 cGMP batches for more than 70 programs. Our production capacity is increasing with new assets coming online, leading to almost 400 batches in 2025.

Our network continues to adapt to the evolving ADC and bioconjugation landscape and the increasing number of commercial molecules in the pipeline. We have expanded our early development capabilities and laboratories, offering expertise and speed in process development and scale-up for a wide range of bioconjugation approaches (including the value chain of cytotoxic ADCs and novel formats with conjugation of oligonucleotides, polysaccharides and cold conjugation for radio-ligand therapies). To deliver on the expected commercialization of bioconjugate drug candidates, we also expanded our offering to include filling lines specifically designed to manufacture pre-clinical, clinical, and commercial batches of highly-potent compounds. This approach provides a seamless end-to-end solution for drug developers, while supporting the industry’s goal of commercializing life-saving therapies to benefit patients worldwide.

We continually invest in R&D to anticipate future demand while meeting current market needs for diverse and complex ADCs. Our position at the forefront of bioconjugation innovation was

strengthened by the integration of Synaffix and its leading GlycoConnect™ platform into our offering. We accelerate the development of bioconjugates by combining technology access, discovery services and manufacturing capabilities. Through the Lonza Bioconjugation Toolbox, we collaborate with leading technology providers to offer a variety of conjugation technologies, linkers, and payloads to drug developers seeking to de-risk early development.

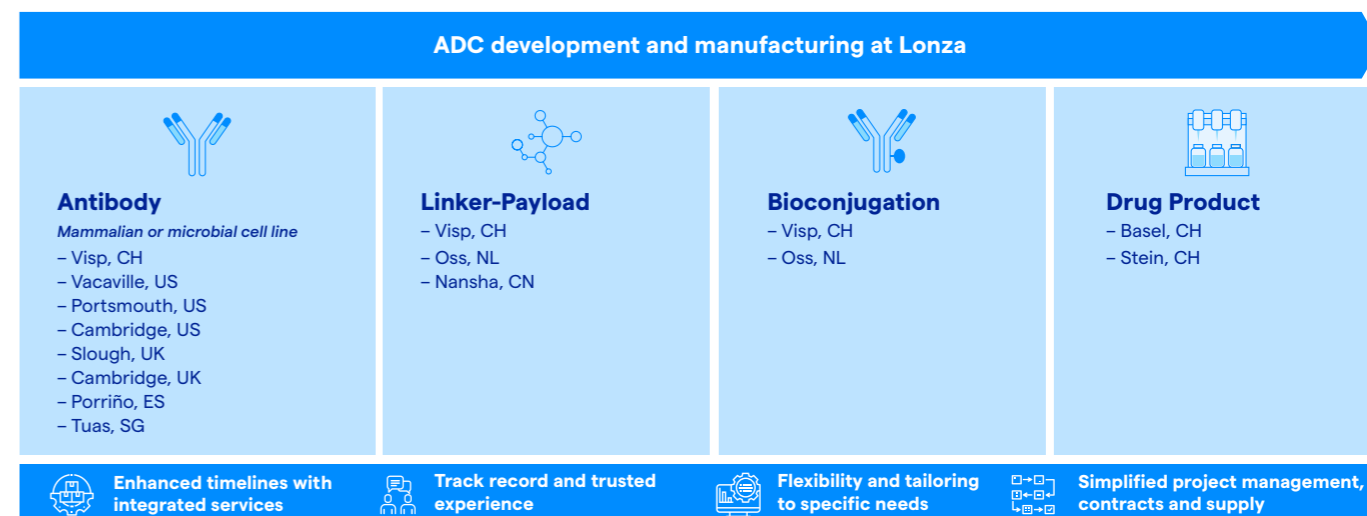
In this context, Lonza offers a robust, integrated and end-to-end bioconjugates offering across biologics, payload-linkers, bioconjugation and drug products. Our partners can access expertise in all technology innovations, alongside industry-leading GMP manufacturing across the value chain, to advance their programs and to bring innovative treatments to market efficiently and reliably.

Small Molecules

Alongside our fast-growing Bioconjugates offering, we continue to help customers develop and manufacture innovative small molecules with a focus on drug substance (including payload linkers and complex chemistry) and particle engineering. We have built a leading reputation in this space over the past 40 years, supported by our commitment to science, technology and operational excellence.

Our team of subject matter experts works in close partnership with customers to support design and development throughout the product lifecycle, from pre-clinical stages through commercialization. Entry points in this lifecycle vary from pre-clinical development to late-phase or commercial supply.

Our Drug Substance services relate to the development and manufacture of APIs. With drug substances becoming increasingly complex, often requiring a greater number of chemical synthesis steps, we help customers to address their development challenges in advancing and commercializing NMEs. Specialized handling and containment are also required



for highly potent (HPAPI) or cytotoxic compounds often used in oncology and other indications.

Additionally, most drug substances are poorly soluble and require enabling technologies, such as spray drying, to achieve sufficient bioavailability. We have extensive expertise in addressing these development and manufacturing challenges. We help customers address solubility and bioavailability challenges through our industry-leading expertise and capabilities in spray drying for the production of stable and readily soluble spray-dried dispersions. Our site in Bend (US) utilizes proprietary and phase-appropriate processing equipment and extensive drug delivery experience to help our customers reach their target product profiles.

We supply our customers with drug substance and spray-dried intermediates for pre-clinical and clinical studies, through commercial volumes. Our current portfolio includes more than 200 pre-clinical and clinical programs and more than 125 commercial programs, delivered by a global asset network capable of supplying a range of volumes to meet both clinical and commercial demands. We continue to build on our existing capabilities in complex chemistry, such as the development and application of AI-enabled and model-based tools for route scouting, solid form characterization and absorption/bioavailability prediction. We continue to expand our capabilities

and capacity for the development and manufacture of highly potent small molecules, especially as payloads for ADCs and other bioconjugate drug products. Combined with linker technologies, these payloads represent a particularly attractive market segment within the HPAPI category.

2025 Highlights

In 2025, Advanced Synthesis delivered an exceptional performance, driven by successful growth project ramp-ups and the signing of a large multi-year small molecules commercial drug substance supply agreement. Strong operational performance was supported by our portfolio of complex small molecules, including highly-potent APIs. The Business Platform continued to experience strong commercial demand for its Bioconjugates and Small Molecules offerings, underlining its strategic importance and sustained market momentum.

We made targeted portfolio adjustments in 2025 to sharpen our focus on areas with the highest potential for impact and growth within the Business Platform. Key actions included integrating Synaffix's proprietary bioconjugation technologies and growing clinical pipeline into Advanced Synthesis (previously part of Integrated Biologics), which strengthens our innovation capabilities and strategic growth trajectory. We also transferred

our solid dosage form offering in Tampa (US) to Capsules & Health Ingredients, and signed an agreement for the divestiture of our micronization operations in Monteggio (CH). This network optimization strategy positions Advanced Synthesis to capture high-growth opportunities that align with our long-term strategic objectives.

Our customer-dedicated drug linker manufacturing plant in Visp (CH) successfully commenced operations in Q1 2025 and ramp-up activities are progressing as planned. We made continued progress across our commercial bioconjugation investment projects as planned. Construction activities for the [additional multipurpose bioconjugation suites](#) in Visp are advancing according to schedule, supporting the planned start up of this new commercial capacity from 2028. In parallel, the [customer dedicated large scale bioconjugation asset](#) at Lonza's Ibex® Dedicate Biopark has successfully completed main commissioning, qualification and validation activities and has further advanced operational readiness, remaining on track to begin manufacturing operations in 2026.

Significant productivity gains were achieved across various small molecules and bioconjugation assets in 2025, driven by throughput improvements through cycle time reduction and yield optimization. These efforts also reduce starting material and energy consumption, positively supporting our sustainability objectives. We also progressed digitalization initiatives to enhance efficiency and strengthen "right-first-time" performance.

We [launched](#) the new Design2Optimize™ platform to streamline the development of small molecule APIs, designed to help customers accelerate development by enhancing chemical processes with fewer experiments than traditional statistical methods. We also [joined](#) the Centre for Continuous Manufacturing and Advanced Crystallisation (CMAC) to enhance our service offering in particle technologies and drug product development, strengthen CMC processes and ensure the effective application of research outcomes into our CDMO operations.

We entered into a [collaboration](#) agreement with Ethris to develop spray-dried mRNA vaccines targeting respiratory diseases, with an initial focus on developing and manufacturing a first candidate vaccine against influenza for nasal delivery. Finally, we announced a [collaboration](#) with Iconovo to develop spray-dried intranasal formulations for a biologic to be delivered via Iconovo's ICOone® Nasal device. We develop the formulations at our site in Bend (US), focusing on achieving optimal particle size, stability, and compatibility with the device, while retaining the biological activity.

Innovation Spotlight

Enabling the Progression of Novel ADC Formats into the Clinic

The ADC field has experienced strong growth in recent years, driven by remarkable clinical successes. The concept of ADCs has evolved to include innovative formats with improved architecture and performance. These advancements include novel payloads, cutting-edge linker technologies, improved conjugation methods, and new antibodies. Lonza is at the heart of this transformation, offering industry-leading capabilities ranging from R&D drug linker technologies, process development and manufacturing as well as integrated offerings enabling the progression of both established and novel ADC formats into the clinic.

The use of dual-payload ADCs is rapidly emerging as a new approach to expand the range of effective treatments while minimizing toxicity to healthy tissues, especially in refractory cancer cases. Dual-payload ADCs are designed to deliver two separate cytotoxic agents with distinct mechanisms of action to target cancer cells, aiming to enhance therapeutic efficacy and mitigate payload resistance.

Lonza launched an expansion of the GlycoConnect® technology at the World ADC forum in November 2025, demonstrating the pre-clinical performance of dual cytotoxic ADCs based on our technology. A first partnership agreement on this technology was announced in September 2025 with Qurient, a South Korean clinical-stage biopharmaceutical company. The collaboration aims to develop a dual-payload ADC consisting of Lonza's exatecan-based technology and Qurient's CDK7 inhibitor, aiming to target unmet medical needs in solid tumors.

Antibody-oligonucleotide conjugates (AOCs) are another rapidly emerging modality with exciting potential across a broad range of disease areas, extending beyond oncology. However, they also introduce new technical challenges – from conjugation chemistry to purification strategies – that must be carefully addressed to enable successful development and commercialization. Lonza has invested in capabilities and established a comprehensive toolbox to develop and manufacture the entire range of bioconjugates, inclusive of AOCs. By leveraging advanced conjugation technologies, tailored analytical methods, in-depth process understanding and optimized purification methods, we support customers in overcoming the unique hurdles posed by complex bioconjugates like AOCs.

Personal Highlight

Christian Seufert

Head of Advanced Synthesis

In 2025, we maintained strong business momentum while aligning our portfolio to our strategic focus areas. We successfully ramped-up operations at our drug linker manufacturing plant and improved productivity at our bioconjugation suites in Visp, underlining our commitment to create long-term value for our customers. Additionally, we signed a large multi-year commercial supply agreement in our Small Molecules business, and made productivity gains across the Business Platform as part of our network optimization strategy.



Specialized Modalities

>450

process development projects across all modalities

15

pre-licensing inspections (PLIs) passed

>25

years of established experience in Cell & Gene, mRNA (>5 years), and Microbial (40 years)

>2,000

commercial batches delivered by our Cell & Gene CDMO network

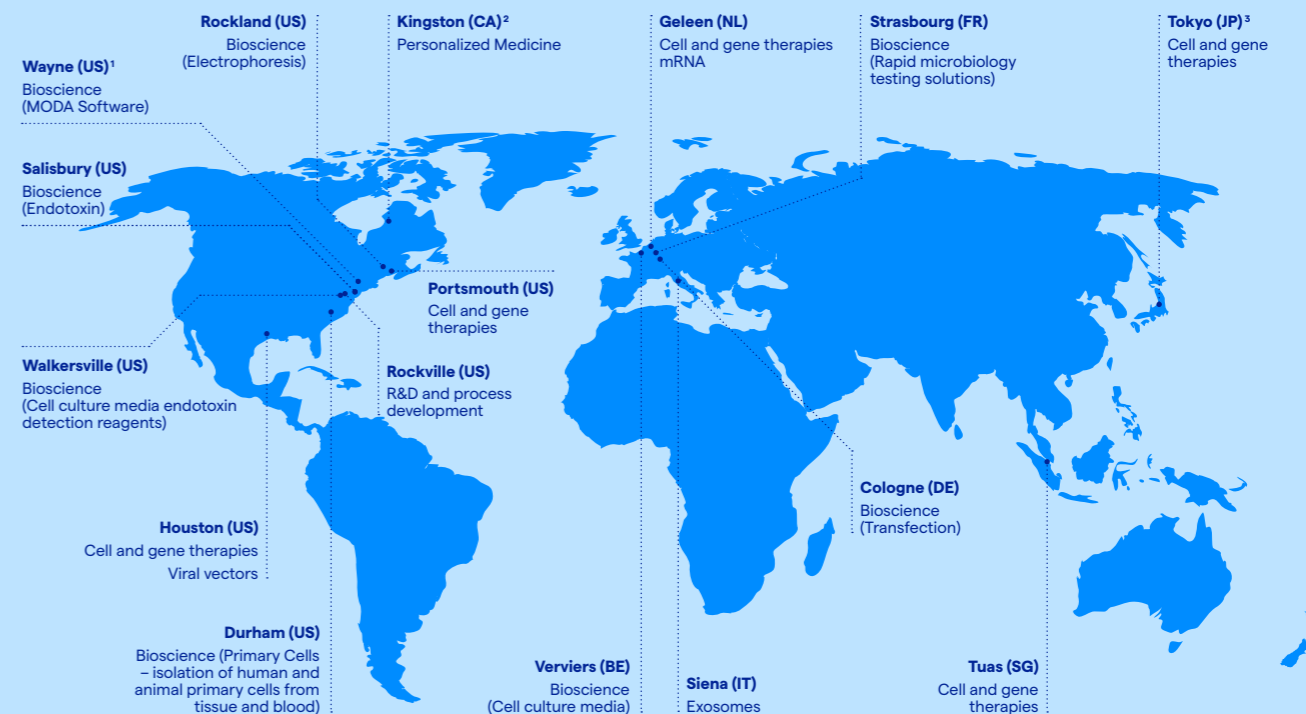
>200

active therapies supported by Bioscience¹

Our Specialized Modalities Business Platform provides comprehensive solutions that facilitate the accelerated development, manufacturing and commercialization of life-changing treatments. We operate at the forefront of emerging and established technologies – spanning Cell & Gene, Microbial, mRNA and Bioscience – to help pioneer our customers’ breakthrough medicines. Specialized Modalities brings together four synergistic Technology Platforms that combine products and services to support customers across the full product lifecycle.

¹ Including third party therapies and Lonza manufactured drugs.

Our Global Development and Manufacturing Footprint



¹ Lonza has signed an agreement to divest its MODA® business, with closing expected in Q2 2026.
² Lonza has signed an agreement to divest its Personalized Medicine business.
³ Facility owned and operated by Nikon Cell innovation Co. Ltd. under Nikon-Lonza partnership.

Market Trends

Cell and gene therapy (CGT) continues to mature as a transformative treatment platform, advancing from early innovation to commercialization, as demonstrated by the growing number of FDA cell therapy initial approvals in recent years². While FDA approvals slowed down in 2025, CGT remains one of the fastest-growing areas among biologics, with the global molecule pipeline expected to grow at a mid-to-high single-digit rate³ annually through to 2029. Large pharmaceutical companies continue to invest in CGT R&D and commercialization⁴, reflecting confidence in the field’s long-term potential. Venture financing has become more selective in 2025, focusing on proven, scalable programs with demonstrated commercial potential. In addition, investment in *in vivo* CAR-T and gene editing technologies, including CRISPR-based approaches, is increasing, driven by major pharma mergers and acquisitions. This trend supports the advancement of next-generation platforms and accelerates the transition from research to clinical application.

The **cell and gene CDMO market** is projected to grow at a mid to high single-digit rate annually⁵ until 2029, driven by rising demand for specialized manufacturing and a robust late-stage pipeline. Reducing the cost of goods and improving process consistency remains essential for scalability and commercial success.

mRNA continues to advance beyond its pandemic-era foundations toward a broader therapeutic landscape, with cancer vaccines and mRNA-based therapeutics expected to drive strong growth. Emerging technologies such as *in vivo* gene editing and *in vivo* CAR-T therapies are attracting significant industry attention, supported by major pharmaceutical investments and acquisitions⁶. These developments highlight the modality’s expanding potential across multiple therapeutic areas and reinforce mRNA’s role as a key enabler of next-generation biologics and precision medicine.

The **microbial** modality landscape encompasses a broad range of molecules from simple carbohydrates to complex, post-translationally modified biologics, reflecting its growing scientific and therapeutic diversity. The microbial CDMO market is projected to grow steadily by 4 to 6%⁴ between 2025 and 2029. Healthy demand for late phase microbial manufacturing is outstripping CDMO market capacity and customers look to experienced manufacturing partners that can design, build and manage plants as well as navigating the complexities of microbial tech transfer and scale-up.

Our capabilities span a broad range of modalities, including cell and gene therapy, exosome-based therapies, induced pluripotent stem cells (iPSCs), mesenchymal stem cells (MSCs), natural killer cells (NKs) and other allogeneic platforms. Furthermore, we offer autologous chimeric antigen receptor T-cell (CAR-T), tumor-infiltrating lymphocyte (TIL), hematopoietic stem cell (HSC), T-cell receptor (TCR), and regulatory T-cell (T-reg) gene therapies, alongside viral vectors such as adeno-associated viruses (AAVs) and lentiviral vectors (LVVs).

From early process development to commercial manufacturing, we provide a comprehensive and integrated service offering in a highly fragmented industry. We also continue to launch key offerings to support customer milestones, including Investigational New Drug (IND) submissions, technology transfers, and commercialization planning. These initiatives strengthen our position as a reliable partner across every stage of the process that brings advanced therapies to patients.

Our Offering

Cell & Gene

Our value proposition is built on proven quality, extensive scientific expertise and consistent delivery in cell and gene therapy manufacturing. With more than two decades of experience, we have established a leading global position in contract development and manufacturing. We combine GMP excellence with regulatory insight to ensure reliable quality and smooth submissions for our partners.

² Source: Citeline Analysis (2025).

³ Source: Lonza Internal Analysis (2025).

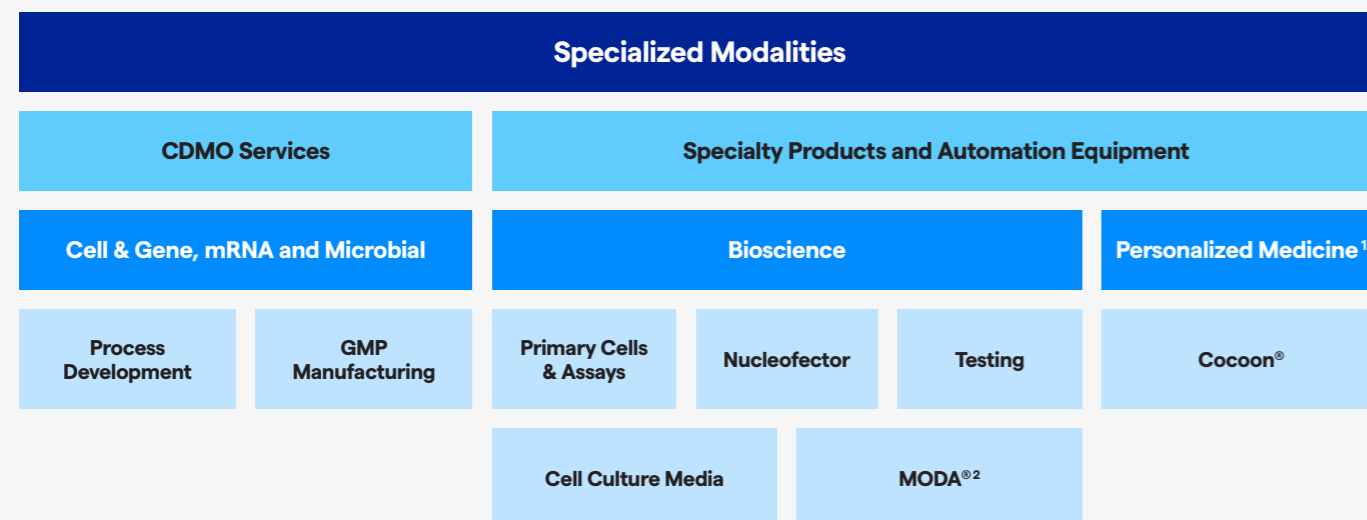
⁴ Source: ARM Resources; GlobalData.

⁵ Source: Lonza Internal Analysis (2025).

⁶ Source: Nasdaq; EndPoints News.

⁴ Source: Lonza Internal Analysis (2025).

Specialized Modalities Offering



Financial Performance in Full-Year 2025
Comparison vs. Prior Year

1,034m
Sales (CHF) **-3.0%¹**

176m
CORE EBITDA (CHF) **-8.3%**

17.0%
CORE EBITDA Margin **-0.5ppts**

¹ Lonza has signed an agreement to divest its Personalized Medicine business.
² Lonza has signed an agreement to divest its MODA® business, with closing expected in Q2 2026.
³ Sales growth, expressed as a percentage (%), are at constant exchange rate (CER).

mRNA

During the Covid-19 pandemic, we pioneered the large-scale commercial manufacture of mRNA medicines in record time, demonstrating our ability to adopt and manufacture new technologies at speed and scale. As mRNA expands across therapeutic areas, we continue to invest in early-stage innovation. Our mRNA and lipid nano-particle (LNP) manufacturing complex in Geleen (NL) supports IND-enabling, clinical, and small-scale commercial production. The facility includes process and analytical development, cGMP manufacturing, and quality control services for mRNA and LNP-based medicines. By combining scientific depth with integrated capabilities, we help customers advance confidently and efficiently towards the clinic.

Microbial

With a track record of eight commercial licenses and expertise in large-scale complex protein and vaccine production, our Microbial Technology Platform is a trusted leader in late-phase and commercial supply for customers looking for quality and reliability. In 2025, we celebrated our 40th anniversary of working

in the microbial space, building on a legacy of bioprocess innovation with more than 70 GMP technology transfers into Lonza. With our proprietary XS Technologies® expression system, state-of-the-art development labs, and GMP manufacturing scales spanning from 70L to 15,000L, our facility in Visp (CH) offers services that meet our customers' needs across the entire product lifecycle.

Bioscience

In Bioscience, we have a strong portfolio of products and services that support the growth of the biologics, small molecule and cell and gene markets. Our customers value our improved reliability, reduced variability, ease of use, high performance and cost efficiency. Our expertise in primary human cell biology tools help enable customers to develop more predictive models and accelerate the path to IND. Our Bioscience products and services range from cell culture and discovery technologies for research to cell culture media, quality control tests, and biomanufacturing software solutions.

Personal Highlight

Daniel Palmacci

Head of Specialized Modalities

“ We entered new partnerships and expanded our capabilities across Specialized Modalities in 2025. We launched two new commercial programs, gained GMP qualification for mRNA manufacturing in Geleen, launched several innovative products and expanded our testing solutions portfolio with the acquisition of Redberry SAS. These achievements underline our commitment to execution excellence, scalability, and collaboration to support customers from early development through to commercial supply. ”



Personalized Medicine¹

The end-to-end process to produce a cell therapy can be long and involves complex supply chain logistics and manual manufacturing processes. Furthermore, most of the current manufacturing solutions are not sufficiently scalable to meet patient demand as cell therapies are approved for earlier lines of treatment or for more prevalent indications. Designed to address many of these challenges, our Cocoon[®] platform is a functionally closed, highly flexible and scalable autologous cell manufacturing solution. It enables decentralized manufacturing models that have the potential to reduce vein-to-vein times, deliver fresh cells, improve physician control, and enhance the patient experience. To date, we have worked with more than 30 customers and installed more than 150 Cocoon[®] instruments.

2025 Highlights

In 2025, we worked closely with our partners to deepen existing relationships and onboard new customers across all development stages and modalities.

In our **Cell & Gene** Technology Platform, we welcomed nine new customers across pre-clinical to late-phase cell therapy and viral vector programs. Additionally, we expanded twelve customer programs, the majority of which are advancing late-stage clinical assets towards commercial readiness. This includes our amended agreement with Mesoblast, a key player in allogeneic cellular medicines for inflammatory diseases, to support the scale-up of commercial manufacturing for Ryoncil[®], which became the first and only FDA-approved mesenchymal stromal cell (MSC) therapy in December 2024. Collectively, our balanced portfolio underscores the strength and versatility of our CDMO capabilities. Following successful pre-license and pre-approval inspections (PLI and PAI) at our sites, we added two new commercial manufacturing programs in cell and gene therapy. All Cell & Gene sites are now contracted to manufacture at least one approved commercial therapy.

These milestones mark a significant step forward in scaling our commercial execution, strengthening our manufacturing network, and reinforcing our position as a trusted partner for the commercial supply of cell and gene therapies worldwide.

In 2025, our Geleen (NL) facility achieved GMP qualification for clinical **mRNA manufacturing**. This qualification followed extensive facility preparation, equipment qualification and cross-functional collaboration. At our site in Geleen, mRNA manufacturing capabilities are now fully integrated into our global network, enhancing flexibility, capacity, and supply resilience for our mRNA portfolio.

Our **Microbial** Technology Platform continued to build momentum in 2025 through strong customer retention and program expansions across all scales. We secured short- and long-term commercial contracts, including commitments at the 70L and 1,000L scales extending into 2027. To support this growth, we completed the upgrade and expansion of our mid-scale 4,000L facility in Visp (CH). We also successfully completed scale-up activities for four programs, including internal initiatives. These achievements reflect our continued focus on customer satisfaction, technical excellence, and commercial readiness to meet increasing customer demand in the microbial manufacturing space.

In 2025, our **Bioscience** business introduced several new products to expand and strengthen our portfolio. In July, we **launched** the 4D-Nucleofector[®] LV Unit PRO, a next-generation large-scale electroporation unit designed to deliver clinically relevant cargos into large volumes of T cells. Building on our non-viral large-scale transfection platform, the unit is optimized for CRISPR-based genome engineering and advanced cell therapy applications. A key innovation is the introduction of the Nucleocuvette[®] Cartridges PRO, enabling electroporation of complex cargos into up to one billion cells per run with improved usability, flexibility, and robustness. The upgraded system provides a scalable, reproducible platform supporting pre-clinical studies and process development, with seamless translation to GMP-compliant manufacturing for next-generation cell and gene therapies.

In October, we **expanded** our TheraPEAK[®] portfolio with AmpliCell[®] Cytokines and 293-GT[®] Medium to support cell and gene therapy development. The cytokines offer consistent immune cell expansion and are suitable for GMP manufacturing, while the medium enhances AAV production in HEK293 cells. Both products are scalable, regulatory-ready, and compatible with existing workflows – strengthening our offering by providing cell and gene therapy developers with reliable solutions.

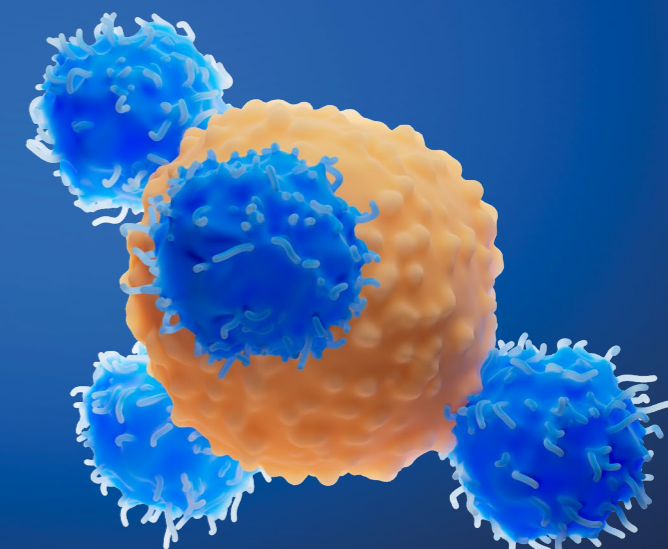
Also in October, our **Bioscience** business **announced** the signing of an agreement to acquire Redberry SAS, a company specialized in rapid microbiology testing solutions using solid-phase cytometry (SPC) technology. The acquisition includes Redberry's Red One[™] platform, which enables faster sterility and bioburden testing, significantly reducing testing time from 14 days to just four. This agreement supports our commitment to providing scalable, automated QC solutions for biologics and cell and gene therapies.

Innovation Spotlight

Towards *In Vivo* CAR-T Cell Therapies

CAR-T cells represent a powerful approach to treating cancer and autoimmune diseases by harnessing the body's immune system. Traditionally, this reprogramming of immune cells is performed *ex vivo*, requiring complex manufacturing and conditioning regimens that limit accessibility and scalability. *In vivo* CAR-T therapy significantly expands the reach of this modality by enabling the reprogramming of immune cells directly within the patient's body. This approach uses advanced delivery technologies to generate CAR-T cells *in vivo*, eliminating the need for costly and time-intensive *ex vivo* processes.

In vivo CAR-T technology is rapidly advancing on a global scale, with multiple drug candidates in pre-clinical development and several under clinical evaluation. To address the growing market interest, we developed a process to enhance the cell type-specific delivery of mRNA as cargo using targeted lipid nanoparticles (tLNPs). Our One Lonza approach leverages several bioconjugation technologies from our Advanced Synthesis early phase offering. Attaching ligands to the surface of LNPs to provide cell-specific tropism is a powerful strategy to achieve selective targeting. We use Lonza's GlycoConnect[®] platform, which is intended to overcome the limitations of conventional conjugation methods and provide promising solutions for LNP targeting to T cells. These innovations position Lonza at the forefront of enabling disruptive therapeutics in this rapidly evolving field.



¹ Lonza has signed an agreement to divest its Personalized Medicine business.

Capsules & Health Ingredients¹

>75

Net Promoter Score²

3

new product launches in 2025

>85%

new drugs launched with CHI capsules

The Capsules & Health Ingredients (CHI) business offers high quality capsules, formulation development, encapsulation technologies, and oral solid dose manufacturing services to the global pharmaceutical and nutraceutical markets. With a focus on product, technology, and service innovation, the network supports more than 7,000 customers globally with the design, customization, and manufacture of hard empty capsules, capsule filling equipment, differentiated dosage form solutions, and science-backed health ingredients. These solutions are designed to meet evolving consumer requirements and patient needs.

¹ Lonza has signed an agreement to divest its Capsules & Health Ingredients (CHI) business, with closing expected in H2 2026.

² The Net Promoter Score (NPS) is a metric used to measure customer loyalty and satisfaction with a company's products or services. In the B2B life sciences industry, benchmarks typically range between 40 and 45 (Source: Medallia).

Market Trends

The **pharmaceutical market** has evolved rapidly in recent years, with shifts in the geopolitical environment increasing focus on more localized manufacturing strategies – particularly for the commercialization of novel therapies. While the oral solid dose (OSD) market has traditionally grown more modestly than the biologics market³, the rise of GLP-1s has created a new class of blockbusters with appeal to patients who are hesitant about the use of injectables. Alongside GLP-1s, peptides, live biotherapeutics and even larger biologics are emerging as opportunities for next generation OSD forms. As many large volume biologics approach a patent cliff in the coming years⁴, a pivot to oral forms and a focus on diabetes and weight management will facilitate significant growth in the solid dosage forms market.

CHI is well positioned to support customers by addressing these challenging molecules through innovative products, such as the Enprotect® capsules, the Innovaform® development center, and our integrated CDMO for OSD manufacturing in Tampa (US), which offers end-to-end services. CHI's global and local networks provide a range of products and services to help customers mitigate the challenges of the dynamic market, and offer untapped innovation and customization opportunities at an industry-leading quality and service levels.

Health consciousness trends are driving increasing demand for nutraceuticals. Geopolitical factors are reshaping the **nutraceutical market**, as many key health ingredients are manufactured outside of the US. At the same time, the nutraceutical consumer landscape is characterized by higher price sensitivity compared with the pharmaceutical market. For instance, the rise of GLP-1s and the growing emphasis on weight, fitness, nutrition, and personalized health are driving downstream trends, as consumers seek increasing levels of wellness and longevity. Health ingredients, such as our joint health offering UC-II® ingredient, are well positioned to capitalize on this trend and capture growth opportunities in the collagen space. Meanwhile, the need for speed and agility in rapid prototyping and sophisticated dosage forms for specialized consumer needs is being addressed through CHI's Dosage Form Solutions (DFS) contract manufacturing services. Through DFS, CHI can bring concepts to reality within a matter of weeks, supporting customers to stay ahead of rapidly evolving consumer nutrition trends through collaborative innovation.

³ IQVIA White Paper.

⁴ IQVIA 2025.

Our Global Development and Manufacturing Footprint



Offering

The CHI business is well positioned to expand its presence across both the pharmaceutical and nutraceutical segments, supported by an innovative product portfolio, market leading customer service, industry-leading manufacturing and automation platforms. Skilled teams of experts and a broad local-for-local manufacturing network operate at the highest quality standards. With an agile and resilient supply chain alongside a digitally enhanced service offering, CHI can provide a truly customer-centric experience and specialist capabilities to meet customer needs. CHI is comprised of four core businesses:

Hard Empty Capsules (HEC)

CHI offers a wide range of gelatin and plant-based Capsugel® capsules with a variety of release profiles and encapsulation technologies. These solutions are designed to meet evolving technical and regulatory requirements as well as market demands, including the move toward vegetarian, vegan, organic and clean-label solutions. With the largest global capsule manufacturing capacity in the world, CHI has the capability to produce billions of capsules per year across its global production network. CHI supplies customers in every major geographical region with standard and customizable capsules – all at market leading quality standards. In addition, CHI provides novel and functional

capsules for increasingly complex and sensitive therapeutic requirements. Key innovations include the recently launched Organicaps™ capsules, the only USDA organic certified, plant-based immediate release pullulan capsule made in North America, particularly suited for oxygen sensitive payloads. In addition, the pipeline for Enprotect® capsules continues to grow, offering a truly differentiated solution to the challenges of oral peptide and GLP-1 delivery, and a product fully customizable in our Innovaform® development center.

Dosage Form Solutions (DFS)

The DFS business builds upon CHI's strong capsule expertise and provides nutraceutical customers with an expert end-to-end contract manufacturing service. It supports dosage forms ranging from simple liquid formulations using the proprietary liquid sealing technology, to complex multi-dose and timed-release systems. The DFS program has been supported by capacity expansions across CHI's global network to further improve speed-to-market. Alongside formulation and encapsulation expertise, DFS supports customers by co-creating finished products and providing product branding support.

Global Pharma Solutions (GPS)

In 2025, Lonza's CDMO site in Tampa (US) was integrated into the CHI network. The Tampa CDMO site is a natural extension of the formulation and development services offered by the Innovaform® development center in Colmar (FR), which launched in 2024. The Innovaform® center offers highly customized solutions for challenging APIs that exhibit poor water solubility, oxygen or water sensitivity, or the need to avoid release in the stomach (e.g. oral peptides). These programs are then managed at the CDMO facility in Tampa, which handles cGMP manufacturing, clinical supply and full-scale commercialization. From OSD forms to inhalation, CHI's end-to-end GPS offering allows pharmaceutical clients – from start-ups to global leaders – to bring novel, orphan and challenging drugs to life at its customer-centric facility in the United States.

Active Lifestyle Health Ingredients

CHI provides multiple science-backed health ingredients for the growing active lifestyle market. Its offering includes products that support healthy human nutrition, targeting global consumer trends including joint health, muscular strength, energy, endurance and weight management. The portfolio includes premium brands such as UC-II® undenatured type II collagen for joint health, Carnipure® L-carnitine for energy, and a range of other branded products targeting immune and digestive health.

2025 Highlights

In 2025, the CHI business strengthened its leading position in HEC, DFS, and Health Ingredients in a challenging market environment. CHI has focused on optimizing its cost position in the short term through operational excellence in manufacturing – which has delivered efficiency enhancements – and cost saving initiatives across all functions and regions.

In October, CHI **launched** Organicaps™ capsules, the first USDA organic certified, plant-based, immediate release pullulan capsule manufactured and currently available only for purchase in North America. These capsules feature a high oxygen barrier, non-reactive shell, and excellent polymer stability, making them ideal for preserving organic formulations. Organicaps™ capsules help brands meet growing consumer demand for organic supplements. The capsules are 100% plant-based, Non-GMO Project verified, and offer an excellent disintegration profile for immediate release comparable to traditional gelatin capsules.

As part of CHI's continued focus on corporate responsibility, a new Center of Applied Sustainability was **established** to accelerate sustainability efforts. The Center comprises a dedicated team of experts in operations, energy management, emissions and life cycle impact assessment to help our customers reach their climate ambitions. The team works alongside partners, suppliers and customers to set collective environmental goals, with the aim of decreasing the environmental footprint of CHI's products and operations. The Center also provides end-to-end support for customers seeking to reduce their emissions, from upstream supply chain emissions to downstream low environmental impact products. As a core service, the Center conducts carbon footprint assessments to support customers in assessing their

own emissions and identifying further reduction opportunities. The Center also aims to achieve the lowest possible environmental impacts for the CHI product portfolio.

In 2025, CHI also launched the next phase of the **ACHIEV®** digital platform enabling customers to browse the CHI product catalogue, order products and review order status while providing access to relevant quality and regulatory documentation. The platform is available around the clock, providing customers with instant access to compliance support, product and order information. 2025 marked a significant milestone with the launch of the ACHIEV® Product Configurator, a groundbreaking tool that walks customers through the entire process of selecting and building a custom capsule for both the pharmaceutical and nutraceutical markets.

Also in 2025, CHI launched its next generation dry powder inhalation (DPI) capsule with Zephyr Inhance™ capsules, the latest innovation offering outstanding mechanical properties over a wide range of humidity conditions. This capsule innovation focuses on minimizing powder retention and performs well under a broad range of filling conditions. These capsules meet stringent microbiological standards for use in inhalation without the use of preservatives, ethylene oxide or irradiation treatments.

Financial Performance in Full-Year 2025

Comparison vs. Prior Year

1,092m

Sales (CHF)

+4.4%¹

270m

CORE EBITDA (CHF)

+5.9%

24.7%

CORE EBITDA Margin

+1.4ppts

¹ Sales growth, expressed as a percentage (%), are at constant exchange rate (CER).

Personal Highlight

Jean-Christophe Hyvert

Head of Capsules & Health Ingredients

2025 has been a year of positive change and momentum for CHI. We have refocused our efforts on our core business and successfully launched new Products such as our organic Organicaps™ capsule to address growing demand for organic and vegan supplements. Our drive for commercial excellence and productivity initiatives has delivered positive sales growth and expanded margins. As we prepare for our exit from Lonza, we look forward to a new chapter with confidence in our ability to continue to meet our customers' needs.



Innovation Spotlight

Supporting Needle-Free GLP-1 Delivery

The therapeutic peptides landscape, including GLP-1-based products, has been steadily evolving to meet growing global demand and accommodate patient preferences and needs. In this context, oral delivery is gaining increased attention from drug developers, manufacturers and regulators. Despite growing interest, the oral delivery of therapeutic peptides faces several challenges, including acidic and enzymatic degradation in the upper gastrointestinal tract and poor intestinal permeability. To address these challenges, we have developed an enteric delivery platform based on the award-winning Enprotect® capsules, utilizing tailored capsule development solutions from the Innovaform® Accelerator. The solution for oral delivery of peptides increases bioavailability through a unique formulation of the capsule cargo, which includes solid permeation enhancers, paired with customized enteric capsules that carry the cargo to the right place at the right time, while protecting the active ingredient from acid and enzymatic degradation. These formulations can be transferred efficiently to our cGMP-compliant CDMO facility in Tampa (US) for scalable production.

Advancing Capsule Delivery

With a global consumer preference increasingly shifting towards organic ingredients, CHI has developed and introduced the Organicaps™ capsule, the first USDA organic-certified, plant-based pullulan capsule manufactured in and currently available only for purchase in North America. This innovation delivers a clean-label solution for nutraceuticals, combining organic certification with high oxygen barrier properties and immediate-release performance. Organicaps™ capsules enable our customers to meet the growing demand for sustainable, non-GMO products while ensuring ingredient protection and product integrity.





Financial Statements

64	Consolidated Balance Sheet	87	Note 7 Other Non-Current Assets	101	Note 21 Taxes	142	Report of the Statutory Auditor on the Consolidated Financial Statements of Lonza Group Ltd
66	Consolidated Income Statement	87	Note 8 Investments in Associates and Joint Ventures	103	Note 22 Research and Development Costs		
67	Consolidated Statement of Comprehensive Income	89	Note 9 Inventories	104	Note 23 Employee Benefit Liabilities	148	Financial Statements of Lonza Group Ltd
68	Consolidated Cash Flow Statement	91	Note 10 Trade Receivables	108	Note 24 Share-Based Payments	148	Balance Sheet - Lonza Group Ltd
70	Consolidated Statement of Changes in Equity	92	Note 11 Other Receivables, Prepaid Expenses and Accrued Income	113	Note 25 Changes in Shares and Share Capital Movements	150	Income Statement - Lonza Group Ltd
72	Notes to the Consolidated Financial Statements	92	Note 12 Cash and Cash Equivalents and Short-Term Investments	114	Note 26 Earnings Per Share	150	Notes to the Financial Statements - Lonza Group Ltd
72	Note 1 Basis of Preparation of Consolidated Financial Statements	93	Note 13 Provisions	116	Note 27 Related Parties	158	Proposal of the Board of Directors
73	Note 2 Operation Segments	94	Note 14 Debt	128	Note 28 Financial Risk Management	160	Report of the Statutory Auditor on the Financial Statements of Lonza Group Ltd
78	Note 3 Revenues	97	Note 15 Other Non-Current and Current Liabilities	129	Note 29 Share Ownership of the Members of the Board of Directors and the Executive Committee		
80	Note 4 Business Combinations and Divestiture of Businesses	98	Note 16 Trade Payables	129	Note 30 Enterprise Risk Management	162	Alternative Performance Measures
82	Note 5 Intangible Assets and Goodwill	98	Note 17 Material and Energy Costs	129	Note 31 Events After Balance Sheet Date		
84	Note 6 Property, Plant and Equipment and Right-of-use Assets	98	Note 18 Personal Expenses and Average Number of Employees	130	Note 32 Principal Subsidiaries and Joint Ventures		
		99	Note 19 Other Operating Income and Expenses	131	Note 33 Accounting Principles		
		100	Note 20 Net Financial Result				

Consolidated Balance Sheet

Assets¹

million CHF	Notes ²	2025	2024
Non-current assets			
Property, plant and equipment	6	8,304	8,532
Intangible assets	5	328	2,002
Goodwill	5	1,960	3,370
Employee benefit assets	23	108	0
Other non-current assets	7	278	336
Deferred tax assets	21	95	53
Total non-current assets		11,073	14,293
Current assets			
Inventories	9	1,680	1,727
Trade receivables	10	1,062	1,283
Current tax receivables		44	44
Other receivables, prepaid expenses and accrued income, incl. derivatives	11	678	675
Short-term investments	12	0	600
Cash and cash equivalents	12	719	1,111
Assets held for sale ³	4	2,651	0
Total current assets		6,834	5,440
Total assets		17,907	19,733

¹ At 31 December.

² See the accompanying notes to the consolidated financial statements.

³ Assets held for sale related to the Capsules and Health Ingredients business and other immaterial businesses (see note 4.2).

Equity and liabilities¹

million CHF	Notes ²	2025	2024
Equity			
Share capital	25	70	72
Share premium		1,171	1,813
Treasury shares		(220)	(773)
Retained earnings and reserves		6,892	8,216
Total equity attributable to equity holders of the parent		7,913	9,328
Non-controlling interests		53	60
Total equity		7,966	9,388
Liabilities			
Non-current provisions	13	449	434
Employee benefit liabilities	23	5	56
Other non-current liabilities	15	1,682	1,541
Non-current debt	14	3,876	4,242
Deferred tax liabilities	21	304	493
Total non-current liabilities		6,316	6,766
Current provisions	13	79	89
Other current liabilities	15	2,034	2,415
Trade payables	16	514	471
Current debt	14	309	468
Current tax payables	21	153	136
Liabilities held for sale ³	4	536	0
Total current liabilities		3,625	3,579
Total liabilities		9,941	10,345
Total equity and liabilities		17,907	19,733

¹ At 31 December.

² See the accompanying notes to the consolidated financial statements.

³ Liabilities held for sale related to the Capsules and Health Ingredients business and other immaterial businesses (see note 4.2).

Consolidated Income Statement¹

million CHF	Notes ²	2025	2024 (restated) ³
Sales	2, 3	6,531	5,480
Cost of goods sold ⁴		(4,222)	(3,687)
Gross profit		2,309	1,793
Marketing and distribution		(190)	(186)
Research and development	22	(112)	(102)
Administration and general overheads ⁵		(726)	(599)
Other operating income	19	24	106
Other operating expenses	19	(66)	(104)
Result from operating activities (EBIT)		1,239	908
Financial income	20	67	64
Financial expenses	20	(207)	(263)
Net financial result		(140)	(199)
Share of profit / (loss) of associates / joint ventures	8	2	(1)
Profit before income taxes		1,101	708
Income taxes	21	(192)	(106)
Profit from continuing operations		909	602
Profit / (Loss) from discontinued operations, net of tax	4	(1,184)	35
Profit / (Loss) for the period		(275)	637
Attributable to:			
Equity holders of the parent		(275)	636
Non-controlling interest		0	1
Profit / (Loss) for the period		(275)	637
Earnings per share for profit from continuing operations attributable to equity holders of the parent:			
Basic earnings per share – EPS basic	26	13.04	8.51
Diluted earnings per share – EPS diluted	26	13.00	8.49
Earnings per share for profit / (loss) attributable to equity holders of the parent:			
Basic earnings per share – EPS basic	26	(3.93)	8.93
Diluted earnings per share – EPS diluted	26	(3.92)	8.92

¹ For the year ended 31 December.

² See the accompanying notes to the consolidated financial statements.

³ Restated to reflect the classification of the Capsule and Health Ingredients business as discontinued operations (see notes 1 and 4 of the Group's consolidated financial statements).

⁴ Includes net impairments of CHF 39 million (2024: CHF 59 million) and restructuring income of CHF 6 million (2024: CHF 11 million cost), as well as acquisition related expenses (2025: CHF 7 million, 2024: CHF 143 million).

⁵ Includes the amortization of acquisition related intangible assets (2025: CHF 47 million, 2024: CHF 34 million). Additionally, includes impairments of CHF 46 million (2024: CHF 16 million), acquisition related expenses (2025: CHF 5 million, 2024: CHF 23 million) and business transformation initiative expenses (2025: 53 CHF million, 2024: CHF 14 million).

Consolidated Statement of Comprehensive Income¹

million CHF	Notes ²	2025	2024
Profit / (Loss) for the period		(275)	637
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurements of net defined benefit liability	23	139	(34)
Income tax on items that will not be reclassified to profit or loss	21	(22)	117
		5	(29)
Items that are or may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		(555)	298
Cash flow hedges – effective portion of changes in fair value		89	(105)
Cash flow hedges – reclassified to property, plant and equipment		6	8
Cash flow hedges – reclassified to goodwill		0	35
Cash flow hedges – reclassified to profit or loss		(35)	32
Cash flow hedges – costs of hedging		(46)	(29)
Income tax on items that are or may be reclassified to profit or loss	21	10	(531)
		(10)	229
Other comprehensive income for the period, net of tax		(414)	200
Total other comprehensive income for the period		(689)	837
Total comprehensive income attributable to:			
Equity holders of the parent		(684)	834
Non-controlling interests		(5)	3
Total comprehensive income for the period		(689)	837

¹ For the year ended 31 December.

² See the accompanying notes to the consolidated financial statements.

Consolidated Cash Flow Statement¹

million CHF	Notes ²	2025	2024
Profit / (Loss) for the period		(275)	637
Adjustments for non-cash items:			
– Income taxes	21	196	117
– Net financial result		150	209
– Share of loss / (profit) of associates / joint ventures	8	(2)	1
– Depreciation of property, plant and equipment (incl. depreciation of right-of-use assets)	6	620	472
– Amortization of intangibles	5	193	175
– Impairment losses on property, plant, equipment (incl. right-of-use assets) and intangibles	5, 6	98	89
– Reversal of impairment	6	(13)	(21)
– Write-off of capitalized contract assets		0	145
– Goodwill impairment	4.1	1,229	16
– Increase / (decrease) in provisions	13	66	108
– Increase / (decrease) in employee benefit liability		9	(4)
– (Gain) / loss on disposal of property, plant and equipment		7	(80)
– Non-cash items related to businesses combinations		(3)	8
– One-time positive financial impact from lease terminations of sites closures		(14)	0
– Amortization of other liabilities / assets		(478)	(204)
– Share-based payments	24	57	41
Income taxes paid		(136)	(136)
Interest paid		(164)	(99)
Total before change in net working capital		1,540	1,474
Decrease / (increase) in inventories		(298)	0
Decrease / (increase) in trade receivables		(33)	(108)
Increase / (decrease) in trade payables		118	3
(Increase) / decrease other net working capital		(76)	46
Use of provisions	13	(55)	(45)
Increase / (decrease) in other payables, net		(40)	(96)
Net cash provided by / (used for) operating activities		1,156	1,274
Purchase of property, plant and equipment	6	(1,321)	(1,381)
Purchase of intangible assets	5	(52)	(36)
Proceeds from sale of tangible and intangible assets		106	5
Acquisitions of subsidiaries, net of cash acquired	4.3, 28.6	(56)	(1,075)
Purchase of unconsolidated investments		(3)	(4)
Lease payments received		3	3
Decrease / (increase) in capitalized contract assets	3	(5)	(55)
Net proceeds from disposals and purchases of other assets		(2)	(1)
Net proceeds from disposals and purchases of short-term investments	12	600	(400)
Net proceeds from issuance and repayments of loans		(1)	(7)
Interest received		13	33
Dividends received		0	2
Net cash provided by / (used for) investing activities		(718)	(2,916)

million CHF	Notes ²	2025	2024
Repayment of straight bonds	14	0	(110)
Repayment of bank loan	15	(398)	0
Repayment of German Private Placements	14	0	(43)
Issuance of straight bonds	14	0	2,071
Increase / (decrease) in other debt	14	(15)	(41)
Repayment of lease liabilities		(41)	(41)
Increase in other non-current liabilities		487	452
Purchase of treasury shares ³	25	(518)	(726)
Sale of treasury shares		11	9
Dividends paid ⁴	26	(282)	(288)
Net cash provided by / (used for) financing activities		(756)	1,283
Effect of currency translation on cash		(8)	2
Net increase / (decrease) in cash and cash equivalents		(326)	(357)
Cash and cash equivalents at 1 January		1,111	1,468
Cash and cash equivalents at 31 December		785	1,111
Cash and cash equivalents classified as held for sale	4	(66)	0
Cash and cash equivalents at 31 December (as reported)		719	1,111

¹ For the year ended 31 December.

² See the accompanying notes to the consolidated financial statements.

³ Includes the effects from the Share Buyback Program that was initiated in 2023.

⁴ Includes dividends of CHF 2 million (2024: CHF 3 million) paid to non-controlling interest shareholders of a subsidiary.

Consolidated Statement of Changes in Equity

million CHF	Notes ¹	Attributable to equity holders of the parent							Non-controlling interests	Total equity
		Share capital	Share premium	Retained earnings	Hedging reserve	Translation reserve	Treasury shares	Total		
At 1 January 2024		74	2,452	9,486	(23)	(1,479)	(1,058)	9,452	60	9,512
Profit for the period		0	0	636	0	0	0	636	1	637
- Remeasurement of defined benefit liability		0	0	(29)	0	0	0	(29)	0	(29)
- Exchange differences on translating foreign operations		0	0	0	0	286	0	286	2	288
- Cash flow hedges		0	0	0	(59)	0	0	(59)	0	(59)
Other comprehensive income, net of tax		0	0	(29)	(59)	286	0	198	2	200
Total comprehensive income for the period		0	0	607	(59)	286	0	834	3	837
Dividends	26	0	(142)	(143)	0	0	0	(285)	(3)	(288)
Recognition of share-based payments	24	0	0	43	0	0	0	43	0	43
Movements in treasury shares		0	0	(5)	0	0	(711)	(716)	0	(716)
Capital reduction		(2)	(497)	(497)	0	0	996	0	0	0
At 31 December 2024		72	1,813	9,491	(82)	(1,193)	(773)	9,328	60	9,388
Profit / (Loss) for the period		0	0	(275)	0	0	0	(275)	0	(275)
- Remeasurement of defined benefit liability		0	0	117	0	0	0	117	0	117
- Exchange differences on translating foreign operations		0	0	0	0	(540)	0	(540)	(5)	(545)
- Cash flow hedges		0	0	0	14	0	0	14	0	14
Other comprehensive income, net of tax		0	0	117	14	(540)	0	(409)	(5)	(414)
Total comprehensive income for the period		0	0	(158)	14	(540)	0	(684)	(5)	(689)
Dividends	26	0	(140)	(140)	0	0	0	(280)	(2)	(282)
Recognition of share-based payments	24	0	0	56	0	0	0	56	0	56
Movements in treasury shares		0	0	(54)	0	0	(453)	(507)	0	(507)
Capital reduction	25	(2)	(502)	(502)	0	0	1,006	0	0	0
At 31 December 2025		70	1,171	8,693	(68)	(1,733)	(220)	7,913	53	7,966

¹ See the accompanying notes to the consolidated financial statements.

Hedging reserve

The hedging reserve represents the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Translation reserve

The translation reserve of the consolidated statement of changes in equity comprises all foreign exchange differences arising from the translation of the financial statements of foreign entities including the impact on translating monetary items that form a net investment in a foreign operation.



Notes to the Consolidated Financial Statements

Note 1

Basis of Preparation of Consolidated Financial Statements

1.1

Lonza Group

Lonza Group Ltd and its subsidiaries (hereafter "the Group" or "Lonza") operate under the name Lonza. Lonza Group Ltd is a limited liability company incorporated and domiciled in Switzerland. The Group is headquartered in Basel, Switzerland. Lonza is one of the world's largest contract development and manufacturing organizations (CDMOs) dedicated to serving pharma and biotech companies in the healthcare industry.

Lonza supports its customers in bringing life-saving and life-enhancing treatments to patients worldwide with a combination of cutting-edge science, smart technology and lean manufacturing.

1.2

Basis of Preparation

The consolidated financial statements for 2025 and 2024 are reported in Swiss francs (CHF), rounded to millions, and based on the annual accounts of Lonza Group Ltd (Company) and its subsidiaries at 31 December, which have been drawn up according to uniform Group accounting principles. The consolidated accounts are prepared in accordance with IFRS Accounting Standards, issued by the International Accounting Standards Board (IASB) and comply with Swiss law.

They are prepared on the historical cost basis, except for items that are required to be accounted for at fair value.

In preparing the financial statements, management has considered the potential impacts of climate-related risks, geopolitical developments, and changes in trade conditions, including tariffs, across all relevant areas of the business (including operating segments) and financial reporting processes. These matters were assessed as part of management's ongoing risk evaluation procedures (refer to note 30) and were considered in the preparation and presentation of the financial statements, and no material impact was identified.

On 12 December 2024, Lonza communicated its new strategy and organizational structure. The new organizational structure for the CDMO business (i.e. excluding Capsules & Health Ingredients) will evolve from three divisions, to a simplified One Lonza set-up with three integrated Business Platforms (Integrated Biologics, Advanced Synthesis and Specialized Modalities). This new structure was operational from Q2 2025, and was reflected in the disclosures for the Half-Year 2025 reporting accordingly.

Following Lonza's announcement on 12 December 2024 to exit the Capsules & Health Ingredients (CHI) business, the divestment process was initiated in 2025. As part of the CHI divestiture project Lonza took the decision to:

- transfer a small site previously reported within Advanced Synthesis to CHI; and
- retain minor CHI business activities, being reported within Corporate.

CHI meets the definition of Discontinued Operations according to IFRS 5 as of 31 December 2025. Discontinued Operations in both 2025 and 2024 include CHI, together with certain costs directly attributable to it, and the carve-out / divestiture process. The comparative 2024 information in the consolidated income statement and the notes have been restated accordingly.

In addition, assets and liabilities of CHI together with other minor businesses designated for divestiture are presented as held for sale as of 31 December 2025 (no restatement of prior year information).

Unless otherwise stated, the information presented in these financial statements for "Lonza" reflect Lonza's continuing CDMO business.

Note 2

Operating Segments

2.1

General Information

On 12 December 2024, Lonza published its new simplified and streamlined operating model which became effective on 1 April 2025. The simplified One Lonza organization comprises three newly-formed CDMO Business Platforms: Integrated Biologics, Advanced Synthesis and Specialized Modalities.

Following the requirements of IFRS 8 "Operating Segments", the Group's reportable three segments are described below:

Integrated Biologics

Integrated Biologics leverages its experience in drug approvals to accelerate and de-risk the path to market with best-in-class, end-to-end offerings – from clinical development to drug substance and drug product manufacturing. Integrated Biologics consists of two Technology Platforms: Mammalian and Drug Product.

Advanced Synthesis

Advanced Synthesis applies more than 125 years' expertise in classic and complex chemistry to the manufacturing of antibody-drug conjugates (ADCs) and other bioconjugates, small molecules and highly potent active pharmaceutical ingredients (APIs). Advanced Synthesis consists of two Technology Platforms: Small Molecules and Bioconjugates, combining leading hybrid chemistry and biology solutions.

Specialized Modalities

The Specialized Modalities Business Platform operates at the forefront of emerging and established technologies – spanning Cell & Gene, Microbial, Bioscience and mRNA – to help pioneer its customers' breakthrough medicines.

Corporate

Corporate includes mainly corporate functions, such as finance and accounting, legal, communication, treasury (including hedging), information technology and human resources.

Following the classification of CHI as Discontinued Operations, the business is no longer reported as a separate operating segment.

2.2

Information About Reportable Segment Profit or Loss, Assets and Liabilities including Reconciliations

In the following table, sales and profit or loss are disclosed by the three reportable segments and corporate, which include the costs of the corporate functions, including eliminations and adds up to the Group total. Lonza does not allocate financial results,

income and expenses from associates and joint ventures as well as taxes to the reportable segments. The information disclosed by the operating segments is the same as the information reported monthly to the Group's Executive Committee.

Year ended

31 December 2025

million CHF	Integrated Biologics	Advanced Synthesis	Specialized Modalities	Total operating segments	Corporate / Eliminations	Lonza Continuing Business
Sales third-party	3,649	1,611	1,034	6,294	237	6,531
Inter-segment sales ¹	5	6	66	77	(77)	0
Total sales	3,654	1,617	1,100	6,371	160	6,531
CORE EBITDA²	1,287	674	176	2,137	(73)	2,064
– Percentage return on sales in %	35.3	41.8	17.0	34.0	n.a.	31.6
Included in CORE EBITDA:						
Research and development ³	(111)	(13)	(41)	(165)	(4)	(169)
Depreciation and amortization	(331)	(153)	(134)	(618)	(28)	(646)
Impairment, net of reversal of impairment ⁴	(14)	(19)	(59)	(92)	7	(85)
Restructuring income / (expenses)	(4)	0	(2)	(6)	0	(6)
Environmental expenses, net of reversal	0	0	0	0	(42)	(42)
Other segment information:						
Additions to property, plant and equipment	451	305	358	1,114	163	1,277

¹ Intersegment sales were based on prevailing market prices.² Refer to section "Alternative Performance Measures" for details on the calculation methodology.³ Refer to note 22.⁴ Includes reversal of impairment in Corporate of CHF 9 million and in Integrated Biologics of CHF 2 million.

Year ended

31 December 2024 (restated)¹

million CHF	Integrated Biologics	Advanced Synthesis	Specialized Modalities	Total operating segments	Corporate / Eliminations	Lonza Continuing Business
Sales third-party	2,883	1,323	1,099	5,305	175	5,480
Inter-segment sales ²	10	3	56	69	(69)	0
Total sales	2,893	1,326	1,155	5,374	106	5,480
CORE EBITDA³	1,045	484	192	1,721	(68)	1,653
– Percentage return on sales in %	36.2	36.6	17.5	32.4	n.a.	30.2
Included in CORE EBITDA:						
Research and development ⁴	(99)	(32)	(82)	(213)	(5)	(218)
Depreciation and amortization	(216)	(105)	(120)	(441)	(32)	(473)
Impairment, net of reversal of impairment ⁵	(7)	(17)	(16)	(40)	(31)	(71)
Restructuring income / (expenses)	(194)	0	(2)	(196)	0	(196)
Capitalized contract costs write-off	(145)	0	0	(145)	0	(145)
Environmental expenses, net of reversal	0	0	0	0	(80)	(80)
Other segment information:						
Additions to property, plant and equipment	604	274	253	1,131	162	1,293
Additions to property, plant and equipment from acquisitions	706	0	0	706	0	706
Additions to intangible assets	3	0	9	12	16	28

¹ Restated to reflect the classification of the Capsules & Health Ingredients business as discontinued operations (see note 4).² Intersegment sales were based on prevailing market prices.³ Refer to section "Alternative Performance Measures" for details on the calculation methodology.⁴ Refer to note 22.⁵ Includes reversal of impairment in Specialized Modalities of CHF 21 million related to Singapore.

The reconciliation of the CORE EBITDA to the IFRS result for the twelve months ended 31 December in 2025 and 2024 is as follows:

million CHF	2025	2024 ¹ (restated)
Profit before income taxes	1,101	708
Net financial result	(140)	(199)
Share of profit / (loss) from associates and joint ventures	2	(1)
Result from operating activities (EBIT)²	1,239	908
Environmental-related measures	(42)	(80)
Acquisitions and divestitures	(5)	(163) ²
Restructuring	6	(28)
Business transformation initiatives ³	(53)	(14)
Gain from sale of real estate	0	84
Depreciation and amortization of property, plant and equipment and intangibles	(646)	(474)
Impairment, net of reversal of property, plant and equipment (incl. right-of-use assets) and intangibles	(85)	(70)
CORE EBITDA	2,064	1,653

¹ Restated to reflect the classification of the Capsules & Health Ingredients business as discontinued operations (see note 4).² Costs related to the acquisition of the Vacaville site and the subsequent network optimization measures as a result of this acquisition.³ Costs related to One Lonza Business Transformation, and Nexus (a global Business Process Transformation linked to a new ERP system for Lonza CDMO business based on SAP S/4 HANA).**2.3****Measurement of Operating Segment Profit or Loss**

The accounting principles applied to the operating segments are based on the same accounting principles used for the consolidated financial statements. Lonza evaluates the performance of its operating segments on the basis of the result from operating activities (EBIT) as well as the CORE result from operating activities. Intersegment sales and transfers are based on prevailing market prices.

2.4 Geographical Information

Year ended
31 December 2025

million CHF	Revenue from external customers (sales) ¹	Property, plant and equipment	Intangible assets	Goodwill	Other non-current assets	Total non-current assets ²
Belgium	470	33	2	1,092	0	1,127
Czech Republic	4	0	0	0	0	0
Denmark	235	0	0	0	0	0
France	42	0	0	8	1	9
Germany	241	17	6	54	0	77
Ireland	398	0	0	0	0	0
Italy	29	1	0	1	0	2
Netherlands	233	133	65	82	2	282
Spain	15	120	1	0	0	121
Sweden	120	0	0	0	0	0
Switzerland	963	5,372	121	271	258	6,022
United Kingdom	212	178	2	7	0	187
Rest of Europe	32	0	0	0	0	0
Europe	2,994	5,854	197	1,515	261	7,827
Canada	41	0	0	18	0	18
Mexico	2	0	0	0	1	1
United States	2,525	2,176	104	426	16	2,722
Rest of North and Central America	0	3	0	0	0	3
North and Central America	2,568	2,179	104	444	17	2,744
Brazil	5	0	0	0	0	0
Puerto Rico	97	0	0	0	0	0
Rest of Latin America	0	0	0	0	0	0
Latin America	102	0	0	0	0	0
China	77	62	1	0	0	63
India	15	1	0	1	0	2
Indonesia	0	0	0	0	0	0
Japan	564	0	0	0	0	0
Singapore	99	206	26	0	0	232
South Korea	96	0	0	0	0	0
Thailand	1	0	0	0	0	0
Rest of Asia	8	2	0	0	0	2
Asia	860	271	27	1	0	299
Australia & New Zealand	4	0	0	0	0	0
Other countries	3	0	0	0	0	0
Total Lonza	6,531	8,304	328	1,960	278	10,870

¹ Sales from external customers (sales) allocated to geographical areas by destination according to the location of the customer.

² Total non-current assets excludes deferred tax assets.

Year ended
31 December 2024¹

million CHF	Revenue from external customers (sales) ²	Property, plant and equipment	Intangible assets	Goodwill	Other non-current assets	Total non-current assets ³
Belgium	447	34	0	1,101	0	1,135
Czech Republic	4	0	0	0	0	0
Denmark	282	0	0	0	0	0
France	73	0	0	8	0	8
Germany	231	18	8	55	0	81
Ireland	420	0	0	0	0	0
Italy	34	1	0	1	0	2
Netherlands	161	134	68	82	3	287
Spain	7	114	1	0	0	115
Sweden	108	0	0	0	0	0
Switzerland	706	4,911	167	271	252	5,601
United Kingdom	221	201	2	7	0	210
Rest of Europe	38	0	0	0	0	0
Europe	2,732	5,413	246	1,525	255	7,439
Canada	68	8	58	20	0	86
Mexico	2	0	0	0	0	0
United States	1,923	2,214	124	480	47	2,865
Rest of North and Central America	0	3	0	0	0	3
North and Central America	1,993	2,225	182	500	47	2,954
Brazil	11	0	0	0	0	0
Puerto Rico	67	0	0	0	0	0
Rest of Latin America	0	0	0	0	0	0
Latin America	78	0	0	0	0	0
China	71	65	2	0	0	67
India	13	1	0	1	0	2
Indonesia	1	0	0	0	0	0
Japan	432	0	0	0	0	0
Singapore	31	247	34	0	0	281
South Korea	115	0	0	0	0	0
Thailand	2	0	0	0	0	0
Rest of Asia	8	3	0	0	0	3
Asia	673	316	36	1	0	353
Australia & New Zealand	4	0	0	1	0	1
Other countries	0	0	0	0	0	0
Total Lonza	5,480	7,954	464	2,027	302	10,747
Assets related to CHI discontinued operations		578	1,538	1,343	34	3,493
Total Group		8,532	2,002	3,370	336	14,240

¹ Restated to reflect the classification of the Capsules & Health Ingredients business as discontinued operations (see note 4).

² Sales from external customers (sales) allocated to geographical areas by destination according to the location of the customer.

³ Total non-current assets excludes deferred tax assets.

2.5 Information About Major Customers

In 2025, Lonza's largest customer accounted for 11.7% of total group sales (within the Advanced Synthesis and Integrated Biologics operating segments). The second-largest customer accounted for 10.8% of sales (within all three operating segments). The third to fifth largest customers accounted for 7.6%, 5.3%, and 4.9% of total group sales (continuing business), respectively. No other customer accounted for 3.9% or more of Lonza's total sales.

In 2024, Lonza's largest customer accounted for 9.7% and the second to fifth largest customers for 9.3%, 5.9%, 3.9%, and 3.6% in relation to total Group sales, respectively. No other customer accounted for 2.9% or more of Lonza's total sales (continuing business).

Note 3 Revenues

3.1 Disaggregation of Third-Party Revenues

Lonza derives its revenue primarily from supply agreements with pharmaceutical and biotech customers, through Contract Development and Manufacturing (including related services and licenses) and sale of products. Lonza typically provides products/manufacturing services by supporting customers' research activities as well as the whole life cycle of a customer product from development of a drug substance to commercial supply.

These business models and the markets Lonza operates in are the basis to disaggregate revenue into categories that depict

how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. Lonza concluded that the revenues of the operating segments shall not be further disaggregated. In accordance with note 2.1, each segment focuses on different technologies and markets.

The table below shows information for the Group's three operating segments provided to the Group's Executive Committee and also illustrates the disaggregation of recognized revenues for the twelve month period ended 31 December:

million CHF	2025	2024
Integrated Biologics	3,649	2,883
Advanced Synthesis	1,611	1,323
Specialized Modalities	1,034	1,099
Corporate	237	175
Lonza Continuing Business	6,531	5,480

3.2 Contract Assets and Liabilities

The Group recognized contract assets mainly consisting of contract fulfilment costs that are incurred after a contract is obtained but before goods or services have been delivered to the customer. These costs arise from long-term contracts in the custom manufacturing businesses for customer-specific production facility expansions or modifications on Lonza's premises. They typically include costs for commissioning, qualification and start-up, as well as for activities relating to process development and technology transfer. The assets are amortized on a straight-line basis over the term of the specific contract they relate to. Additionally, if services rendered by Lonza exceed the payment received, a contract asset (accrued income) is recognized.

Contract liabilities mainly consist of upfront and other one-time payments, typically resulting from long-term contracts in the contract development and manufacturing business. These payments make up part of the expected transaction price and are deferred until goods/products are delivered or services are rendered. Additionally, if the payments received exceed goods delivered or services rendered, a contract liability (deferred income) is recognized. The non-current portion of deferred income is included in other long-term liabilities in the consolidated balance sheet.

The Group has recognized the following revenue-related contract assets and liabilities:

million CHF	Notes	2025	2024
Trade receivables	10	1,062	1,283
Total trade receivables		1,062	1,283

million CHF	Notes	2025	2024
Accrued income	11	277	144
Capitalized contract costs ¹	7, 11	46	55
Total contract assets		323	199

¹ Thereof non-current CHF 36 million (2024: CHF 44 million) and current CHF 10 million (2024: CHF 11 million).

million CHF	Notes	2025	2024
Non-current deferred income	15	1,181	1,011
Current deferred income	15	1,039	1,075
Total contract liabilities		2,220	2,086

Movement in Capitalized Costs to Fulfill a Contract

million CHF	2025	2024
At 1 January	55	154
Asset recognized from costs incurred to fulfill a contract during the period	4	55
Amortization recognized as cost of providing services during the period	(11)	(11)
Capitalized contract costs write-off ¹	0	(145)
Currency translation effects	(2)	2
At 31 December	46	55

¹ In 2024, network optimization measures subsequent to the Vacaville acquisition resulted in CHF 143 million capitalized contract costs write-off.

Movement in Contract Liabilities

million CHF	2025	2024
At 1 January	2,086	1,403
Revenue recognized that was included in the contract liability balance at the beginning of the period	(1,076)	(758)
Increases due to cash received, excluding amounts recognized as revenue during the period	1,237	1,067
Reclassification to assets held for sale	(7)	0
Acquisition of subsidiaries	0	360
Currency translation effects	(20)	14
At 31 December	2,220	2,086

Note 4 Business Combinations and Divestiture of Businesses

4.1 Capsules & Health Ingredients (CHI) Discontinued Operations

On 12 December 2024, Lonza announced its strategic intent to exit the CHI business as part of its transformation into a pure-play CDMO under the "One Lonza" strategy. The CHI business, comprising hard capsules, specialty dosage forms, and nutritional

ingredients, has historically operated alongside, but separately from Lonza's core CDMO activities. The exit is expected to enhance operational alignment, capital allocation, and long-term value creation across Lonza's core Business Platforms.

On 6 March 2026, Lonza announced that it has entered into a definitive agreement to divest its CHI business to Lone Star Funds for an enterprise value of CHF 2.3 billion.

Lonza will realize upfront cash proceeds of CHF 1.7 billion and retain a 40% stake in the business, with additional preferential participation in its future exit.

In the consolidated income statement CHI related results from operations were disclosed as discontinued operations. In both financial years, 2025 and 2024 (restated), Discontinued Operations include the CHI business together with certain corporate costs directly attributable to CHI together with carve-out / divestiture related costs, as well as the goodwill impairment charge in 2025.

Intragroup transactions between Lonza's continuing business and Discontinued Operations have been attributed in a way that reflects how these transactions are expected to continue in the future. As intercompany loans and debts are expected to be settled prior to or at the closing of the transaction, effects from

these transactions within financial result were eliminated. On the contrary, certain limited supply and service agreements are expected to continue after the closing of the transaction and therefore were not eliminated. As a consequence of separating the businesses into distinct legal entities, sales from the Lonza continuing business to Discontinued Operations amounted to CHF 30 million while sales from Discontinued Operations to the Lonza continuing business amounted to CHF 1 million.

The CHI net assets have been valued based on their fair value less cost to sell, following the signed agreement with Lone Star Funds, resulting in an impairment of goodwill of CHF 1.2 billion in 2025. This is reported within discontinued operations.

The results from the CHI business, which are presented as discontinued operations, are as follows:

Income Statement¹

million CHF	2025	2024 (restated)
Sales	1,092	1,094
Expenses ²	(2,272)	(1,048)
Profit / (loss) before income taxes	(1,180)	46
Income taxes	(4)	(11)
Profit / (loss), net of taxes	(1,184)	35
Attributable to:		
Equity holders of the parent	(1,188)	30
Non-controlling interest	4	5
Profit / (loss) for the period	(1,184)	35
Basic earnings per share (in CHF)	(16.97)	0.42
Diluted earnings per share (in CHF)	(16.91)	0.42

¹ For the year ended 31 December.

² Expenses in 2025 include the impairment of goodwill of CHF 1,229 million.

The primary components of the cash flow from discontinued operations are presented below, for the twelve months ended 31 December 2025 and twelve months ended 31 December 2024:

million CHF	2025	2024 (restated) ¹
Net cash used for/(provided by) operating activities	224	225
Net cash used for/(provided by) investing activities	(108)	(94)
Net cash used for/(provided by) financing activities	(7)	(8)
Net cash flows for the year	109	123

¹ Restated to reflect the classification of the Capsules & Health Ingredients business as discontinued operations (see note 4).

4.2

Assets and Liabilities held for sale

In the statement of financial position, assets and liabilities related to the CHI business were reclassified to assets and liabilities of a disposal group held for sale as of 31 December 2025. Following the announcement of divestiture, the carrying amount of assets was deemed in excess of the fair value less costs to sell, and an impairment of 1.2 billion was recorded as a result, as described in note 4.1.

Also in early 2026, Lonza announced the divestiture of the Personalized Medicines business (Cocoon®), the MODA® software platform and the small molecules micronization site in Monteggio (CH), via sales processes.

In accordance with IFRS 5, assets and liabilities related to these smaller businesses were reclassified as held for sale in the consolidated balance sheet as from 31 December 2025. To the extent the carrying amounts of the disposal groups were in excess of the fair values less costs to sell, impairments were recorded amounting to CHF 68 million.

As the three minor divestitures do not represent major lines of business for the Group, their results are presented within continuing operations.

At 31 December 2025 the assets and liabilities held for sale relating to CHI and the other minor businesses were as follows:

million CHF	CHI	Other ¹	Total
Goodwill	82	0	82
Intangible assets	1,379	11	1,390
Property, plant and equipment	569	4	573
Deferred tax assets	9	0	9
Non-current loans and advances	1	0	1
Other non-current assets	29	0	29
Inventories	224	1	225
Trade receivables	213	6	219
Other receivables	56	1	57
Cash and cash equivalents	64	2	66
Assets of disposal groups classified as held for sale	2,626	25	2,651
Non-current provisions	1	0	1
Employee benefit liability	15	2	17
Other non-current liabilities	28	3	31
Deferred tax liabilities	287	0	287
Trade Payables	65	2	67
Other current liabilities	115	10	125
Current tax payables	8	0	8
Liabilities of disposal groups classified as held for sale	519	17	536
Net assets of disposal groups classified as held for sale	2,107	8	2,115

¹ The other minor businesses refer to the divestments of the Personalized Medicines business (Cocoon®), the MODA® software platform and the small molecules micronization site in Monteggio (CH).

4.3

Acquisition of Large-scale Biologics site in Vacaville (US)

Effective 1 October 2024, Lonza Group acquired a large-scale biologics manufacturing facility in Vacaville, California (USA), through an asset purchase agreement from Roche. The total consideration amounted to USD 1,694 million (CHF 1,435 million), of which USD 1,269 million (CHF 1,075 million) was paid in cash and USD 425 million (CHF 360 million) arose from a liability to manufacture certain Roche drug substances under a four years manufacturing services agreement.

The valuation of the acquired assets and liabilities were performed by an independent valuation expert. This provisional valuation has been finalized in 2025 without any adjustments to the provisional values reported as of 31 December 2024.

The acquired site is reported within the Integrated Biologics segment.

Note 5 Intangible Assets and Goodwill

5.1 Cost and Accumulated Amortization and Impairment

Intangible assets include software purchased from third parties, related software implementation costs, as well as patents, trademarks, client relationships acquired and development costs primarily acquired through business combination. Their amortization is included in the line item "Administration and general overheads" of the consolidated income statement.

The trademarks acquired through the acquisition of Cambrex (2007) are considered to have indefinite useful lives. As a result, these intangible assets with a carrying amount of CHF 21 million as of 31 December 2025 (2024: CHF 25 million) are not systematically amortized. The Capsugel trademark with a carrying amount of CHF 204 million at 31 December 2025, has been reclassified as held for sale.

Development costs as of 31 December 2025 predominantly include technologies acquired with acquisitions. Development costs relating to the acquisition of Capsugel and other minor businesses, amounting to CHF 451 million, have been reclassified to assets held for sale, refer to note 4.

million CHF	Goodwill	Capsugel trade name and Cambrex trademarks	Patents, trademarks, client relationship	Computer software	Technologies / Development cost	Total
At 1 January 2024						
Costs	2,752	227	1,416	270	1,276	5,941
Accumulated depreciation and impairment		0	(415)	(215)	(571)	(1,201)
Net book value	2,752	227	1,001	55	705	4,740
Year ended 31 December 2024						
Additions	0	0	1	27	8	36
Acquisition of subsidiaries ¹	565	0	105	0	0	670
Transfers / reclassifications	0	0	0	0	0	0
Amortization	0	0	(59)	(28)	(88)	(175)
Impairment losses	(16)	0	(4)	0	0	(20)
Currency translation effects	69	4	36	2	10	121
At 31 December 2024	3,370	231	1,080	56	635	5,372
Year ended 31 December 2025						
Additions	0	0	3	40	9	52
Disposals	0	0	0	0	0	0
Transfers / reclassifications	0	0	1	0	(1)	0
Amortization	0	0	(74)	(33)	(86)	(193)
Impairment losses ²	(1,229)	0	(6)	0	(46)	(1,281)
Currency translation effects	(99)	(6)	(73)	1	(13)	(190)
Reclassification to assets held for sale ³	(82)	(204)	(723)	(12)	(451)	(1,472)
At 31 December 2025	1,960	21	208	52	47	2,288
Costs	1,974	21	427	311	190	2,923
Accumulated depreciation and impairment	(14)	0	(219)	(259)	(143)	(635)
Net book value	1,960	21	208	52	47	2,288

¹ Related to the acquisition of Vacaville. Refer to note 4.3.

² The impairments relate to the remeasurement of assets held for sale, refer to note 4.2.

³ Refer to note 4.

5.2 Impairment Tests for Cash-Generating Units (CGUs) Containing Goodwill and Intangible Assets with Indefinite Useful Lives

Lonza has identified CGUs as follows and used them for allocating goodwill and intangible assets with indefinite useful lives:

Integrated Biologics

The technologies (mammalian and drug product) applied within the Integrated Biologics platform are the CGUs identified. They form a group of CGUs which are subject to impairment testing.

Advanced Synthesis

In providing customized API development and manufacturing services, the Advanced Synthesis platform applies different chemical technologies representing one separate CGU. This CGU is subject to impairment testing of goodwill.

Specialized Modalities

The Specialized Modalities platform applies various technologies (bioscience solutions, cell therapy, viral therapeutics etc.) which are the CGUs identified. They form a group of CGUs which are subject to impairment testing.

Capsules & Health Ingredients

The business of Lonza's Discontinued Operations is the CGU identified and subject to impairment testing of goodwill.

The reported goodwill and intangible assets with indefinite useful lives are monitored on operational platform level.

The following CGUs maintain carrying amounts of goodwill as presented below (at year-end exchange rates):

million CHF	2025	2024
Capsules & Health Ingredients	0	1,323
Advanced Synthesis	1,067	1,034
Integrated Biologics	579	675
Specialized Modalities	314	338
Total carrying amounts of goodwill as at 31 December	1,960	3,370
Capsules & Health Ingredients	82	0
Goodwill transferred to asset held for sale	82	0

The following CGUs maintain carrying amounts of intangible assets with indefinite useful lives as presented below (at year-end exchange rates):

million CHF	2025	2024
Capsules & Health Ingredients	0	206
Specialized Modalities	21	25
Total carrying amounts of intangible assets with indefinite useful life as at 31 December	21	231
Capsules & Health Ingredients	204	0
Intangible assets with indefinite useful life transferred to asset held for sale	204	0

The recoverable amount of the CGUs is based on the value-in-use calculation. The supporting cash flow projections for 2026 to 2029 are based on the Lonza business strategy review.

The cash flow projections beyond the five-year period, of the most significant CGUs below, are based on the concept of perpetual growth rates, which do not necessarily reflect the Group's strategic objective targets for the future growth potential of the underlying businesses. The key assumptions and the approach to determining the value in use of the cash-generating units carrying significant goodwill are based on the following:

For assessing value in use, the cash flow projections are based on the most recent long-term forecasts approved by management. Other key assumptions used in the calculations are the period of cash flow projections included in the long-term forecasts, the terminal value growth rate and the discount rate.

The discount rates are determined using a weighted average cost of capital approach, adjusted to reflect specific risks for each CGU. The inputs used in determining the discount rates are primarily based on externally observable market data, including published market risk premiums, analyst data, and benchmark capital market information. Management compares the resulting discount rates with those observed for comparable companies to assess reasonableness.

The cash flow projections for the Integrated Biologics CGU beyond the four-year period are based on a 2.0% growth rate. A pre-tax discount rate of 5.9% has been used in discounting the projected cash flows.

The Advanced Synthesis platform consists of two CGUs, Small Molecules and Bioconjugates. The cash flow projections beyond the four-year period are based on a 2.0% growth rate. A pre-tax discount rate of 5.6% has been used in discounting the projected cash flows.

The Specialized Modalities platform consists of two CGUs Bioscience / Cell & Gene Technologies. The cash flow projections beyond the four-year period are extrapolated using a 2.0% growth rate. A pre-tax discount rate of 5.9% has been used in discounting the projected cash flows.

A sensitivity analysis for the CGUs and groups of CGUs to which a significant amount of goodwill or intangible assets with indefinite useful lives are allocated was performed. The analysis was based on changes in key inputs which management considers to be reasonably possible:

- A reduction in cash flows by 10%; or
- An increase in discount rate by one percentage point; or
- A reduction in the perpetual growth rate by one percentage point.

Based on the above, management concluded that no impairment loss would need to be recognized on goodwill or intangible assets with indefinite useful lives in any of the CGUs (or group of CGUs).

Note 6 Property, Plant and Equipment and Right-of-use Assets

million CHF	2025	2024
Property, plant and equipment	8,046	8,249
Right-of-use assets	258	283
Total	8,304	8,532

6.1 Property, Plant and Equipment

million CHF	Land	Buildings and structures	Production facilities	Construction in progress	Total
At 1 January 2024					
Costs	79	2,430	5,027	2,805	10,341
Accumulated depreciation and impairment	(1)	(1,142)	(2,869)	0	(4,012)
Net book value	78	1,288	2,158	2,805	6,329
Year ended 31 December 2024					
Additions	0	0	5	1,376	1,381
Disposals ¹	0	(2)	(4)	(10)	(16)
Acquisition of subsidiaries	47	439	208	12	706
Transfers / reclassifications	42	275	551	(868)	0
Reclassification from other asset categories ²	0	0	0	153	153
Depreciation charge	0	(86)	(343)	0	(429)
Impairment losses ³	(1)	(35)	(39)	0	(75)
Reversal of impairment losses	0	15	6	0	21
Currency translation effects	4	67	75	33	179
At 31 December 2024	170	1,961	2,617	3,501	8,249
Costs	172	3,214	5,951	3,501	12,838
Accumulated depreciation and impairment	(2)	(1,253)	(3,334)	0	(4,589)
Net book value	170	1,961	2,617	3,501	8,249
Year ended 31 December 2025					
Additions	0	0	5	1,316	1,321
Disposals	0	(1)	(9)	0	(10)
Transfers / reclassifications	6	1,012	1,378	(2,399)	(3)
Depreciation charge	0	(134)	(445)	0	(579)
Impairment losses ³	0	(14)	(32)	0	(46)
Reversal of impairment losses	0	2	11	0	13
Currency translation effects	(15)	(134)	(149)	(59)	(357)
Reclassification to assets held for sale ⁴	(30)	(143)	(286)	(83)	(542)
At 31 December 2025	131	2,549	3,090	2,276	8,046
Costs	132	3,807	6,085	2,276	12,300
Accumulated depreciation and impairment	(1)	(1,258)	(2,995)	0	(4,254)
Net book value	131	2,549	3,090	2,276	8,046

¹ Disposal in construction in progress related to transfer to lease receivables.

² Related to reclassification due to termination of a lessor lease contract (note 8.1) and to a financing transaction on Lonza own real estate assets.

³ Impairments in 2025 primarily related to production facilities in Visp and remeasurement of assets held for sale (refer to note 4.2). Impairments in 2024 primarily related to Bacthera and decommissioning of certain production facilities.

⁴ Refer to note 4.

Future commitments for capital expenditure in property, plant and equipment amounted to CHF 678 million at year-end 2025 (2024: CHF 943 million), mainly related to capital expenditures at sites in Visp (CH) and Portsmouth (US). No assets were pledged for security of own liabilities in 2025 nor 2024.

6.2 Right-of-use Assets

million CHF	Land	Buildings and structures	Others	Total
Year ended 31 December 2025				
Net carrying amount 31 December	59	191	7	258
Additions	29	37	1	67
Depreciation charge	0	(35)	(5)	(40)
Reclassification to asset held for sale ¹	0	(30)	(1)	(31)
Year ended 31 December 2024				
Net carrying amount 31 December	33	238	12	283
Additions	0	37	1	38
Depreciation charge	(1)	(40)	(2)	(43)
Impairment losses	0	(10)	0	(10)

¹ Refer to note 4.

Lonza predominantly leases office buildings, together with warehouses and production assets. The maturities of the lease liabilities are presented in note 28.3.

Lease expenses and cash outflows

Leases are presented as follows in the income statement:

million CHF	2025	2024 (restated)
Expenses related to short-term leases and low value assets ¹	(10)	(7)
Expenses related to variable lease payments not included in lease liabilities ¹	(3)	(9)
Other rent expenses (including incidental expenses) ¹	(12)	(8)
Total lease expenses not part of right-of-use assets	(25)	(24)
Depreciation of right-of-use assets ¹	(40)	(43)
Impairment of right-of-use assets ²	0	(10)
Interest expense on lease liabilities ³	(13)	(11)

¹ Included in cost of goods sold and administrative expenses.

² Included in other operating expenses.

³ Included in net financial result.

Cash flows from operating activities include cash flows from short-term leases, leases of low-value assets, variable lease payments, incidental costs and the payment of interests on lease liabilities.

Cash flows from financing activities include the payment of the principal portion of lease liabilities as well as prepayments made before the lease commencement date.

The total cash outflows on leases for the year 2025 amounted to CHF 61 million (2024: CHF 65 million).

Note 7 Other Non-Current Assets

Non-current loans and advances at 31 December 2025 includes a CHF 140 million loan to BioAtrium AG (2024: CHF 140 million). This associated company represents a strategic partnership between Sanofi and Lonza (see note 8.2).

million CHF	Notes	2025	2024
Loans and advances ¹	8	205	205
Allowances for credit losses on loans and advances ²	8.1	(64)	(64)
Investments in associates / joint ventures	8.2	33	31
Other unconsolidated investments		18	67
Capitalized contract costs	2	36	44
Lease receivables		5	13
Derivative financial instruments	28.5	33	25
Contingent consideration related to sale of business	28.6	3	0
Other receivables		9	15
Total		278	336

¹ Relates to the loan between Lonza and the Bioatrium joint venture. The loan is unsecured, with no repayment period specified.

² Fully relates to the loan between Lonza and the Bacthera joint venture (see note 8.1).

Note 8 Investments in Associates and Joint Ventures

In 2025 and 2024, the Group did not receive any dividends from associates and joint ventures.

The following table summarizes the carrying amounts of interests in joint ventures and associates, which are accounted for using the equity method.

million CHF	2025	2024
Balance sheet value		
Interests in joint ventures	0	0
Interests in associates	33	31
Total	33	31
Net income statement effect		
Share of profit / (loss) of joint ventures	0	0
Share of profit / (loss) of associates	2	(1)
Total	2	(1)

8.1 Joint Ventures

million CHF	2025	2024
Carrying amount of interests in joint ventures	0	0
Share of profit / (loss)	0	0

With Bacthera AG (founded in April 2019), the Group established together with Chr. Hansen Holding A/S (part of Novonesis since 1 February 2024) a partnership.

Lonza accounts for its 50% share in Bacthera AG as a joint venture in accordance with IFRS 11. The two shareholders decided to initiate the liquidation process with expected completion late in 2026.

As a consequence, Lonza continued to maintain its investment value in Bacthera AG at CHF 0 million. In addition, Lonza has financed the joint venture with a shareholder loan (CHF 77 million) which was fully impaired in 2024.

Based on management's current assessment, Bacthera is not expected to generate adequate future cash flows to support repayment of the shareholder loan. At 31 December 2025, the loan has been reported unchanged to prior year with a carrying value of CHF 0 million.

8.2 Associates

BioAtrium Ltd was founded in 2017 for the strategic partnership with Sanofi. This strategic partnership operates a large scale mammalian cell culture facility for monoclonal antibody production in Visp (CH). Lonza holds a 50% stake in BioAtrium Ltd (CH).

Lonza accounts for its share in BioAtrium Ltd as investment in associates in accordance with IAS 28. Lonza considered its share of gain and recognized an adjustment to its investment value in BioAtrium Ltd by CHF 2 million in 2025.

The following table summarizes certain financial information of BioAtrium Ltd and Lonza's investment in the associate:

million CHF	2025	2024
Percentage of ownership	50%	50%
Current assets	131	77
Non-current assets	307	319
Current liabilities	91	74
Non-current liabilities (including non-current debt of CHF 279 million; 2024: CHF 275 million)	296	275
Net assets (100%)	51	47
Group's share of net assets (50%)	26	24
Carrying amount of interest in BioAtrium Ltd	33	31
Revenue	153	126
Profit / (Loss) and total comprehensive income (100%)	4	(1)
Group's share of profit / (loss) and total comprehensive income (50%)	2	(1)

Note 9 Inventories

million CHF	2025	2024
Inventories	1,918	1,967
Allowances for slow-moving and obsolete inventory	(238)	(240)
Total	1,680	1,727

million CHF	2025		2024	
Raw materials	34%	572	35%	599
Work in progress	14%	240	11%	197
Finished goods	44%	731	41%	710
Other materials	8%	137	13%	221
Total	100%	1,680	100%	1,727

By Operating Segments¹

million CHF	2025		2024	
Integrated Biologics	54%	915	46%	794
Advanced Synthesis	29%	482	23%	403
Specialized Modalities	18%	294	16%	269
Capsules & Health Ingredients ²	0%	0	15%	260
Corporate / Intercompany Profit Eliminations	-1%	(11)	0%	1
Total	100%	1,680	100%	1,727

¹ The simplified One Lonza organization comprises three newly-formed CDMO Business Platforms: Integrated Biologics, Advanced Synthesis and Specialized Modalities (refer to note 1). Prior year comparative financials 2024 have been updated accordingly.

² Capsules & Health Ingredients inventories are classified as held for sale as of 31 December 2025.

The cost of inventories recognized as expenses during the period and included in "Cost of goods sold" amounted to CHF 3,846 million (2024 (restated): CHF 3,141 million).

Allowances for slow-moving and obsolete inventory

million CHF	Raw materials	Work in progress and finished goods	Other	Total 2025	Total 2024
At 1 January	75	111	54	240	202
Increase	6	92	19	117	129
Reversal / Utilization of write-downs	(24)	(50)	(17)	(91)	(97)
Currency translation effects	(3)	(5)	(3)	(11)	6
Transfer to assets held for sale	(3)	(7)	(7)	(17)	0
At 31 December	51	141	46	238	240



Note 10 Trade Receivables

million CHF	2025	2024
Receivables from customers	1,120	1,354
Allowances for credit losses	(58)	(71)
Total	1,062	1,283

The Group's credit risk is diversified due to the large number of entities comprising the Lonza customer base and the dispersion across many different industries and regions. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. At 31 December 2025, there were no significant concentrations of credit risk. The maximum exposure to credit risk is equal to the carrying amounts (refer to note 28.2).

Reconciliation of Changes in Allowance Accounts for Credit Losses

million CHF	2025	2024
Balance at the beginning of the year	71	30
Write-offs	(2)	(6)
Net increase/(decrease) in allowances for credit losses	(1)	46 ¹
Currency translation effects	(2)	1
Reclassification to assets held for sale	(8)	0
Balance at the end of the year	58	71

¹ The net increase includes a CHF 16 million allowance for services rendered and invoiced, for which no revenue was realized due to one customer's financial distress. The balance was reclassified from deferred income to allowance for credit losses during the year. It also includes a CHF 7 million loss allowance on a receivable related to a joint venture (see note 8.1). The remaining net increase for the year relates to a few limited cases of ongoing disputes and/or customers (usually early stage companies) in financial distress.

In general, Lonza does not require collateral in respect of trade and other receivables, but uses credit insurance for country risk where appropriate.

Note 11 Other Receivables, Prepaid Expenses and Accrued Income

million CHF	Notes	2025	2024
Accrued income	3	277	144
Prepaid expenses		97	97
Collateral arrangements (Credit Support Annexes)	28.5	77	80
Capitalized contract costs	3	10	11
Loans and advances	8.1	13	13
Allowances for credit losses on loans and advances	8.1	(13)	(13)
Lease receivables		2	4
Derivative financial instruments	28.5	57	99
Other tax receivables		67	93
Other receivables		91	147
Total		678	675

Note 12 Cash and Cash Equivalents and Short-Term Investments

Impairment on cash and cash equivalents is measured on a 12-month expected credit losses ('ECL') basis with a reference to external credit ratings of the counterparties. Lonza considers that its cash and cash equivalents have low credit risk based on these external credit ratings.

Liquidity Management / Short-term Investments

In line with the Group's investment policy, Lonza parks its excess cash into short-term plain vanilla instruments, such as overnight deposits, bank term deposits, notice deposits and short-term money market funds.

As of 31 December 2025, Lonza maintained a total balance of CHF 719 million as total cash and cash equivalent (cash at banks and bank deposits with maturities less than 3 months). Lonza sold its short-term bank deposits (maturity between three and six months) previously reported as short-term investments.

million CHF	2025	2024
Cash	238	426
Time deposits	481	685
Total cash and cash equivalents	719	1,111

Short-term Investments

million CHF	2025	2024
Investments at amortized costs	0	600
Total short-term investments	0	600

All short-term investments reported in 2024 were made in CHF (see note 28.4).

Note 13 Provisions

million CHF	Environmental	Restructuring	Other	Total
At 1 January 2025	459	27	37	523
Increase	43	5	20	68
Used	(16)	(23)	(16)	(55)
Unwinding of discount	1	0	0	1
Reversed	0	0	(2)	(2)
Transfer to liabilities held for sale	0	(1)	(1)	(2)
Currency translation effects	0	(2)	(3)	(5)
At 31 December 2025	487	6	35	528
- thereof current	48	6	25	79
- thereof non-current	439	0	10	449

Environmental

The environmental provision comprises the estimated probable future expenses for environmental remediation and protection for existing plants. The vast majority of the provision of CHF 487 million (2024: CHF 459 million) relates to the Visp site and is expected to be utilized within sixteen years.

Lonza maintains an old landfill close to its Visp (CH) site. This landfill was in use from 1918 until 1978 and contains hazardous materials. Lonza will need to perform remediation measures in order to comply with environmental regulations.

Lonza and the environmental authorities of the canton of Valais aligned on the base principles of a remediation strategy during 2020. During the year 2021 Lonza submitted a risk assessment of the old landfill to the environmental authorities of the canton of Valais which identified the most critical area regarding the groundwater protection and related remediation measures. Lonza's detailed investigations had further progressed since 2021. As an initial measure Lonza plans an installation of an extended hydraulic barrier. This measure will support to minimize the risk of groundwater contamination as well as the improvement of the containment of the old landfill. End of 2025 Lonza obtained all required authority approvals for the construction work of the hydraulic barrier. The construction work will commence in the second half of 2026 with expected completion in 2029.

As of 31 December 2025 the provision reflects Lonza's estimate of remediation costs for this most critical area regarding groundwater protection.

However, for remaining areas of the landfill, it is not possible as of 31 December 2025 to make an informed judgment on, or reasonably predict, potential additional required remediation measures. With the current available information, it is not possible for Management to estimate further potential liabilities other than the provision which was recognized. Lonza continues to closely monitor the development of the situation and will adjust the provision going forward accordingly.

Restructuring

The restructuring provision primarily reflects the expected employee termination costs related to ongoing restructuring programs.

Other

Other provisions are partially related to the asset retirement obligations of Lonza's Singapore based operations, with the remaining portion related to customer settlements.

Note 14 Debt

Non-Current Debt ¹

million CHF	2025	2024
Straight bonds	3,792	3,967
Term loan	0	177
Other long-term debt	84	98
Total non-current debt	3,876	4,242

¹ Carrying amount of debt excluding accrued interests (see note 15).

Straight Bonds – Fixed Interest Rates

million CHF	2025	2024
CHF bonds		
0.35%, CHF 150 million, 2020/2026, due 22 September 2026, issued at 100.148%	150	150
2.10%, CHF 300 million, 2023/2029, due 12 September 2029, issued at 100.241%	300	300
2.10%, CHF 150 million, 2023/2029, due 12 September 2029, issued at 98.961%	148	148
2.25%, CHF 185 million, 2023/2028, due 16 May 2028, issued at 100.054%	185	185
2.6%, CHF 215 million, 2023/2031, due 16 May 2031, issued at 100.295%	215	215
EUR bonds		
1.625%, EUR 500 million, 2020/2027, due 21 April 2027, issued at 99.424%	464	468
3.875%, EUR 500 million, 2023/2033, due 25 May 2033, issued at 99.091%	460	465
3.875%, EUR 1,000 million, 2024/2036, due 24 April 2036, issued at 98.715%	917	924
3.25%, EUR 600 million, 2024/2030, due 4 September 2030, issued at 99.448%	555	559
3.5%, EUR 600 million, 2024/2034, due 4 September 2034, issued at 98.361%	548	553
Total including current portion	3,942	3,967
Less current portion of straight bonds	(150)	0
Total non-current straight bonds	3,792	3,967

Current Debt ¹

million CHF	2025	2024
Term loan	159	450
Others	0	18
Straight bond due within one year		
– Straight bond (2020-2026)	150	0
Total current debt	309	468

¹ Carrying amount of debt excluding accrued interests (see note 15).

Debt: Movements in Carrying Value of Recognized Liabilities

million CHF	2025	2024
At 1 January	4,710	2,801
Repayment of straight bond	0	(110)
Issuance of straight bonds	0	2,071
Issuance / (repayment) of term loan	(398)	0
Repayment of German Private Placements	0	(43)
(Decrease) / increase in other debt	(15)	(41)
Changes from financing cash flows	(413)	1,877
Amortization of financing costs and discounts	6	5
Net foreign currency transaction (gains) / losses	(76)	45
Currency translation effects	(42)	(18)
Changes in foreign exchanges rates	(118)	27
At 31 December	4,185	4,710

Breakdown of Total Debt by Currencies (pre-hedging effects)

million CHF	2025		2024			
	Average Interest Rate %	%	Average Interest Rate %	%		
CHF	1.97	24	995	1.90	21	994
EUR	3.34	70	2,944	2.61	63	2,969
USD	4.65	6	246	5.02	16	747
Total		100	4,185		100	4,710

Credit Rating

Since 2019, Lonza has been rated by Standard & Poor's (S&P) with an investment grade rating of BBB+ and a stable outlook. The rating has been reaffirmed by S&P each year since its initial assignment. Lonza remains committed to maintaining a strong investment grade credit profile going forward.

Debt repayments

During the financial year 2025, Lonza repaid scheduled debt maturities totalling USD 520 million (CHF equivalent 413 million). This comprised the repayment of a USD 500 million Term Loan and a USD 20 million US Revenue Bond, both of which matured in September 2025.

In 2024, Lonza repaid scheduled debt maturities totaling CHF 153 million equivalent, consisting of a Swiss bond with a nominal value of CHF 110 million and CHF 43 million related to the German Private Placement.

Bonds

Lonza did not issue any public bonds in 2025 but renewed its Euro Medium Term Note (EMTN) program in April 2025.

In 2024, Lonza issued a EUR 1.0 billion straight bond with a 12-year maturity and a coupon of 3.875%. The proceeds were used to refinance existing debt and for general corporate purposes. Lonza also issued an additional EUR 1.2 billion dual tranche straight bond with maturities of six and ten years and coupons of 3.25% and 3.5%, respectively. The proceeds were used for general corporate purposes, including financing acquisitions and refinancing existing debt.

Syndicated Loan Facilities

Lonza maintains Syndicated Loan Facilities provided by a consortium of banks, comprising both Term Loans and a Revolving Credit Facility (RCF).

Term Loans

The remaining term loan tranche of USD 200 million carries floating interest rates and is repayable in 2026.

Revolving Credit Facility (RCF)

The Revolving Credit Facility provides Lonza with additional liquidity headroom of CHF 1 billion at floating interest rates. The maturity date is December 2030. The facility remained undrawn in both 2025 and 2024.

In September 2025, Lonza secured with a small number of relationships banks an additional short-term RCF of up to CHF 500 million with a tenor of 15+6 months, ensuring continued liquidity headroom following the maturity of the USD Term Loan. The facility remained undrawn in 2025.

Other debt

In 2024 Lonza repaid the remaining Schuldschein note (USD 50 million) issued in August 2017. Following the repayment in 2024 Lonza has no Schuldschein outstanding.

Other current and non-current debt comprise industrial revenue bonds of USD 110 million (2024: USD 130 million) issued by governmental institutions in the United States.

Note 15**Other Non-Current and Current Liabilities****Other Non-Current Liabilities**

million CHF	Notes	2025	2024
Deferred income	3	1,181	1,011
Lease liabilities		321	366
Contingent consideration	28.6	0	24
Derivative financial instruments	28.5	139	108
Grants and subsidies		25	15
Other liabilities		16	17
Total other non-current liabilities		1,682	1,541

Other Current Liabilities

million CHF	Notes	2025	2024
Deferred income	3	1,039	1,075
Accrued liabilities and other payables		471	637
Personnel related liabilities		311	334
Derivative financial instruments	28.5	52	125
Lease liabilities		34	44
Contingent consideration	28.6	0	56
Accrued interest payables on debt		63	65
Other liabilities		64	79
Total other current liabilities		2,034	2,415

Leases: movements in carrying value of recognised liabilities

million CHF	2025	2024
At 1 January	410	331
Repayment of lease liabilities	(55)	(41)
Changes from financing cash flows	(55)	(41)
Interest expense paid on lease liabilities	14	12
Net increase from new lease arrangements	42	87
Acquisition of subsidiaries ¹	0	7
Currency translation effects	(20)	14
Reclassification to assets held for sale ²	(36)	0
Others non-cash items	(14)	108
At 31 December	355	410

¹ Refer to note 4.3.

² Refer to note 4.2.

Note 16 Trade Payables

million CHF	2025	2024
Payables to third parties	514	471
Total	514	471

Payables to third parties principally comprise amounts outstanding for trade purchases and ongoing costs. The carrying amount of trade payables approximates their fair value.

Note 17 Material and Energy Costs

million CHF	2025	2024 (restated)
Material costs	1,240	1,000
Energy costs ¹	136	125
Total	1,376	1,125

¹ Includes predominantly energy used in the production processes (as part of cost of goods sold) but also overhead energy costs (as part of administration and general overhead). In this amount, CHF 31 million for the year 2025 (2024: CHF 11 million) relates to energy procured on behalf of third parties, that was recharged as part of sales in Corporate.

Note 18 Personnel Expenses and Average Number of Employees

million CHF	Notes	2025	2024 (restated)
Wages and salaries		1,703	1,544
Operating expenses defined benefit pension plans		88	66
Other social security contributions		341	302
Other personnel expenses		186	178
Total		2,318	2,090

The company employed the following average number of FTEs (Continuing Business) during the financial year 2025 and 2024:

	2025	2024 (restated)
Average number of employees (Full-Time Equivalent)	16,866	15,734

Note 19 Other Operating Income and Expenses

19.1 Other Operating Income

million CHF	2025	2024 (restated)
Gain from disposal of property, plant and equipment and other assets ¹	1	84
Government grants, Research and Development and other tax credits	16	11
Sundry income	7	11
Total	24	106

¹ 2024 includes primarily the gain from the sale of real estate in Basel (CH).

19.2 Other Operating Expenses

million CHF	2025	2024 (restated)
Increase in provisions ¹	(43)	(80)
Impairment on property, plant and equipment and other assets	(9)	(7)
Loss from disposal of property, plant and equipment and other assets	(7)	(4)
Sundry expense	(7)	(13)
Total	(66)	(104)

¹ Includes primarily the provision for environmental-related measures (2025: CHF 43 million, 2024: CHF 80 million).

Note 20

Net Financial Result

20.1

Financial Income

million CHF	Notes	2025	2024 (restated)
Interest income		12	33
Finance income from lease receivables		1	2
Net foreign exchange gains/(losses), including impact from currency-related financial derivative instruments		0	23
Interest related to interest derivative instruments		30	5
Gains on investments measured at fair value through profit or loss		1	1
Favorable impact from fair value adjustment on contingent purchase price consideration ¹	28.6	23	0
Total		67	64

¹ Decrease in estimated earn-out liability related to the Octane acquisition.

20.2

Financial Expenses

million CHF	Notes	2025	2024 (restated)
Interest expenses on debt and bonds		(148)	(127)
Interest expenses on lease liabilities	6.2	(13)	(12)
Amortization of debt fees and unwinding of discounts on provisions	13, 14	(6)	(7)
Unfavorable impact from fair value adjustment on contingent purchase price consideration ¹	28.6	0	(31)
Losses on investments measured at fair value through profit or loss		(17)	(2)
Net foreign exchange gains/(losses), including impact from currency-related financial derivative instruments		(16)	0
Interest expenses on IAS 19 employee benefit liabilities		(1)	(1)
Impairment of loans to joint ventures ²		0	(77)
Other interest expenses		(1)	0
Other financial expenses		(5)	(6)
Total		(207)	(263)

¹ In 2024, increase in estimated earn-out liability related to the Synaffix acquisition which was finally settled in 2025.

² Impairment related to loans to Bacthera joint venture in 2024.

Note 21

Taxes

21.1

Income Taxes

Lonza Group Ltd is domiciled in Basel, Switzerland. The income tax rate in the Canton of Basel-Stadt is 13% (2024: 13%).

As the Group operates across the world, it is subject to income taxes in several different tax jurisdictions. Lonza applies the ordinary tax rate of its top holding company (Lonza Group Ltd) in the Canton of Basel-Stadt in Switzerland as the Group's tax rate.

The Group's effective tax rate for 2025 is 17.4% (2024: 15.6%).

Major Components of Tax Expenses

million CHF	2025	2024 (restated)
Current taxes	(116)	(101)
Global minimum tax	(6)	(2)
Deferred tax expense relating to the origination and reversal of temporary differences	(55)	(10)
Deferred tax income resulting from tax rate changes	(15)	7
Total	(192)	(106)

Reconciliation of Tax Expenses

million CHF	2025	2024 (restated)
Profit before income taxes	1,101	708
Tax at the group rate (2025: 13%/2024: 13%)	143	92
Deviation from average group tax rate	25	12
Non-deductible expenses	15	7
Tax-free earnings	(31)	(21)
Deferred tax effect from tax rate changes	15	(7)
Changes in prior year estimates (including valuation allowances)	(1)	5
Withholding taxes	6	7
Effect of non-recognition of deferred tax assets	20	11
Other	0	0
Total	192	106
Current tax expenses (charged) / credited directly to equity	1	0

The components of deferred income tax balances are included in the following captions in the consolidated balance sheet:

Components of Deferred Income Tax Balances

million CHF	2025		2024	
	Assets	Liabilities	Assets	Liabilities
Current provisions	29	14	55	31
Non-current provisions / Employee benefit liabilities	77	32	130	10
Intangible assets	0	62	0	445
Inventories, net	79	33	83	27
Property, plant and equipment	9	321	15	284
Other assets	4	0	0	3
Tax loss / Interest carry-forwards and tax credits	55	0	77	0
Netting of deferred tax assets and deferred tax liabilities	(158)	(158)	(307)	(307)
Total	95	304	53	493

The development of deferred tax (expenses) / income can be explained as follows:

million CHF	2025	2024
Deferred tax assets	95	53
Deferred tax liabilities	(304)	(493)
Net deferred tax liability, at 31 December	(209)	(440)
Less deferred tax liabilities net, at 1 January	440	476
(Increase) / decrease in deferred tax liabilities, net	231	36
Currency translation effects	(8)	4
Acquisition of subsidiaries	0	(33)
Movements of deferred (tax assets) / liabilities recognized in other comprehensive income	12	5
Deferred tax expense related to discontinued operations	(27)	0
Reclassification to assets / liabilities held for sale	(278)	0
(Expense) / income recognized in income statement	(70)	12

Unrecognized Tax Losses: Expiry

million CHF	2025	2024
Within 1 year	10	47
Between 2 to 5 years	192	59
After 5 years	256	139
Unlimited	8	8
Total	466	253

In addition to the unrecognized tax losses shown in the table above, the Group has unrecognized temporary differences in the amount of CHF 8 million (2024: CHF 176 million), unrecognized tax credits in the amount of CHF 5 million (2024: CHF 0 million) as well as additional unrecognized tax losses for US state tax purposes in the amount of CHF 75 million at 31 December 2025 (2024: CHF 38 million). CHF 33 million of these losses expire in more than five years (2024: CHF 30 million) and CHF 42 million are unlimited (2024: CHF 8 million).

In assessing whether it is probable that future taxable profit will be available to utilize these tax loss carry-forwards, management considers whether such benefits are recoverable on the basis of the current situation of the company and the future economic benefits outlined in specific business plans for each relevant subsidiary.

Deferred tax liabilities have not been established for withholding and other taxes that would be payable on the remittance of earnings of foreign subsidiaries, where such amounts are currently regarded as permanently reinvested. The total unremitted earnings of the Group that would be subject to withholding tax or other taxes upon remittance, but which are regarded as permanently reinvested, were CHF 347 million at 31 December 2025 (2024: CHF 540 million).

21.2 Disclosure of Tax Effects on Each Component of Other Comprehensive Income

million CHF	2025			2024		
	Before-tax amount	Tax (expense) benefit	Net-of-tax amount	Before-tax amount	Tax (expense) benefit	Net-of-tax amount
Exchange differences on translating foreign operations	(555)	10	(545)	298	(10)	288
Cash flow hedges	14	0	14	(59)	0	(59)
Remeasurement of defined benefit liability	139	(22)	117	(34)	5	(29)
Other comprehensive income	(402)	(12)	(414)	205	(5)	200

Note 22 Research and Development Costs

Research and development (R&D) costs include all primary costs directly related to this function, as well as internal services and imputed depreciation. These costs are incurred for:

- Development of new products and services
- Improvement of existing products and services
- Development of new production processes
- Improvement of existing production processes
- Cost for patents
- Purchase price for product and process know-how to the extent not capitalized

The R&D costs amounted to CHF 169 million (2024 restated: CHF 218 million) and represent the full range of R&D activity. However, the consolidated income statement discloses lower levels of Research and Development costs, as the remainder of such costs are absorbed in cost of goods sold for R&D products and services sold.

Note 23

Employee Benefit Liabilities

Defined Benefit Pension Plans

The Group operates defined benefit pension plans in various countries, with the major plans being in Switzerland and the UK (as described below). For pension accounting purposes, these plans are considered as defined benefit plans.

Pension Plan in Switzerland

The Group's Swiss pension plan is governed by the Swiss Federal Law on Occupational Retirement, Survivors and Disability Pension Plans (BVG), and is funded through a legally separate trustee-administered pension fund (Pensionskasse der Lonza). The Board of Trustees is responsible for the investment of the assets, which cannot revert to the Company. The cash funding of these plans, which may from time to time involve special payments, is designed to ensure that present and future contributions should be sufficient to meet future liabilities.

The plan contains a cash balance benefit formula, accounted for as a defined benefit plan. Employer and employee contributions are defined in the pension fund rules in terms of an age-related sliding scale of percentages of pay. Under Swiss law, the company guarantees the vested benefit amount as confirmed annually to members. Interest may be added to member balances at the discretion of the Board of Trustees. The risks linked to retirement benefits (disability and death) have been reinsured until 31 December 2028. The investment risk is not reinsured.

Retirement benefits are based on the accumulated retirement capital (made up of yearly contributions and the interest thereon), which can either be drawn as a life-long annuity or as a lump-sum payment or a combination of both. The Board of Trustees may adjust the annuity at its discretion subject to the plan's funded status including sufficient free funds as determined according to Swiss statutory valuation rules. Retirement benefits and related plan assets of plan participants with a retirement date on or before 31 December 2007 were transferred to an insurance company. The insurance company guarantees these retirement benefits and bears the investment, death and disability risks.

The Lonza base plan includes a salary cap of CHF 235,200. Salary components which exceed this threshold are insured in the supplementary plan, which is structured as an insurance solution with a 3rd party insurance provider. Plan participants can choose between a one-time lump-sum payment or an annuity pension at retirement age.

Pension Plan in the UK

The Group operates one major plan in the UK which is closed to new entrants and future accruals. The scheme is registered under UK legislation, is contracted out of the State Second Pension and is subject to the scheme funding requirements outlined in UK legislation. The plan is managed by a Corporate Trustee, which is legally separate from the sponsoring employer of the plan. The Trustee Directors are comprised of representatives appointed by both the employer and employees and include an independent professional Trustee Director. The Trustee Directors act in the interest of the relevant beneficiaries and oversee investment strategy and administration of the benefits and general regulatory compliance.

Risk exposure

Through its defined benefit pension plans, the Group is exposed to a number of risks, with the main ones being described below:

- **Investment risk:** The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to high quality corporate bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plans have a relatively balanced investment in equity securities, debt instruments and real estate. Due to the long-term nature of the plan liabilities, the trustees of the pension funds consider it appropriate that a reasonable portion of the plan assets should be invested in equity securities and in real estate to leverage the return generated by the fund.
- **Interest risk:** A decrease in the bond interest rate will increase the plan liabilities but this will be partially offset by an increase in the return on the plans debt investments.
- **Life expectancy:** The present value of the defined benefit plan liabilities is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liabilities.
- **Inflation risk:** The present value of the defined benefit plan liabilities is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan liabilities.

The movement in the net defined benefit liability over the years 2025 and 2024 is as follows:

million CHF	2025				2024			
	Defined benefit obligation	Fair value of plan assets	Impact of asset ceiling	Net defined benefit (asset)/liability	Defined benefit obligation	Fair value of plan assets	Impact of asset ceiling	Net defined benefit (asset)/liability
At 1 January	2,363	(2,307)	0	56	2,119	(2,143)	65	41
Included in profit or loss								
Current service cost	91	0	0	91	70	0		70
Losses / (gains) on settlements	0	0	0	0	(6)	6		0
Interest expense / (income)	30	(29)	0	1	37	(37)	1	1
Included in other comprehensive income								
Actuarial loss / (gain) arising from:								
– Demographic assumptions	5	0	0		0	0		
– Financial assumptions	(92)	0	0		139	0		
– Experience adjustment	48	0	0		24	0		
Return on plan assets excluding interest income	0	(182)	0		0	(63)		
Change in asset ceiling	0	0	82		0	0	(66)	
Remeasurements loss / (gain)	(39)	(182)	82	(139)	163	(63)	(66)	34
Effect of movements in exchange rates	(6)	7	0	1	7	(6)	0	1
Other								
Contributions paid:								
– Employers		(96)	0	(96)	0	(91)		(91)
– Plan participants	56	(56)	0	0	51	(51)		0
Benefits paid	(61)	61	0	0	(78)	78		0
Reclassification to liabilities held for sale	(77)	60	0	(17)	0	0		0
Others	2	(2)	0	0	0	0	0	0
At 31 December	2,359	(2,544)	82	(103)	2,363	(2,307)	0	56
– Thereof present value of funded defined benefit obligation	2,352				2,356			
– Thereof present value of unfunded defined benefit obligation	7				7			

The defined benefit pension plans are reported as follows in the balance sheet:

million CHF	2025	2024
Defined benefit pension plan asset	108	0
Defined benefit pension plan liability	(5)	(56)

The Group expects to pay CHF 83 million in contributions to defined benefit pension plans in 2026.

The defined benefit obligation and plan assets are disaggregated by country as follows:

million CHF	2025				2024			
	CH	UK	Rest of the world	Total	CH	UK	Rest of the world	Total
Present value of defined benefit obligation	2,255	91	13	2,359	2,197	99	67	2,363
Fair value of plan assets	(2,439)	(96)	(9)	(2,544)	(2,162)	(97)	(48)	(2,307)
Impact of asset ceiling	82	0	0	82	0	0	0	0
Total net defined benefit (asset)/liability	(102)	(5)	4	(103)	35	2	19	56

The significant actuarial assumptions at the reporting date (expressed as weighted averages) were as follows:

in %	2025		2024	
	CH	UK	CH	UK
Discount rate	1.30	5.65	1.02	5.55
Future salary increases	1.25	n.a.	1.25	n.a.
Future pension increases	n.a.	2.95	n.a.	3.15

Assumptions regarding future mortality are based on actuarial advice in accordance with published statistics and experience in each territory¹. These assumptions translate into an average life expectancy in years for a pensioner retiring at age 65:

in years	2025		2024	
	CH	UK	CH	UK
Retiring at the end of the reporting period				
– Male	21.9	22.7	21.9	22.7
– Female	23.6	24.2	23.5	24.1
Retiring 20 years after the end of the reporting period				
– Male	23.6	24.0	23.5	23.9
– Female	25.1	25.6	25.0	25.5

¹ For the Pension Plan in Switzerland BVG 2020 mortality tables were applied.

The sensitivity of the defined benefit obligation to changes in the relevant actuarial assumptions is:

effect in million CHF	Change in assumption	31.12.2025		31.12.2024	
		Increase	Decrease	Increase	Decrease
Discount rate	0.25%	(77)	81	(79)	85
Future salary increases	0.25%	11	(11)	12	(11)
Life expectancy	1 year	77	(80)	82	(83)

The above sensitivity analyses are based on a change in an assumption while keeping all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognized within the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared with the previous period.

At 31 December, the weighted average duration of the defined benefit obligation for the major plans as well as the Group in total is:

in years	2025	2024
Group	13.5	14.0
CH	13.5	14.0
UK	15.0	16.0

Plan assets comprise:

million CHF	2025				2024			
	Quoted	Unquoted	Total	%	Quoted	Unquoted	Total	%
Equity instruments	655	0	655	26	569	0	569	25
Debt instruments								
– Investment-grade (AAA to BBB)	686	0	686		613	0	613	
– Non-investment-grade (below BBB)	36	0	36		32	0	32	
	722	0	722	28	645	0	645	28
Real-estate	240	143	383	15	183	121	304	14
Cash and cash equivalents	204	0	204	8	208	0	208	9
Other	580	0	580	23	581	0	581	25
Total plan assets	2,401	143	2,544	100	2,186	121	2,307	101

Note 24 Share-Based Payments

Long-Term Incentive Plan (LTIP)

History and Participation

The LTIP is an equity-based plan introduced in 2006 for the Executive Committee and senior managers.

Objective

The LTIP is designed to align the interests of participants with those of Lonza's shareholders and serves as a retention tool. LTIP participants are eligible to receive Lonza shares at the end of the vesting period, provided that certain challenging performance conditions are met at the end of the three-year performance period.

Equity Awards

Under the LTIP, participants are awarded the right to receive a number of Lonza registered shares in the future. Depending on the job grade of the participant, the target equity award grant is between 25% and 150% of the annual base salary. The grant is awarded at target and the payout level ranges from 0% and 200% of target. The CEO and Executive Committee members have a target of 150% and 125% / 100% of base salary respectively with payout levels also ranging from 0% and 200% of target.

For any pro-rata treatment, as outlined in the relevant Plan Rules, the entire length of the three-year performance period is utilized. The LTIP plan design and target setting is determined at the beginning of the three-year performance period. For 2025 the plan design included minimum, target and stretch (maximum) goals.

The 2025 LTIP budget value for the Executive Committee was approved as submitted at the AGM 2024 and administered in accordance with this approval. Vesting is dependent on the achievement of the performance conditions and cannot exceed the 200% of target equity awards granted (the maximum level of award).

Restriction and Vesting

Participants only receive title and ownership of the shares after the completion of the relevant three-year vesting period and only if the performance metrics required for vesting are partially or fully met.

Vesting Performance Metrics

For the 2025 LTIP the performance metrics are CORE earnings per share (EPS), return on invested capital (ROIC) and relative total shareholder return (rTSR) with 33.33% weight for each measure. With the payout value directly tied to key financial and shareholder return metrics, the first two measures emphasize Lonza's financial performance, which influences Lonza's valuation and success, while the third measure benchmarks this performance against other companies. The overall value of the LTIP is ultimately driven by the share price at the time of vesting, further linking the LTIP to the interests of the shareholders.

Overview of Vesting Conditions for LTIP

The Remuneration Committee (RemCo) deems these long-term performance measures appropriate to align the interests of the Executive Committee with Lonza's financial performance and in turn the interests of our Shareholders. The respective performance targets at the threshold (50%), target (100%) and maximum (200%) payout levels were recommended by the RemCo and approved by the Board of Directors in January 2025. These long-term financial performance targets are commercially sensitive at this time and will not be disclosed publicly until after the awards have vested. All three of the relevant KPIs are measured on the average 3-year performance.

CORE EPS (LTIP 2025)

EPS (Earnings per share) is defined as CORE net income divided by the average number of outstanding shares and measures profitability and excludes financial income and expenses. The 2025 LTIP award threshold performance level remains consistent with prior years. The maximum performance level requires significantly better performance than target.

ROIC (LTIP 2025)

ROIC (return on invested capital) is defined as adjusted net operating profit after tax divided by average invested capital. This measures the return the company generates on its investments for both organic, and inorganic expansion. The measure is a reflection of the effect of decisions taken by Executive Committee members and senior management over the course of the relevant LTIP performance period. The 2025 LTIP award threshold performance level remains consistent with prior years. The maximum performance level requires significantly better performance than target.

Relative Total Shareholder Return (rTSR) (LTIP 2025)

The inclusion of a new metric in 2024 to measure the value delivered to Lonza Shareholders. An external market measure of how Lonza's stock performance ranks against all members of the peer group. This measure aligns the interests of our executives with shareholders over a multi-year period. rTSR is measured against the SMI peer group and will be calculated by an independent third-party advisor, and subsequently approved by the Board and assured by an external auditor.

Treatment of LTIP in Change of Control Situations

Under the LTIP rules, if a Change of Control occurs, all unvested granted shares shall immediately vest and the granted price shall be the price at which the shares are sold in the transaction resulting in the Change of Control.

Actual Performance and Payout for the LTIP 2023

Performance under the LTIP 2023 exceeded the target performance levels for both CORE EPS and ROIC. This generated a 120% payout against target. See page 189 from Remuneration Report for full details on targets and target achievements.

Lonza Restricted Share Unit Plan (LRSP)

Participation and Objective

The LRSP is an equity-based plan introduced in 2020. It was created as a tool to primarily support retention cases. All employees at and above a grade 10 in the organization are eligible to be considered for an award. Executive Committee members may receive awards via the Executive Committee Appointments Policy only – see page 181 from the Remuneration Report for full details.

Equity Awards

Under the LRSP, participants are awarded the right to receive a number of Lonza registered shares in the future, subject to continued employment with Lonza. The equity award level depends on the grade of the participant or the strategic importance of the project that the participant is working on. A two to five year vesting period will apply depending on the requirements.

Restriction and Vesting

Participants will only receive title and ownership of the shares after a relevant vesting period has elapsed and subject to continued employment over the vesting period.

Lonza ShareMatch

Participation and Objective

ShareMatch is an employee share purchase plan introduced in 2022. It was created as a tool to support employees in eligible locations and at a grade 15 and below to use their bonus to purchase shares and become shareholders of the Company,

aligning their interests with those of the Company's wider shareholders and participating in the future success of the Company.

Equity Awards

Under the ShareMatch program, participants may voluntarily participate and purchase shares with a discount applied and subject to a blocking period. Purchased shares are eligible for voting rights and dividends which are also paid as shares. After the cessation of the blocking period and subject to continued employment over time, as a reward for participating in the plan the participant will receive one free share per purchased share.

Restriction and Vesting

The purchased shares will be held in a custody account for the participant during a three-year blocking period. After the blocking period has elapsed and subject to continued employment over time, the participant will receive one free share per purchased share and may freely transfer or dispose of the shares.

Fair Values

The fair value at grant date of the equity awards granted in 2025 for the LTIP was CHF 563.23 (2024: CHF 430.23). The fair value at grant date for the LRSP awards was between CHF 549.20 and 563.23 (2024: CHF 430.23 and CHF 537.80) depending on the grant date of the award. The fair value at allocation date under the ShareMatch plan was CHF 484.50 (2024: CHF 557.80).

The costs were calculated using the market price at grant (for LTIP and LRSP) or allocation date (for ShareMatch), including probabilities as per conditions of vesting. The amounts for equity awards are expensed on a straight-line basis over the vesting period, based on estimates of equity awards that will eventually vest. The discount applied on the purchase of shares under the ShareMatch program was expensed immediately.

Details of Long-Term Incentive Plans

	Grant Date	Share Price ¹ in CHF	Granted Equity Awards	Fair Value at Grant Date ² in CHF	Vesting date
LTIP 2022	31.01.2022	615.87	38,411	23,656,183	31.01.2025
LTIP 2023	31.01.2023	532.00	44,145	23,485,140	31.01.2026
LTIP 2024	31.01.2024	430.23	57,280	24,069,035	31.01.2027
LTIP 2025	31.01.2025	563.23	48,621	26,335,160	31.01.2028
LRSP 2022	various	various	11,643	6,905,071	various
LRSP 2023	various	various	11,013	5,839,984	various
LRSP 2024	various	various	48,653	23,710,259	various
LRSP 2025 ³	various	various	35,418	19,923,956	various
ShareMatch 2022	06.04.2022	672.20	12,461.441	8,376,581	06.04.2025
ShareMatch 2023	06.04.2023	567.60	18,897.185	10,726,042	06.04.2026
ShareMatch 2024	08.04.2024	557.80	18,277.298	10,195,077	08.04.2027
ShareMatch 2025	07.04.2025	484.50	23,983.339	11,619,928	07.04.2028

¹ Share Price at grant date is determined in the Plan Rules. For LTIP and LRSP it is the average of the closing prices at the SIX Swiss Stock Exchange over the period of three trading days prior to the grant date. For ShareMatch it is equal to the closing market price at the SIX Swiss Stock Exchange on the day the matching shares are granted to the employees. For the LTIP and LRSP 2025 the Share Price at Grant was the 1-month average share price prior to Grant Date.

² Including the rTSR component for LTIP as of 2024.

³ In 2025, 8 new LRSP awards were issued. Vesting period of those plans are in line with the Plan Rules.

Vesting Conditions at Grant Date

	Market Price in CHF	Granted Equity Awards	Fair Value of Equity Awards in CHF	Expected EPS / RONOA / ROIC at Grant Date	Probability Minimum Targets	Volatility Employees	Total Probability	Total Cost at Grant Date in CHF
LTIP 2022 ROIC	615.87	19,206	615.87	100%	100%	10%	90%	10,645,559
LTIP 2022 CORE EPS	615.87	19,205	615.87	100%	100%	10%	90%	10,645,005
LTIP 2023 ROIC	532.00	22,073	532.00	100%	100%	10%	90%	10,568,552
LTIP 2023 CORE EPS	532.00	22,072	532.00	100%	100%	10%	90%	10,568,074
LTIP 2024 ROIC	430.23	19,094	430.23	100%	100%	10%	85%	6,982,590
LTIP 2024 CORE EPS	430.23	19,093	430.23	100%	100%	10%	85%	6,982,224
LTIP 2024 rTSR ¹	430.23	19,093	430.23	93%	93%	10%	85%	6,493,468
LTIP 2025 ROIC	563.23	16,207	563.23	100%	100%	10%	85%	7,759,028
LTIP 2025 CORE EPS	563.23	16,207	563.23	100%	100%	10%	85%	7,759,028
LTIP 2025 rTSR ¹	563.23	16,207	563.23	88.5%	88.5%	10%	85%	6,866,740

¹ Relative total shareholder return.

Development within 2025 of the LTIP (at target)

	Equity awards outstanding 01.01.2025	Equity awards granted during 2025	Equity awards forfeited during 2025	Vested equity awards during 2025	Equity awards outstanding 31.12.2025
LTIP 2022	28,740	0	0	(28,469)	271
LTIP 2023	36,073	0	(1,707)	(176)	34,190
LTIP 2024	52,319	0	(3,590)	(123)	48,606
LTIP 2025	0	48,621	(3,908)	(19)	44,694
Total equity awards	117,132	48,621	(9,205)	(28,787)	127,761

The vested equity awards other than LTIP 2022 are related to deceased plan participants.

Development within 2024 of the LTIP (at target)

	Equity awards outstanding 01.01.2024	Equity awards granted during 2024	Equity awards forfeited during 2024	Vested equity awards during 2024	Equity awards outstanding 31.12.2024
LTIP 2021 ¹	0	0	0	0	0
LTIP 2022	29,629	0	(889)	0	28,740
LTIP 2023	38,723	0	(2,650)	0	36,073
LTIP 2024	0	57,280	(4,961)	0	52,319
Total equity awards	68,352	57,280	(8,500)	0	117,132

¹ The plan vested with zero payout.

Development within 2025 of the LRSP

	Equity awards outstanding 01.01.2025	Equity awards granted during 2025	Equity awards forfeited during 2025	Vested equity awards during 2025	Equity awards outstanding 31.12.2025
LRSP during 2022	7,721	0	(29)	(7,448)	244
LRSP during 2023	9,518	0	(471)	(627)	8,420
LRSP during 2024	46,763	0	(1,219)	(23,569)	21,975
LRSP during 2025	0	35,418	(2,809)	0	32,609
Total equity awards	64,002	35,418	(4,528)	(31,644)	63,248

At 31 December 2025, 22 active LRSP awards do exist. During 2025, 14 LRSP awards vested.

Development within 2024 of the LRSP

	Equity awards outstanding 01.01.2024	Equity awards granted during 2024	Equity awards forfeited during 2024	Vested equity awards during 2024	Equity awards outstanding 31.12.2024
LRSP during 2021	1,179	0	0	(678)	501
LRSP during 2022	10,151	0	(693)	(1,737)	7,721
LRSP during 2023	10,158	0	(640)	0	9,518
LRSP during 2024	0	48,653	(1,890)	0	46,763
Total equity awards	21,488	48,653	(3,223)	(2,415)	64,503

At 31 December 2024, 29 active LRSP awards do exist. During 2024, 8 LRSP awards vested.

Development within 2025 of ShareMatch

	Equity awards outstanding 01.01.2025	Equity awards granted during 2025	Equity awards forfeited during 2025	Vested equity awards during 2025	Equity awards outstanding 31.12.2025
ShareMatch 2022	10,625	0	(37)	(10,588)	0
ShareMatch 2023	16,936	0	(686)	0	16,250
ShareMatch 2024	17,637	0	(701)	0	16,936
ShareMatch 2025	0	23,983	(679)	0	23,304
Total equity awards	45,198	23,983	(2,102)	(10,588)	56,491

Development within 2024 of ShareMatch

	Equity awards outstanding 01.01.2024	Equity awards granted during 2024	Equity awards forfeited during 2024	Vested equity awards during 2024	Equity awards outstanding 31.12.2024
ShareMatch 2022	11,122	0	(494)	(3)	10,625
ShareMatch 2023	18,168	0	(1,232)	0	16,936
ShareMatch 2024	0	18,277	(640)	0	17,637
Total equity awards	29,290	18,277	(2,366)	(3)	45,198

The vested equity awards during 2024 of (3) are related to deceased plan participants.

Compensation of the Board of Directors
Objective and Market Benchmarking

In accordance with their respective duties and responsibilities, compensation levels for the Board of Directors are set at the median of the benchmarking peer group. The benchmarking peer group consists of Swiss companies of various sectors that are comparable in type of business, complexity of operations, size and global presence to Lonza. The Board of Directors regularly review the compensation of its members, including the Chairperson, based on a proposal by the Remuneration Committee and on advice from an independent advisor, including relevant benchmarking information.

Structure and Level of Compensation

The Chairperson of the Board of Directors and its Members receive their compensation as 50% in Lonza Group shares and 50% in cash. This was paid in quarterly installments during the 2025 financial year.

The number of shares granted for Board of Directors' compensation is based on the average closing share price of the last five business days of each quarter. Share restrictions lapse after three years from the grant date. Shares are eligible for a dividend. This structure of Board of Directors' compensation is closely aligned with our Shareholders' interests. The members of the Board of Directors do not receive variable compensation. The members of the Board of Directors are reimbursed for travel and other related expenses associated with their responsibilities as members of the Board of Directors of Lonza.

The position and associated compensation of the Chairman of the Board of Directors and its members was approved by shareholders at the 2025 Annual General Meeting (AGM).

Compensation Components

For the period from the AGM 2025 to the AGM 2026, the members of the Board of Directors receive fixed gross compensation for Board of Directors' membership and additional compensation for Committee Chair and committee members as described in the table below.

Compensation Board of Directors Annual General Meeting (AGM) 2024 to 2025 (excluding social security contributions)

In CHF (gross)	Base annual fee	Committee membership fee per committee	Committee Chair fee
Chair of the Board of Directors¹	950,000	–	–
Vice-Chair of the Board of Directors	250,000	40,000	–
Member of the Board of Directors²	225,000	40,000	80,000

The additional responsibilities of Lead Independent Director³ do not attract any additional fees

Form of payout	50% in Lonza Group shares (blocked for 3 years) and 50% in cash and paid in quarterly installments
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¹ The compensation of the Chair of the Board of Directors is inclusive of all committee work.

² The compensation for a Committee Chair amounts to CHF 305,000 where chairing one committee. In the case of multiple committee memberships each attracts a separate fee.

³ The roles and responsibilities of such Lead Independent Director are in line with sect. 18 para. 2 of the Swiss Code of Best Practice for Corporate Governance, requiring adequate control mechanisms, and commensurate to such position.

Development of Compensation for Board of Directors 2025

Grant date	Total Number of Shares	Share Price in CHF	Fair Values of Shares in CHF	Cash in CHF ¹	Total in CHF	Blocked Until
01.01.2025	641	533.08	341,704	343,750	685,454	31.12.2027
01.04.2025	637	557.57	355,175	343,750	698,925	31.03.2028
01.07.2025	835	566.12	472,710	475,000	947,710	30.06.2028
01.10.2025	901	522.36	470,646	475,000	945,646	30.09.2028
Total	3,014	544.41	1,640,236	1,637,500	3,277,736	

¹ Excluding social security and withholding tax.

An amount of CHF 3,277,736 was recognized as an expense in the year 2025.

Development of Compensation for Board of Directors 2024

Grant date	Total Number of Shares	Share Price in CHF	Fair Values of Shares in CHF	Cash in CHF ¹	Total in CHF	Blocked Until
01.01.2024	931	351.34	327,098	328,750	655,848	31.12.2026
01.04.2024	614	533.04	327,287	328,750	656,037	31.03.2027
01.07.2024	671	486.84	326,670	328,750	655,420	30.06.2027
01.10.2024	628	536.16	336,708	338,750	675,458	30.09.2027
Total	2,844	463.35	1,317,762	1,325,000	2,642,762	

¹ Excluding social security and withholding tax.

An amount of CHF 2,642,762 was recognized as an expense in the year 2024.

Recognition in the Consolidated Financial Statements

All of the equity-settled share-based payments had an impact on the 2025 "Profit before income taxes" amounting to an expense of CHF 57 million (2024: CHF 41 million).

**Note 25
Changes in Shares and Share Capital Movements**

Effect in million CHF	31.12.2025	Change in year	31.12.2024	Change in year	31.12.2023
Total number of shares	70,229,021	(1,997,163)	72,226,184	(2,242,568)	74,468,752
Treasury shares					
Free shares	(384,792)	1,204,845	(1,589,637)	762,526	(2,352,163)
Total treasury shares	(384,792)	1,204,845	(1,589,637)	762,526	(2,352,163)
Total shares ranking for dividend at 31 December	69,844,229	(792,318)	70,636,547	(1,480,042)	72,116,589
Share capital movements					
Share Capital in CHF	70,229,021	(1,997,163)	72,226,184	(2,242,568)	74,468,752

On 8 May 2025, Lonza's Board of Directors approved to decrease the share capital by way of cancelation of the second and final tranche of shares repurchased until 31 March 2025 (totaling 1,997,163 shares), which was ultimately executed on 20 June 2025. The decrease of share capital for the first tranche of shares repurchased until 31 December 2023 (totaling 2,242,568 shares), was approved by Lonza's Board of Directors on 19 June 2024. This transaction had a reclassification impact on the statement of changes in equity, but no other impact on the consolidated financial statements, the weighted-average number of shares outstanding, and earnings per share.

The share capital on 31 December 2025 comprised 70,229,021 registered shares (2024: 72,226,184) with a par value of CHF 1 each, amounting to CHF 70,229,021 (2024: CHF 72,226,184).

Contingent Capital

The share capital of Lonza Group Ltd may be increased through the issuance of a maximum of 7,500,000 fully paid in registered shares with a par value CHF 1 each up to a maximum aggregate amount of CHF 7,500,000.

Authorized Capital

At the Annual General Meeting on 5 May 2023, the shareholders approved the Board of Directors' proposal to introduce a capital band with an upper limit of CHF 85,635,000 and a lower limit of CHF 67,050,000, authorizing the Board of Directors to increase and decrease the share capital one or several times within these limits until 5 May 2028. The details and conditions are set out in Articles 4^{ter} to 4^{quater} of the Company's Articles of Association.

At 31 December 2025, Lonza Group Ltd had a fully paid-in registered capital of CHF 70,229,021.

Reserves in the amount of CHF 37,234,376 (2024: CHF 37,234,376) included in the financial statements of the parent company cannot be distributed.

Dividend

On 9 May 2025, at the Annual General Meeting, shareholders approved the distribution of a dividend of CHF 4.00 per share in respect of the 2024 financial year (financial year 2023: CHF 4.00). The dividend distribution totaled CHF 280 million (2024: CHF 285 million), equally recorded against the retained earnings (CHF 140 million) and the reserves from capital contribution of Lonza Group Ltd (CHF 140 million).

A dividend payment per share of CHF 5.00 is proposed by the Board of Directors to be made after the 31 December 2025 balance sheet date, subject to approval by the shareholders at the Annual General Meeting on 8 May 2026.

Share buyback

On 25 January 2023, Lonza announced a program to buyback own registered shares of up to CHF 2 billion over a maximum period of two years for the purpose of subsequent capital reductions. The buyback program started on 3 April 2023. The total number of shares repurchased at the completion of the program at 31 March 2025 was 4,239,731 for a total value of CHF 2 billion. Between 1 January 2025 and 31 March 2025, Lonza purchased 490,996 shares for a value of CHF 281 million.

Note 26

Earnings Per Share

	2025	2024
Weighted average number of outstanding shares (basic)		
Weighted average number of outstanding shares	70,022,180	71,175,084
Weighted average number of outstanding shares (diluted)		
Weighted average number of outstanding shares	70,022,180	71,175,084
– Adjustments for dilutive share units and shares	212,712	118,364
Weighted average number of shares for diluted earnings per share	70,234,892	71,293,448

million CHF	2025			2024		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
Profit / (Loss) for the period (equity holders of the parent)	913	(1,188)	(275)	606	30	636
Basic earnings per share in CHF	13.04	(16.97)	(3.93)	8.51	0.42	8.93
Diluted earnings per share in CHF	13.00	(16.91)	(3.92)	8.49	0.42	8.92
Dividend paid for the period ¹			280			285
Dividends per share for the period in CHF			4.00			4.00
Dividends declared after the balance sheet date			349			283
Dividends per share declared after the balance sheet date in CHF			5.00			4.00

¹ Excluding dividends of CHF 2 million (2024: CHF 3 million) paid to minority shareholders of a subsidiary.

Note 27

Related Parties

Identity of Related Parties

The Group has a related-party relationship with associates, joint ventures (see note 7, 8 and 32), pension and other post-retirement plans (see note 23) as well as with the Board of Directors and the members of the Executive Committee.

Transactions with Key Management Personnel Board of Directors

In 2025 payments to acting members of the Board of Directors of Lonza Group Ltd totaled CHF 3.4 million¹ (2024: CHF 2.76 million¹), of which 48.3% (2024: 48.3%) was received in the form of shares. The Director fees are paid 50% in cash and 50% in shares; the value of the employer's social security contributions is added to the cash payments. The value of the share-based fees is determined based on the average closing share price of the last five business days of each quarter. Shares are restricted for a period of three years from each award date and are eligible for a dividend from date of award.

Members of the Board of Directors and their immediate relatives control in 2025 25,561 (2024: 23,958) or <0.1% (2024: <0.1%) of the voting shares of Lonza Group Ltd. None of the Directors owns shares in the Group's subsidiaries or associates.

Executive Committee Compensation

The acting members of the Executive Committee received, for their contributions and time served in 2025, CHF 12.58 million^{1,2} (2024: CHF 10.72 million^{1,2}) in cash and additional benefits. Share based compensation includes 13,485 LTIP shares and 1,748 LRSP (Lonza Restricted Share Unit Plan) shares granted (2024: 13,855 LTIP shares and 5,911 LRSP shares) and the value of share based Bonus payments, equivalent to a total value of CHF 0.14 million (2024: CHF 0.69 million). In 2025 termination benefits were paid out to a departing member of the Executive Committee according to the employment agreement and plan rules equal to CHF 0.44 million (CHF 0.44 million in cash and CHF 0 in shares equivalent). In 2024 termination benefits were paid out to the departing member of the Executive Committee according to the employment agreements equal to CHF 1.29 million (CHF 1.07 million in cash and in shares equivalent to a value of CHF 0.22 million).

The compensation for the Board of Directors and the Executive Committee (termination benefits included) was as follows:

Million CHF	2025	2024
Short-term benefits ¹	12.25	9.59
Post-employment benefits and other benefits ²	2.09	2.55
Share-based payments ³	10.34	10.88
Other compensation ⁴	0.73	1.29
Total	25.41	24.31

¹ Including short-term incentive payout in May of the following year.

² Including employer contribution for social security and pension funds.

³ Share based Bonus and LTIP awards. Also, in line with the Executive Committee Appointments Policy, awards were made to Executive Committee members in 2025 under the Lonza Restricted Share Unit Plan (LRSP), to compensate for equity awards which were forfeited when leaving the previous employer. The awards were made in accordance with Article 23 (Supplementary Amount in the Event of Changes in the Executive Committee) of Lonza's Articles of Association. The awards will vest in yearly tranches over a 2-years vesting period, subject to continued employment, sustained performance and clawback, under the Clawback Policy.

⁴ Cash payment (including base salary, other benefits, bonus and social security) and shares (LTIP) received by departed members of the Executive Committee during 2025.

Note 28 Financial Risk Management

28.1 Overall Risk Management Policy

Lonza is exposed in particular to credit and liquidity risk, as well as to market risks (e.g. movements in foreign currency exchange rates, interest rates and market prices) that affect its assets, liabilities, and forecasted transactions.

Lonza's overall risk management policy aims to limit these risks through operational and finance activities.

The Board of Directors has overall responsibility for the establishment and oversight of Lonza's risk management framework. Financial risk management is carried out by a central treasury department (Group Treasury). Group Treasury is responsible for implementing the policy, and identifies, evaluates and hedges financial risks in close cooperation with Lonza's Business Platforms. Group Treasury also has the sole responsibility for carrying out foreign exchange transactions and executing financial derivative transactions with third parties.

Lonza's risk management policies are established to identify and analyze the risks faced by Lonza, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Lonza's activities. The Lonza Audit and Compliance Committee (ACC) oversees how management monitors compliance with Lonza's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by Lonza. The ACC is assisted in its oversight role by Internal Audit (Lonza Audit Services). Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the ACC.

28.2 Credit Risk

Credit risk is the risk of financial loss to Lonza if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and primarily arises from Lonza's cash and cash equivalents and receivables from customers.

Cash and cash equivalents

Cash and cash equivalents are held with banks and financial institutions, which are predominantly rated as investment grade in the A-AAA range, based on Moody's and Standard & Poor's ratings. The Group assumes that the credit risk on cash and cash equivalent is immaterial.

Accounts Receivables

Lonza's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including geographic location, industry, and existence of previous financial difficulties.

Purchase limits are established for each customer, which are reviewed regularly. For customers domiciled in specific countries with high risk, Lonza has credit risk insurance covering the maximum exposure. The maximum credit risk is equal to the carrying amount of the respective assets. There are no commitments that could increase this exposure to more than the carrying amounts. In general, Lonza does not require collateral in respect of trade and other receivables, but uses credit insurance for country risk where appropriate.

Lonza has a history of low credit losses on accounts receivable. Credit losses that occurred in the past were primarily related to very few single customers. Furthermore, none of Lonza's businesses had a heightened exposure to credit losses in the past and based on Lonza's best estimate this is not expected to change in the foreseeable future.

Consequently, the allowances for credit losses (see note 10) represents primarily the credit risk of specific customers.

Aging of Trade Receivables ¹

Year ended 31 December 2025

million CHF	Expected credit loss rate	Gross carrying amount	Allowance for credit losses
Current	0.1%	851	(1)
Past due 1 to 60 days	2.9%	171	(5)
Past due 61 to 180 days	19.0%	21	(4)
Past due 181 to 365 days	50.0%	4	(2)
Past due more than 365 days	63.0%	73	(46)
Total		1,120	(58)

¹ Excluding allowances for credit losses (see note 10).

Year ended 31 December 2024

million CHF	Expected credit loss rate	Gross carrying amount	Allowance for credit losses
Current	0.2%	1,130	(2)
Past due 1 to 60 days	6.7%	104	(7)
Past due 61 to 180 days	40.6%	32	(13)
Past due 181 to 365 days	26.3%	19	(5)
Past due more than 365 days	63.8%	69	(44)
Total		1,354	(71)

¹ Excluding allowances for credit losses (see note 10).

There is no other significant concentration of counterparty credit risk due to the Group's large number of customers and their wide geographical spread. Risk limits and exposures are continuously monitored by country and by the nature of counterparties.

Financial Instruments and Cash Deposits

Financial Instruments and Cash Deposits Credit risk from balances with banks and financial institutions is managed by the Group's treasury department. Counterparty credit ratings are reviewed regularly. The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk at the reporting date was as follows:

million CHF	Notes	2025	2024
Financial assets at amortized cost			
Trade receivables, net	10	1,062	1,283
Other receivables	11	100	162
Accrued income	3	277	144
Non-current and current lease receivables	7, 11	7	17
Non-current and current loans and advances	7, 11	140	140
Collateral arrangements (Credit Support Annexes)	11	77	80
Short-term investments at amortized costs	12	0	600
Cash and cash equivalents	12	719	1,111
Total financial assets at amortized cost		2,382	3,537
Financial assets at fair value			
Non-current and current derivative financial instruments	28.5	90	124
Short-term investments at fair value through profit or loss	12	0	0
Contingent consideration from sale of business	28.6	1	0
Total financial assets at fair value		91	124
Total financial assets		2,473	3,661

**28.3
Liquidity Risk**

Liquidity risk is the risk that Lonza will not be able to meet its financial obligations as they fall due. Lonza's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Lonza's reputation. Group Treasury maintains flexibility in funding also using bilateral and syndicated credit lines. Lonza has concluded the following lines of credit: Committed credit lines of CHF 1,500 million (CHF 0 million used as of 31 December 2025) and uncommitted credit lines of CHF 133 million (CHF 0 used as of 31 December 2025).

The following table analyses the Group's financial liabilities and derivative financial liabilities in relevant maturity groupings, based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows, including interest payments. Balances due within 12 months are equal to their carrying balances, as the impact of discounting is not significant.

Year ended
31 December 2025

million CHF	Carrying amount ¹	Contractual cash flows ²	Between 0 and 6 months	Between 7 and 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
Straight bond (2020-2026)	150	151	0	151	0	0	0	0
Straight bond (2023-2029)	300	324	0	6	6	6	306	0
Straight bond (2023-2029)	148	162	0	3	3	3	153	0
Straight bond (2023-2028)	185	197	4	0	4	189	0	0
Straight bond (2023-2031)	215	251	6	0	6	6	12	221
Euro bond (2020-2027)	464	476	8	0	468	0	0	0
Euro bond (2023-2033)	460	599	18	0	18	18	36	509
Euro bond (2024-2036)	917	1,303	36	0	36	36	72	1,123
Euro bond (2024-2030)	555	643	0	18	18	18	589	0
Euro bond (2024-2034)	548	730	0	20	20	20	39	631
Term loan	159	163	3	160	0	0	0	0
Other debt due to others	84	120	2	2	3	3	57	53
Total debt	4,185	5,119	77	360	582	299	1,264	2,537
Other non-current liabilities	337	530	0	0	57	38	68	367
– of which lease liabilities	321	514	0	0	41	38	68	367
Other current liabilities	569	582	559	23	0	0	0	0
– of which lease liabilities	34	47	24	23	0	0	0	0
Trade payables	514	514	514	0	0	0	0	0
Derivative financial instruments	191	190	56	8	5	0	0	121
Contingent consideration	0	0	0	0	0	0	0	0
Total financial liabilities	5,796	6,935	1,206	391	644	337	1,332	3,025

Year ended
31 December 2024

million CHF	Carrying amount ¹	Contractual cash flows ²	Between 0 and 6 months	Between 7 and 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
Straight bond (2020-2026)	150	152	0	1	151	0	0	0
Straight bond (2023-2029)	300	330	0	6	6	6	312	0
Straight bond (2023-2029)	148	163	0	3	3	3	154	0
Straight bond (2023-2028)	185	201	4	0	4	4	189	0
Straight bond (2023-2031)	215	257	6	0	6	6	12	227
Euro bond (2020-2027)	468	492	8	0	8	476	0	0
Euro bond (2023-2033)	465	627	18	0	18	18	36	537
Euro bond (2024-2036)	924	1,355	36	0	36	36	72	1,175
Euro bond (2024-2030)	559	668	18	0	18	18	36	578
Euro bond (2024-2034)	553	940	32	0	32	32	65	779
Term loan	627	677	15	466	196	0	0	0
Other debt due to others	116	165	2	20	4	4	8	127
Total debt	4,710	6,027	139	496	482	603	884	3,423
Other non-current liabilities	383	672	0	0	80	57	103	432
– of which lease liabilities	366	655	0	0	63	57	103	432
Other current liabilities	760	781	749	32	0	0	0	0
– of which lease liabilities	44	65	33	32	0	0	0	0
Trade payables	471	471	471	0	0	0	0	0
Derivative financial instruments	233	233	61	41	23	0	0	108
Contingent consideration	80	85	56	0	9	0	17	3
Total financial liabilities	6,637	8,269	1,476	569	594	660	1,004	3,966

¹ Carrying amount of debt and financial liabilities excluding accrued interests.

² Including interest payments.

28.4 Market Risk

Market risk is the risk that changes in market prices will affect Lonza's income or the value of its holdings of financial instruments. Lonza is exposed to market risk from changes in currency exchange and interest rates. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk. Lonza has established a treasury policy of which the objective is to reduce the volatility relating to these exposures. Lonza enters into various derivative transactions based on Lonza's treasury policy that establishes guidelines in areas such as counterparty exposure and hedging practices. Counterparties to agreements are major international financial institutions with at least investment grade rating. Positions are monitored using techniques such as market value and sensitivity analyses. All such transactions are carried out within the guidelines set by the Audit and Compliance Committee.

Foreign Exchange Risk

The Group operates across the world and is exposed to movements in foreign currencies affecting the Group financial result and the value of Group equity. Foreign exchange risk arises because the amount of local currency paid or received for transactions denominated in foreign currencies may vary due to changes in exchange rates ("transaction exposures") and because the foreign currency denominated financial statements of the Group's foreign subsidiaries may vary upon consolidation into the Swiss-franc-denominated Group Financial Statements ("translation exposures"). Foreign exchange risks arise primarily on transactions that are denominated in USD, EUR and GBP and SGD.

In managing its exposure regarding the fluctuation in foreign currency exchange rates, Lonza has entered into a variety of currency swaps and forward contracts. These agreements generally include the exchange of one currency against another currency at a future date. Lonza adopts a policy of considering hedging for all the committed contractual exposure. The planned exposure is hedged within certain ranges. Hedge ratios are determined by the risk committee and depend on market expectation, risk bearing ability and risk appetite.

The table below shows the impact on post-tax profit if at 31 December a currency had strengthened (+) or weakened (-) versus the Swiss franc, with all other variables held constant as a result of the currency exposures outlined in the tables below:

million CHF	Sensitivity	Post-tax profit			
		2025		2024	
		+	-	+	-
USD	+ / - 10%	(3.6)	3.6	(4.5)	4.5
EUR	+ / - 10%	(0.6)	0.6	0.3	(0.3)
GBP	+ / - 10%	(2.2)	2.2	(1.1)	1.1
SGD	+ / - 10%	(0.7)	0.7	0.7	(0.7)

The summary quantitative data relating to the Group's exposure to currency risks as reported to the management of the Group is as follows:

Year ended

31 December 2025

million CHF	USD	GBP	EUR	SGD	Other	Total
Other non-current investments	8	0	9	0	0	17
Trade receivables, net	453	66	55	0	18	592
Collateral arrangements (Credit Support Annexes)	79	0	0	0	0	79
Other receivables and prepaid expenses	0	0	1	0	0	1
Cash and cash equivalents	54	15	20	1	10	100
Non-current and current debt	(161)	0	0	0	0	(161)
Other current and non-current liabilities	(4)	(1)	(18)	(17)	8	(33)
Trade payables	(231)	(43)	(76)	(33)	(16)	(399)
Net group internal loans	490	(92)	(3,019)	72	(9)	(2,557)
Gross balance sheet exposure	687	(56)	(3,028)	23	11	(2,363)
Currency-related instruments	(730)	28	3,021	(31)	(12)	2,277
Net exposure	(43)	(27)	(7)	(8)	(1)	(86)

Year ended

31 December 2024

million CHF	USD	GBP	EUR	SGD	Other	Total
Other non-current investments	41	0	8	0	0	49
Trade receivables, net	319	73	16	0	18	426
Collateral arrangements (Credit Support Annexes)	78	0	0	0	0	78
Other receivables and prepaid expenses	0	0	3	0	0	3
Cash and cash equivalents	54	12	18	2	19	105
Non-current and current debt	(616)	0	0	0	0	(616)
Other current and non-current liabilities	(29)	(1)	(66)	(5)	7	(94)
Trade payables	(173)	(36)	(54)	(16)	(28)	(307)
Net group internal loans	319	(73)	(2,491)	43	43	(2,159)
Gross balance sheet exposure	(7)	(25)	(2,566)	24	59	(2,515)
Currency-related instruments	(46)	11	2,569	(16)	(56)	2,462
Net exposure	(53)	(14)	3	8	3	(53)

The following exchange rates were applied during the year:

Balance Sheet Year-End Rates	2025	2024
Dollar	0.7937	0.9029
Euro	0.9309	0.9402
Pound sterling	1.0657	1.1331
Renminbi	0.1136	0.1237
Singapore dollar	0.6170	0.6629

Income Statement Year-Average Rates	2025	2024
Dollar	0.8307	0.8806
Euro	0.9369	0.9526
Pound sterling	1.0939	1.1251
Renminbi	0.1155	0.1223
Singapore dollar	0.6353	0.6589

Interest Rate

Risk arises from movements in interest rates which could affect the Group financial result or the value of Group equity. Changes in interest rates may cause variations in interest income and expense. In addition, they may affect the market value of certain financial assets, liabilities and hedging instruments. The primary objective of the Group's interest rate management is to protect the net interest result.

Lonza's policy is to manage interest cost using a mix of fixed and variable rate debt. Group policy is to maintain at least 50% of its borrowings in fixed-rate instruments. In order to manage this mix in a cost-efficient manner, Lonza enters into interest rate swaps and cross-currency interest rate swaps to exchange at specified intervals, the difference between fixed and variable interest amounts calculated by reference to a corresponding notional principal amount. Lonza adopts a policy of having one third of the debt on a short-term basis and two-thirds of the debt on a long-term basis. The mix between floating and fixed rates depends on the market view of Lonza.

Lonza's exposure to interest rate risk was as follows:

million CHF	2025	2024
Net Debt / (cash) ¹	3,258	2,859
Net Debt / (cash) at fixed interest rates ²	(3,600)	(3,627)
Interest risk exposure	(342)	(768)

¹ Refer to section "Alternative Performance Measures" for details on the calculation methodology.

² Including effects from cross currency interest rate swaps.

In 2025, if the interest rates had increased / decreased by 1%, with all other variables held constant, post-tax profit would have been CHF 2.8 million higher / lower.

In 2024, if the interest rates had increased / decreased by 1%, with all other variables held constant, post-tax profit would have been CHF 6.5 million higher / lower.

In both years, there is no impact on equity arising from the interest rate sensitivity analysis, as all hedging instruments and related financial instruments bear fixed interest rates.

28.5 Overview of Derivative Financial Instruments

The following table shows the contract or underlying principal amounts and fair values of derivative financial instruments by type of contract at 31 December 2025 and 2024. Contract or underlying principal amounts indicate the volume of business outstanding at the balance sheet date and do not represent amounts at risk. The fair values are determined by using the difference of the prices fixed in the outstanding derivative contracts from the actual market conditions which would have been applied at the year-end if we had to recover these trades.

Financial Instruments at Fair Value Through Profit or Loss

The derivatives in this category are effective economic hedges of external and intercompany monetary transactions – denominated in non-functional currencies of the different Lonza subsidiaries. Mark-to-market accounting treatment is applied as the changes in value of the derivatives are deemed to materially offset the FX revaluation of the transactions being hedged. There is no material mismatch present for these derivatives – as the terms of the derivatives materially match the terms of the exposures being hedged.

million CHF	Contract or underlying principal amount		Positive fair values		Negative fair values		Total net fair values	
	2025	2024	2025	2024	2025	2024	2025	2024
Currency-related instruments	6,181	2,540	13	25	(19)	(28)	(6)	(3)
Total financial instruments at fair value through profit or loss	6,181	2,540	13	25	(19)	(28)	(6)	(3)

Financial Instruments – Hedge accounting applied

The derivatives in this category present effective economic hedges of future cash flows primarily related to:

- Sales and costs that are denominated in non-functional currencies of the major operational subsidiaries of Lonza Group;
- Coupon and principal settlements on external financing transactions undertaken by Lonza Group and its subsidiaries; and
- M&A transactions (during 2024 only).

Cash flow hedge accounting treatment is applied for all the derivatives – to reflect the timing mismatch between recognizing the gains / losses on the exposures being hedged and the gains / losses on the derivatives. There is no material ineffectiveness on the designated hedging relationships as the terms of the derivatives materially match the terms of the hedged items / exposures being hedged.

million CHF	Contract or underlying principal amount		Positive fair values		Negative fair values		Total net fair values	
	2025	2024	2025	2024	2025	2024	2025	2024
Currency-related instruments	6,828	4,006	44	74	(33)	(97)	11	(23)
Cross currency interest rate swaps	1,953	1,389	33	25	(139)	(108)	(106)	(83)
Total financial instruments hedge accounting applied	8,781	5,395	77	99	(172)	(205)	(95)	(106)

Offsetting of Financial Assets and Financial Liabilities

The Group enters into derivative transactions under International Swaps and Derivatives Association (ISDA) master netting agreements with the respective counterparties in order to mitigate counterparty risk. Under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other. The ISDA agreements do not meet the criteria for offsetting in the balance sheet as the Group does not have a currently enforceable right to offset recognized amounts, because the right to offset is only enforceable on the occurrence of future events, such as a default or other credit events.

In addition, for certain financial instruments positions, Credit Support Annex (CSA) contracts are attached to the framework agreements, in which cash is exchanged as collateral (by the means of agreed regular reciprocal margin payments). Collaterals posted under a Credit Support Annex are recognized at their nominal value in the balance sheet (see note 11).

The following table sets out the carrying value of derivative financial instruments and the amounts that are subject to master netting agreements.

million CHF	Assets		Liabilities	
	2025	2024	2025	2024
Currency related instruments	57	99	(52)	(125)
Interest related instruments	0	0	0	0
Cross currency interest rate swaps	33	25	(139)	(108)
Carrying value of derivative financial instruments	90	124	(191)	(233)
Derivatives subject to master netting agreements	(84)	(121)	84	121
Collateral (received) / paid under CSA (Credit Support Annexes) agreements	0	0	77	80
Net amount	6	3	(30)	(32)

Positive fair values of derivatives are included as part of "Other receivables, prepaid expenses and accrued income". Negative fair values of derivatives are included as part of "Other current liabilities". Hedge accounting was applied to cash flow hedges on highly probable payments in foreign currencies.

28.6 Financial Instruments Carried at Fair Value

The Group applied the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities. This includes observable market prices of the debt instruments for straight bonds issued.
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. This includes FX and interest rates provided by third party financial institutions as well as statements from investments funds.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

million CHF	2025				2024			
	Level 1	Level 2	Level 3	Total fair value	Level 1	Level 2	Level 3	Total fair value
Assets								
Short-term investments at fair value through profit or loss	0	0	0	0	0	0	0	0
Other non-current investments	0	18	0	18	0	67	0	67
Derivative financial instruments	0	90	0	90	0	124	0	124
Contingent consideration related to sale of businesses	0	0	1	1	0	0	0	0
Liabilities								
Derivative financial instruments	0	(191)	0	(191)	0	(233)	0	(233)
Contingent consideration related to acquisition of businesses	0	0	0	0	0	0	(80)	(80)
Net assets and liabilities measured at fair value	0	(83)	1	(82)	0	(42)	(80)	(122)

In 2025 and 2024 there were no transfers between Level 1 and Level 2 or Level 3 fair value measurements.

Details of the determination of Level 3 fair value measurements are set out below:

Contingent consideration arrangements related to sale of businesses

million CHF	2025	2024
At 1 January	0	2
Gains and losses included in the income statement	1	(2)
At 31 December	1	0

Contingent consideration arrangements related to acquisition of businesses

million CHF	2025	2024
At 1 January	80	51
Considerations paid	(56)	0
Impact from fair value adjustment on contingent purchase price consideration	(22)	29
Currency translation effects	(2)	0
At 31 December	0	80

Lonza is party to certain contingent consideration arrangements arising from business combinations. The fair values are determined considering the expected payments. The expected payments are determined by considering the possible scenarios of regulatory approvals and forecast sales, which are the most significant unobservable inputs. The estimated fair value would increase if the forecast sales were higher or if the likelihood of

obtaining regulatory approval was higher. As of 31 December 2025, the total potential payments associated with contingent consideration arrangements amount to USD 62 million for Octane. The earn-out payment related to the Synaffix acquisition totaled CHF 56 million and was fully settled during 2025. In respect of the Octane earn-out, Lonza has revised its estimated liability to CHF 0 as of 31 December 2025.

28.7 Carrying Amounts and Fair Values of Financial Instruments by Category

The carrying values less impairment provision of trade receivables are assumed to approximate to their fair values due to the short-term nature of trade receivables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the balance sheet date. The table below shows the carrying amounts and fair values of financial instruments by category.

The carrying values of other financial assets shown in the table below are also considered to approximate their fair values, based on the nature of these assets.

Year ended
31 December 2025

million CHF	Fair value hierarchy ¹	Financial instruments mandatorily at fair value through profit or loss	Fair value – hedging instruments	Financial assets at amortized cost	Financial liabilities at amortized cost	Carrying amount ²	Fair value ²
Other non-current investments	Level 2	18	0	0	0	18	18
Trade receivables, net	Level 2	0	0	1,062	0	1,062	1,062
Other receivables	Level 2	0	0	100	0	100	100
Accrued income	Level 2	0	0	277	0	277	277
Non-current and current lease receivables	Level 2	0	0	7	0	7	7
Non-current and current loans and advances, net	Level 2	0	0	140	0	140	140
Collateral arrangements (Credit Support Annexes)	Level 2	0	0	77	0	77	77
Short-term investments	Level 2	0	0	0	0	0	0
Cash and cash equivalents	Level 2	0	0	719	0	719	719
Contingent consideration from sale of business	Level 3	1	0	0	0	1	1
Derivative financial instruments	Level 2	0	90	0	0	90	90
Total financial assets		19	90	2,382	0	2,491	2,491
Debt							
– Straight bonds	Level 1	0	0	0	3,942	3,942	4,017
– Other debt	Level 2	0	0	0	243	243	243
Current liabilities	Level 2	0	0	0	569	569	569
Non-current liabilities	Level 2	0	0	0	337	337	337
Trade payables	Level 2	0	0	0	514	514	514
Contingent consideration	Level 3	0	0	0	0	0	0
Derivative financial instruments	Level 2	0	191	0	0	191	191
Total financial liabilities		0	191	0	5,605	5,796	5,871

Year ended
31 December 2024

million CHF	Fair value hierarchy ¹	Financial instruments mandatorily at fair value through profit or loss	Fair value – hedging instruments	Financial assets at amortized cost	Financial liabilities at amortized cost	Carrying amount ²	Fair value ²
Other non-current investments	Level 2	67	0	0	0	67	67
Trade receivables, net	Level 2	0	0	1,283	0	1,283	1,283
Other receivables	Level 2	0	0	162	0	162	162
Accrued income	Level 2	0	0	144	0	144	144
Non-current and current lease receivables	Level 2	0	0	17	0	17	17
Non-current and current loans and advances, net	Level 2	0	0	140	0	140	140
Collateral arrangements (Credit Support Annexes)	Level 2	0	0	80	0	80	80
Short-term investments	Level 2	0	0	600	0	600	600
Cash and cash equivalents	Level 2	0	0	1,111	0	1,111	1,111
Contingent consideration from sale of business	Level 3	0	0	0	0	0	0
Derivative financial instruments	Level 2	0	124	0	0	124	124
Total financial assets		67	124	3,537	0	3,728	3,728
Debt							
– Straight bonds	Level 1	0	0	0	3,967	3,967	4,101
– Other debt	Level 2	0	0	0	743	743	743
Current liabilities	Level 2	0	0	0	760	760	760
Non-current liabilities	Level 2	0	0	0	383	383	383
Trade payables	Level 2	0	0	0	471	471	471
Contingent consideration	Level 3	80	0	0	0	80	80
Derivative financial instruments	Level 2	0	233	0	0	233	233
Total financial liabilities		80	233	0	6,324	6,637	6,771

¹ According to note 28.6 the hierarchy levels have been applied to determine the fair value of financial assets and liabilities.

² Carrying amount and fair value of debt exclude accrued interests.

28.8 Capital Management

The Board's policy is to maintain a strong capital base so as to retain investor, creditor and market confidence and to sustain the future development of the business. The Board of Directors monitors both the demographic spread of shareholders and the return on capital, which Lonza defines as total shareholders' equity, excluding non-controlling interest, and the level of dividends to ordinary shareholders.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position. Generally, Lonza is committed to maintaining a strong investment-grade rating. Since 2019, it has held an investment-grade BBB+ rating with a stable outlook from Standard & Poor's (S&P), which has been consistently reaffirmed.

From time to time, Lonza purchases its own shares on the market; the timing of these purchases depends on market prices. Primarily, the shares are intended to be used for issuing shares under Lonza's share programs. Furthermore, in 2023 Lonza initiated a program to buy back its own registered shares of up to CHF 2 billion. The program was successfully completed in accordance with the planned timeline in March 2025 (see note 25). Neither Lonza Group Ltd nor any of its subsidiaries is subject to externally imposed capital requirements.

Note 29 Share Ownership of the Members of the Board of Directors and the Executive Committee

Board of Directors

Based on information available to Lonza, the members of the Board of Directors and parties closely associated with them¹ held, as of 31 December 2025: 25,561 (2024: 23,958)¹ registered shares of Lonza Group Ltd and controlled <0.1% (2024: <0.1%) of the share capital.

None of the members of the Board of Directors or Executive Committee owns shares in the Group's subsidiaries or associates.

Board of Directors ¹	Numbers of shares	
	2025	2024
Jean-Marc Huët	1,144	366
Jürgen Steinemann	10,087	9,460
Christoph Mäder	4,937	4,633
Juan Andres ²	139	n/a
Eric Drapé ²	139	n/a
Marion Helmes	899	633
Angelica Kohlmann	2,291	1,987
David Meline ²	289	n/a
Roger Nitsch	899	633
Barbara Richmond	4,737	4,473
Olivier Verscheure	n/a	1,775
Total	25,561	23,958

¹ Board of Director members, spouse, children below 18, any legal entities that they own or otherwise control, or any legal or natural person who is acting as their fiduciary.

² Juan Andres, Eric Drapé and David Meline were appointed to the Board of Directors at the AGM 2025.

Executive Committee

The members of the Executive Committee and parties closely associated with them held, as of 31 December 2025: 37,613 (2024: 10,292)¹ shares and controlled <0.1% (2024: <0.1%) of the share capital. The individual control rights are proportional to the holdings shown below.

None of the members of the Executive Committee owns shares in the Group's subsidiaries or associates.

Executive Committee ¹²	Numbers of shares	
	2025	2024
Wolfgang Wienand ³	11,706	n/a
Philippe Deecke	4,835	3,400
Maria Soler Nunez	2,427	1,088
Nicoleta Baumgärtner ⁴	212	n/a
Andreas Bohrer ⁵	8,876	n/a
Jason Berndt ⁵	n/a	n/a
Gordon Bates	2,939	2,404
Christian Seufert	1,842	889
Daniel Palmacci	1,266	359
Jean-Christophe Hyvert	3,510	2,152
Total	37,613	10,292

¹ Executive Committee member, spouse, children below 18, any legal entities that they own or otherwise control, or any legal or natural person who is acting as their fiduciary.

² Two active Executive Committee members, are developing their shareholding in line with the shareholding guidelines.

³ Wolfgang Wienand appointed to the Executive Committee on 1 July 2024.

⁴ Nicoleta Baumgärtner appointed to the Executive Committee on 1 November 2024.

⁵ Andreas Bohrer and Jason Berndt appointed to the Executive Committee on 1 July 2025 and 1 October 2025 respectively.

Note 30 Enterprise Risk Management

Our Enterprise Risk Management (ERM) program is a critical element of our risk management and strategic planning activities, by providing a mechanism and appropriate governance for risk management. We have leveraged the methodology of our ERM processes to develop a holistic, Group-level risk management program. This enables us to identify the most significant risks to our organization that impact value to our stakeholders, including risks relating to macroeconomics and geopolitics, climate change, compliance and human rights, along with mitigation plans to minimize the probability and/or impact of such risks. The annual ERM process includes the following elements:

- **Risk Identification:** We identify risks using internal and external data analytics and resources. We have discussions with risk owners and subject matter experts and incorporate anticipatory risks identified through climate, social and other data trends.
- **Trend analysis:** Our ERM team consolidates input, assesses the risks and maps probability and impact versus prior year.
- **Calibration and Mitigation Planning:** We conduct calibration workshops with senior leadership teams and ensure appropriate mitigation measures are in place. Mitigation measure owners report status of their measures periodically throughout the year.
- **Reporting to Executive Committee:** We report findings to the Executive Committee for evaluation and alignment with strategic planning.
- **Reporting to Board of Directors:** We report top risks and mitigation plans to the Audit and Compliance Committee and the Board of Directors to ensure appropriate oversight.

Through this process, Lonza has identified 14 high-level thematic risk categories. An increased focus on Environmental, Social, and Governance (ESG) topics, including but not limited to climate change, human rights, geopolitical and macroeconomic shifts, are considered in the company's enterprise risk assessment. Each identified risk category is assessed according to its probability of occurrence and its negative impact on the Group over a three-year horizon, with a risk range from unlikely to highly probable; and any potential negative effect of a risk is assessed according to its impact on the annual Group's EBIT, the Group's reputation, and the Group's operations. Emerging risks with a potential for occurring beyond the three-year horizon are also considered.

Risks have been identified for each division and for corporate functions. The risks identified in 2025 were presented to the Executive Committee, the Audit and Compliance Committee and the Board of Directors at their meetings in September, October and December 2025, respectively. Financial risk management is disclosed in note 28.

Note 31 Events After Balance Sheet Date

The Consolidated Financial Statements of the Lonza Group for the financial year 2025 were approved for issue by the Board of Directors on 30 March 2026 and are subject to approval by the Annual General Meeting on 8 May 2026.

On 6 March 2026, Lonza announced that it has entered into a definitive agreement to divest its Capsules & Health Ingredients (CHI) business to Lone Star Funds for an enterprise value of CHF 2.3 billion. In addition, the Group recently announced three smaller divestments relating to the Personalized Medicines business (Cocoon®), the MODA® software platform, and the small molecules micronization site in Monteggio (CH). See note 4 for further details.

The Company intends to initiate a share buyback program for CHF 500 million spanning 12 months, following the receipt of the proceeds from Lone Star Funds.

As of the date of issuance of these Financial Statements, no other significant subsequent events have occurred after the reporting period that might affect the Group and that should be included thereto.

Note 32 Principal Subsidiaries and Joint Ventures

Selection criteria: CHF 10 million net sales 3rd Parties, CHF 10 million total assets 3rd parties or more than 30 FTEs.

Name	Town/Country	Currency ¹	Share Capital	Holding Direct	Holding Indirect
BioAtrium AG	Visp CH	CHF	87,700,000		50%
Capsugel Australia Pty Ltd	Sydney AUS	AUD	6,368,270		100%
Capsugel Belgium NV	Bornem BE	EUR	236,921,555		100%
Capsugel Brasil Importação e Distribuição de Insumos Farmacêuticos e Alimentos Ltda.	Rio de Janeiro BR	BRL	60,909,897		100%
Capsugel Canada Corp.	Vancouver CA	CAD	n/a ²		100%
Capsugel Italy Srl	Milan IT	EUR	10,000		100%
Capsugel de México, S. de R.L. de C.V.	Puebla ME	MXN	870,004,052		100%
Capsugel Distribucion, S. de R.L. de C.V.	Puebla ME	MXN	20,000,000		100%
Capsugel France SAS	Colmar FR	EUR	1,280,000		100%
Capsugel Healthcare Private Limited	Gurugram IN	INR	6,285,075,930		99.9% ¹
Komec N.V.	Wilrijk BE	EUR	62'000		100%
LLC Capsugel	Kuzminki (city of Moscow) RU	RUB	150,000		100%
Lonza AG	Visp CH	CHF	60,000,000		100%
Lonza Bend Inc.	Portland US	USD	n/a ²		100%
Lonza Biologics Inc	Wilmington US	USD	1,000		100%
Lonza Biologics Ltd.	Guangzhou CN	USD	87,200,000		100%
Lonza Biologics plc	Slough GB	GBP	14,500,000		100%
Lonza Biologics Porriño S.L.	Porriño ES	EUR	10,295,797 ¹		100%
Lonza Biologics Tuas Pte. Ltd.	Singapore SG	SGD USD	172,000,000 25,000,000		100%
Lonza Bioscience Singapore Pte Ltd	Singapore SG	USD	1		100%
Lonza Cologne GmbH	Cologne DE	EUR	1,502,000		100%
Lonza Costa Rica, S.A.	Heredia CR	CRC	10,000		100%
Lonza Finance International NV	Bornem BE	EUR	43,061,500		100%
Lonza Greenwood LLC	Wilmington US	USD	n/a ²		100%
Lonza Guangzhou Pharmaceutical Ltd	Guangzhou CN	USD	133,578,892		100%
Lonza Houston Inc.	Wilmington US	USD	290		100%
Lonza Licences AG	Basel CH	CHF	100,000		100%
Lonza K.K.	Sagamihara JP	JPY	110,000,000		100%
Lonza Manufacturing LLC	Wilmington US	USD	n/a ²		100%
Lonza Netherlands B.V.	Geleen NL	EUR	2,115,232		100%
Lonza Rockland, Inc.	Wilmington US	USD	100		100%
Lonza Sales AG	Basel CH	CHF	2,000,000	100%	
Lonza Shanghai International Trading Ltd.	Shanghai CN	USD	200,000		100%
Lonza Swiss Finanz AG	Basel CH	CHF	100,000		100%
Lonza Swiss Licences AG	Basel CH	CHF	100,000		100%
Lonza Tampa LLC	Wilmington US	USD	n/a ²		100%
Lonza (Thailand) Co., Ltd.	Bangkok TH	THB	Class A: 170,000,000 / Class B: 42,500,000		100%
Lonza USA Inc.	Wilmington US	USD	5		100%
Lonza Verviers SRL	Verviers BE	EUR	18,750		100%
Lonza Walkersville, Inc.	Wilmington US	USD	10		100%
Micro-Macinazione SA	Monteggio CH	CHF	1,000,000		100%
Octane Biotech, Inc.	Ontario CA	CAD	n/a ²		80%
P.T. Capsugel Indonesia	Jakarta IN	IDR	711,835,150,525		100%
Suzhou Capsugel Limited	Suzhou CN	USD	44,700,000		75%
Synaffix B.V.	Oss NL	EUR	98,301		100%

¹ Rounded amount.

² No par value.

Note 33 Accounting Principles

33.1 Changes in Accounting Standards

The following new or amended standards became applicable for the current reporting period and did not have any material effect on the Group's financial statements:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability.

33.2 Accounting Standards Issued, but Not Yet Effective

The following revised standards have been issued, but are not yet effective. They have not been applied early in these consolidated financial statements.

Standard/Interpretation	Effective date
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026
The amendments in annual improvements to IFRS Accounting Standards – Volume 11	1 January 2026
IFRS 9/IFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
IAS 21: Translation to a Hyperinflationary Presentation Currency	1 January 2027
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability	1 January 2027

The forthcoming IFRS 18 standard will replace IAS 1 *Presentation of financial statements* by introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements. Management is currently evaluating the reporting changes required to apply the new standard on the group's consolidated financial statements, and continues to assess the impact on the performance measures to be presented.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

Aside from IFRS 18, the Group still evaluates the amendments of the above standards but does not expect any material impacts on the consolidated financial statements.

33.3 Material Accounting Policies

Principles of Consolidation

The consolidated financial statements represent the accounts for the year ended 31 December of Lonza Group Ltd and its subsidiaries. Subsidiaries are those entities controlled, directly or indirectly, by Lonza Group Ltd. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Changes in ownership interests in subsidiaries are accounted for as equity transactions if they occur after control has already been obtained and if they do not result in a loss of control. The material subsidiaries included in the consolidated financial statements are shown in note 32.

The full consolidation method is used, whereby the assets, liabilities, income and expenses are incorporated in full, irrespective of the extent of any non-controlling interests. Payables, receivables, income and expenses between Lonza consolidated companies are eliminated. Intercompany profits included in year-end inventories of goods produced within Lonza are eliminated, as well as unrealized gains on transactions between subsidiaries. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The Group's interests in equity-accounted investees comprise interests in associates and joint ventures, as disclosed in note 8. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Associates and interests in joint ventures are accounted for in the consolidated financial statements using the equity method of accounting. They are recognized initially at cost, which includes transaction costs.

Subsequent to the initial recognition, the consolidated financial statements include the Group's share of the profit and loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases. Dividends paid during the year reduce the carrying value of the investments.

Segment Reporting

For the purpose of segment reporting, the Group's Executive Committee (EC) is considered to be the Group's Chief Operating Decision Maker. The determination of the Group's operating segments is based on the organizational platforms for which financial information including dedicated performance measures are reported to the EC on a regular basis. The information provided is used as the basis of the segment revenue and profit disclosures reported in note 2.

Lonza derives revenue in its business models of Contract Development and Manufacturing (including related services and licenses) and sale of products. These business models and the markets Lonza operates in are the basis to disaggregate revenue into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. Residual operating activities from certain global activities are reported as «Corporate.» These include the EC and global group functions for communications, human resources, finance (including treasury and tax), legal, environmental and safety services. Transfer prices between operating segments are set on an arm's-length basis.

Revenue Recognition

Revenue is measured based on the consideration specified in the contract with a customer and excludes amounts collected on behalf of third parties. Revenues are recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service.

In the custom manufacturing business, customer agreements may foresee payments at or near inception of contracts, which typically relate to setup efforts (e.g. system preparation, facility modification) for new customer-dedicated production facilities. Such setup efforts typically do not represent separate performance obligations, as no good or service is transferred to the customer. The payments for these setup efforts comprise part of the expected transaction price and are deferred as contract liabilities (non-current deferred income) until performance obligations are satisfied. The custom manufacturing business also provides various services, including development services and manufacturing know-how sharing. Customers simultaneously receive and consume the benefits from the rendered services or from the know-how transferred. For most services (across all operating segments), revenue is recognized over time as the services are rendered. This is primarily done with reference to the percentage of total output per contract (i.e. analysis delivered) to measure the amount of revenue to be recognized. Revenue

recognition over time is not applied for customer service contracts where the consideration depends on a defined outcome or result and its achievement cannot be estimated. In this case, revenues are only recognized at the point in time when the service has been completed and accepted by the customer.

Product sales, are recognized when control of the products has been transferred, i.e. when the products are delivered to the customer, the customer has full discretion over the sales channel and pricing of the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Royalty income earned through a license is recognized as the underlying sales are recorded by the licensee.

Research and Development

Research and development costs are generally charged against income as incurred. Development costs are only capitalized when the related products meet the recognition criteria of an internally generated intangible asset, which mainly require the technical feasibility of completing the intangible asset, the probability of future economic benefits, the reliable measurement of costs and the ability and intention of the Group to use or sell the intangible asset. Fixed assets (buildings, machinery, plant, equipment) used for research purposes are valued similarly to other fixed assets. Such assets are capitalized and depreciated over their estimated useful lives.

Expenses for Research and Development include associated wages and salaries, material costs, depreciation on fixed assets, as well as overhead costs.

Other Operating Income and Other Operating Expenses

Other operating income and other operating expenses include items not assignable to other functions of the consolidated income statement. They mainly include gains and losses from the disposal of intangible assets, property, plant and equipment and other non-current assets, income and expenses from the release and recognition of provisions, income and expense related to restructuring.

Net Financial Result

Net financial result comprises interest payable on borrowings calculated using the effective interest method, the interest expenses on the net defined benefit liability, the finance charge for finance leases, dividend income, foreign exchange gains and losses, gains and losses on hedging instruments that are recognized in the income statement, gains/losses on the sale of financial assets, and gains and losses on the revaluation of contingent consideration. Foreign exchange gains and losses have been presented on a net basis, as presenting the gross gains and losses would not provide meaningful information. Interest income/expense is recognized in the income statement as it accrues, taking into account the effective yield of the asset or liability or an applicable floating rate. Dividend income is recognized in the income statement on the date that the dividend is declared. Interest income and expense include the amortization of any discount or premium or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated on an effective interest rate basis.

Foreign Currencies

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Swiss francs (CHF), which is the Group's presentation currency. For consolidation purposes the balance sheet of foreign consolidated companies is translated to CHF with the exchange rate on the balance sheet date. Income, expenses and cash flows of the foreign consolidated companies are translated into CHF using the monthly average exchange rates during the year (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions). Exchange rate differences arising from the different exchange rates applied in balance sheets and income statements are recognized in other comprehensive income. In the individual company's financial statements, transactions in foreign currencies are translated at the foreign exchange rate applicable at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. All resulting foreign exchange gains and losses are recognized in the individual company's profit or loss statement, except when they arise on monetary items that form a part of the Group's net investment in a foreign entity. In such a case, the exchange gains and losses are recognized in other comprehensive income.

Hedge Accounting

The Group uses derivatives to manage its exposures to foreign currency and interest rate risks. The instruments used may include interest rate swaps, forward exchange contracts, FX swaps and options. The Group generally limits the use of hedge accounting to certain material transactions. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash Flow Hedging

This is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction and could affect profit or loss. The hedging instrument is recorded at fair value. The effective portion of the hedge is included in other comprehensive income and any ineffective portion is reported in other operating income/expenses (instruments to manage the foreign currency exposure related to sales or purchases) or financial income/expenses (foreign currency exposure related to debt repayment or interest exposure on the Group's debt). If the hedging relationship is the hedge of the foreign currency risk of a firm commitment or highly probable forecasted transaction that results in the recognition of a non-financial item, the cumulative changes in the fair value of the hedging instrument that have been recorded in other comprehensive income are included in the initial carrying value of the non-financial item at the date of recognition. For all other cash flow hedges, the cumulative changes in the fair value of the hedging instrument that have been recorded in other comprehensive income are included in cost of goods sold, other operational income/expenses or other financial income/expense (based on the principles explained above) when the forecasted transaction affects net income.

Fair Value Hedging

This is a hedge of the exposure to changes in fair value of a recognized asset or liability, or an unrecognized firm commitment, or an identified portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect profit or loss. The hedging instrument is recorded at fair value and the hedged item is recorded at its previous carrying value, adjusted for any changes in fair value that are attributable to the hedged risk. Changes in the fair values are reported in other operating income/expenses (instruments to manage the foreign currency exposure related to sales or purchases) or financial income/expenses (foreign currency exposure related to debt repayment or interest exposure on the Group's debt).

Capitalized Contract Costs

The Group recognizes contract assets mainly consisting of contract fulfilment costs that are incurred after a contract is obtained but before goods or services have been delivered to the customer. These costs arise from long-term contracts in the custom manufacturing business for customer specific production facility expansions or modifications on Lonza's premises. They typically include costs for commissioning, qualification and start-up, as well as for activities relating to process development and technology transfer.

Property, Plant and Equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. The assets are depreciated on a component basis over their estimated useful lives, which vary from 10 to 50 years for buildings and structures, and 5 to 16 years for production facilities. Construction in Progress (CIP) is related to production facilities, buildings and machinery which are not yet completed. CIP is not depreciated until the assets are available for use. Land is not depreciated as it has an indefinite useful life. Fixed assets are depreciated using the straight-line method over their estimated useful lives. Subsequent expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major inspection and overhaul expenditure, is capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. Borrowing costs incurred with respect to qualifying assets are capitalized and included in the carrying value of the assets. All other expenditure is recognized in the income statement as an expense as incurred. The residual values and the useful life of items of property, plant and equipment are reviewed and adjusted, if appropriate, at each balance sheet date.

Right-of-use Assets

The Group assesses at contract inception whether a contract is, or contains, a lease. Lonza applies a single recognition and measurement approach for all leases and recognizes right-of-use assets (representing the right to use the underlying assets) and lease liabilities (to make lease payments), except for short-term leases (with a duration shorter than 12 months) and leases of low-value assets, where lease payments are recognized on a straight-line basis over the lease term.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, restoration costs and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to Lonza at the end of the lease term or the cost of the right-of-use asset reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities are initially measured at the present value of the lease payments, considering fixed payments (including in-substance fixed payments), variable lease payments that are based on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable.

Extension and termination options are included in a number of property and equipment leases across the Group. These terms are used to maximize operational flexibility in terms of managing contracts. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). This assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

In calculating the present value of lease payments, Lonza uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate is derived from market information, the weighted average duration of the lease and the underlying specifics of the leased asset. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

In rare circumstances, Lonza could act as a lessor. In case of a sublease, Lonza would account for the head lease and the sublease as two separate contracts. The sublease will be classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Intangible Assets

Purchased intangible assets with a finite useful life are stated at cost less accumulated amortization and accumulated impairment losses. Intangible assets acquired in a business combination are recognized at their fair value. Intangibles include software, licenses, patents, trademarks and similar rights granted by third parties, capitalized product development costs and capitalized computer software development costs. Costs associated with internally developed or maintained computer software programs are recognized as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that will probably generate future economic benefits exceeding costs beyond one year, are recognized as intangible assets. Those direct costs include the software development employee costs and an appropriate portion of relevant overheads. Intangible assets are amortized using the straight-line method over their estimated useful lives, which is the lower of the legal duration and the economic useful life. Useful lives vary from three to six years for software, five to 29 years for patents, trademarks and similar rights and four to 16 years for development costs. All intangible assets in Lonza have finite useful lives, except for the Capsugel trade name acquired in 2017, which has been reclassified to assets held for sale in 2025, and the trademarks acquired in 2007 through the Cambrex business combination. The Group considers that these trademarks have an indefinite useful life as they are well established in the respective markets and have a history of strong performance. The Group intends and has the ability to maintain these trademarks for the foreseeable future.

Goodwill and Business Combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value at the date of acquisition and includes the cash paid plus the fair value at the date of exchange of assets, liabilities incurred or assumed and equity instruments issued by the Group. The fair value of the consideration transferred also includes contingent consideration arrangements at fair value. Directly attributable acquisition-related costs are expensed in the period the costs are incurred and the services are received and reported within administration and general overhead expenses. At the date of acquisition, the Group recognizes the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquired business. The identifiable assets acquired and the liabilities assumed are initially recognized at fair value. Where the Group does not acquire 100% ownership of the acquired business, non-controlling interests are recorded as the proportion of the fair value of the acquired net assets attributable to the non-controlling interest. Goodwill is recorded as the surplus of the consideration transferred over the Group's interest in the fair value of the acquired net assets. Any goodwill and fair value adjustments are recorded as assets/liabilities of the acquired business in the functional currency of that business.

When the initial accounting for a business combination is incomplete at the end of a reporting period, provisional amounts are recognized. During the measurement period, the provisional amounts are retrospectively adjusted and additional assets and liabilities may be recognized to reflect new information obtained about the facts and circumstances that existed at the acquisition date which, had they been known, would have affected the measurement of the amounts recognized at that date. The measurement period does not exceed 12 months from the date of acquisition. Goodwill is not amortized but is tested annually for impairment. Changes in ownership interests in subsidiaries are accounted for as equity transactions if they occur after control has already been obtained and if they do not result in a loss of control. Goodwill may also arise upon investments in associates and joint ventures, being the surplus of the cost of investment over the Group's share of the fair value of the net identifiable assets. Such goodwill is recorded within investments in associates and joint ventures.

Inventories

Inventories are reported at the lower of cost (purchase price or production cost) or market value (net realizable value). In determining net realizable value, any costs of completion and selling costs are deducted from the realizable value. The cost of inventories is calculated using the weighted average method. Prorated production overheads are included in the valuation of inventories. Inventory allowances (write-downs) are made for inventories with a lower market value or which are obsolete or slow moving. Conversely, inventory allowances are reversed when the circumstances that previously caused inventories written down no longer exist or when there is clear evidence of an increase in net realizable value (e.g. because of changed economic circumstances). Unsalable inventory is fully written off. Costs include all expenditures related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity. Other materials at Lonza are mainly related to packaging materials and merchandise.

Receivables

Receivables are carried at the original invoice amount less allowances for credit losses, rebates and similar allowances. A receivable represents a right to consideration that is unconditional and excludes contract assets. An allowance for credit losses is recorded for expected credit losses over the term of the receivables. These estimates are based on specific indicators, such as the ageing of customer balances and specific credit circumstances. Expenses for credit loss allowances are recognized within costs of goods sold. Rebates and similar allowances are recorded on an accrual basis consistent with the recognition of the related sales, using estimates based on existing contractual obligations, historical trends and the Group's experience. Receivables are written off (either partly or in full) when there is no reasonable expectation of recovery.

For trade receivables, the Group applies the simplified approach prescribed by IFRS 9, which requires/permits the use of the lifetime expected loss provision from initial recognition of the receivables. The Group measures an allowance for credit losses equal to the credit losses expected over the lifetime of the trade receivables.

Financial Instruments

The Group has classified its financial assets in the following measurement categories, which are disclosed in note 28: amortized cost or fair value through profit or loss (including hedging instruments). At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Amortized Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost, less provision for impairment. Interest income from these financial assets is included in other financial income using the effective interest rate method. The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Group is recognized as a separate asset or liability. Assets at amortized cost are mainly comprised of accounts receivable, cash and cash equivalents and loans and advances.

Equity Investments at Fair Value Through Profit or Loss

These are equity investments in quoted and non-quoted companies that are kept for strategic reasons and in investment vehicles that invest in the Group's target markets. These assets are subsequently measured at fair value. Dividends are recognized as financial income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized as financial income or financial expense in the income statement.

Fair Value Through Profit or Loss – Hedging Instruments

These are derivative financial instruments that are used to manage the exposures to foreign currency and interest rates. These instruments are initially recorded and subsequently carried at fair value. Apart from those derivatives designated as qualifying cash flow hedging instruments, all changes in fair value are recorded as other operating income/expenses (instruments to manage the foreign currency exposure related to sales or purchases) or financial income/expenses (foreign currency exposure related to debt repayment or interest exposure on the Group's debt).

Debt Instruments

These are initially recorded at fair value (which is the proceeds received net of transaction costs). They are subsequently measured at amortized cost; any difference between the net proceeds and the redemption value is recognized in the income statement over the period of the debt instrument using the effective interest method.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, in postal and bank accounts, as well as short-term deposits and highly liquid funds that have an original maturity of less than three months.

Impairment

Assets that are subject to amortization and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill and intangible assets with indefinite useful lives are tested for impairment annually, and whenever there is an indication that the assets may be impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Calculation of recoverable amount – in assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Reversal of impairment – An impairment loss is reversed if the subsequent increase in the recoverable amount can be related objectively to an event occurring after the impairment loss was recognized. An impairment loss in respect of goodwill is not reversed. In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Assets Held for Sale and Discontinued Operations

Disposal groups comprising assets and liabilities are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such disposal groups are measured at the lower of their carrying amount and fair value less cost to sell. Any impairment loss on a disposal group is allocated first to goodwill and then to the remaining assets and liabilities on a pro rata bases, except that no loss is allocated to financial assets or deferred tax assets, which continue to be recognized in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognized in profit or loss. Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortized or depreciated. A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations or is part of a single coordinated plan to dispose of such a line of business or area of operations. Classification as a discontinued operations occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

The income statement activity of the discontinued operations is presented separately in the consolidated income statement. The comparative consolidated income statement and is restated to show the discontinued operations separately from continuing operations. Balance sheet and cash flow information related to discontinued operations are disclosed separately in the notes.

Income Taxes

Deferred tax expense is calculated using the balance-sheet liability method. Additional deferred taxes are provided wherever temporary differences exist between the tax base of an asset or liability and its carrying amount in the consolidated accounts for the year.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and, for deferred tax assets, operating loss and tax credit carry-forwards.

Deferred tax assets and liabilities are measured using enacted or substantially enacted tax rates in the respective jurisdictions in which Lonza operates that are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. In assessing the recoverability of deferred tax assets, management considers whether it is probable that some portion or all of the deferred tax assets will not be realized. For transactions and other events recognized in other comprehensive income or directly in equity, any related tax effect is recognized in other comprehensive income or in equity.

Liabilities for income taxes, mainly withholding taxes, which could arise on the remittance of retained earnings, principally relating to subsidiaries, are only recognized where it is probable that such earnings will be remitted in the foreseeable future.

The Group has adopted International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12) upon their release on 23 May 2024. The amendments provide a temporary mandatory exception from deferred tax accounting for the top-up tax, which is effective immediately, and require new disclosures about the Pillar Two exposure.

Employee Benefits

Employee-benefit liabilities as stated in the consolidated balance sheet include obligations from defined benefit pension plans, other post-employment benefits (medical plans) as well as other long-term employee-related liabilities, such as long-term vacation accounts.

Defined Benefit Plans (Pension Plans)

Most of Lonza's subsidiaries operate their own pension plans. Generally, they are funded by employee and employer contributions. In addition, the Group operates three medical plans in the United States. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified external actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements. Remeasurements of the defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income.

The Group determines the net interest expense on the net defined benefit liabilities for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss. While the net interest expense is disclosed within financial expenses, the other expenses related to defined benefit plans are allocated to the different functions of the operating activities. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that related to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Provisions

A provision is recognized in the balance sheet when (i) the Group has a legal or constructive obligation as a result of a past event, (ii) it is probable that an outflow of economic benefits will be required to settle the obligation, and (iii) a reliable estimate of the amount of the obligation can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. A provision for restructuring is recognized when the Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or been announced publicly. Future operating costs are not provided for.

Provisions for environmental liabilities are made when there is a legal or constructive obligation for the Group that will result in an outflow of economic resources. Provisions are made for remedial work where there is an obligation to remedy environmental damage, as well as for containment work where required by environmental regulations.

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Where any Group company purchases Lonza Group Ltd's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Group's equity holders until the shares are cancelled, reissued or disposed of.

Dividend

Dividend distributions to Lonza's shareholders are recognized as a liability in the Group's financial statements in the period in which the dividends are approved by the Lonza shareholders.

Share-Based Compensation

The Group operates various equity-settled, share-based compensation plans. The fair value of the employee services received in exchange for the grant of shares and other share-based compensations is recognized as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares granted. At each balance sheet date, the Group revises its estimates of the number of shares that are expected to become vested. It recognizes the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period.

33.4 Significant Accounting Estimates and Judgments

Key Assumptions and Sources of Estimation Uncertainty

Use of Estimates

The preparation of the financial statements and related disclosures in conformity with International Financial Reporting Standards (IFRS) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. Actual results could differ from those estimates. Estimates are used in impairment tests, accounting for allowances for credit losses, inventory obsolescence, depreciation, employee benefits, taxes, environmental provisions and contingencies. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. The key assumptions about the future key sources of estimation uncertainty that entail a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are described below.

Revenue recognition – Allocation of transaction price

The Group has various contractual agreements that contain several components promised to the customer. As these contracts may include multiple performance obligations, the transaction price must be allocated to the performance obligations on a relative stand-alone selling price basis. Management estimates the stand-alone selling price at contract inception based on observable prices of the type of product likely to be provided and the services rendered in similar circumstances to similar customers. Contractually agreed upfront or other one-time payments are allocated to the performance obligation to which they relate.

Impairment Test of Property, Plant and Equipment, Intangible Assets and Goodwill

The Group has carrying values with regard to property, plant and equipment (including Right-of-use assets) of CHF 8,304 million (2024: CHF 8,352 million), goodwill of CHF 1,960 million (2024: CHF 3,370 million) and intangible assets of CHF 328 million (2024: CHF 2,002 million) (see notes 5 and 6). The intangible assets include trademarks acquired through business combinations with a carrying value of CHF 21 million (2024: CHF 231 million), which have an indefinite useful life and are not systematically amortized. Goodwill and intangible assets with indefinite useful lives are reviewed annually for impairment. To assess if any impairment exists, estimates are made of the future cash flows expected to result from the use of the asset and its possible disposal. Actual outcomes could vary significantly from such estimates of discounted future cash flows. Factors such as changes in the planned use of buildings, machinery or equipment, or closure of facilities, the presence or absence of competition, technical obsolescence or lower-than-anticipated sales of products with capitalized rights could result in shortened useful lives or impairment. The impairment analysis as explained in note 5 is sensitive to the discount rate used for the discounted cash flow model, as well as the expected future cash-inflows and the growth rate used for calculation purposes. The key assumptions used to determine the recoverable amount for the different cash-generating units are further explained in note 5.2.

Pensions

Many of the Group's employees participate in post-employment plans. The calculations of the recognized assets and liabilities from such plans are based upon statistical and actuarial calculations. In particular, the present value of the defined benefit obligation is influenced by assumptions on discount rates used to arrive at the present value of future pension liabilities and assumptions on future increases in salaries and benefits. Furthermore, the Group's independent external actuaries use statistically based assumptions, covering areas such as future withdrawals of participants from the plan and estimates of life expectancy. At 31 December 2025, the present value of the Group's defined benefit obligation was CHF 2,359 million (2024: CHF 2,363 million). The plan assets at fair value amounted to CHF 2,544 million (2024: CHF 2,307 million), resulting, compared with the present value of the pension obligation, in a funded status surplus of CHF 103 million (2024: CHF 56 million deficit) (note 23). The actuarial assumptions used may differ materially from actual results due to changes in market and economic conditions, higher or lower withdrawal rates or longer or shorter lifespans of participants and other changes in the factors being assessed. These differences could affect the fair value of assets or liabilities recognized in the balance sheet in future periods.

Environmental Provisions

Lonza is exposed to environmental liabilities and risks relating to its operations, principally in respect of provisions for remediation costs, which at 31 December 2025 amounted to CHF 487 million (2024: CHF 459 million), as disclosed in note 13. Provisions for non-recurring remediation costs are made when there is a legal or constructive obligation, and the cost can be reliably estimated. It is difficult to estimate any future action required by Lonza to correct the effects on the environment of prior disposal or release of chemical substances by Lonza or other parties, and the associated costs, pursuant to environmental laws and regulations. The material components of the environmental provisions consist of costs to clean and refurbish contaminated sites and to treat and contain contamination at sites. The Group's future remediation expenses are affected by several uncertainties that include, but are not limited to, the method and extent of remediation and the responsibility attributable to Lonza at the remediation sites, relative to that attributable to other parties. The Group permanently monitors the various sites identified as at risk for environmental exposures. Lonza believes that its provisions are adequate, based upon currently available information; however, given the inherent difficulties in estimating liabilities in this area, there is no guarantee that additional costs will not be incurred beyond the amounts provided. Due to the uncertainty of both the amount and timing of future expenses, the provisions provided for environmental remediation costs could be affected in future periods.

Income Taxes

At 31 December 2025, deferred tax assets of CHF 95 million (2024: CHF 53 million), current tax receivables of CHF 44 million (2024: CHF 44 million), deferred tax liabilities of CHF 304 million (2024: CHF 493 million) and current tax payables of CHF 153 million (2024: CHF 136 million) are included in the consolidated balance sheet. Significant estimates are required in determining the current and deferred assets and liabilities for income taxes. Certain of these estimates are based on interpretations of existing tax laws or regulations.

Lonza operates in numerous tax jurisdictions and, as a result, is regularly subject to audit by tax authorities. Lonza provides for income tax-related uncertainties whenever it is deemed more likely than not that a tax position may not be sustained on audit, including resolution of related appeals or litigation processes, if any. The provisions are recorded based on the technical merits of a filing position, considering the applicable tax regulations and are based on Lonza's evaluations of the facts and circumstances as of the end of each reporting period.

Management believes that the estimates are reasonable and that the recognized liabilities for income tax-related uncertainties are adequate. Various internal and external factors may have favorable or unfavorable effects on the actual amounts of estimated income tax assets and liabilities. These factors include, but are not limited to, changes in tax laws, regulations and/or rates, changing interpretations of existing tax laws or regulations and changes in overall levels of pre-tax earnings. Such changes that arise could affect the assets and liabilities recognized in the balance sheet in future periods.

Critical Accounting Judgments in Applying the Group's Accounting Policies

In the process of applying the Group's accounting policies, management has made the following judgments that have the most significant effect on the amounts recognized in the financial statements (apart from those involving estimations, which are dealt with above).

Revenue Recognition

The Group has recognized revenues for sales of goods and services during the year to customers who have the right to rescind the sale if the goods or services do not meet the agreed quality. The Group believes that, based on past experience with similar transactions, the quality delivered will be accepted. Therefore, it is appropriate to recognize revenue on these transactions in the reporting period.

Revenues are recognized only when, according to management's judgment, performance obligations are satisfied, control over the assets have been transferred to the customer and no future performance obligation exists. For certain transactions, recognition of revenues is based on the performance of the conditions agreed in particular contracts, the verification of which requires evaluation and judgments by management.

Intangible Assets

The Group considers the Capsugel trade name acquired through the business combination in 2017, and reclassified as held for sale at 31 December 2025, to have an indefinite useful life.

The Cambrex trademarks are also considered to have indefinite useful lives, as they are well established in their respective markets and have a history of strong performance.

The Group intends, and has the ability, to maintain these trademarks for the foreseeable future. The assumption of an indefinite useful life is reassessed whenever there is an indication that a trademark may have a definite useful life. In addition, intangible assets with indefinite useful lives are tested for impairment on an annual basis (see note 5).





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Report of the Statutory Auditor

To the General Meeting of
Lonza Group Ltd, Basel

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Lonza Group Ltd (the Company) and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2025, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements on pages 64 to 140 give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities, as well as those of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Lonza Group Ltd
Report on the audit of the consolidated financial statements
For the year ended
31/12/2025

Revenue Recognition – for Contract Manufacturing (Make-to-Order)

Key audit matter

The Group's recognition of make-to-order revenue is a significant area of focus due to its complexity and exposure to risks of misstatement. The Group is engaged in long-term contracts with customers involving custom manufacturing and service arrangements. These agreements often span multiple periods and include upfront fees, milestone payments, and various performance obligations.

Management is required to identify distinct performance obligations within these agreements, allocate the transaction price appropriately, and determine the timing of revenue recognition. This involves significant judgment, particularly in contracts that require tailored solutions or where multiple services are delivered over time.

Additionally, the Group management's incentives are tied to revenue-related targets, further increasing the risk of misstatement. There is also a heightened risk that revenue may be recognised prematurely or inaccurately due to the potential for bias in management's estimates and judgments.

Given the financial significance of the Group's make-to-order revenue stream, this is considered a key audit matter.

For further information on revenue recognition, refer to the following:

- Note 3: Revenues
- Note 33.3: Material Accounting Policies
- Note 33.4: Significant Accounting Estimates and Judgements

How the scope of our audit responded to the key audit matter

We performed a process walkthrough to gain an understanding of the controls in place. We tested design and implementation of the relevant key controls.

We assessed a sample of significant contracts, including new, amended and ongoing agreements, to evaluate the appropriateness of management's identification and separation of performance obligations. We performed an independent analysis of the allocation of transaction prices to the identified performance obligations and assessed the timing of revenue recognition, challenging management's assumptions, where necessary, on a sample basis. We selected revenue transactions recorded throughout the financial year, focusing on transactions recognised around the year-end.

We assessed deferred revenue on a sample basis to ensure accurate cut-off and appropriate period recognition.

We evaluated the accuracy and completeness of the Group's disclosures related to revenue recognition in the consolidated financial statements, ensuring compliance with relevant standards.

Based on the procedures performed, we obtained sufficient appropriate audit evidence to address the risks of material misstatement in revenue recognition for the make-to-order revenue.



Lonza Group Ltd
Report on the audit of the consolidated financial statements
For the year ended
31/12/2025

Uncertain Income Tax Positions (UTP) and Related Tax Expenses

Key audit matter

The Group operates across multiple jurisdictions with diverse and complex tax regulations. It engages in cross-border transactions, financing arrangements, and transfer-pricing structures that are subject to scrutiny by local tax authorities. Specific areas of risk include the pricing of intercompany transactions, ownership of intellectual property, and cross-border supply chain arrangements.

The Group's provisions for uncertain tax positions require management to make significant judgments and estimates. This includes assessing the likelihood of additional liabilities, penalties, and interest, based on existing tax regulations and historical outcomes of tax disputes. These provisions are inherently uncertain and complex due to variations in tax laws across jurisdictions and the evolving interpretations by tax authorities.

Given the judgment involved and the financial significance of the Group's tax positions, this area is considered a key audit matter.

For further information on uncertain income tax positions, refer to the following:

- Note 21: Taxes
- Note 33.3: Material Accounting Policies
- Note 33.4: Significant Accounting Estimates and Judgments

How the scope of our audit responded to the key audit matter

We performed a process walkthrough to gain an understanding of the controls in place for income taxes and transfer pricing. We tested design and implementation of the relevant key controls.

We involved tax specialists from selected jurisdictions and at Group Level to analyse the Group's tax positions and evaluate provisions for uncertain tax liabilities. This included an assessment of the adequacy of provisions and the likelihood of potential exposures as of 31 December 2025.

We reviewed correspondence with tax authorities to identify potential disputes or areas of judgement.

We assessed the assumptions and methodologies used by management to estimate tax provisions. This included evaluating the likelihood of outcomes based on historical trends and recent developments in tax legislation.

We critically reviewed management's judgments in relation to transfer-pricing risks, cross-border financing arrangements, and the potential for penalties. We also considered historical trends and case outcomes to assess the adequacy of recorded provisions.

We evaluated the accuracy and completeness of the Group's disclosures relating to uncertain tax positions and related expenses in the financial statements, ensuring compliance with relevant standards and regulations.

Based on the procedures performed, we obtained sufficient appropriate audit evidence to address the risk of material misstatement related to the uncertain income tax positions and the related tax expenses.



Lonza Group Ltd
Report on the audit of the consolidated financial statements
For the year ended
31/12/2025

Assets held for sale and Discontinued operations

Key audit matter

As part of its portfolio transformation to focus on the CDMO business, the Group signed an agreement on 6 March 2026 to divest its Capsules & Health Ingredients (CHI) business to a private equity buyer for an enterprise value of CHF 2.3 billion. The transaction is expected to close in H2 2026. The Group will receive upfront cash proceeds of CHF 1.7 billion (USD 2.2 billion) and retain a 40% stake in CHI, with an additional preferential participation in a future exit.

Given the judgment involved around the estimation of fair value less cost to sell and the financial significance of the transaction, this area is considered a key audit matter.

For further information on assets held for sale and discontinued operations, refer to the following:

- Note 4: Business Combinations and Divestiture of Businesses
- Note 5: Intangible Assets and Goodwill
- Note 33.3: Material Accounting Policies

How the scope of our audit responded to the key audit matter

We assessed management's assumptions with regards to the classification and measurement of the disposal group and whether the split between continuing and discontinued operations complies with IFRS.

We inspected relevant documents to understand the terms and their financial reporting implications including: the share purchase agreement (SPA), the interim equity letter, the equity rollover term sheet, the executed disclosure letter, and the equity commitment letter.

We audited the inputs of management's calculation of the fair value less costs to sell of the transaction and reconciled them with the SPA and related documents. We have involved valuation specialists in the review of valuation parameters.

We recalculated the resulting adjustment to the carrying amount of the CHI net assets as the excess of the carrying amount over the fair value less costs to sell.

We evaluated the composition of costs to sell and evaluated whether they were appropriately recognised.

We evaluated the appropriateness of the disclosures relating to the transaction and ensured they were in compliance with the requirements of IFRS.

Based on the procedures performed, we obtained sufficient appropriate audit evidence to address the risk of material misstatement related to assets held for sale and discontinued operations.

Deloitte.

Lonza Group Ltd
Report on the audit of the consolidated financial statements
For the year ended
31/12/2025

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors 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, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH 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.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTSuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Deloitte.

Lonza Group Ltd
Report on the audit of the consolidated financial statements
For the year ended
31/12/2025

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Deloitte AG



Fabien Lussu
Licensed Audit Expert
Auditor in Charge



Jan Meyer
Licensed Audit Expert

Zurich, 30 March 2026

Financial Statements of Lonza Group Ltd, Basel

Balance Sheet – Lonza Group Ltd

Assets ¹

million CHF	Notes	2025	2024
Current assets			
Cash and cash equivalents	2.3	599	881
Short-term financial assets:			
– from third parties	2.3	134	779
– from subsidiaries and associates		896	1,810
Other short-term receivables:			
– from third parties		2	3
– from subsidiaries and associates		102	25
Prepaid expenses and accrued income:			
– from third parties		15	12
– from subsidiaries and associates		16	21
Total current assets		1,764	3,531
Non-current assets			
Long-term financial assets:			
– from third parties		34	25
– from subsidiaries and associates	2.2	4,485	3,892
Investments	2.1, 2.13	4,377	6,011
Property, plant and equipment		0	0
Prepaid expenses and accrued income:			
– from third parties		3	4
Total non-current assets		8,899	9,932
Total assets ²		10,663	13,463

¹ At 31 December.

² Exact amounts: 2025 CHF 10,663,388,887; 2024 CHF 13,463,395,048.

Liabilities and Shareholders' Equity ¹

million CHF	Notes	2025	2024
Current liabilities			
Trade accounts payables:			
– to third parties	2.4	9	16
– to subsidiaries and associates		4	7
Short-term interest-bearing liabilities:			
– to third parties	2.5	159	451
– to subsidiaries and associates		1,294	1,347
Short-term financial liabilities:			
– to third parties		52	125
– to subsidiaries and associates		211	201
Short-term provisions:			
– to third parties		7	8
Accrued expenses and deferred income:			
– to third parties	2.4	159	232
– to subsidiaries and associates		65	66
Total current liabilities		1,960	2,453
Non-current liabilities			
Long-term interest-bearing liabilities:			
– to third parties	2.5	0	180
– to subsidiaries and associates		3,825	4,005
Long-term financial liabilities:			
– to third parties		75	107
Long-term provisions:			
– to third parties		1	2
Total non-current liabilities		3,901	4,294
Total liabilities		5,861	6,747
Shareholders' equity			
Share capital	2.6	70	72
Legal capital reserves:			
– Reserves from capital contributions	2.7a	942	1,584
Legal retained earnings reserves:			
– General legal retained earnings in the narrower sense	2.6	37	37
Voluntary retained earnings:			
– Available earnings:	2.7b		
– Profit brought forward		5,796	6,565
– Dividend paid		(140)	(143)
– Share cancelation		(502)	(496)
– (Loss) for the year		(1,181)	(131)
Treasury shares ³	2.8		
– Against reserves from capital contributions		0	(362)
– Against voluntary retained earnings or for share plans		(220)	(410)
Total shareholders' equity		4,802	6,716
Total liabilities and shareholders' equity ²		10,663	13,463

¹ At 31 December.

² Exact amounts: 2025 CHF 10,663,388,887; 2024 CHF 13,463,395,048.

³ Exact amounts: 2025 CHF 220,173,391; 2024 CHF 773,539,423.

Income Statement – Lonza Group Ltd

million CHF	Notes	2025	2024
Income			
Dividend income	2.9	514	0
Royalty income		39	33
Other financial income	2.10	219	223
Other operating income		68	4
Total income		840	260
Expenses			
Other financial expenses	2.11	216	232
Personnel expenses		56	49
Other operating expenses	2.12	39	31
Impairment losses on investments	2.9, 2.13	1,634	0
Impairment losses on loans ¹		82	77
Depreciation on equipment		0	0
Direct taxes		(5)	2
Total expenses		2,021	391
(Loss) for the year		(1,181)	(131)

¹ Full impairment of loans to subsidiaries Octane Biotech Inc. & Lonza Technology Holdings, Inc. in 2025, and to the Bacthera AG JV in 2024.

Notes to the Financial Statements – Lonza Group Ltd**Note 1
Principles****1.1
General Aspects**

These financial statements were prepared according to the provisions of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations). Where not prescribed by law, the significant accounting and valuation principles applied are described in the following notes. The financial statements have been prepared on a going-concern basis and are presented in million CHF.

Gains and losses on foreign exchange and financial instruments have been presented on a net basis, as presenting them gross would not provide meaningful information to the users of the financial statements.

Assets are reviewed annually for impairment and adjusted to recoverable amounts where required.

**1.2
Financial Assets**

Financial assets include short- and long-term loans to subsidiaries and associates, along with third party financial investments. Loans granted in foreign currencies are translated at the rate of the balance sheet date.

**1.3
Treasury Shares**

Treasury shares are recognized at acquisition cost, excluding transaction cost, and deducted from shareholders' equity at the time of acquisition. In case of a resale, the gain or loss is recognized through the shareholders' equity as increase or decrease of available earnings brought forward.

Upon cancellation of shares repurchased, such shares are derecognized with a corresponding decrease of the share capital for the nominal value of the cancelled shares and of reserves from capital contributions and voluntary retained earnings for any exceeding amount.

No dividend distributions are made on treasury shares.

**1.4
Share-Based Payments**

When treasury shares are used for share-based payment programs, the difference between the acquisition costs, delivery price and any consideration paid by the employees is recognized as personnel expenses.

**1.5
Short- / Long-Term Interest-Bearing Liabilities**

Interest-bearing liabilities are recognized in the balance sheet at nominal value. Discounts and issue costs for bonds or syndicate loans are recognized as prepaid expenses and amortized over the principal's maturity period. Premiums are recognized as accrued expenses and amortized over the principal's maturity period.

**1.6
Currency- and Interest-Related Instruments**

Currency- and interest-related derivative financial instruments are valued at their fair value as at the balance sheet date. A valuation adjustment reserve has not been accounted for. Specific cross-currency swaps were designated as hedging instruments to mitigate foreign exchange risk resulting from EUR denominated interest-bearing liabilities recorded as part of long-term interest-bearing liabilities to subsidiaries and associates. Accrued interest is recorded on the balance sheet as part of accrued expenses and deferred income to subsidiaries and associates.

**1.7
Translation of foreign currencies**

Transactions during the year which are denominated in foreign currencies are translated at the exchange rate effective at the relevant transaction dates. Resulting exchange gains and losses are recognized in the income statement with the exception of unrealized gains which are deferred.

**1.8
Presentation of a Cash Flow Statement
and Additional Disclosures in the Notes**

As Lonza Group Ltd has prepared its consolidated financial statements in accordance with a recognized accounting standard (International Financial Reporting Standards IFRS, as issued by the IASB), it has decided to forgo presentation of a cash flow statement, information on interest-bearing liabilities and audit fees in the note disclosures as would otherwise be required by Swiss law.

Note 2 Information on Balance Sheet and Income Statement Items

2.1 Investments

Lonza Group Ltd holds the following direct subsidiaries as of 31 December 2025. For indirect principal subsidiaries, please see the list in note 32 to the Group's consolidated financial statements.

		Share Capital in 1,000 ¹		Direct Holding in % ¹	
		31.12.2025	31.12.2024	31.12.2025 ³	31.12.2024
Capsugel Belgium NV	Bornem, BE	EUR -	EUR 236,922	- %	99.9%
Capsugel Middle East Sàrl	Beirut, LB	LPB 5,000	LPB 5,000	1.0%	1.0%
International School of Basel AG	Reinach, CH	CHF 20,900	CHF 20,900	1.5%	1.5%
Lonza AG	Vïsp, CH	CHF -	CHF 60,000	- %	100.0%
Lonza Finance International NV	Bornem, BE	EUR -	EUR 43,062	- %	100.0%
Lonza Group GmbH	Waldshut-Tiengen, DE	EUR 25	EUR 25	0.4%	0.4%
Lonza Holding Singapore Pte Ltd	Singapore, SG	USD -	USD 100,000	- %	100.0%
Lonza (China) Investments Co. Ltd	Guangzhou, CN	USD -	USD 84,000	- %	100.0%
Lonza Licences AG	Basel, CH	CHF -	CHF 100	- %	100.0%
Lonza Sales AG	Basel, CH	CHF 2,000	CHF 2,000	100.0%	100.0%
Lonza Swiss Finanz AG	Basel, CH	CHF -	CHF 100	- %	100.0%
Lonza Swiss Licences AG	Basel, CH	CHF -	CHF 100	- %	100.0%
Lonza USA Inc.	Wilmington, US	USD -	USD 0 ²	- %	100.0%
Seed Fund Cycle-C3E (A), L.P.	Montreal, CA	CAD 1,000	CAD 1,000	100.0%	100.0%
Synaffix B.V.	Oss, NL	EUR -	EUR 98	- %	100.0%

¹ Rounded amounts. Represents ownership as well as voting rights.

² Share Capital USD 5.00. Capital contribution of CHF 1.1 billion in 2024 to fund the Vacaville (US) acquisition.

³ In 2025, the Company contributed most of its investments with ownership > 10% to Lonza Sales AG.

2.2 Long-Term Financial Assets

Lonza Group Ltd issued subordination agreements totaling CHF 405 million (2024: CHF 400 million) on loans to subsidiaries and associates, including accrued interest.

2.3 Cash, Cash Equivalents and Short-Term Financial Assets

In-line with Lonza's investment policy, Lonza Group Ltd parked its excess cash into short-term plain vanilla instruments, such as overnight deposits, bank term deposits, notice deposits and short-term money market funds.

At year-end 2025, Lonza Group Ltd maintained a total balance of CHF 733 million (2024: CHF 1,660 million), thereof CHF 599 million (2024: CHF 881 million) was classified as cash & cash equivalents (cash at banks and bank deposits with maturities less than 3 months). Furthermore, the company held short-term investments amounting to CHF 134 million (2024: CHF 779 million), thereof no bank deposits with maturity between three and six months (2024: CHF 600 million).

2.4 Trade Accounts Payables, Accrued Expenses

Trade accounts payables include liabilities to personnel welfare institutions of CHF 0.3 million at 31 December 2025 (2024: CHF 0.6 million).

2.5 Short-Term and Long-Term Interest-Bearing Liabilities

million CHF	2025	2024
Term loan Facility B2, USD 200 mio (2024: B1 USD 500 mio)	159	451
Total short-term interest-bearing liabilities	159	451

million CHF	2025	2024
Term loan Facility (2024: B2, USD 200 mio)	0	180
Total long-term interest-bearing liabilities	0	180

Credit Rating

Lonza has been rated by Standard & Poor's (S&P) since 2019 with an investment grade rating of BBB+ and stable outlook. The rating has been reaffirmed by S&P each year since its initial assignment. Lonza remains committed to maintaining a strong investment-grade rating going forward.

Debt Repayments

During the financial year 2025, Lonza repaid the scheduled debt maturity of CHF 397 million (USD 500 million) related to the Term Loan.

German Private Placement (Schuldschein)

In 2024, Lonza repaid the final scheduled debt maturity of CHF 43 million (USD 50 million).

Syndicated Loan Facilities

Lonza Group Ltd maintains Syndicated Loan Facilities provided by a consortium of banks, comprising both Term Loans and a Revolving Credit Facility (RCF).

The Term Loans carry floating interest rates and are in tranches of USD 500 million (repaid in 2025), and USD 200 million which is repayable in 2026.

The RCF provides Lonza with additional liquidity headroom of CHF 1 billion at floating interest rates. The maturity date is December 2030. The facility remained undrawn in both 2025 and 2024.

In September 2025, Lonza secured with a small number of relationship banks an additional short-term RCF of up to CHF 500 million with a tenor of 15+6 months, ensuring continued liquidity headroom following the maturity of the USD Term Loan. The facility remained undrawn in 2025.

2.6 Share Capital and Authorized Capital

On 8 May 2025, Lonza's Board of Directors approved to decrease the share capital by way of cancelation of the second and final tranche of shares repurchased through the share buyback program until 31 March 2025 (totaling 1,997,163 shares), which was ultimately executed on 20 June 2025. The decrease of share capital for the first tranche of shares repurchased until 31 December 2023 (totaling 2,242,568 shares), was approved by Lonza's Board of Directors on 19 June 2024.

The share capital on 31 December 2025 comprised 70,229,021 registered shares (2024: 72,226,184) with a par value of CHF 1 each, amounting to CHF 70,229,021 (2024: CHF 72,226,184).

Contingent Capital

The share capital of Lonza Group Ltd may be increased through the issuance of a maximum of 7,500,000 fully paid in registered shares with a par value CHF 1 each up to a maximum aggregate amount of CHF 7,500,000. The details and conditions are set out in Article 4^{bis} of the Company's Articles of Association.

Authorized Capital

At the Annual General Meeting on 5 May 2023, the shareholders approved the Board of Directors' proposal to introduce a capital band with an upper limit of CHF 85,635,000 and a lower limit of CHF 67,050,000, authorizing the Board of Directors to increase and decrease the share capital one or several times within these limits until 5 May 2028. The details and conditions are set out in Articles 4^{ter} to 4^{quater} of the Company's Articles of Association.

The only transactions within this capital band that the Board of Directors executed was the capital reduction of 2,242,568 shares (CHF 2,242,568) on 19 June 2024, and of 1,997,163 shares (CHF 1,997,163) on June 2025, related to the share cancellation repurchased through the share buyback program as disclosed in the 1st paragraph of this note.

At 31 December 2025, Lonza Group Ltd had a fully paid in registered capital of CHF 70,229,021 (2024: CHF 72,226,184) and a contingent capital of CHF 7,500,000 (2024: CHF 7,500,000).

Reserves in the amount of CHF 37,234,376 million (2024: CHF 37,234,376 million) included in the financial statements can partially not be distributed.

**2.7a
Reserves from Capital Contributions**

CHF	2025
Reserves from Capital Contributions at 1.1.2024	2,222,665,779
Dividend payout May 2024	(142,502,996)
Share cancellation June 2024	(496,095,158)
Reserves from Capital Contributions at 31.12.2024	1,584,067,625
Dividend payout May 2025	(139,997,622)
Share cancellation June 2025	(501,784,749)
Reserves from Capital Contributions at 31.12.2025	942,285,254

The Swiss Federal Tax Administration has confirmed the capital reserves as of 31 December 2023, less the dividend payment in May 2024, in total CHF 2,080,162,783. The reduction in capital reserves due to the capital reduction in June 2024 in the amount

of CHF 496,095,158, and the transactions executed in 2025 are expected to be confirmed upon expiration of the capital band in 2028.

**2.7b
Voluntary Retained Earnings**

CHF	2025
Voluntary Retained Earnings at 1.1.2024	6,565,214,899
Dividend payout May 2024	(142,502,996)
Share cancellation June 2024	(496,095,158)
Loss for the year 2024	(130,933,402)
Voluntary Retained Earnings at 31.12.2024	5,795,683,343
Dividend payout May 2025	(139,997,622)
Share cancellation June 2025	(501,784,749)
Loss for the year 2025	(1,181,309,176)
Voluntary Retained Earnings at 31.12.2025	3,972,591,796

**2.8
Treasury Shares****Regular Treasury Shares**

	Total Shares	Average Rate in CHF	Number of Transactions
Treasury shares at 1.1.2024, weighted average price	109,595	583.04	
Acquisitions 2024	0	0.00	0
Distribution to Board members	(2,844)	468.47	4
Distribution to Executive Committee members	(3,697)	524.39	4
Distribution to other LRSP/ShareMatch share plan members	(1,306)	434.41	6
Sale of shares	(18,278)	546.60	1
Treasury shares at 31.12.2024, weighted average price	83,470	583.04	
Acquisitions 2025	411,321	575.07	38
Distribution to Board members	(3,014)	543.96	4
Distribution to Executive Committee members	(16,817)	583.33	7
Distribution to other LTIP/LRSP/ShareMatch share plan members	(66,131)	566.31	14
Sale of shares	(24,037)	511.20	1
Treasury shares at 31.12.2025, weighted average price	384,792	572.19	

For further details regarding distribution and sale of shares see Note 24 in the Group's consolidated financial statements.

Treasury Shares – Share buyback program

On 25 January 2023, Lonza announced a program to buyback own registered shares of up to CHF 2 billion over a maximum period of two years for the purpose of subsequent capital reductions. The buyback program started on 3 April 2023. The total number of shares repurchased at the completion of the program at 31 March 2025 was 4,239,731 for a total value of CHF 2 billion.

Between 1 January 2025 and 31 March 2025, Lonza purchased 490,996 shares for a value of CHF 281 million.

On 8 May 2025, Lonza's Board of Directors approved to decrease the share capital by way of cancellation of the second and final tranche of 1,997,163 shares for a total value of CHF 1,006 million, which was ultimately executed on 20 June 2025. The decrease of share capital for the first tranche of shares repurchased until 31 December 2023 (totaling 2,242,568 shares) for a value of CHF 995.4 million, was approved by Lonza's Board of Directors on 19 June 2024.

	Total Shares	Average Rate in CHF	Number of Transaction Days
Treasury shares at 1.1.2025, weighted average price	1,506,167	481.27	
Acquisitions 2025	490,996		62
Cancelations 2025	(1,997,163)		1
Treasury shares at 31.12.2025, weighted average price	0	0	

**2.9
Dividend Income**

Capsugel Belgium NV distributed a substance dividend of EUR 550 million (equivalent to CHF 514 million), consequently, at the same time an impairment loss on the investment in Capsugel Belgium NV for the same amount was recognized.

No dividends were received in 2024.

2.10 Other Financial Income

million CHF	Notes	2025	2024
Interest on loans to subsidiaries and associates		167	193
Bank interest		8	27
Net gain on financial instruments		38	0
Other		6	3
Total financial income		219	223

2.11 Other Financial Expenses

million CHF	Notes	2025	2024
Interest on deposits from subsidiaries		150	117
Bank interest and fees		31	45
Amortization of discounts and issue costs		2	2
Loss on share plans		0	2
Net loss on financial instruments		0	49
Net exchange rate loss		33	18
Total other financial expenses		216	232

2.12 Other Operating Expenses

million CHF	2025	2024
Consulting expenses	29	22
Administrative expenses	10	8
Other operating expenses	0	1
Total other operating expenses	39	31

2.13 Impairment Losses on Investments

The impairment of CHF 1.6 billion is entirely related to the investment in the subsidiary Capsugel Belgium NV. CHF 514 million resulted from the substance dividend received (see note 2.9), and CHF 1.1 billion was the result from the signed agreement to divest the Capsules & Health Ingredients (CHI) division.

On 12 December 2024, Lonza announced its intention to exit the CHI division at an appropriate time. Following the announcement on 6 March 2026 that Lonza entered into a definitive agreement to divest its Capsules & Health Ingredients business to Lone Star Funds for an enterprise value of CHF 2.3 billion, Capsugel Belgium NV was valued at an amount lower than its recorded book value triggering a non-cash impairment of the investment prior to its contribution to Lonza Sales AG, which was recognized in the financial statements for the financial year 2025.

Note 3 Other Information

3.1 Full-time Equivalents

The average number of full-time employees for 2025 and 2024 exceeded 50 but were less than 250 people.

3.2 Contingent Liabilities, Guarantees and Pledges

At 31 December 2025, indemnity liabilities, guarantees and pledges in favor of third parties totaled CHF 4.2 billion (2024: CHF 4.3 billion). The company is a member of the Lonza Group value-added-tax group in Switzerland and is thereby jointly and severally liable to the federal tax authorities for value-added-tax debts for the legal entities that form part of the value-added-tax group. (Entities that form part of the value-added-tax group are all Swiss direct and indirect investments – refer to note 2.1).

For certain financial instrument positions, Credit Support Annex (CSA) contracts are attached to the framework agreements, in which cash is exchanged as collateral (by means of agreed regular reciprocal margin payments). The amount paid by Lonza Group Ltd under the CSA agreements at 31 December 2025 is CHF 77 million (2024: CHF 80 million).

The acquisition of Synaffix B.V. in 2023 included a performance-based consideration payment of up to EUR 60 million. This contingent payment is based on the achievement of sales-related milestones. Lonza's estimate of the probability weighted contingent consideration of the full EUR 60 million (equivalent to CHF 56 million) was reflected as a liability at 31 December 2024 and was entirely paid in 2025 (for an equivalent of CHF 56 million).

3.3 Share Ownership of the Members of the Board of Directors and the Executive Committee

In accordance with Art. 959c para. 2 of the Swiss Code of Obligations: See Note 29 in the Group's consolidated financial statements, and the Remuneration Report.

3.4 Shares for Members of the Board and Granted Equity Awards for Employees

According to the share-based payments (see note 24 in the Group's consolidated financial statements), Lonza Group Ltd allocates treasury shares and equity awards as follows:

	2025		2024	
	Number of Shares/Granted Equity Awards	Value in CHF 1	Number of Shares/Granted Equity Awards	Value in CHF 1
Shares allocated to members of the Board of Directors	3,014	1,640,838	2,844	1,317,762
Granted equity awards allocated to members of the Executive Committee	16,074	9,055,322	19,882	9,042,661
Granted equity awards allocated to other employees	4,493	2,531,759	7,744	3,521,842
Total	23,581	13,227,919	30,470	13,882,265

In 2025, Lonza Group Ltd employed 9 members (2024: 9) of the Executive Committee.

3.5 Significant Events after the Balance Sheet Date

On 6 March 2026, Lonza announced that it has entered into a definitive agreement to divest its Capsules & Health Ingredients (CHI) business to Lone Star Funds for an enterprise value of CHF 2.3 billion.

The Company intends to initiate a share buyback program for CHF 500 million spanning 12 months, following the receipt of the proceeds from Lone Star Funds.

As of the date of issuance of these Financial Statements, no other significant events have occurred after the balance sheet date which could impact the book value of the assets or liabilities or which should be disclosed here.

Proposal of the Board of Directors

Concerning the Appropriation of Available Earnings and Reserves from Capital Contributions.

CHF	2025
Available earnings brought forward	5,795,683,343
Dividend payout	(139,997,622)
Share cancellation	(501,784,749)
Loss for the year	(1,181,309,176)
Available earnings at the disposal of the Annual General Meeting	3,972,591,796
Payment of a dividend (out of available earnings brought forward) for 2025 of CHF 2.50 (2024: CHF 2.00) per share on the share capital eligible for dividend of CHF 69,844,229 ¹ (2024: CHF 69,998,811)	(174,610,573)
Available earnings carry-forward	3,797,981,223

¹ At 31 December 2025. Actual payout is depending on the amount of share capital eligible for dividend on the record date of 13 May 2026. No dividend will be paid out on shares held by the company.

CHF	2025
Legal capital reserves qualified as reserves from capital contributions	942,285,254
Reserves from capital contributions	942,285,254
Payment of a dividend (out of reserves from capital contributions) for 2025 of CHF 2.50 (2024: CHF 2.00) per share on the share capital eligible for dividend of CHF 69,844,229 ¹ (2024: CHF 69,998,811)	(174,610,573)
Available reserves from capital contributions carry-forward	767,674,681

¹ At 31 December 2025. Actual payout is depending on the amount of share capital eligible for dividend on the record date of 13 May 2026. No dividend will be paid out on shares held by the company.

CHF	2025
Proposed payment of a dividend out of available earnings	174,610,573
Proposed payment of a dividend out of reserves from capital contributions	174,610,573
Total proposed payment of a dividend	349,221,146

If the Annual General Meeting approves the above proposal for appropriation of available earnings and distribution of reserves from capital contributions, a dividend of total CHF 5.00 per share will be paid. 50% of such dividend will be paid out as repayment from reserves from capital contributions without deduction of Swiss withholding tax in accordance with Art. 5

para. 1^{bis} of the Federal Law on Withholding Tax. The other 50% of such dividend will be paid from available earnings. The last trading day with entitlement to receive the dividend is 11 May 2026. As from 12 May 2026 (ex-date), the shares will be traded ex-dividend. The dividend will be payable from 15 May 2026.





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Report of the Statutory Auditor

To the General Meeting of
Lonza Group Ltd, Basel

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Lonza Group Ltd (the Company), which comprise the balance sheet as at 31 December 2025, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements, presented on pages 148 to 158, comply with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to be communicate in our report.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Lonza Group Ltd
Report on the Audit of the Statutory Financial Statements
for the year ended
31/12/2025

Board of Directors' Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTSuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposals of the Board of Directors comply with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Deloitte AG



Fabien Lussu
Licensed Audit Expert
Auditor in Charge



Jan Meyer
Licensed Audit Expert

Zurich, 30 March 2026

Alternative Performance Measures

This Finance Report and other communications with investors and analysts include Alternative Performance Measures (APMs) that are not defined by IFRS (non-GAAP measures) but are used by the management to assess the financial and operational performance at a Business Platform and Group level. These supplementary financial measures should not be viewed in isolation or as alternatives to Lonza's consolidated financial position and financial results, which are reported in accordance with IFRS. Instead, the APMs are intended to provide a complementary perspective on Lonza's performance by isolating distorting effects like exchange rate fluctuations or one-time items. They are also intended to provide additional key performance indicators to complement the performance dashboard. The APMs in use may not correspond to performance measures with similar names in other companies. Every APM shown in the financial report relates to the performance of the current or the previous reporting year.

The APMs are structured in operational Performance Measures as well as Liquidity and Capital Measures.

The operational Performance Measures consist of the definition of the CORE concept, the derivation of EBITDA (CORE and non-CORE) and the disclosure of profitability measures at constant exchange rates. The Liquidity and Capital Measures consist of Net Debt and ratios based on Net Debt and Return on Invested Capital, as well as Operational Free Cash Flow.

Lonza presents Capsules & Health Ingredients as Discontinued Operations in its consolidated financial income statement 2025, including restated comparative information (see note 4.1 of the Group's consolidated financial statements).

Therefore, all income statement-related measures in this document focus on continuing operations only and prior period comparative information have been restated accordingly. Unless otherwise stated, all information reported in this report for "Lonza" or "Group" represent Lonza's continuing CDMO business.

With the implementation of its new simplified One Lonza organization, three newly-formed CDMO Business Platforms have been introduced: Integrated Biologics, Advanced Synthesis and Specialized Modalities. As a result prior year 2024 financial information have been updated.¹

The following table outlines which APMs are applied at a Business Platform level and respectively at a Group level.

	Business Platform	Group
Performance Measures		
Sales and sales growth at constant exchange rate	•	•
CORE EBITDA / CORE EBITDA margin	•	•
EBITDA	•	•
CORE EPS	•	•
Liquidity and Capital Measures		
Net Debt	•	•
Net Debt / CORE EBITDA ratio	•	•
Net Debt / Equity ratio	•	•
Return On Invested Capital (ROIC)	•	•
Operational Free Cash Flow (before and after acquisitions)	•	•

CORE Results

As exceptional items can differ significantly from year to year, Lonza excludes these effects from the reported IFRS results to determine the CORE results.

Disclosing CORE results of the Group's performance enhances the financial markets' understanding because the CORE results enable better year-on-year comparisons. Furthermore, the Group uses CORE results in addition to IFRS as important factors when internally assessing the Group's performance.

Below non-exhaustive list provides examples of exceptional items that may be considered as CORE adjustments¹:

- Restructuring and reorganizations,
- Environmental-related measures or events, (related to historical environmental issues only),
- Acquisitions and divestitures,
- Business transformation initiatives,
- Impairments and reversals of related impairments (excluding impairments following contract termination, that are compensated by termination-related revenues),
- Litigations,
- Changes to pension plans.

In accordance with the CORE results, APMs such as CORE Earnings per share (CORE EPS) and CORE EBITDA are directly affected by the exclusion of CORE adjustments.

The reconciliation of the IFRS result to the CORE result for the Full-Year 2025 and 2024 is as follows:

million CHF	2025	2024 (restated) ²
IFRS Profit	909	602
CORE adjustments		
Amortization of intangible assets from acquisitions	48	33
Environmental-related measures	42	80
Acquisitions and divestitures	5	163 ³
Impairment	56	67
Reversal of impairment	(4)	(21)
Restructuring	(6)	28
Business transformation initiatives ⁴	53	14
Gain from sale of real estate	0	(84)
Fair value adjustment expense/(income) on contingent consideration from acquisition of businesses	(21)	29
Impairment of loans to joint ventures	0	77 ⁵
Tax effect ⁶	(30)	(58)
CORE Profit from continuing operations	1,052	930
CORE Profit from continuing operations attributable to equity holders of the parent	1,056	934
CORE Earnings per share from continuing operations attributable to equity holders of the parent	15.08	13.12

¹ In the context of the CORE definition, an "event" represents an individual business case that might involve income/expenses across several fiscal years.

² Restated to reflect the classification of the Capsule and Health Ingredients business as discontinued operations (see note 33 of the Group's consolidated financial statements).

³ Costs related to the acquisition of the Vacaville site and the subsequent network optimization measures as a result of this acquisition.

⁴ Costs related to "One Lonza" Business Transformation, and Nexus (a global Business Process Transformation linked to a new ERP system for Lonza's CDMO business based on SAP S/4 HANA).

⁵ Impairment related to Bacthera.

⁶ Group tax rate on continuing business of 17.4 % (2024: 15.0%).

In line with the CORE adjustments, Lonza assesses operational performance based on CORE EBITDA (continuing business), which can be reconciled in two steps:

million CHF	2025	2024 (restated) ¹
Result from operating activities (EBIT)	1,239	908
Depreciation of property, plant and equipment	561	408
Amortization of intangible assets	85	66
Impairment and reversal of impairment on property, plant, equipment and intangibles	85	70
Earnings before interest, taxes and depreciation (EBITDA)	1,970	1,452

million CHF	2025	2024 (restated) ¹
Earnings before interest, taxes and depreciation (EBITDA)	1,970	1,452
Environmental-related measures	42	80
Acquisitions and divestitures	5	163 ²
Restructuring	(6)	28
Business transformation initiatives ³	53	14
Gain from sale of real estate	-	(84)
CORE EBITDA	2,064	1,653

¹ Restated to reflect the classification of the Capsule and Health Ingredients business as discontinued operations (see note 33 of the Group's consolidated financial statements).

² Costs related to the acquisition of the Vacaville site and the subsequent network optimization measures as a result of this acquisition.

³ Costs related to "One Lonza" Business Transformation, and Nexus (a global Business Process Transformation linked to a new ERP system for Lonza's CDMO business based on SAP S/4 HANA).

¹ Comparative Financials 2024 published on 27 May 2025.

Growth at Constant Exchange Rates

Financial results in constant currencies are adjusted to eliminate the impact of changes in exchange rates between the reported and the reference period – typically the prior year. This adjustment allows management to focus on operational results, without any distorting effect from changes in foreign currency exchange

rates from one period to another. Constant exchange rates are calculated by converting sales and CORE EBITDA of the current year at the exchange rate of the prior year. The resulting margins can therefore be compared with the reported profit margins of the prior year to understand fundamental business trends.

Lonza Group (Continuing Business)

million CHF	2025	2024 (Restated) ¹	Change in %
Sales	6,531	5,480	19.2
Elimination of effects from hedging instruments ²	(71)	(6)	
Sales excluding hedging effects	6,460	5,474	
Retranslation at prior year rates	203		
Sales in constant currency	6,663		21.7
CORE EBITDA	2,064	1,653	24.9
Elimination of effects from hedging instruments ²	(35)	5	
CORE EBITDA excluding hedging effects	2,029	1,658	
Retranslation at prior year rates	66		
CORE EBITDA in constant currency	2,095		26.4
<i>Margin in %</i>	31.4		

Integrated Biologics

million CHF	2025	2024	Change in %
Sales	3,649	2,883	26.6
Retranslation at prior year rates	161		
Sales in constant currency	3,810		32.2
CORE EBITDA	1,287	1,045	23.2
Retranslation at prior year rates	73		
CORE EBITDA in constant currency	1,360		30.1
<i>Margin in %</i>	35.7		

Advanced Synthesis

million CHF	2025	2024	Change in %
Sales	1,611	1,323	21.8
Retranslation at prior year rates	9		
Sales in constant currency	1,620		22.4
CORE EBITDA	674	484	39.3
Retranslation at prior year rates	(6)		
CORE EBITDA in constant currency	668		38.0
<i>Margin in %</i>	41.2		

¹ Restated to reflect the classification of the Capsule and Health Ingredients business as discontinued operations (see note 33 of the Group's consolidated financial statements).

² The hedging program is managed centrally by Corporate Treasury and therefore reported as part of Corporate.

Specialized Modalities

million CHF	2025	2024	Change in %
Sales	1,034	1,099	(5.9)
Retranslation at prior year rates	32		
Sales in constant currency	1,066		(3.0)
CORE EBITDA	176	192	(8.3)
Retranslation at prior year rates	(1)		
CORE EBITDA in constant currency	175		(8.9)
<i>Margin in %</i>	16.4		

Corporate

million CHF	2025	2024
Sales	237	175
Elimination of effects from hedging instruments ²	(71)	(6)
Sales excluding hedging effects	166	169
Retranslation at prior year rates	1	
Sales in constant currency	167	
CORE EBITDA	(73)	(68)
Elimination of effects from hedging instruments ²	(35)	5
CORE EBITDA excluding hedging effects	(108)	(63)
Retranslation at prior year rates	0	
CORE EBITDA in constant currency	(108)	

Capsules and Health Ingredients

million CHF	2025	2024	Change in %
Sales	1,092	1,094	(0.2)
Retranslation at prior year rates	50		
Sales in constant currency	1,142		4.4
CORE EBITDA	270	255	5.9
Retranslation at prior year rates	10		
CORE EBITDA in constant currency	280		9.8
<i>Margin in %</i>	24.5		

¹ Restated to reflect the classification of the Capsule and Health Ingredients business as discontinued operations (see note 33 of the Group's consolidated financial statements).

² The hedging program is managed centrally by Corporate Treasury and therefore reported as part of Corporate.

Net debt, net debt / CORE EBITDA ratio, Debt / Equity ratio

Net debt represents the net level of financial debt contracted by the Group with external parties (e.g. bonds, term loans, private placements) after considering cash and investments readily convertible into cash. It is composed of the current and non-current financial debt, derivatives hedging financial debt

and liquid assets, less cash and cash equivalent and short-term investments. Based on the determined total debt and net debt, Lonza uses further performance measures to demonstrate the relation between debt and profitability, as well as the ratio between debt and equity, to illustrate the gearing of the Group.

Components of net debt / (net cash)

	31 December 2025	31 December 2024	Change
Non-current debt	3,876	4,242	(366)
Current debt	309	468	(159)
Debt classified as held for sale	0	0	-
Total debt	4,185	4,710	(525)
Non-current loans and advances	(141)	(140)	(1)
Current loans and advances	-	-	-
Loans classified as held for sale	(1)	-	(1)
Short-term investments	-	(600)	600
Cash and cash equivalents	(719)	(1,111)	392
Cash and cash equivalents classified as held for sale	(66)	-	(66)
Total cash & cash equivalents, short term investments and loans and advances	(927)	(1,851)	924
Net debt / (net cash)	3,258	2,859	399
	31 December 2025	31 December 2024	
CORE EBITDA ¹	2,334	1,908	
Net debt / CORE EBITDA ratio	1.4	1.5	
Net debt / Equity ratio	0.4	0.3	

¹ Liquidity and Capital Measures considers consolidated Lonza Group results, incl. Discontinued Operations.

Return on Invested Capital

Lonza defines the ROIC as Net Operating Profit After Tax (NOPAT) divided by the average invested capital of the Group. ROIC is the most appropriate measure to assess the capital efficiency as it discloses how the Group deploys capital to generate profits.

In 2025 and 2024, the development of ROIC by component was as follows:

Components of net operating profit after taxes and return on invested capital (ROIC) for the twelve-months period ended 31 December

million CHF	2025	2024 (Restated) ¹
Result from operating activities (EBIT)	1,239	908
Share of result of associates / joint ventures	2	(1)
CORE adjustments		
Environmental-related measures	42	80
Acquisitions and divestitures	5	163 ²
Impairments	56	67
Reversal of impairment	(4)	(21)
Restructuring	(6)	28
Business transformation initiatives ³	53	14
Gains from sale of real estate	-	(84)
Net operating profit before taxes	1,387	1,154
Taxes ⁴	(241)	(173)
Net operating profit after taxes (NOPAT)	1,146	981
Average invested capital	9,625	9,008
ROIC in %	11.9	10.9

¹ Restated to reflect the classification of the Capsule and Health Ingredients business as discontinued operations (see note 33 of the Group's consolidated financial statements).

² Costs related to the acquisition of the Vacaville site and the subsequent network optimization measures as a result of this acquisition.

³ Costs related to "One Lonza" Business Transformation, and Nexus (a global Business Process Transformation linked to a new ERP system for Lonza's CDMO business based on SAP S/4 HANA).

⁴ Group tax rate on continuing business of 17.4 % (2024: 15.0%).

The invested capital represents the average of the monthly balances of the following components:

Components of average invested capital for the twelve-months period ended 31 December

million CHF	2025	2024 (Restated) ¹
Intangible assets	418	500
Property, plant & equipment	8,109	7,306
Goodwill	1,985	2,037
Inventories	1,682	1,571
Trade receivables	939	865
Other operating receivables	430	346
Other assets	196	281
Trade payables	(435)	(384)
Other operating liabilities	(3,528)	(3,338)
Net current and deferred tax liabilities	(171)	(176)
Average invested capital	9,625	9,008

¹ Restated to reflect the classification of the Capsule and Health Ingredients business as discontinued operations (see note 33 of the Group's consolidated financial statements).

Operational Free Cash Flow

Operational Free Cash Flow measures cash generated by the Group's business operations and represents the capability to pay dividends, repay providers of debt, or carry out acquisitions. Moreover, Lonza distinguishes the Operational Free Cash Flow before and after the effect of any acquisitions and divestitures.

In 2025 and 2024, the development of operational free cash flow by component was as follows:

Components of operational free cash flow¹

million CHF	2025	2024
Earnings before interests, taxes and depreciation (EBITDA)	2,196	1,695
Change of operating net working capital	(288)	(44)
Capital expenditures in tangible and intangible assets	(1,373)	(1,417)
Disposal of tangible and intangible assets	112	9
Change of other assets and liabilities ²	(41)	126
Change in provisions	11	63
Share-based payment costs	57	41
Operational free cash flow (before acquisitions / divestitures)	674	473
Acquisition of subsidiaries ³	(56)	(1,075)
Operational free cash flow	618	(602)

¹ Operational Cash Flow represents Lonza Group incl. discontinued operations.

² Includes non-cash amortization of current deferred income of CHF 482 million (2024: CHF 221 million), recognized in the income statement through EBITDA.

³ Additional earn-out consideration in 2025 related to the acquisition of Synaffix, and in 2024 acquisition of the Vacaville site.





Remuneration

172	Letter from the Chair of the Remuneration Committee	195	Share Ownership of the Members of the Board of Directors and the Executive Committee
176	2025 at a Glance	196	Mandates of the Members of the Board of Directors and the Executive Committee
178	Compensation Governance	198	Report of the Statutory Auditor
184	Compensation of the Executive Committee 2025		
193	Compensation of the Board of Directors 2025		

Letter from the Chair of the Remuneration Committee



Christoph Mäder

Chair of the Remuneration Committee

Dear Shareholders,

In my role as Chair of the Remuneration Committee (RemCo) and on behalf of its fellow members, I am pleased to introduce our Remuneration Report 2025, which was prepared in compliance with the Swiss Code of Obligations, the SIX Exchange Regulation, the Swiss Code of Best Practice and Lonza Group Ltd's Articles of Association. In this report, we outline the current compensation policies and the decisions made in relation to 2025 compensation for the Executive Committee (EC) and Board of Directors of Lonza Group Ltd (the Board).

To enhance succession planning, ensure continuity, and strengthen governance, the RemCo and the People and Governance Committee (previously named Nomination and Governance Committee) were established in mid-2024, following the split of the former Nomination and Compensation Committee (NCC). These committees now form an integral part of the company's governance framework.

We are grateful for the active engagement and time with our shareholders, the investor community and proxy advisors in 2025. These interactions help to ensure we continue our open and transparent dialogue. During 2025 we had dedicated engagements with external stakeholders in relation to our remuneration approach, governance and remuneration system evolution. Our discussions covered matters relating to changes to the Executive Committee and the Board of Directors, peer group simplification, plan design enhancements, as well as overall company developments.

Reflecting the importance of these interactions, we have introduced a new section in this Remuneration Report on Shareholder Engagements, summarizing the key discussions held and the actions taken in response to stakeholder feedback.

2025 Performance Outcomes

Lonza presents strong 2025 performance outcomes which have benefited our shareholders, our employees and the public. The RemCo measured the 2025 Lonza Bonus performance outcomes and payout levels against predetermined performance targets. The Group performance outcomes against all four KPIs (sales, CORE EBITDA, free cash flow and ESG) resulted in a company performance factor of 107%. When combined with varying personal performance factors the average total payout factor is 114% of target for Executive Committee members including the CEO. For the CEO the personal performance factor is 130% which leads to an overall payout factor of 139% of target. See page 188 to 191 for more details.

The 2023 – 2025 Long-Term Incentive Plan (LTIP) performance outcomes, and in turn payout levels, were measured against 2023 performance targets. Overall Group performance against CORE EPS and ROIC targets, measured at the end of the 2023–2025 performance period, positively impacted the 2023 LTIP achievement level which vested at 120% of target.

We explain in this report how our company performance impacts the compensation under the incentive plans for the EC.

2025 Committee Activities

The RemCo focused in 2025 on the determination of the compensation for the members of the Executive Committee and Board of Directors. We include in the Remuneration Report an overview of the schedule and key activities of the RemCo.

After three years of consistent fee levels, the RemCo reviewed the Board of Director fees in 2025. This review recognized the increasing workload arising from growth at Lonza and after reviewing against the peer group, the Chair fee was increased and separate committee fees were applied per committee. More information can be found in pages 177 and 193.

Following the announced plans to exit the Capsules and Health Ingredients (CHI) business, the RemCo reviewed the Executive Committee peer group. Our talent and leadership increasingly operate in a global market, given Lonza's significant presence in the US, and the overall growth trajectory of the company, the new peer group reflects where we compete for skills and expertise. The peer group is formed of global Life Sciences, Biotech and Pharma companies. More details on the peer group can be found on page 180.

During 2025, the RemCo advanced a comprehensive review of the Total Rewards framework to support the full implementation of the One Lonza strategy as well as the defined growth ambitions. This effort ensures to ensure continued alignment with new and evolving business priorities and long-term value creation under the new strategic direction and reinforce the link of pay for performance. The EC remuneration structure reflects that of the wider organization and provides a well-balanced mix of cash and equity, reflecting both annual and long-term performance orientation. The RemCo made a number of decisions in relation to EC Compensation Policy related to 2025 and 2026.

In 2025 the annual target awards for EC members were adapted to 75% – 100% (compared to 75% in 2024), reflecting a more differentiated and market aligned structure for our most strategic roles. In 2025, 100% was applied in one case only. The CEO target award is 100% and has not been adapted in 2025.

Similarly, the RemCo adapted LTIP 2025 target award levels to 100% – 125% (compared to 125% in 2024) for EC members. This allows the RemCo to position awards in line with experience, role scope and market. More information about the application of this policy in 2025 can be found on page 189.

The RemCo monitored and determined the relevance of the KPIs in the Lonza Bonus and LTIP. We concluded that the existing KPIs for the Lonza Bonus plan should continue for the 2025 plan year, reflecting both top and bottom line performance as well as ESG goals.

In relation to the LTIP 2025, the RemCo determined that the KPIs of Core Earnings Per Share (EPS), Return on Invested Capital (ROIC), and relative Total Shareholder Return (rTSR) continued to be relevant given Lonza's CapEx strategy, aligning the interests of employees and investors on sustainable profitability, shareholder value, and competitive performance. The three KPIs EPS, ROIC and rTSR are equally weighted and will be measured over the three-year LTIP performance period 2025 – 2027. Further, in line with feedback received from stakeholders, the 2025 rTSR vesting corridor is disclosed in this report

Looking ahead to 2026, the RemCo determined to cap the Lonza Bonus maximum achievement to 200%. More information can be found in page 185.

Further, the RemCo reviewed the LTIP target for the CEO and, in consideration of the One Lonza growth strategy, market benchmark, and the objective of strengthening the link between reward and long-term company performance, the LTIP target level was adapted with effect from 2026 to 200% (from 150% in 2025). With this review, the LTIP target is now closer to the market median. There are no other changes in compensation for the CEO planned for 2026 and no changes were applied in 2025.

The RemCo also revised the KPIs in the Lonza Bonus and LTIP for 2026 onwards. The future KPIs reflect the continued journey to achieve our One Lonza strategic ambitions. As part of our focus on delivering sustainable value creation, the company performance targets for the Lonza Bonus 2026 will be based on sales growth (reflecting our focus on revenue expansion and competitive growth), CORE EBITDA margin (to reinforce strong financial discipline and sustainable profitability year-over-year), trade working capital (to support robust cash management) and ESG. From 2026, ESG KPIs will be streamlined and simplified to the five KPIs most relevant to Lonza's sustainability strategy – climate, water, employee development, supply chain sustainability and supplier decarbonization (Scope 3), reflecting all three dimensions: Environmental, Social and Governance.

The LTIP KPIs were reviewed for 2026, and will remain as EPS, ROIC and rTSR with equal one-third weighting per KPI. The peer group for rTSR will be revised for 2026.

The RemCo also reflected on feedback received from stakeholders in respect of replacement awards. With effect from 2026, the primary vehicle for replacement awards for new Executives will be Performance Share Units (PSUs) with a three year vesting period, granted on a like for like basis to align with the vesting year of forfeited compensation. In the event of new EC appointments in future years, full details of related replacement awards will be disclosed in the relevant remuneration report.

The RemCo commits to providing additional and clarifying detail on the 2026 changes in the relevant 2026 Remuneration Report.

Changes to the Executive Committee and Board of Directors during 2025

During the year, the RemCo supported leadership transitions within the Executive Committee that were aligned with the introduction of the One Lonza strategy. These changes focused on placing the right leaders in the right roles to strengthen execution capabilities and accelerate progress toward Lonza's growth ambitions. The updated leadership structure enhances strategic alignment and operational agility, positioning the organization to effectively navigate future opportunities and challenges. On 1 July 2025, Andreas Bohrer was appointed to the Executive Committee in the role of Chief Legal & Corporate Affairs Officer. Additionally, effective 1 October 2025, Jason Berndt was appointed as Head of Group Operations. Maria Soler Nunez, previously serving in that role, transitioned to the position of Chief Quality Officer and continues to serve as a member of the Executive Committee, reflecting the critical importance of the Quality function.

All compensation decisions relating to the appointments and departures were made in line with our Executive Compensation Appointment and Termination Policies outlined on page 181.

In respect of the Board of Directors, Oliver Verscheure decided not to stand for re-election at the Annual General Meeting (AGM) in May 2025. David Meline, Juan Andres and Eric Drapé were elected as Independent Board Members at the AGM 2025.

On behalf of the RemCo, I thank our shareholders for the continued dialogue during 2025. We respectfully ask for your endorsement of this Remuneration Report 2025 and approval of Executive Compensation that will be put forward to you at the 2026 AGM.

Yours faithfully,
Christoph Mäder

Chair of the Remuneration Committee
Lead Independent Director



2025 at a Glance

Compensation Principles

Pay for Performance – our compensation programs are performance-based, linking employee reward with individual and company performance, both financial and non-financial. Non-financial targets focus on ESG goals to support UN Sustainable Development Goals.

Drive Sustainability – our compensation programs are linked to our sustainability strategy. Strategic decisions that drive competitive advantage are encouraged but excessive risk taking is discouraged to avoid jeopardizing the financial health, reputation or sustainability of the company. We believe in equal pay for equal work. Our compensation programs are simple, transparent and communicated internally and externally.

Create Shareholder Value – our share-based compensation encourages long-term performance and alignment of interests of our management with those of our shareholders. Our executives are required to hold a minimum level of shares to ensure they have a stake and interest in the long-term success of the company.

Drive Strategy – a strong focus on growth, sustainability and personal contribution means our incentive programs support the One Lonza strategy powered by the Lonza Engine® – our unique set of core competencies that work together to generate long-term value: high performing teams; leading scientific, technological, digital ecosystem; unparalleled customer partnerships; end-to-end execution excellence and plug-and-play investment & integration capabilities. Our competitive compensation programs are designed to attract and retain diverse talent who drive these strategic priorities.

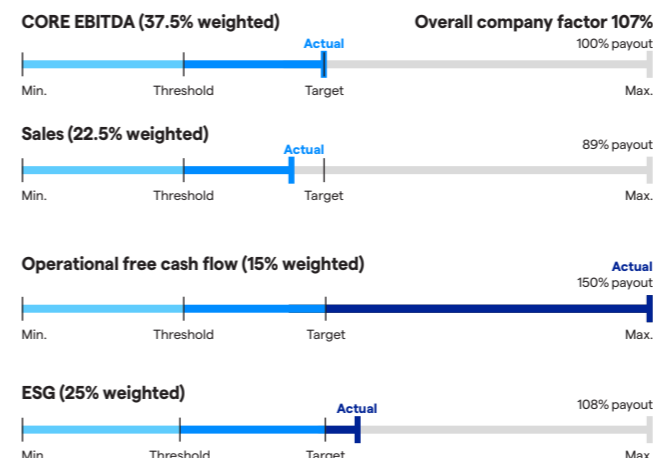
2025 Executive Committee Compensation Structure

	Fixed pay and benefits		Performance related variable pay		
	Base Salary	Pension and Benefits	Lonza Bonus	Long-term Incentive Plan (LTIP)	Lonza Restricted Share Plan (LRSP)
Purpose	Attract and retain Payment for role	Attract and retain Protection against risk and retirement savings	Reward for year-over-year performance	Retain Reward for long-term performance Align to shareholders	Attract and retain including employees in the wider organization Supports EC Appointment Policy
Form of payment	Cash	Pension contributions Benefits, allowances and insurances	100% cash; or 50% cash and 50% equity until shareholding guidelines are met	Performance Share Units (PSUs) subject to a three-year vesting period	Restricted Share Units (RSUs) subject to a two to five year vesting period
Drivers	<ul style="list-style-type: none"> Role and responsibilities Skills and experience Market value 	<ul style="list-style-type: none"> Market practice Role 	Performance against annual company financial and ESG objectives, individual goals, values and behaviors	Business performance over 3 years	<ul style="list-style-type: none"> Replacement award if on joining Lonza, certain compensation at their previous employer is forfeited Level is set lower than forgone awards
Performance measures			<ul style="list-style-type: none"> Sales CORE¹ EBITDA Free cash flow ESG KPIs Personal performance 	<ul style="list-style-type: none"> CORE¹ Earnings per share (EPS) Return on invested capital (ROIC) Relative Total Shareholder Return (rTSR) 	<ul style="list-style-type: none"> Sustained performance in role Continued employment

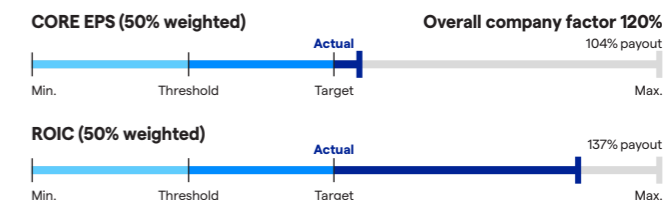
¹ CORE results for incentive plans are adjusted for divestitures, acquisitions, restructuring and extraordinary one-time events and as approved by the RemCo including rounding.

2025 Outcomes

2025 Lonza Bonus

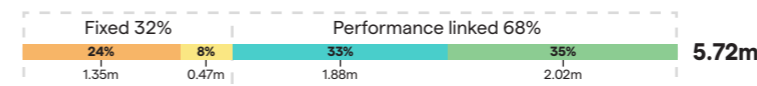


2023–2025 Long-term Incentive Plan

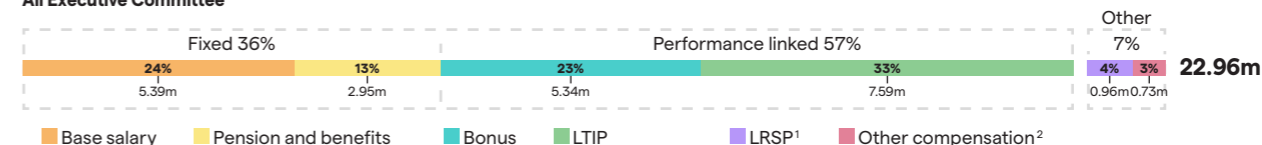


2025 Total Remuneration Paymix (CHF)

Highest Paid Member of the Executive Committee (Wolfgang Wienand, CEO)



All Executive Committee



¹ LRSP awards are separate from typical total compensation and are awarded at appointment and only in cases where a new Executive Committee member forgoes compensation at their previous employer and in line with Lonza's EC Appointment Policy.
² Cash payment (including base salary, other benefits, bonus and social security) and shares (LTIP) received by departed members of the Executive Committee during 2025 in line with contractual obligations and in line with applicable plan rules as well as a replacement cash payment of CHF 290,000 to Jason Berndt in lieu of compensation forfeited at his previous employer with vesting period of less than 12 months. More information can be found in page 191.

Board of Directors Compensation Policy

Compensation of Board of Directors from Annual General Meeting (AGM) 2025 to 2026 excluding employer social security contributions.

	Annual board retainer	Annual committee fees
Chair of the Board of Directors¹	CHF 950,000	Not eligible to committee fees
Vice-Chair of the Board of Directors	CHF 250,000	CHF 80,000 (committee chair) CHF 40,000 (committee member)
Member of the Board of Directors²	CHF 225,000	
The additional responsibilities of Lead Independent Director ³ do not attract any additional fees		
Form of payout	50% in Lonza Group shares (blocked for three years) and 50% in cash and paid in quarterly installments	

¹ The compensation of the Chair of the Board of Directors is inclusive of all committee work.
² The compensation for a Committee Chair amounts to CHF 305,000 where chairing one committee. In the case of multiple committee memberships each attracts a separate fee.
³ The roles and responsibilities of such Lead Independent Director are in line with sect. 18 para. 2 of the Swiss Code of Best Practice for Corporate Governance, requiring adequate control mechanisms, and commensurate to such position.

Compensation Governance

Rules in the Articles of Association

Lonza's Articles of Association contain rules regarding the approval of compensation by the Shareholders' Meeting (Article 22), the supplementary amount in the event of changes in the Executive Committee (Article 23), compensation of the members of the Board of Directors and the Executive Committee, including the principles applicable to performance-related compensation and the allocation of equity awards (Article 24), the agreements with members of the Board of Directors and the Executive Committee (Article 25), the mandates outside the Lonza Group Ltd (Article 26) and loans to members of the Board of Directors and the Executive Committee (Article 27).

	RemCo	Board of Directors	Annual General Meeting
Compensation strategy and design	Proposes	Approves	
Maximum aggregate compensation of the Board of Directors	Proposes	Reviews	Approves (binding vote)
Individual compensation of the members of the Board of Directors	Proposes	Approves (within the budget approved at the AGM)	
Maximum aggregate compensation for the Executive Committee	Proposes	Reviews	Approves (binding vote)
Individual compensation of the members of the Executive Committee	Approves (within the budget approved at the AGM)		
Performance target setting and performance assessment for the purpose incentive plans	Approves		
Remuneration Report	Proposes	Approves	Consultative vote

Responsibilities of Board of Directors

The Board of Directors has the following roles and responsibilities as outlined in the Articles of Association and Organizational Rules.

Responsibilities of the Remuneration Committee

The RemCo has the following roles and responsibilities as outlined in the Organizational Regulations and RemCo Charter. After each RemCo meeting the Board of Directors is informed of the topics discussed and decisions taken. RemCo meeting minutes are available to all members of the Board of Directors. The RemCo continuously reviews the aspects of executive compensation and compliance with good governance standards and also in light of continuous growth and transformation of the Company.

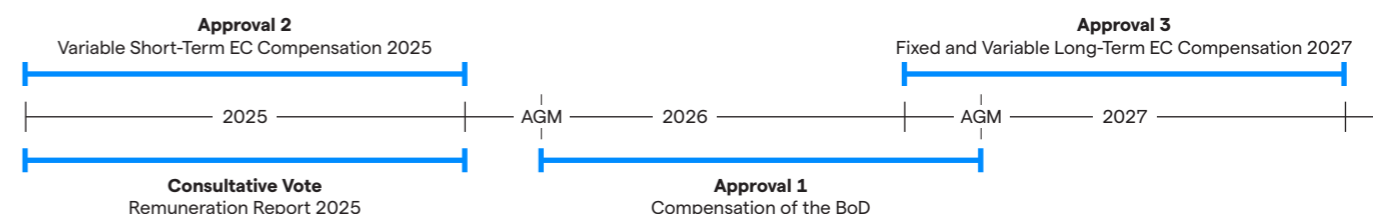
Shareholders' Meeting

The Shareholders' Meeting approves annually the compensation of the Board of Directors and the Executive Committee in accordance with the Lonza's Articles of Association and Organizational Regulations. In relation to the Board of Directors, prospective approval is sought for the compensation of the Board of Directors from AGM to AGM.

for the prior financial year. This maintains our commitment to pay for performance. In addition, a prospective approach is sought for the maximum aggregate amount of fixed compensation and variable long-term compensation (LTIP) for the upcoming financial year.

Retrospective approval is sought for the aggregate amount of variable short-term compensation of the Executive Committee

This Remuneration Report shall be submitted to a consultative vote by the shareholders at the AGM 2026. The voting mechanism that will be conducted at the AGM 2026 is described below.



Annual Remuneration Committee Schedule

	Q1	Q2	Q3	Q4
Remuneration Governance				
Preparation of Remuneration Report				•
Approval of Remuneration Report	•			
Review of the shareholdings of Board and Executive Committee	•			
Proposal of remuneration AGM motions to be submitted to shareholder vote		•		
AGM retrospective and review of feedback on policy and disclosures			•	
Approval of RemCo meeting schedule				•
Compensation of Board of Directors				
Determination of compensation for following compensation period (AGM to AGM)		•		
Benchmark of compensation of the Board of Directors (every 2-3 years)			•	
Compensation of the Executive Committee				
Performance Evaluation	•			
Determination of the annual bonus payout (prior year)	•			
Determination of long-term incentive vesting (end of prior 3-year period)	•			
Compensation review for current year	•			
Review compensation peer group			•	
Determination of plan design and performance targets for annual bonus and LTIP for next financial year			•	
Forecast of expected incentive payouts for current year			•	•
Benchmarking Executive Committee compensation	•			•
Determination of Executive Committee compensation for the coming year	•			•

Shareholder Engagements

Shareholder Outreach

The RemCo Chair conducted an extensive shareholder outreach program in 2025, engaging with institutional investors representing over 24% of our shareholder base. The objective was to gather feedback on our executive compensation framework, governance practices, and evolving expectations around transparency and sustainability-linked pay.

Similarly, to provide greater clarity and alignment with best practices, we have expanded our disclosure on annual bonus outcomes. The Remuneration Report now includes a detailed explanation of performance achievements particularly on the individual goals.

We are pleased to report continued support for our executive compensation philosophy, which emphasizes pay-for-performance, long-term value creation, and alignment with shareholder interests. Below, we summarize the key themes from our engagement and the actions taken in response.

This approach ensures transparency on how performance translates into payouts and reinforces the link between pay and performance.

Enhanced Disclosure on Compensation Elements

In response to shareholder feedback requesting greater transparency, we have expanded our disclosure on base salary adjustments for Executive Committee members. The Remuneration Report now provides additional context on the rationale for any changes, including market positioning, individual performance. This approach reflects our commitment to transparency, clarity and alignment with best governance practices.

In addition, several shareholders expressed a desire for greater transparency around the performance metrics and outcomes of our long-term incentive plans. In response, we have enhanced the disclosure of our 2022-2025 LTI payout table, including further details of the payout corridor in relation to the rTSR KPI.

Review of Compensation Peer Group

Following feedback received, the Board conducted a comprehensive review of the compensation peer group in 2025. The purpose of this review was to ensure that the peer group remains appropriate for benchmarking EC compensation, considering factors such as company size, industry, and growth trajectory. This review forms the foundation for subsequent benchmarking of total rewards. More information about the Peer Group can be found on page 180.

Link between Sustainability and Executive Pay

Lonza recognizes the importance of integrating sustainability objectives into executive compensation as part of our long-term strategy. The Lonza Bonus currently includes measurable ESG-related objectives, such as progress on emissions reduction and workforce diversity. These goals are reviewed annually to ensure they remain relevant and balanced within the overall incentive framework.

We remain committed to transparent reporting on progress against our sustainability roadmap, which is aligned with our corporate strategy and stakeholder expectations.

Looking Ahead

We value the ongoing dialogue with our shareholders and remain committed to evolving our compensation practices in line with market standards, regulatory expectations, and stakeholder feedback.

External Advisors

Lonza engages with external advisors on an ad hoc basis as required. In 2025, the RemCo obtained external market and legal insights from WTW¹, PWC¹ and Obermatt¹ reflecting a total cost of approximately CHF 80,000. The CHRO and relevant HR specialists support the RemCo in preparing the RemCo meetings and materials. These individuals have an advisory function without voting rights.

Market Benchmarking

Lonza reviews the total compensation of the Executive Committee, wider employees and Board of Directors through regular benchmarking analysis versus market practice, to ensure that compensation levels remain competitive and support the retention and attraction of talents. The total compensation (base salary, variable incentives, pension and other benefits) for Executive Committee members is benchmarked against a relevant peer group every two to three years or when fundamental company parameters alter (e.g. acquisition or divestment). Benchmarking was last performed in 2025. In 2025 the peer group was modified to focus on global pharmaceutical, life sciences and CDMO businesses of a similar size. This enhanced peer group best represents the talent market in which Lonza competes.

In relation to the revised peer group (please see table below) and considering company scope factors such as market capitalization and revenue, Lonza is well positioned around the median of the peer group. CEO base salary and target bonus are also positioned around the median of the peer group while the LTI target opportunity for 2025 is at the lower quartile.

Alcon	Siemens Healthineers
Danaher Corporation	Sonova Holding
Givaudan	Straumann Holding
Merck KGaA	Teva Pharmaceutical Industries Limited
Mettler-Toledo International Inc	Thermo Fisher Scientific
Novartis	UCB
Roche	Vertex Pharmaceuticals, Inc
Sandoz Group	WuXi AppTec Co
Samsung Biologics	WuXi Biologics
Sartorius Aktiengesellschaft	

¹ Both PWC and WTW have further consulting arrangements with Lonza Human Resources. Obermatt has no other consulting arrangements.

Executive Committee Appointments Policy

Compensation Element	Policy
Levels and Structure	<ul style="list-style-type: none"> Total compensation and components for an incoming Executive Committee member will be directly aligned with the Executive Committee compensation structure (page 176)
Base Salary	<ul style="list-style-type: none"> The RemCo will set base pay levels in a reasonable range around market level considering scope of role responsibilities, experience, skills and internal relativities If the scope of an Executive Committee member's role changes significantly the RemCo may make adjustments in line with benchmark and defined budget The RemCo will review Executive Committee base salary as part of the merit based annual salary review, with increases based on strong performance and proven contributions in role over a sustained period
Incentives	<ul style="list-style-type: none"> Incoming Executive Committee members are eligible for incentive target levels in line with their role (see page 185)
Pension and benefits	<ul style="list-style-type: none"> Incoming Executive Committee members are eligible for pension and benefits in line with the wider workforce in the country in which they are employed
Replacement Awards	<ul style="list-style-type: none"> The RemCo will consider making replacement awards at the commencement of the employment relationship using equity (LRSP) or in exceptions cash. Such awards compensate forfeited awards at the previous employer, as a result of accepting the Lonza appointment (see page 190) Details of any such replacement award for Executive Committee members will be disclosed at the time of grant, in the relevant Remuneration Report In line with mandatory Swiss law, Lonza does not give any "golden handshakes" or sign-on awards Effective from 2026, replacement awards will be granted under the LTIP framework, with the applicable performance conditions applying

Executive Committee Termination Policy

The employment agreements of the Executive Committee members are in line with the below provisions.

Termination type	Treatment of compensation
Death, Disability and Retirement Termination by the Company Without Cause	<ul style="list-style-type: none"> Payment of base salary and benefits over the 12-month notice period, except in the case of retirement. In the case of death, this is paid out to the next of kin Pro-rata annual bonus payment relating to year of termination, measured up to the termination date (payout subject to shareholder vote at the relevant Annual General Meeting) Unvested LTIP awards will be pro-rated, based on number of months employed (including the notice period) during the 36-month performance period (this applies to all outstanding LTIP awards) and will vest on the ordinary vesting date for each plan Unvested LRSP awards will be pro-rated, based on number of months employed (including the notice period) during the relevant vesting period and will vest on the ordinary vesting date for each plan No new LTIP awards will be made where the grant date is in the notice period
Resignation by the Executive	<ul style="list-style-type: none"> Payment of base salary and benefits over the 12-month notice period No entitlement to annual bonus award with respect to the plan year in which the termination date occurs, except if both of the following apply: <ul style="list-style-type: none"> I. Termination is after 31 December of the plan year; and II. Executive was not released from their obligation to work during the plan year All unvested LTIP / LRSP awards will lapse
Termination by the Company for Cause	<ul style="list-style-type: none"> Payment of base salary and benefits over the 12-month notice period No entitlement to annual bonus award relating to plan year in which employment is terminated All unvested LTIP / LRSP awards will lapse
Change of Control	<ul style="list-style-type: none"> Payment of base salary and benefits up to point of transaction if moving to new entity following transaction or up to the end of the notice period, if terminated by the Company without cause Within 18 months following a change of control, an annual bonus payment will be made on a pro-rata basis reflecting the period up to the end of the notice period. The payment will also be based on actual (to the extent that it may be determined) or presumed achievement and, if to the extent that the executive is released from an obligation to work, target achievement (100%) will be assumed Unvested LTIP / LRSP awards shall vest immediately and the granted price shall be the price at which the shares are sold in the transaction resulting in the Change of Control
Non-Compete	<ul style="list-style-type: none"> For a period of six months (for Executive Committee members) and 12 months (for the Chief Executive Officer) following the end of the notice period individuals will not be partially or fully employed by any entity that materially competes with the Company In case of a breach of the non-competition clause, the executive shall pay damages to the Company Compensation for the period of non-competition, will be a monthly consideration equal to the executive's last monthly base salary minus any new income earned in the relevant month In line with the Code of Obligations (art. 735c para 2) compensation will not exceed the average compensation paid to the EC Member in the three previous financial years and will only be paid when commercially justifiable The Company may elect to fully or partially release the departing Executive Committee member from the non-competition obligation no later than six months prior to the end of the notice period

Clawback and Malus

The Lonza Clawback and Malus Policy applies to Executive Committee members and covers all new, future and outstanding variable compensation including Lonza Bonus, LTIP and LRSP awards. In instances of gross misconduct, material breach of duties, violation of code of conduct, material misstatement of and error in calculation of performance (company or personal), the Clawback and Malus policy allows Lonza to recover any relevant compensation from Executive Committee members and / or to forfeit or reduce in whole, or in part, any future awards or payments. The clawback and malus period applies until the third anniversary of the vesting date.

Shareholding Guidelines

Executive Committee members and other senior managers must meet minimum shareholding requirements to strengthen their alignment with our shareholders' interests. The minimum shareholding levels must be achieved within a specified five-year period which begins on the date of commencing the relevant role. Progress towards achieving the guideline levels is measured in January of each calendar year.

CEO	300% of base salary
Other Executive Committee members	200% of base salary
Other senior managers	Annual LTIP grant value

The RemCo periodically reviews the minimum shareholding requirements. No changes were made to the guidelines during 2025.

Executive Committee Performance Management Annual Process

Executive Committee members are subject to a performance management process, broadly aligned with the process for the wider organization. The RemCo works to set robust targets to drive sustainable results.

Both group wide goals and personal goals (financial and ESG) are set after iterative reviews and are ultimately approved by the Board of Directors. At year-end, a performance assessment takes place. Each Executive Committee member conducts a self-assessment of their performance, considering the deliverables of their role, including Business Platform financial targets and company-wide ESG targets, achievement of annual personal goals, and values and behaviors.

A discussion is held between each Executive Committee Member and the CEO who recommends a performance rating for RemCo endorsement. The Executive Committee members are not present during RemCo meetings when their own performance and compensation is discussed.

The Chair of the Board of Directors assesses the performance of the CEO, including: a review of company targets set at the beginning of the year (financial and ESG), personal goals and values and behaviors, in order to determine a performance rating approved by the RemCo. The CEO is not present during the section of the RemCo meeting when their own performance and compensation is discussed.

1. Target Setting

- Company (financial and ESG) targets proposed to the Board with inputs from relevant functions. Robust iterative review process ensures targets are stretching to drive competitive advantage, whilst discouraging excessive risk taking
- Personal goals proposed by each EC member, including values and behaviors
- CEO sets personal goals with the Chair of the Board. Other EC members set goals with CEO

2. Year-End Performance Assessment

Company Performance

- Outcomes for financial and ESG targets are calculated against each weighted metric considering constant exchange rates and result in a company performance factor

Personal Performance

- EC members conduct self-assessment
- CEO performance assessed by Chair of the Board to determine a performance rating considering a review of company targets set at beginning of the year (financial and ESG), personal goals, and values and behaviors
- EC Member performance is assessed by CEO to determine a performance rating considering deliverables of their role including: Business Platforms' financial targets and company-wide ESG targets, achievement of annual personal goals, and values and behaviors
- The personal performance assessment may result in a rating of Outstanding Performance (exceptional contributions and performance over and above expectation and exemplifying Lonza's values and behaviors), Successful Performance (strong performance in line with expectation and having delivered defined goals), or Developing Performance (performing generally in line with expectations, yet may not have fully delivered defined goals or had effective business impact). In rare cases a rating of Unsatisfactory may apply
- CEO and EC ratings endorsed by RemCo resulting in a personal performance factor as outlined on page 188 and 191

3. Determining CEO and EC Compensation

- Base salary is reviewed by RemCo in line with performance, market benchmarks, internal relativities, experience and scope of role, and is put to the AGM
- Annual bonus outcomes are formulaic (using the company and personal performance factors) and are put to the AGM
- Long-term incentive outcomes are formulaic based on outcomes of the relevant financial metrics



Compensation of the Executive Committee 2025



Base Salary

Objective and overview	<ul style="list-style-type: none"> • Paid as a fixed cash amount • Basis for total compensation (incentives target amounts set in percentage of base salary) • Reviewed annually, taking into consideration the scope and responsibilities of the position, market benchmark and base salary increase made across the Company, as well as the personal performance of the individual • May be adjusted in case of change in scope of role
2025 implementation	<ul style="list-style-type: none"> • Base salary for those appointed to the Executive Committee during 2025 was set taking in consideration the experience of individual and relevant market levels • Base salary for specific Executive Committee members was adjusted during 2025 in line with the objectives above • Base salary for the CEO was not adjusted during 2025

Benefits

Objective and overview	<ul style="list-style-type: none"> • Complement the total compensation offering on a country or market specific basis • Includes retirement benefits and risk benefits such as life, health insurance and medical allowance, as well as perquisites such as transportation allowance and expense allowance
2025 implementation	<ul style="list-style-type: none"> • Administered in line with country benefit policies • Provided to Executive Committee members on the same terms as the wider workforce in the country in which they are employed

Lonza Bonus

Objective	A reward for year-over-year performance, providing potential for an annual bonus payment based on Group and personal performance			
Overview and payout method	Bonus performance conditions are defined for each financial year ahead of the relevant annual bonus cycle based on the company's short-term objectives, and include a mix of financial, ESG and individual goals			
	Annual bonus target amount	Company performance factor	Personal performance factor	Bonus award
	Annual bonus target	<ul style="list-style-type: none"> × Sales × CORE¹ EBITDA × Free cash flow × ESG KPIs 	<ul style="list-style-type: none"> × Personal factor based on personal performance rating considering delivery of: role deliverables; annual goals; values and behaviors 	<ul style="list-style-type: none"> = Bonus award is paid 100% in cash or, 50% cash and 50% shares if shareholding guidelines have not been met
Levels	<p>CEO 100% of base salary at target</p> <p>Other Executive Committee members 75%–100% of base salary at target</p>	0–150% of target	<ul style="list-style-type: none"> • Outstanding Performance 125–135% • Successful Performance 95–105% • Developing Performance 75–85% • Unsatisfactory 0–40% 	Realized bonus award ranges from 0–202.5% of target.
2025 implementation	A 100% target was applied in one case in 2025, to reflect a more differentiated approach considering role scope and taking into account market benchmarking. The maximum bonus opportunity increased from 195% to 202.5% of target as a result of the increase in the maximum personal performance factor to 135% for all Lonza employees. This maximum level did not apply to any Executive Committee member in 2025. For 2026, the maximum bonus opportunity will be capped at 200%.			
Company performance conditions	<p>The 2025 annual bonus was based on company performance and personal performance measures with financial and ESG target performance results derived from the audited 2025 results. These financial KPIs measures were selected to reflect company performance holistically considering topline revenue generation as well as bottom line operational efficiencies, cost and expense management. Core metrics are used to provide a more accurate and transparent reflection of achievements by normalizing for non-recurring, non-operational items or events, ensuring our incentive structures are aligned with sustainable value creation.</p> <p>Targets are rigorously reviewed and calibrated and set annually. They are coupled with ESG goals which are outlined in the following section.</p> <p>As outlined on page 177, for 2026, company performance conditions will be based on sales growth (reflecting our focus on revenue expansion and competitive growth), CORE EBITDA margin (to reinforce strong financial discipline and sustainable profitability year-over-year), trade working capital (to support robust cash management) and ESG.</p>			
Definition	Sales Measures revenue generated	CORE¹ EBITDA Measures Group operating performance and profitability	Free cash flow Measures the company's ability to generate cash	ESG Measures the company's contribution to seven UN Sustainable Development Goals
Weighting	22.5%	37.5%	15.0%	25.0%

¹ CORE results for incentive plans are adjusted for divestitures, acquisitions, restructuring and extraordinary one-time events and as approved by the RemCo including rounding.



Environmental, Social and Governance (ESG)

Lonza has prioritized seven of the United Nations Sustainable Development Goals as the most relevant to our commitment to supporting our customers to bring medicines and therapies to patients, investing in the development of our people and reducing the environmental impact of our operations and supply chain. This commitment is anchored in our annual bonus for the Executive Committee and the wider employee population, with the equally weighted targets set out below. The Executive Committee have a collective responsibility for the achievement of the ESG goals and its members sponsor the goals to ensure a dedicated focus.

2025 Payout Factor

ESG

2025 Achievement (% of target)						
Sustainable Development Goal	Objective Description	2025 Achievements	Threshold	Target	Maximum	2025 Payout
3. Good Health and Wellbeing	Lonza contributes to the wellbeing of the world and global society, measured by the satisfaction of our customers who bring medicines and therapies to patients	Customer satisfaction for our CDMO products and services offerings increased 11 points year over year				150%
	Annual progress on our ESG roadmap	We improved our ESG risk management, governance and reporting by enhancing our supply chain climate risk assessment process and financial quantification and our materiality assessment				125%
13. Climate Action	Annual progress in reducing Scope 1 and 2 emissions with the long-term goal of cutting our GHG emissions by 42% by 2030 vs 2021	Absolute emissions decreased year over year, and we continue our work to reduce Scope 1 and 2 emissions in the mid – long term. Our emissions intensity (tons of CO ₂ /m CHF) continues to decrease year over year ¹				54%
	Enhancement of roadmap and commitment to reduce Scope 1 and 2 emissions	The majority of our sites further developed plans identifying projects to reduce emissions in mid to long term, and projects are included in the financial planning				52%
9. Industry, Innovation and Infrastructure	Lonza further reduces the environmental impact of our operations through innovation for efficiency in growth projects and investment	We continue to expand and implement Sustainable Design Standards for all relevant capital expansion and refurbishment projects worldwide and their estimated carbon footprint. We challenge each project to make sure that sustainability principles were implemented in the design of our assets and utilities				150%
12. Responsible Consumption and Production	Lonza improves ESG throughout its supply chain	We continued our progress on performing sustainability evaluations for our suppliers, covering more than 85% by spend				150%
	Enhancement of roadmap and commitment to reduce Scope 3 emissions	We work towards our Scope 3 science-based supplier target, by engaging more than 700 suppliers to improve their decarbonization maturity				150%
5. Gender Equality	Annual progress towards our global ambition of ensuring equal employment	We continue our equal employment opportunity efforts, and we maintained the percentage of females in management positions globally ²				0%
6. Clean Water and Sanitation	Annual progress towards reducing industrial water intensity by 50% by 2030 vs. 2021	We reduced industrial water intensity (m ³ /m CHF) year over year with a slight decrease in absolute water consumption ¹				70%
	Enhancement of roadmap and commitment to reduce water consumption	Many industrial water reduction projects are underway, already delivering actual water savings year-on-year				134%
4. Quality Education	Lonza supports the learning and development of its employees, measured by the completion of individual development plans	We focus on the development of our employees, supported by meaningful manager conversations, with more than 68% coverage				149%
Total ESG Factor						108%

¹ Greenhouse gas and water figures have been adjusted to reflect acquisitions and external events.

² This target is the global (where permitted by local law) performance indicator of our efforts to remove any gender-related obstacles in the workplace, ensuring each person is assessed fairly based on merit.

Overall Company Performance

2025 Group performance targets and outcomes

	Weighting	Target	Maximum	Actual	2025 Payout (% of target)
CORE ¹ EBITDA	37.5%	2,351	2,451	2,352	100%
Sales	22.5%	7,670	7,970	7,607	89%
Free Cash Flow	15.0%	202	302	700	150%
ESG	25.0%				108%
Total Company Performance Factor	100%	-	-	-	107%

¹ CORE results for incentive plans are adjusted for divestitures, acquisitions, restructuring and extraordinary one-time events and as approved by the RemCo including rounding.

The 2025 annual bonus will be paid to eligible Executive Committee members in May 2026 subject to shareholder approval at the 2026 Annual General Meeting.

CEO Personal Performance

In addition to company financial and ESG targets outlined above, the Board also set strategic objectives for the CEO. The table below outlines the CEO performance against the Lonza

Bonus targets. These targets were structured to ensure delivery against the announced One Lonza strategy, driven by the Lonza Engine[®] to create long-term value.

Achievement of CEO's achievements against strategic objectives:

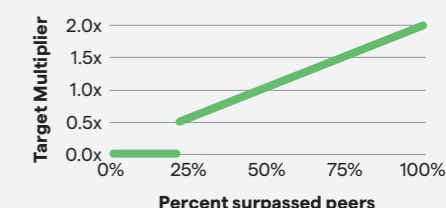
In 2025, the CEO continued to successfully drive transformative change toward the new One Lonza vision, in line with the new One Lonza strategy, with execution at speed and a strong focus on results. By collaborating closely with his leadership team and employees across the company, he efficiently introduced a streamlined operating model, reorganizing Lonza into three specialized business platforms supported by enhanced group functions. The transformation to a pure-play CDMO progressed through strategic investments and targeted divestments, while the CEO's direct engagement on executive level with customers further elevated Lonza's reputation as a trusted strategic partner. Commercial success was evident through the signing of numerous customer contracts totaling multi-billion CHF and a significantly increased Net Promotor Score. Disciplined operational execution and effective cost management delivered significant sales growth of 21.7% (CER) and CORE EBITDA of over CHF 2bn at a 31.6% margin, surpassing upgraded guidance.

Personal Performance Factor 130%
Overall, the CEO delivered a strong and balanced performance in 2025 and, based on the assessment of the Chairman of the Board and as approved by the Remuneration Committee, was awarded an Outstanding performance rating with a personal performance factor of 130%.

CEO Overall Payout Factor 139.1%

Long-term Incentive Plan (LTIP)

Objective and overview	<ul style="list-style-type: none"> As part of variable compensation, the LTIP aligns the interests of participants with those of Lonza's shareholders. It also contributes towards the offering of a competitive total reward package Executive Committee members are awarded the conditional right to receive a number of Lonza shares in the future, provided that performance and employment conditions are achieved over a three-year performance period The LTIP design and performance targets are determined at the beginning of each three-year performance period 																												
Levels	<ul style="list-style-type: none"> CEO: 150% of base salary at target Other Executive Committee members: 100% – 125% of base salary at target Minimum payout is 0% of target levels Maximum payout is up to 200% of target levels 																												
Payout ranges	<p>Payout ranges from 0% to 200% of target opportunity levels</p> <table border="1"> <thead> <tr> <th>Performance</th> <th>Payout (% of target)</th> </tr> </thead> <tbody> <tr> <td>Minimum</td> <td>0%</td> </tr> <tr> <td>Threshold</td> <td>50%</td> </tr> <tr> <td>Target</td> <td>100%</td> </tr> <tr> <td>Maximum</td> <td>200%</td> </tr> </tbody> </table>	Performance	Payout (% of target)	Minimum	0%	Threshold	50%	Target	100%	Maximum	200%																		
Performance	Payout (% of target)																												
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Performance Conditions	2025 KPIs are CORE ¹ EPS, ROIC and rTSR each weighted at one-third. These KPIs align the interests of the Executive Committee with Lonza's long-term performance and thus the interests of our shareholders.																												
2023 LTIP award – performance and payout	<p>The 2023 LTIP award was granted in 2023 with the KPIs relevant at that time.</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="4">2023–2025 LTIP performance</th> <th rowspan="2">2025 Payout (% of target)</th> </tr> <tr> <th>Weighting</th> <th>Target</th> <th>Maximum</th> <th>Actual¹</th> </tr> </thead> <tbody> <tr> <td>CORE EPS (earnings per share)</td> <td>50%</td> <td>16.7</td> <td>23.4</td> <td>17.0</td> <td>104%</td> </tr> <tr> <td>ROIC (return on invested capital)</td> <td>50%</td> <td>8.4%</td> <td>11.8%</td> <td>9.7%</td> <td>137%</td> </tr> <tr> <td>Total</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>120%</td> </tr> </tbody> </table> <p>This resulted in a payout of 120% of target LTIP levels for Executive Committee members participating in this award.</p>		2023–2025 LTIP performance				2025 Payout (% of target)	Weighting	Target	Maximum	Actual ¹	CORE EPS (earnings per share)	50%	16.7	23.4	17.0	104%	ROIC (return on invested capital)	50%	8.4%	11.8%	9.7%	137%	Total	-	-	-	-	120%
	2023–2025 LTIP performance				2025 Payout (% of target)																								
	Weighting	Target	Maximum	Actual ¹																									
CORE EPS (earnings per share)	50%	16.7	23.4	17.0	104%																								
ROIC (return on invested capital)	50%	8.4%	11.8%	9.7%	137%																								
Total	-	-	-	-	120%																								
2024 LTIP award	The 2024 LTIP award was granted in 2024 and will vest in early 2027 following a three year performance period. Full details were provided in the 2024 Remuneration Report.																												
2025 LTIP award – grant	<p>Overview The 2025 LTIP budget value for the Executive Committee was approved by the Board of Directors and submitted to the 2024 AGM. Following shareholder approval at this meeting, the awards were subsequently administered. Similar to previous years, the 2025 LTIP awards include minimum, threshold, target and stretch goals, as outlined in the table above.</p> <p>Performance measures 2025 and target setting The respective performance targets at the threshold (50%), target (100%) and maximum (200%) payout levels were recommended by the RemCo and approved by the Board of Directors in January 2025. They are commercially sensitive at this time and will not be disclosed publicly until after the awards have vested.</p> <p>CORE¹ EPS EPS (Earnings per share) is defined as CORE net income divided by the average number of outstanding shares and measures profitability and excludes financial income and expenses. The 2025 LTIP award threshold performance level remains consistent with prior years. The maximum performance level requires significantly better performance than target. CORE EPS is used as a metric to provide a more accurate and transparent reflection of achievements by normalizing for non-recurring, non-operational items or events, ensuring our incentive structures are aligned with sustainable value creation.</p> <p>ROIC ROIC (return on invested capital) is defined as adjusted net operating profit after tax divided by average invested capital. This measures the return the company generates on its investments for both organic, and inorganic expansion. The measure is a reflection of the effect of decisions taken by Executive Committee members and senior management over the course of the relevant LTIP performance period. The 2025 LTIP award threshold performance level remains consistent with prior years. The maximum performance level requires significantly better performance than target.</p> <p>rTSR rTRS (relative total shareholder return) ranks Lonza's performance against all members of the peer group. This measure aligns the interests of our executives with shareholders over a multi-year period. The target (100%) payout level is achieved with a median ranking relative to the peer group. The threshold payout (50% of target) is achieved with Percentile 25 relative to peer group. The maximum payout level (200% of target) is achieved at 100 Percentile relative to the peer group. All performances in between are linearly interpolated. rTSR is measured against the SMI peer group and is calculated by an independent third-party advisor, and subsequently approved by the Board and assured by an external auditor.</p>																												



¹ CORE results for incentive plans are adjusted for divestitures, acquisitions, restructuring and extraordinary one-time events and as approved by the RemCo including rounding.

Lonza Restricted Share Plan (LRSP)

Objective, overview and performance measures	<ul style="list-style-type: none"> A replacement award instrument for Executive Committee members awarded solely at the commencement of the employment relationship if certain compensation is forfeited at their previous employer as a result of joining Lonza. It is used as a vehicle to support the Executive Committee Appointment Policy and replicates existing vesting schedule at previous employer Two to five-year time-based vesting period, depending on the structure of the forgone compensation Replacement awards subject to continued employment and sustained performance in role
Levels	<ul style="list-style-type: none"> Levels set less than forgone awards, considering, but not limited to, previous employer variables such as historical company performance, volatility and the equity instrument
Payout method	<ul style="list-style-type: none"> 100% equity following a two to five-year time-based vesting period
2025 Implementation	<ul style="list-style-type: none"> Jason Berndt received an award of CHF 0.96m as a replacement for compensation forfeited at his previous employer when joining Lonza. The award has a three-year vesting period in yearly tranches at 12, 24 and 36 months to closely match vesting dates for forfeited compensation Effective from 2026, replacement awards will be granted under the LTIP framework, with the applicable performance conditions applying

The LTIP and LRSP outlined above are the only share-based programs provided.

Highest Compensation Paid to a Member of the Executive Committee

The table below shows the breakdown of compensation for Wolfgang Wienand, CEO, as the highest-paid Executive Committee member in 2025 and 2024. The 2024 figures reflect pro-rata compensation from his hire date of 1 July 2024, whereas 2025 reflects compensation for the full calendar year.

The total remuneration in 2025 is lower than in 2024 (CHF 5.72m in 2025 compared to CHF 6.42m in 2024) due to the one-time replacement award in 2024 for compensation forfeited at the prior employer when accepting the role at Lonza.

The actual bonus payout is based on outstanding individual performance driven by delivering above expectations against the One Lonza strategy. Under his leadership the Lonza Engine[®] moved from strategic concept to high-performing reality in 2025 capturing double digit sales growth, streamlining the business to remove complexity and strengthening customer confidence. Combined with strong company performance in 2025 this has contributed to the Lonza Bonus payout outlined in the table below. More details of the personal performance can be found on page 188.

The fixed and variable long-term compensation budgets are based on shareholders' approval during the 2024 Annual General Meeting.

Million CHF (gross)	2025	2024
Fixed pay		
● Base salary	1.35	0.67
● Benefits ¹	0.35	0.36
● Pension	0.11	0.06
Variable pay		
● Lonza Bonus (cash) ²	1.88	0.47
● Lonza Bonus (shares) ²	0.00	0.47
● LTIP (grant value) ³	2.02	1.69
Other pay		
● LRSP (grant value)	0.00	2.70
● Other compensation	0.00	0.00
Total remuneration	5.72	6.42

¹ The disclosed amounts on this line include the full costs of employer contributions for social security.

² For those Executive Committee members who are yet to reach the minimum shareholding, the 2025 Lonza Bonus will be paid out 50% in cash and 50% in shares.

³ The fair value is determined using the target award (as a percentage of base salary at grant date) and the grant share price.

Aggregate Compensation of the Executive Committee

The table below shows the aggregated breakdown of all compensation provided to Executive Committee members¹ in 2025 and 2024.

Million CHF (gross)	2025	2024
Fixed pay		
● Base salary ²	5.39	4.66
● Benefits ³	1.99	1.64
● Pension	0.96	0.79
Variable pay		
● Lonza Bonus (cash) ^{4,5}	5.20	3.62
● Lonza Bonus (shares) ⁵	0.14	0.69
● LTIP (grant value) ⁶	7.59	5.96
Other pay		
● LRSP (grant value) ⁷	0.96	2.90
● Other compensation ⁸	0.73	1.29
Total	22.96	21.55

¹ 8.8 members in 2025 and 8.3 members in 2024. Andreas Bohrer was appointed on 1 July 2025. Jason Berndt was appointed on 1 October 2025.

² Base salary levels paid for the periods when individuals were members of the Executive Committee during 2025 and 2024.

³ The disclosed amounts on this line include the full costs of employer contributions for social security and the fair value of the other benefits.

⁴ The Company performance factor for 2025 was 107% (2024: 107%) and the rounded average personal factor for the Executive Committee members was 106% (with personal performance ratings in the range of Successful and Outstanding performance) (2024: 108%). Payouts will be made with the first possible payroll after shareholders' approval at the AGM 2026.

⁵ Two active Executive Committee members as at 31 December 2025, are developing their shareholding in line with the shareholding guidelines and, where eligible for a payout, will receive the 2025 Lonza Bonus 50% in cash and 50% in shares.

⁶ The fair value is determined using the target award (as a percentage of base salary at grant date) and the grant share price.

⁷ In line with the Executive Committee Appointment Policy (see page 181), replacement awards at the commencement of the employment relationship were made in 2025 to Executive Committee members (Jason Berndt) under the LRSP compensated for equity awards which were forfeited when leaving the previous employer. The award was made in accordance with Article 23 (Supplementary Amount in the Event of Changes in the Executive Committee) of Lonza's Articles of Association. The fair value at grant was calculated using the 1-month trading day average closing share price prior to the grant date. The awards will vest over a three-year vesting period in yearly tranches (CHF 0.43m, CHF 0.24m and CHF 0.29m respectively), subject to continued employment, sustained performance and clawback and malus, under the Clawback and Malus Policy. See page 190 for full details on the award.

⁸ Cash payment (including base salary, other benefits, bonus and social security) and shares (LTIP) received by departed members of the Executive Committee during 2025 in line with contractual obligations and in line with applicable plan rules as well as a replacement cash payment of CHF 290,000 to Jason Berndt in lieu of compensation forfeited at his previous employer with vesting period of less than 12 months.

The aggregated base salary levels increased by 15.6% in 2025 (as compared to a 7% increase in 2024). This is primarily due to the increase in active EC members from 8.3 to 8.8, reflective of the portion of time held by Executive Committee members during each year. Excluding the increase in members, the aggregated base salary levels increased by 8.9% in 2025. Base salaries were adjusted for two Executive Committee members in line with market value, scope of role and experience. The decision was made after conducting a full market benchmark. The resulting compensation for both Executive Committee members was positioned competitively yet conservatively compared with the peer group midpoint.

The proposed payments under the Lonza Bonus for 2025 are reflective of the 2025 Group financial and ESG target performance, as outlined on page 188 of this report. The Company performance factor of 107% combined with varying personal factors resulted in a proposed average total payout of 114% of target for Executive Committee members. The aggregated bonus payouts increased as compared to 2024 as a result of an increase in eligible Executive Committee members (8.5 active members as compared to 7.9 in 2024). In addition, base salary increases (reflecting expanded scope and responsibilities and ensuring market competitive compensation) for two EC members in 2025 led to a corresponding increase to the target bonus awards. Further the adaptation of the EC bonus policy to 75-100%, also led to a corresponding increase to target bonus awards, after 100% was applied in one case.

The aggregated 2025 LTIP grant value increased compared to 2024. The increase arises from a higher number of Executive Committee members eligible to receive awards (8.8 in 2025 as compared to 8.2 in 2024) in combination with the flow through impact of higher base salaries in 2025.

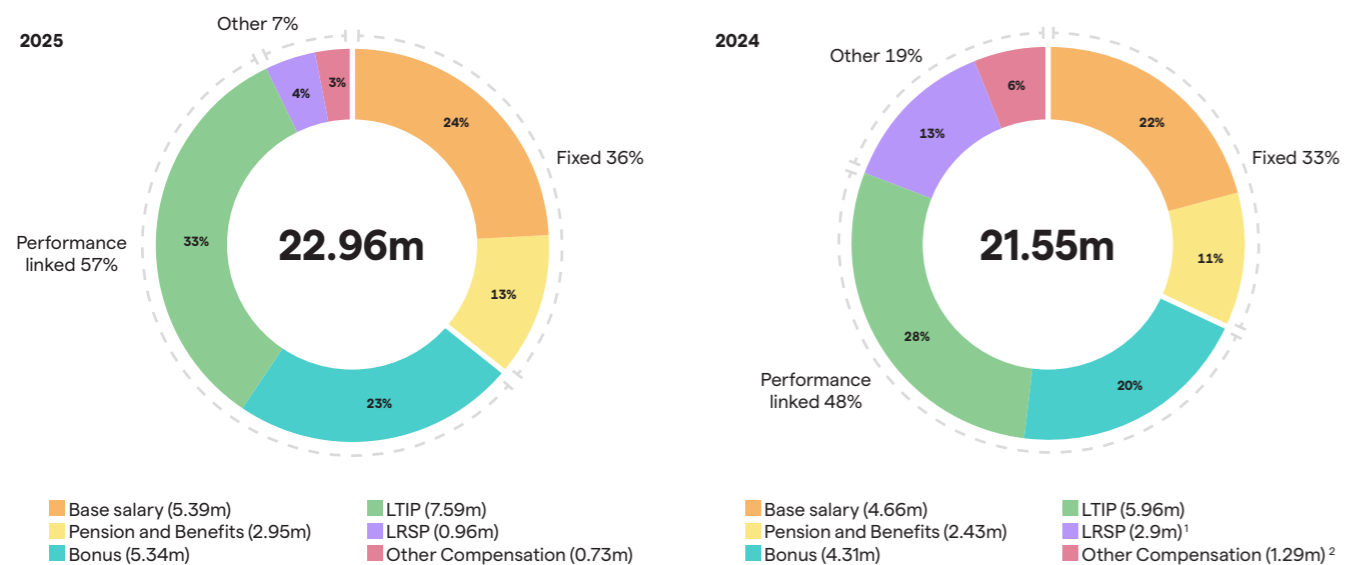
The Lonza Bonus of CHF 5.87m (inclusive of social security) for active and departed Executive Committee Members will be subject to shareholders' approval at the AGM 2026. Fixed compensation of CHF 8.63m exceeds the CHF 7.25m approved for 2025 fixed compensation at the AGM 2024, as the approved amount was based on the budget assumptions at that time. Andreas Bohrer and Jason Berndt's appointments were not known at the time of the AGM 2024 when the budget for 2025 was approved and hence their compensation was authorized under Article 23 of the Articles of Association.

The LTIP grants in the amount of CHF 7.59m are within the amount of CHF 7.63m approved at the AGM 2024.

No loans or credits were outstanding as of 31 December 2025. During 2025, no payments (or waiver of claims) other than those disclosed in this report were made to current or departed Executive Committee members, nor to persons closely linked to them.

No member of the Executive Committee benefits from any contract between a Lonza company and a third party.

2025 Fixed Versus Variable Pay Mix



¹ Lonza Restricted Share Unit Plan (LRSP) awards are separate from typical total compensation and are awarded only in cases where a new Executive Committee member forgoes compensation at their previous employer.
² Cash payment (including base salary, other benefits, bonus and social security) and shares (LTIP) received by departed members of the Executive Committee during 2024 and 2023.

Appointments to the Executive Committee in 2025

Effective 1 July 2025, Andreas Bohrer was appointed as Chief Legal & Corporate Affairs Officer.

On 1 October 2025, Jason Berndt was appointed as Head of Group Operations. The previous Head of Group Operations, Maria Soler Nunez, transitioned to the position of Chief Quality Officer and remains a member of the Executive Committee.

All appointments and their compensation packages were in line with the EC appointments policy.

Payment to Departed Executive Committee Members in 2025

Ulrike K ppler stepped down as CHRO on 31 May 2024 with notice period to 31 May 2025.

Her departure continued to be treated in accordance with contractual obligations and in line with applicable plan rules, including the Executive Committee Termination Policy.

No other payments (or waiver of claims) were made to former Executive Committee members in 2025.

Compensation Compared to the Lonza Workforce

Executive Committee members received in average an increase of 5.8% in an annual salary review process for existing members. In comparison, eligible employees in the wider Lonza workforce in Switzerland received an average base salary increase of 1.8% as part of the annual salary review in April 2025. As the Executive Committee is primarily Swiss based, comparison is made to Swiss based employees. Any workforce representation wider than this would not enable a fair comparison due to varying inflation, currency exchange and market levels across the world.

Compensation of the Board of Directors 2025

Policy

Objective and Market Benchmarking

The Board of Directors reviews the compensation of its members in general on a biennial basis, including the Chair, based on a proposal by RemCo, including relevant benchmarking information. After three years of consistent fee levels, a review of Board of Director fees was undertaken in 2025. This review recognized the increasing workload arising from growth at Lonza and after reviewing against the peer group, the Chair fee and Vice-Chair fee were increased and separate committee fees were applied per committee. The present benchmarking peer group consists of Swiss companies of various sectors that are comparable in type of business, complexity of operations, size (market capitalization) and global presence to Lonza. The peer group comprises ABB, Alcon, Galderma, Geberit, Givaudan, Holcim, Richemont, Sandoz, Sika, Sonova and Straumann.

The number of shares granted for Board of Directors' compensation is based on the average closing share price of the last five business days of each quarter. Share restrictions lapse after three years from the grant date. Shares are eligible for a dividend. With this structure the Board of Directors' compensation is closely aligned with our shareholders' interests. The members of the Board of Directors do not receive variable compensation. The members of the Board of Directors are reimbursed for travel and other related expenses associated with their responsibilities as members of the Board of Directors of Lonza.

Compensation Components

For the period from the AGM 2025 to the AGM 2026, the members of the Board of Directors receive fixed gross compensation for Board of Directors' membership and additional compensation for Committee Chair and committee members as described in the table below. The additional responsibilities of Vice-Chair attract CHF 25,000 reflecting the increased activities carried out under this role. The Lead Independent Director role does not attract any additional fees.

Where legally required, Board Members have the opportunity to contribute to a fully self-funded pension fund. No company contributions are made to the plan.

Structure and Level of Compensation

To strengthen their independence, the Chair and members of the Board of Directors receive fixed remuneration only, paid in cash and restricted shares (blocked for three years) in quarterly instalments. Remuneration includes an annual board retainer and committee fees. In the case of multiple committee memberships each attracts a separate fee.

Compensation of Board of Directors from Annual General Meeting (AGM) 2025 to 2026 (excluding social security contributions)

	Annual board retainer	+	Annual committee fees
Chair of the Board of Directors¹	CHF 950,000		Not eligible to committee fees
Vice-Chair of the Board of Directors	CHF 250,000		CHF 80,000 (committee chair) CHF 40,000 (committee member)
Member of the Board of Directors²	CHF 225,000		
The additional responsibilities of Lead Independent Director ³ do not attract any additional fees			
Form of payout	50% in Lonza Group shares (blocked for 3 years) and 50% in cash and paid in quarterly installments		

¹ The compensation of the Chair of the Board of Directors is inclusive of all committee work.
² The compensation for a Committee Chair amounts to CHF 305,000 where chairing one committee. In the case of multiple committee memberships each attracts a separate fee.
³ The roles and responsibilities of such Lead Independent Director are in line with sect. 18 para. 2 of the Swiss Code of Best Practice for Corporate Governance, requiring adequate control mechanisms, and commensurate to such position.

Implementation

No loans or credits were outstanding as of 31 December 2025. During 2025, no payments (or waiver of claims) other than those disclosed in this report were made to current or departed Board of Directors members, nor to persons closely linked to them.

No member of the Board of Directors benefits from any contract between a Lonza company and a third party.

The Board of Directors compensation approved by shareholders reflects the period (12 months) following each AGM. As such, any year-on-year change for this period impacts the financial years within which this period falls. The compensation disclosed in the Remuneration Report includes the respective calendar year (January to December). However, shareholders approve the compensation for the period AGM to AGM.

At the AGM 2025, shareholders approved an aggregate maximum compensation amount of CHF 4.25m for the Board of Directors for the period from the AGM 2025 to the AGM 2026. This compensation period is not completed yet.

At the AGM 2024, shareholders approved an aggregate maximum compensation amount of CHF 3.02m for the Board of Directors for the period from the AGM 2024 to the AGM 2025. The compensation effectively paid for this period was CHF 2.9m and is therefore within the approved limits. Compensation levels for the AGM 2026 to 2027 period are proposed in the 2026 AGM invitation.

Board of Directors Compensation¹

CHF	Board Functions as at 31/12/2025	2025					2024				
		Net cash payment	Number of shares	Value of shares ²	Social security and taxes ³	Total	Net cash payment	Number of shares	Value of shares ²	Social security and taxes ³	Total
Jean-Marc Huët ⁴	C	70,310	778	423,457	395,891	889,658	82,663	541	280,054	185,025	547,742
Albert M. Baehny ⁴	n/a	n/a	n/a	n/a	n/a	n/a	84,853	175	93,282	17,794	195,929
Jürgen Steinemann	VC	85,462	286	155,609	72,038	313,109	69,500	244	127,439	58,833	255,773
Christoph Mäder	LID	150,816	304	165,495	31,683	347,993	143,901	306	159,556	31,382	334,839
Juan Andres ⁵	M	41,331	139	75,540	34,919	151,790		n/a			
Eric Drapé ⁵	M	33,113	139	75,540	49,724	158,378		n/a			
Marion Helmes	M	82,027	275	149,644	69,224	300,894	69,500	244	127,440	58,833	255,773
Angelica Kohlmann	M	150,816	304	165,495	30,868	347,178	145,088	306	159,556	29,825	334,469
David Meline ⁵	M	41,331	139	75,540	34,919	151,790					
Roger Nitsch	M	135,216	275	149,644	30,709	315,569	114,502	244	127,439	26,304	268,245
Barbara Richmond	M	70,778	266	144,818	80,708	296,304	69,010	266	138,714	108,764	316,488
Olivier Verscheure	n/a	53,631	109	59,454	13,010	126,095	106,991	228	118,889	24,660	250,540
Total		914,831	3,014	1,640,236	843,693	3,398,758	886,008	2,554	1,332,369	541,420	2,759,798

C: Chair
VC: Vice-Chair
LID: Lead Independent Director
M: Member

¹ Total compensation amounts refer to gross payments, including social security and withholding tax, except where stated otherwise.

² The fair values were calculated using the average closing share price of the last five business days of each quarter, see note 24 in the Financial Report.

³ The social security amounts disclosed in this column represent the full costs of the employer and employee social security contributions and withholding tax.

⁴ This compensation is inclusive of all committee work.

⁵ Juan Andres, Eric Drapé and David Meline were appointed to the Board of Directors at the AGM 2025.

Share Ownership of the Members of the Board of Directors and the Executive Committee

Board of Directors

Based on information available to Lonza, the members of the Board of Directors and parties closely associated with them held, as of 31 December 2025: 25,561 (2024: 23,958)¹ registered shares of Lonza Group Ltd and controlled <0.1% (2024: <0.1%) of the share capital.

Board of Directors¹

	Numbers of shares	
	2025	2024
Jean-Marc Huët	1,144	366
Jürgen Steinemann	10,087	9,460
Christoph Mäder	4,937	4,633
Juan Andres ²	139	n/a
Eric Drapé ²	139	n/a
Marion Helmes	899	633
Angelica Kohlmann	2,291	1,987
David Meline ²	289	n/a
Roger Nitsch	899	633
Barbara Richmond	4,737	4,473
Olivier Verscheure	n/a	1,775
Total	25,561	23,958

¹ Board of Director members, spouse, children below 18, any legal entities that they own or otherwise control, or any legal or natural person who is acting as their fiduciary.

² Juan Andres, Eric Drapé and David Meline were appointed to the Board of Directors at the AGM 2025.

Executive Committee

The members of the Executive Committee and parties closely associated with them held, as of 31 December 2025: 37,613 (2024: 10,292)¹ shares and controlled <0.1% (2024: <0.1%) of the share capital. The individual control rights are proportional to the holdings shown below. In addition they hold unvested equity rights as outlined in the table below. These will vest only in line with the LTIP and LRSP parameters (see pages 189 and 190).

Executive Committee^{1,2}

	Shareholding	Unvested equity rights (LTIP / LRSP)	Total 31 December 2025	Total December 2024
Wolfgang Wienand	11,706	10,178	21,884	9,449
Philippe Deecke	4,835	4,333	9,168	7,406
Maria Soler Nunez	2,427	3,438	5,865	4,650
Nicoleta Baumgärtner	212	1,961	2,173	1,535
Andreas Bohrer ³	8,876	2,306	11,182	n/a
Jason Berndt ³	0	2,614	2,614	n/a
Gordon Bates	2,939	3,245	6,184	5,005
Christian Seufert	1,842	3,438	5,280	4,477
Daniel Palmacci	1,266	3,588	4,854	3,586
Jean-Christophe Hyvert	3,510	4,516	8,026	6,347
Total			77,230	42,455

¹ Executive Committee member, spouse, children below 18, any legal entities that they own or otherwise control, or any legal or natural person who is acting as their fiduciary.

² Two active Executive Committee members are developing their shareholding in line with the shareholding guidelines.

³ Andreas Bohrer and Jason Berndt appointed to the Executive Committee on 1 July 2025 and 1 October 2025 respectively.

None of the members of the Board of Directors or Executive Committee owns shares in the Group's subsidiaries or associated companies.

Mandates of the Members of the Board of Directors and the Executive Committee

Board of Directors

	Organization Name ¹	Function
Jean-Marc Huët	Heineken Holding NV (since 2025)	Chair of the Board of Directors
	Schuberg Phillis (since 2025)	Chair of the Board of Directors
Jürgen Steinemann	Viega (since 2025)	Chair of the Supervisory Board
	Barentz International B.V. (since 2020)	Member of the Supervisory Board
	JBS Holding GmbH (since 2017)	Managing Director
	Bankiva B.V. (since 2017)	Member of the Supervisory Board
	Big Dutchman AG (since 2015)	Deputy Chair of the Supervisory Board
Christoph Mäder	Schindler Holding Ltd (since 2024)	Member of the Board of Directors
	Swiss National Bank (since 2021)	Member of the Bank Council
	Economiesuisse (since 2020)	Chair
	Baloise Holding AG (since 2019)	Member of the Board of Directors
	Assivalor AG (since 2019)	Member of the Board of Directors
	Accenture Switzerland (since 2019)	Member of the Advisory Board
	Becker, Gurini, Partner law firm (since 2019)	Partner
	VSUD (Vereinigung Schweizerischer Unternehmen in Deutschland) (since 2016)	Member of the Advisory Board
	Loeba GmbH (since 2014)	Member of the Advisory Board
	Juan Andres	USA National Academy of Engineering (since 2022)
Avantor (since 2019)		Independent Member of the Board of Directors
Eric Drapé	Laboratoires Guerbet (since 2025)	Independent Member of the Board of Directors
	Eukarÿs (since 2025)	Member of the Board of Directors
	LFB (since 2018)	Independent Member of the Board of Directors
Marion Helmes	Heineken N.V. (since 2018)	Member of the Board of Directors, Chair of the Audit Committee
	Siemens Healthineers AG (since 2018)	Member of the Board of Directors, Chair of the Audit Committee
Angelica Kohlmann	Foundation Prince Liechtenstein SFLIII (since 2025)	Member of the Board
	Bloom Diagnostics AG (since 2018)	Chair of the Board of Directors
	IE University and Business School, Madrid (since 2017)	Member International Advisory Board
	Kohlmann & Co AG (since 2013)	Chair of the Board of Directors
	Peter Drucker Society Europe / Global Peter Drucker Forum, Vienna (since 2009)	Chair of the Advisory Board
David Meline	Eikon Therapeutics (since 2025)	Non-Executive Member of the Board and Audit Committee
	HP Inc (since 2023)	Member of the Board and member of the Finance, Investment & Technology Committee (since 2023) and Chair of the Audit Committee (since 2024)
	ABB Ltd (since 2016)	Non-Executive Member of the Board and Chair of the Finance, Audit & Compliance Committee
Roger Nitsch	OphthaNova Therapeutics AG (since 2025)	Member of the Board of Directors
	Neurimmune Group (since 2006)	CEO and President of the Board of Directors
	PUREOS Bioventures (since 2017)	Member of the Advisory Board
	NOVAGO Therapeutics AG (since 2015)	Member of the Board of Directors
	INTEGRA Biosciences Holding AG (since 2002)	Member of the Board of Directors
Barbara Richmond	Barry Callebaut AG (since 2024)	Member of the Board of Directors

¹ Companies shown in blue indicate publicly listed organizations

Executive Committee

	Organization Name	Function
Wolfgang Wienand	Mettler-Toledo International Inc (since 2023)	Non-executive Director of the Board
Philippe Deecke	Assura (since 2023)	Member of the Board of Directors
Maria Soler Nunez	No external mandates	
Nicoleta Baumgärtner	No external mandates	
Andreas Bohrer	Representation of Lonza only in business associations: BIAC/Business at OECD (business association, since 2025)	Member of the Executive Board
	SwissHoldings (association of the multinational companies in Switzerland, since 2025)	Chair of the Board (Board member since 2024)
	Scienceindustries (association of the life sciences companies in Switzerland, since 2025)	Vice-Chair of the Board (Board member since 2019)
	Economiesuisse (association of the Swiss economy, since 2024)	Member of the Board Committee (Board member since 2021)
Jason Berndt	No external mandates	
Gordon Bates	No external mandates	
Christian Seufert	No external mandates	
Daniel Palmacci	LOWENCO (since 2022)	Member of the Board of Directors
Jean-Christoph Hyvert	Solvias (since 2025)	Member of the Board
	Astorg (2025–2026)	Senior Advisor



Deloitte.

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To the General Meeting of
Lonza Group Ltd, Basel

Report on the audit of the remuneration report according to Art. 734a-734f CO

Opinion

We have audited the remuneration report of Lonza Group Ltd (the Company) for the year ended 31 December 2025. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the tables in the sections “Highest Compensation Paid to a Member of the Executive Committee” (page 190), “Aggregate Compensation of the Executive Committee” (page 191), “Compensation of the Board of Directors 2025” (pages 193 and 194), “Share Ownership of the Members of the Board of Directors and the Executive Committee” (page 195), and “Mandates of the Members of the Board of Directors and the Executive Committee as at 31 December 2025” (pages 196 and 197), of the remuneration report.

In our opinion, the information pursuant to Art. 734a-734f CO in the remuneration report complies with Swiss law and the Company’s articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the “Auditor’s Responsibilities for the Audit of the remuneration report” section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the tables in the sections “Highest Compensation Paid to a Member of the Executive Committee”, “Aggregate Compensation of the Executive Committee”, “Compensation of the Board of Directors 2025”, “Share Ownership of the Members of the Board of Directors and the Executive Committee”, and “Mandates of the Members of the Board of Directors and the Executive Committee as at 31 December 2025” in the remuneration report, the consolidated financial statements, the stand-alone financial statements and our auditor’s reports thereon.

Deloitte.

Lonza Group Ltd
Report on the audit of the remuneration report
for the year ended
31/12/2025

In connection with our audit of the remuneration report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's Responsibilities for the Audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH 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 this remuneration report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the remuneration report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

Deloitte.

Lonza Group Ltd
Report on the audit of the remuneration report
for the year ended
31/12/2025

We communicate with the Board of Directors and its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors and its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Deloitte AG



Fabien Lussu
Licensed Audit Expert
Auditor in Charge



Jan Meyer
Licensed Audit Expert

Zurich, 30 March 2026



Corporate Governance

204	Group Structure and Shareholders
206	Capital Structure
208	Board of Directors
220	Executive Committee
226	Compensation, Shareholdings and Loans
226	Shareholders' Participation Rights
227	Changes of Control and Defense Measures
227	Auditors
229	Information Policy and Key Reporting Dates

Group Structure and Shareholders¹

Lonza Board of Directors



The Chair of the Board of Directors takes responsibility for all sustainability related issues

Lonza Executive Committee (EC)



Lonza



Operational Group Structure

Business Platforms

As from 1 April 2025, Lonza’s activities have been organized in the following three Business Platforms:

- Integrated Biologics
- Advanced Synthesis
- Specialized Modalities

Capsules & Health Ingredients continued to operate in its existing structure.

Corporate Functions (non-exhaustive)

Corporate Functions include Human Resources (HR), Finance & Controlling, Tax, Treasury, Strategy, Procurement, Quality, Environment, Health and Safety (EHS), Sustainability, Communications, Investor Relations, Legal, Ethics & Compliance, Intellectual Property (IP), Engineering, IT, Audit Services, Insurance, and Supply Chain.

Global Business Services Organization

Our Global Business Services Organization (GBSO) supports our Business Platforms and Group Functions with transactional services in finance and HR. The GBSO focuses on the standardization and automation of processes to drive productivity and higher quality services. Service delivery through the GBSO for EMEA and Americas regions is primarily centralized in Manchester (UK) and in San José (CR). APAC operations are handled at the country level.

Holding Company and Listed Companies

Lonza Group Ltd (or “Lonza”), with a registered office in Basel (CH), is the ultimate parent company of the Lonza group (the “Lonza Group” or the “Group”). With the exception of Lonza Group Ltd, no equity securities of a company controlled by Lonza Group Ltd are listed. Please refer to the Shares and Participation Certificates section, page 207, for information on the listed shares and the stock exchanges on which Lonza Group Ltd is listed and the market capitalization.

Principal Subsidiaries and Joint Ventures

The principal subsidiaries and joint ventures of the Lonza Group are shown in note 32, Principal Subsidiaries and Joint Ventures, page 130.

Significant Shareholders

According to disclosure notifications filed with Lonza Group Ltd, the following shareholders held more than 3% of Lonza share capital as of 31 December 2025:

- BlackRock, Inc., New York, NY (USA): 9.85%;
- UBS Fund Management (Switzerland) AG: 6.246%.

The current significant shareholders as well as further disclosure notifications registered in 2025 can be found at the [SIX Swiss Exchange disclosure platform](#).

Cross-Shareholdings

Lonza Group Ltd has not entered into any cross-shareholdings.

¹ As of 31 December 2025.

² The Nomination and Governance Committee has been renamed People and Governance Committee, effective 1 January 2026.

Capital Structure

Share Capital

As of 31 December 2025, the share capital of Lonza Group Ltd amounted to CHF 70,229,021, fully paid-in and divided into 70,229,021 registered shares, with a par value of CHF 1 each.

Shareholder Structure

	31.12.2025		31.12.2024	
	Shareholders in %	Shares in %	Shareholders in %	Shares in %
Switzerland	86.87	22.48	87.75	21.45
UK	0.84	6.50	0.92	7.26
USA	3.45	1.37	2.73	2.42
Others	8.84	11.13	8.60	7.41
Shares in transit		57.98		59.25
Treasury shares without voting rights		0.55		0.12
Share buyback		0.00		2.09
Total	100	100	100	100
Total number of shares		70,229,021		72,226,184

Share Register

	31.12.2025	31.12.2024
Registered shareholders	56,471	53,784
Registered shares with voting rights	24,619,656	24,431,971
Share distribution:		
1-100	45,785	43,020
101-1,000	9,421	9,511
1,001-10,000	1,027	1,016
10,001-100,000	206	202
100,001-1,000,000	27	31
Over 1,000,000	5	4
Total registered shareholders	56,471	53,784

Capital Band and Conditional Capital

Capital Band

Capital Band: At the Annual General Meeting held on 5 May 2023, the following capital band was introduced: the Board of Directors shall be authorized until 5 May 2028 to conduct one or more increases and/or reductions of the share capital within the upper limit of CHF 85,635,000, corresponding to 85,635,000 fully paid-up registered shares with a par value of CHF 1 each, and the lower limit of CHF 67,050,000, corresponding to 67,050,000 fully paid-up registered shares with a par value of CHF 1 each.

The additional terms and conditions of the capital band are set out in Article 4^{ter} of the [Articles of Association of Lonza Group Ltd](#) ("Lonza's Articles of Association").

Conditional Capital

Lonza's share capital may be increased through the issuance of a maximum of 7,500,000 fully paid-up registered shares with a par value of CHF 1 each up to a maximum aggregate amount of CHF 7,500,000. This conditional capital was created at the Annual General Meeting on 25 April 2017. The additional terms and conditions of the conditional capital (including the group of beneficiaries who have the right to subscribe for this additional capital) are set out in Article 4^{bis} of [Lonza's Articles of Association](#).

According to Article 4^{quater} of [Lonza's Articles of Association](#), the capital increases by way of using the capital band and the conditional capital may increase Lonza's share capital "on a non-pre-emptive basis" only by up to 10% of the share capital entered in the Register of Commerce, at the time of the respective resolution, but, in any case, by a maximum of 7,500,000 registered shares, fully paid up, each with a par value of CHF 1, from 5 May 2023 to 5 May 2028. Additional terms and conditions relating to this limit are set out in Article 4^{quater} of [Lonza's Articles of Association](#).

Changes in Capital

	2025	2024	2023	2022
Share capital in CHF	70,229,021	72,226,184	74,468,752	74,468,752
Registered shares	70,229,021	72,226,184	74,468,752	74,468,752
Par value in CHF / share	1	1	1	1

On 8 May 2025, the Board of Directors of Lonza Group Ltd resolved to reduce the share capital within the capital band by cancelling 1,997,163 registered shares with a par value of CHF 1 each, repurchased under the share buyback program. The previous year, on 7 May 2024, the Board had resolved to cancel 2,242,568 of those shares, also repurchased under the program.

Profit-Sharing Certificates

Lonza has not issued any non-voting equity security ("Genussscheine", profit-sharing certificates).

Limitations on Transferability and Nominee Registrations

Purchasers of registered shares who declare that they have acquired those shares in their own name and for their own account will be entered without limitation in the share register as registered shareholders with voting rights. Persons who do not declare to have acquired the respective shares in their own name and for their own account are considered "nominees". They will be entered with voting rights in the share register up to a maximum of 2% of the share capital, unless the actually entitled persons are revealed. The details are set out in Article 6 of [Lonza's Articles of Association](#). This restriction is not meant to serve as takeover defense. It may only be removed by a resolution of the Shareholders' Meeting with a quorum in accordance with Swiss law.

Convertible Bonds

Neither Lonza Group Ltd nor any of its subsidiaries has outstanding convertible bonds.

Options

As of 31 December 2025, no options or warrants to acquire shares issued by or on behalf of Lonza Group Ltd were outstanding.

Shares and Participation Certificates

Lonza's registered shares, with a par value of CHF 1 each, are listed on the SIX Swiss Exchange (SIX), with a secondary listing on the SGX Singapore Exchange. In Switzerland, they have been included in the Swiss Market Index (SMI) since 3 May 2017.

Lonza has not issued any participation certificates ("Partizipationsscheine", non-voting shares).

Stock Exchange Listing / Trading:

SIX Swiss Exchange
SGX Singapore Exchange

Common Stock Symbols:

Bloomberg LONN SW
Reuters LONN.S
Six Swiss Exchange LONN
SGX Singapore Exchange O6Z

Security Number:

Valor 001384101
ISIN CH0013841017

On 31 December 2025, Lonza had a market capitalization of CHF 37,769 million (2024: CHF 38,699 million).

Board of Directors

The Board of Directors (or the “Board”) comprises the following ten members as of 31 December 2025.

Name	Nationality	Year of birth	Year of initial appointment	Expiration of current term in office	Independence
Jean-Marc Huët	Dutch	1969	2024	2026	Independent
Jürgen Steinemann	German	1958	2014	2026	Independent
Christoph Mäder	Swiss	1959	2016	2026	Independent
Juan Andres	Spanish	1964	2025	2026	Independent
Eric Drapé	French	1961	2025	2026	Independent
Marion Helmes	German	1965	2022	2026	Independent
Angelica Kohlmann	German/Brazilian	1960	2018	2026	Independent
David Meline	Swiss/US	1957	2025	2026	Independent
Roger Nitsch	Swiss/German	1961	2022	2026	Independent
Barbara Richmond	British	1960	2014	2026	Independent

The following core competency matrix highlights the primary area of core competence for each Board member and nominee, rather than capturing the full range of their skills.

Skills/ experience	Jean-Marc Huët	Jürgen Steinemann	Christoph Mäder	Juan Andres	Eric Drapé	Marion Helmes	Angelica Kohlmann	David Meline	Roger Nitsch	Barbara Richmond	Claudia Süssmuth-Dyckerhoff ¹	Sami Atiya ¹	Stephen Fry ¹
Chair / Strategy	x	x									x		
Financial / IT Acumen						x		x		x			
Governance / Sustainability / Organization			x										x
Scientific / Technology Expertise							x		x			x	
Pharma / Manufacturing Experience				x	x								

After serving as a Board member of Lonza for seven years, Olivier Verscheure decided not to stand for re-election at the Annual General Meeting held on 9 May 2025 (the “2025 AGM”).

Following their twelve-year tenures with Lonza, Jürgen Steinemann and Barbara Richmond will not stand for re-election at the Annual General Meeting to be held in 2026 (the “2026 AGM”). Roger Nitsch has also decided not to stand for re-election, in order to focus on his entrepreneurial activities.

The Board will propose the election of Claudia Süssmuth-Dyckerhoff, Sami Atiya, and Stephen Fry as new Board members at the 2026 AGM. All three would join the Board as independent members.

The composition of the Board meets the gender representation threshold set out in Article 734f of the Swiss Code of Obligations.

Limitation of Number of Mandates

According to Article 26 of [Lonza's Articles of Association](#), no member of the Board of Directors may hold more than:

- Eight additional mandates in listed and non-listed companies, out of which not more than four mandates may be in listed companies;
- Five mandates at the request of Lonza Group Ltd or companies controlled by it, for a legal entity not affiliated with the Group (including in pension funds or joint ventures); and
- Ten mandates in associations, trusts and employee welfare foundations, educational institutions and similar organizations (in all cases only to the extent they are an undertaking with an economic purpose).

The Chair of the Board may not hold more than eight additional mandates in listed and non-listed companies, out of which no more than three may be in listed companies.

Mandates shall mean any membership of the board of directors, the executive committee, the advisory board or any comparable function under foreign law, of an undertaking with an economic purpose. Mandates in different legal entities that are under joint control or the same beneficial ownership (including family asset management structures) are deemed one mandate. Mandates in companies that are controlled by Lonza Group Ltd or that control Lonza Group Ltd are not subject to the limitation set forth above.

All Board members comply with the provisions regarding their mandates. This is verified by Lonza on a regular basis.

Elections and Terms of Office

Each member of the Board of Directors is individually elected by the Shareholders’ Meeting for a term of office of one year until the end of the next Annual General Meeting. Board members may not serve more than twelve complete terms of office on the Board. If deemed in the best interest of Lonza Group Ltd, the Board can extend this limit. The Chair of the Board is elected by the Shareholders’ Meeting. The Vice-Chair is appointed by the Board. The members of the Remuneration Committee are elected by the Shareholders’ Meeting on an annual basis. The members of the other Board Committees are appointed by the Board. The Chairs of the Board Committees are appointed by the Board.

Internal Organizational Structure

The Board of Directors consists of the Chair, the Vice-Chair and the other Board members. In accordance with Article 15 of [Lonza's Articles of Association](#), there must be at least five Board

members. The Board strives to select the committee members based on their professional background and experience. The members of the Board sat on the following committees in 2025:

Name	Audit and Compliance Committee	Nomination and Governance Committee	Remuneration Committee	Strategy and Innovation Committee ¹
Jean-Marc Huët		Chair		Member
Jürgen Steinemann		Member	Member	
Christoph Mäder	Member		Chair	
Juan Andres		Member		Member
Eric Drapé	Member		Member	
Marion Helmes	Member	Member		
Angelica Kohlmann			Member	Chair
David Meline	Member		Member	
Roger Nitsch		Member		Member
Barbara Richmond	Chair			
Olivier Verscheure ²				Member

¹ The Strategy and Innovation Committee replaced the Innovation and Technology Committee, effective 1 August 2025.

² Olivier Verscheure was a member of the Innovation and Technology Committee until the 2025 AGM.

Audit and Compliance Committee

The Audit and Compliance Committee (ACC) meets and consults regularly with the Executive Committee, Lonza Audit Services and the independent external auditors. In doing so, they review the scope and results of their work as well as their performance, according to the Audit and Compliance Committee Charter. Among other responsibilities, the Audit and Compliance Committee reviews: (i) the external auditors' independence; (ii) the systems of internal control and financial reporting; (iii) the risk management system, including enterprise risk such as cyber and IT security; (iv) compliance with laws, regulations and policies; (v) Lonza's financial statements and results (including releases) and (vi) the reporting and assurance process for ESG. The Lonza Audit Services are overseen by the Audit and Compliance Committee and have a direct reporting line to the Chair of the Audit and Compliance Committee. The Audit and Compliance Committee is fully empowered to decide the tasks assigned to it and regularly informs the full Board of Directors on all matters discussed and decided in its meetings. All Audit and Compliance Committee members are independent.

Nomination and Governance Committee

The Nomination and Governance Committee (NGC) is responsible for overseeing Lonza's governance, including, but not limited to, the company's culture, values, organization, people and leadership. Key responsibilities of this Committee include managing succession plans for the Board of Directors, Board Committees and Executive Committee, as well as assessing the Board composition and functioning. Additionally, the Committee evaluates and proposes potential members for the Board and the Executive Committee and oversees the Executive Committee's training and talent development programs. With regard to the tasks assigned to it, the Nomination and Governance Committee regularly informs the Board on all matters discussed and

decided in its meetings, in accordance with the Nomination and Governance Committee Charter. All Nomination and Governance Committee members are independent.

Remuneration Committee

The Remuneration Committee (RemCo) is entrusted with the review and recommendation of compensation policies and approving compensation plans. This includes approving the terms of employment for Executive Committee members. The Committee also reviews and approves the objectives for the Chief Executive Officer (CEO) and the Executive Committee and regularly evaluates their performance against these targets. With regard to the tasks assigned to it, the Remuneration Committee regularly informs the Board of Directors on all matters discussed and decided in its meetings, in accordance with the Remuneration Committee Charter. All Remuneration Committee members are independent.

Strategy and Innovation Committee

The Strategy and Innovation Committee (SIC) monitors potential technology breakthroughs, supports management in driving innovation projects, reviews and proposes innovation strategies in alignment with long-term business goals, including R&D, venture funds, innovation and pipeline portfolios as well as related M&A projects; it assesses emerging trends and innovative technology projects in Lonza market environment that could present significant long-term opportunities, including in artificial intelligence and ESG. It also provides and facilitates contacts with external partners such as academia and research institutions. With regard to the tasks assigned to it, the Strategy and Innovation Committee regularly informs the Board of Directors on all matters discussed and decided in its meetings, in accordance with the Strategy and Innovation Committee Charter. All Strategy and Innovation Committee members are independent.

Number of Meetings, Duration and Attendance

Name	Board of Directors	Audit and Compliance Committee	Nomination and Governance Committee	Remuneration Committee	Strategy and Innovation Committee
Number of meetings	6 ¹	7	3	8	5
Average duration (hours:minutes)	3:56	2:33	2:20	1:34	2:05
Overall attendance	100%	100%	100%	97.5%	100%

The [Regulations Governing Internal Organization and Board Committees](#) set out in detail the powers and responsibilities of the Board of Directors, its Committees and the Executive Committee. The Board Committees provide support to the Board in their respective areas of responsibility. The Board meets with all members of the Executive Committee at each ordinary Board meeting for business updates and to take decisions. The Chief Executive Officer (CEO) is a permanent guest of the Strategy and

Innovation Committee and is regularly invited to the meetings of the Nomination and Governance Committee. The Chief Financial Officer (CFO) attends all meetings of the Audit and Compliance Committee. The Chief Human Resources Officer (CHRO) is regularly invited to the meetings of the Remuneration Committee. Executive Committee members are not present during the Remuneration Committee meetings when their own performance and compensation are discussed.

Attendance

Name	Board of Directors	Audit and Compliance Committee	Nomination and Governance Committee	Remuneration Committee	Strategy and Innovation Committee
Meeting Total	6	7	3	8	5
Jean-Marc Huët	6		3	8	5
Jürgen Steinemann	6		3	8	
Christoph Mäder	6	7		8	
Juan Andres ¹	3		3		4
Eric Drapé ²	3	4		3	
Marion Helmes	6	7	3		
Angelica Kohlmann	6			8	5
David Meline ³	3	4		4	
Roger Nitsch	6		3		5
Barbara Richmond	6	7			
Olivier Verscheure ⁴	3				2

Areas of Responsibility

In accordance with the law and [Lonza's Articles of Association](#), the Board of Directors is the supreme governance body of Lonza Group Ltd. The Board is responsible for the tasks assigned to it according to (i) Article 18 of [Lonza's Articles of Association](#) and (ii) the [Regulations Governing Internal Organization and Board Committees](#) (Article 2.8). The Board defines the strategic direction of Lonza and is responsible for the ultimate management of Lonza. It also supervises the persons entrusted with the group management and is responsible for issuing the necessary instructions, especially with regard to compliance with the law, the Articles of Association and the regulations and directives. In compliance with the law and the Articles of Association, the Board has – with the exception of non-delegable and inalienable duties – delegated the management of the company to the Executive Committee. The Board commits itself to maintaining the highest standards of integrity and transparency in its governance of Lonza. On an annual basis, the Board undertakes a self-assessment process. The aim is to achieve continuous improvement in the functioning of the Board.

Governance and oversight of sustainability and environmental, social and governance (ESG) topics is with the Board of Directors, headed by the Chair of the Board, with specific aspects to be covered by the Board Committees. While the Board acts as sponsor and overall owner of the program, the implementation is the responsibility of the Executive Committee. The Board and its Committees review and endorse Lonza's sustainability efforts and reporting. Sustainability includes ESG topics of importance relating to Lonza's business and stakeholders. The Sustainability and Risk Committee (SRC), led by the Lonza Chief Legal &

Corporate Affairs Officer, manages identified material topics (as shown in the Materiality Matrix in the Sustainability Report 2025) and is responsible for sustainability reporting. The Head of Global Sustainability and the Head of Global Environment, Health and Safety and their teams are responsible for proposing the corporate sustainability strategy and implementing and overseeing the Safety and Sustainability Policy. The Global Sustainability team report to the Chief Legal & Corporate Affairs Officer.

Information and Control Instruments

The Board of Directors receives sufficient information from the Executive Committee to perform its supervisory duty and to make the decisions that are reserved for the Board through several means discussed below.

Board Information

[The Regulations Governing Internal Organization and Board Committees](#) require the Chief Executive Officer (CEO) to inform the Executive Committee about business activities of the Group and, together with the Chair, inform the Board of Directors on the business activities of the Group and keep the Board constantly informed on all important business transactions and issues. During Board meetings, each member of the Board may request information from the other members of the Board, as well as from the members of the Executive Committee present on all affairs of Lonza and the Group. Outside of Board meetings, each member of the Board may request from the members of the Executive Committee information concerning the course of business of Lonza and the Group.

¹ Juan Andres was elected to the Board of Directors at the 2025 AGM. He attended all meetings which were held after his election.

² Eric Drapé was elected to the Board of Directors at the 2025 AGM. He attended all meetings which were held after his election, with the exception of one Remuneration Committee meeting, which he was unable to attend for family reasons.

³ David Meline was elected to the Board of Directors at the 2025 AGM. He attended all meetings which were held after his election.

⁴ Olivier Verscheure was a member of the Board of Directors until the 2025 AGM. He attended all meetings which were held prior to his departure.

¹ In addition to the formal Board meetings, a two day joint Board and Executive Committee strategy offsite and an additional Board Learning Day were held in 2025.

Regular Reports to the Board

In addition to the documents required to pass resolutions, the Board of Directors receives the following reports:

- Reports on the sales and earnings performance of the Group structured by Business Platforms;
- Reports on the cash flows, debt and debt-equity ratio, plus other relevant key figures for the Group on a quarterly basis;
- Qualitative assessments of the Business Platforms on a quarterly basis;
- Reports of the external audit for the full-year results and procedures performed on the half-year results (through the Audit and Compliance Committee);
- In cases involving extraordinary events of considerable commercial relevance, the Board receives direct, immediate information;
- Risk assessment reports submitted at least once per year; they are designed to provide the Board with a consistent, Group-wide perspective of key risks;
- Ethics & Compliance update, including information on hotline reports.

Internal Audit

The Board of Directors, through the Audit and Compliance Committee, is assisted by Lonza Audit Services. The team of internal auditors provides the Audit and Compliance Committee and the Executive Committee with independent, risk-based and objective assurance on the Group's financial, operational and information technology activities. The mandate of Lonza Audit Services includes evaluating the adequacy and effectiveness of the organization's system of internal controls as well as the compliance with company policies, procedures, and external regulations. The annual audit plan is validated by the Executive Committee and approved by the Audit and Compliance Committee. The results and remediation status of the audit engagements are reported to the Audit and Compliance Committee. Accordingly, in 2025, ten internal audit reports and four follow-up audit reports were delivered to the Audit and Compliance Committee.

Internal Control System

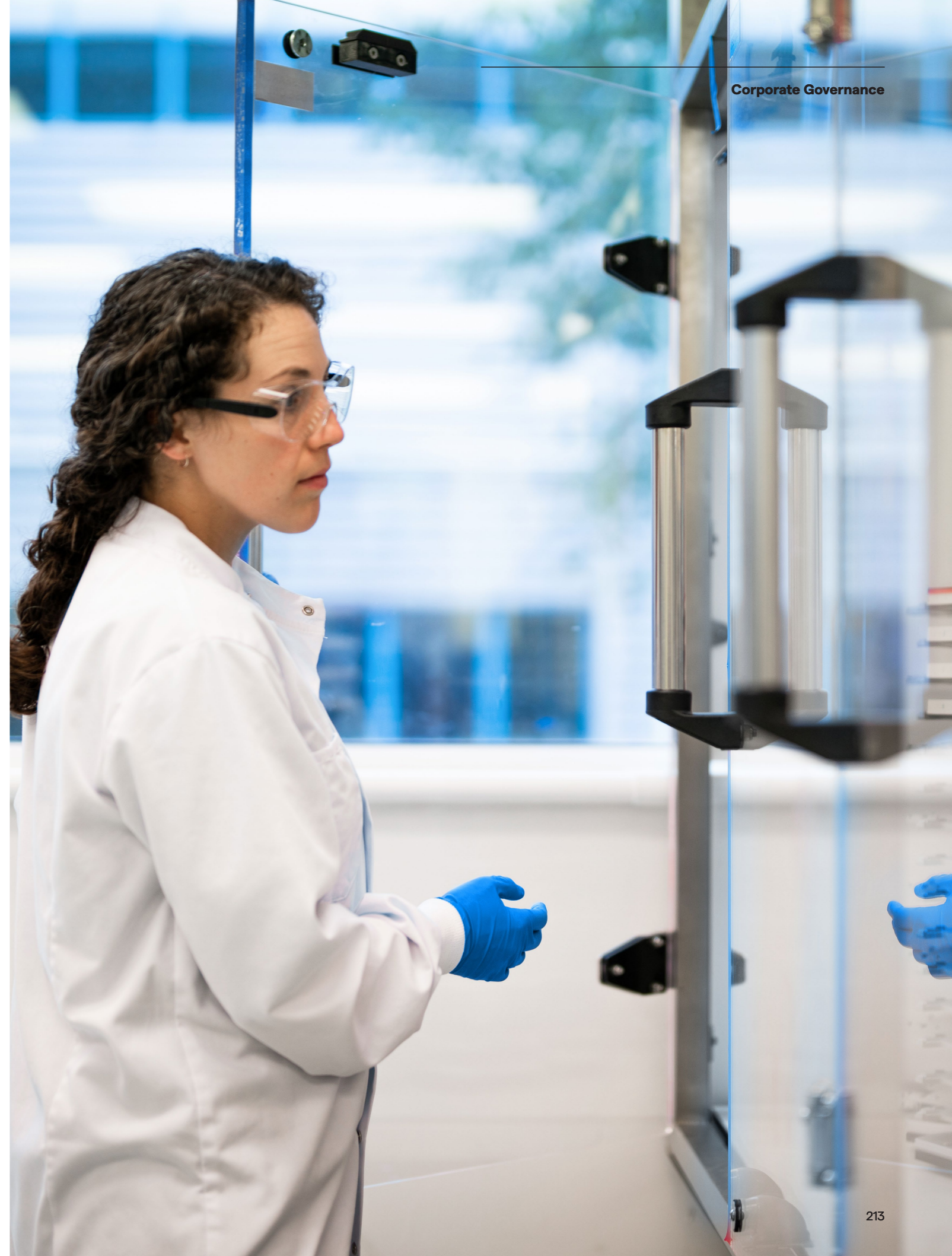
Lonza has implemented a financial control framework, in accordance with the requirements of the Swiss law, comprising relevant policies, procedures and controls. It provides the Executive Committee and the Board of Directors with a reasonable degree of assurance that business processes are performed efficiently and effectively, in compliance with policies and laws, assets are safeguarded and financial statements are reliable.

Compliance Instruments

In addition to the above-mentioned control instruments, Lonza has implemented various other measures to improve compliance within the Group. The implementation of these measures is overseen by the Audit and Compliance Committee. One of these measures is the issuance of a Code of Conduct that expresses Lonza's core principles and values in regard to professional business behavior and provides assistance in recognizing, understanding and complying with the laws and ethical standards that govern Lonza's business activities. The Code of Conduct is available to all employees and information about it has been widely circulated within the Group. Lonza employees have to pass online training courses, dealing with topics such as those addressed by the Code of Conduct, in particular Anti-Corruption, Conflicts of Interest, Fair Dealing, Reporting and Non-Retaliation, Workplace Harassment and Human Rights. In addition to these measures, Lonza offers a "whistleblower" hotline (known as the "Lonza Ethics Hotline"), which is operated by an external company. Internal investigations and any corresponding remediation measures are handled internally by Ethics & Compliance, with support by outside counsel from time to time. Cases disclosed through the "whistleblower" hotline are ultimately reported to the Audit and Compliance Committee. Lonza periodically reviews and updates its policies to address changes in laws and regulations and to further strengthen its compliance programs.

Risk Assessment

The Board of Directors carries out risk assessments on an annual basis at a minimum. The objective of the risk assessments is to make the principal risks to which Lonza is exposed more transparent and to improve risk mitigation. In its risk assessment for 2025, the Board identified inter alia strategic, operational, and/or macroeconomic and geopolitical risks for which corresponding risk mitigation measures have been adopted.



CVs Board of Directors

Members of the Board of Directors as of 31 December 2025

**Jean-Marc Huët**

Nationality: Dutch
Year of birth: 1969

Chair of the Board of Directors of Lonza Group Ltd (since May 2024), Independent member of the Board of Directors of Lonza Group Ltd (since May 2024).

Jean-Marc Huët was elected as Chair of the Board of Directors at the 2024 Annual General Meeting. Jean-Marc brings a strong international leadership track record, with current Chair roles at Heineken Holding and Schuberg Phillis, among other senior responsibilities.

He has extensive international strategic leadership experience in the consumer, pharma and nutrition industries, having previously served as Chief Financial Officer of Unilever, Bristol-Myers Squibb and Royal Numico.

He holds an MBA from INSEAD, Fontainebleau (FR).

Current Activities and Functions

Jean-Marc Huët is the Chair of the People and Governance Committee, which is responsible for overseeing governance, talent development, and succession planning for the Board and Executive Committee.

He is also a member of the Strategy and Innovation Committee, which is responsible for reviewing innovation and technology initiatives at Lonza, including ESG developments.

Public Company Boards

- Chair, Heineken Holding NV (since 2025)

Further Appointments

- Chair, Schuberg Phillis (since 2025)

Former Activities and Functions

- Chair, Vermaat (2019–2025)
- Chair, Heineken NV (2014–2025)
- Member of the Board, Picnic (2020–2024)
- Member of the Board, Canada Goose (2017–2023)
- Member of the Board, SHV (2015–2019)
- Member of the Board, Formula One (2012–2017)
- Executive Director and Chief Financial Officer, Unilever (2010–2015)
- Member of the Board, Mead Johnson Nutrition (2009)
- Executive Vice President and Chief Financial Officer, Bristol-Myers Squibb (2008–2009)
- Member of Executive Board and Chief Financial Officer, Royal Numico (2003–2007)
- Executive Director, Investment Banking, Goldman Sachs International (1993–2003)
- Commercial Manager, Clement Trading (1991–1993)

**Jürgen Steinemann**

Nationality: German
Year of birth: 1958

Vice-Chair of the Board of Directors of Lonza Group Ltd (since August 2024); Independent member of the Board of Directors of Lonza Group Ltd (since April 2014).

Jürgen Steinemann holds a degree in Economics and Business Management from the European Business School in Wiesbaden (DE), London (UK) and Paris (FR).

Current Activities and Functions

Jürgen Steinemann is a member of the Remuneration Committee, which is responsible for reviewing and recommending compensation policies and plans, agreeing employment terms and evaluating the performance of the Executive Committee and the Chief Executive Officer.

He is also a member of the People and Governance Committee, which is responsible for overseeing governance, talent development, and succession planning for the Board and Executive Committee.

- Chair of the Supervisory Board, Viega (since 2025)
- Member of the Supervisory Board, Barentz International B.V. (since 2020)
- Managing Director, JBS Holding GmbH (since 2017)
- Member of the Supervisory Board, Bankiva B.V. (since 2017)
- Deputy Chair of the Supervisory Board, Big Dutchman AG (since 2025)

Former Activities and Functions

- Chair *ad interim* of the Supervisory Board, Big Dutchman AG (2024–2025)
- Deputy Chair of the Supervisory Board, Big Dutchman AG (2023–2024)
- Member of the Supervisory Board, Big Dutchman AG (2015–2023)
- Chair of the Supervisory Board, Metro AG (2015–2025)
- Member of the Advisory Board, Tower Brook Capital Partners LP (2017–2022)
- Member of the Advisory Board, EQT (2019–2023)
- Member of the Board of Directors, Barry Callebaut AG (2015–2020)
- Chief Executive Officer, Barry Callebaut (2009–2015)
- Member of the Executive Board and Chief Operating Officer, Nutreco (2001–2009)
- Chief Executive Officer of Lodders Croklaan, Unilever (1999–2001)
- Various senior positions in business-to-business marketing and sales with the former Eridania Béghin-Say Group (1990–1998)
- Member of the Board, NGO African Parks Germany (2019–2023)

**Christoph Mäder**

Nationality: Swiss
Year of birth: 1959

Lead Independent Director of the Board of Directors of Lonza Group Ltd (since November 2019); Independent member of the Board of Directors of Lonza Group Ltd (since April 2016).

Christoph Mäder holds a Master's degree in law from the University of Basel (CH) and is admitted to the Swiss Bar.

Current Activities and Functions

Christoph Mäder is the Chair of the Remuneration Committee, which is responsible for reviewing and recommending compensation policies and plans, agreeing employment terms and evaluating the performance of the Executive Committee and the Chief Executive Officer.

He is also a member of the Audit and Compliance Committee, which is in charge of overseeing the systems of internal control and financial reporting, and compliance with laws and regulations, including the reporting and assurance process for ESG.

Public Company Boards

- Member of the Board of Directors, Schindler Holding Ltd (since 2024)
- Member of the Board of Directors, Baloise Holding Ltd (since 2019)

Further Appointments

- Member of the Bank Council, Swiss National Bank (since 2021)
- Chair, economiesuisse (since 2020)
- Member of the Board of Directors, Accivalor AG (since 2019)
- Member of the Advisory Board, Accenture Switzerland (since 2019)
- Partner at the law firm Becker | Gurini | Partner (since 2019)
- Member of the Advisory Board, VSUD (Vereinigung Schweizerischer Unternehmen in Deutschland) (since 2016)
- Member of the Advisory Board, Loeba GmbH (since 2014)

Former Activities and Functions

- Vice-Chair of the Board of Directors, Lonza Group Ltd (2020–2024)
- Member of the Board, EMS Chemie Holding AG (2018–2023)
- Member of the Board Committee, economiesuisse (2008–2019)
- Member of the Board, scienceindustries (2006–2018)
- Member of the Board, the Basel Chamber of Commerce (2002–2018)
- Member of the Group Executive Committee, Syngenta (2000–2018)
- Member of the Executive Board of the Business and Industry Advisory Committee (BIAC) for the Organization for Economic Co-operation and Development (OECD) (2012–2016)
- Head of Legal & Public Affairs, Novartis Crop Protection AG (1999–2000)
- Senior Corporate Counsel, Novartis International AG (1992–1998)

**Juan Andres**

Nationality: Spanish
Year of birth: 1964

Independent member of the Board of Directors of Lonza Group Ltd (since May 2025).

Juan Andres has a career spanning more than 35 years during which he has held a variety of executive leadership positions. He was President, Strategic Partnerships and Enterprise Expansion at Moderna and led all manufacturing and technical development there during the COVID-19 pandemic. Prior to that, he led manufacturing worldwide and held other strategic roles at Novartis for 12 years, after spending more than 15 years at Eli Lilly. He has a deep strategic understanding of technical operations and quality that is complemented by international business expertise.

Juan holds a Master of Pharmacy from Alcala de Henares University (ES) and has completed the Accelerated Development Program at London Business School (UK).

Current Activities and Functions

Juan Andres is a member of the People and Governance Committee, which is responsible for overseeing governance, talent development, and succession planning for the Board and Executive Committee.

He is also a member of the Strategy and Innovation Committee, which is responsible for reviewing innovation and technology initiatives at Lonza, including ESG developments.

Public Company Boards

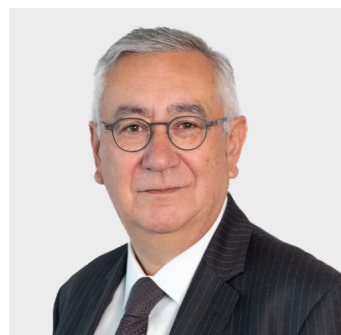
- Independent Member of the Board of Directors, Avantor (since 2019)

Further Appointments

- Member of the USA National Academy of Engineering (since 2022)

Former Activities and Functions

- Independent Member of the Board of Directors, Evelo Biosciences (2019–2023)
- President, Strategic Partnerships and Enterprise Expansion, Moderna (2017–2023)
- Chief Technical Operations and Quality Officer, Moderna (2018–2022)
- SVP Technical Development, Manufacturing and Quality, Moderna (2017–2018)
- Head of Technical Operations, Novartis (2015–2017)
- Head of Global Technical Operations, Novartis (2013–2015)
- Group Head of Quality, Novartis (2009–2012)
- Global Head of Technical Research and Development, Novartis (2007–2009)
- Global Head of Pharmaceutical Operations, Novartis (2005–2007)
- Global Vice President, Pharmaceutical Manufacturing, Eli Lilly & Company (2002–2005)
- Various quality, production and site head roles for Eli Lilly & Company (1988–2004)



Eric Drapé

Nationality: French
Year of birth: 1961

Independent member of the Board of Directors of Lonza Group Ltd (since May 2025).

For more than 35 years, Eric Drapé has served in multiple leadership roles in the pharmaceutical industry at Teva Pharmaceuticals, Ipsen Pharma and Novo Nordisk. He has a wealth of international experience, having held positions in Denmark, France, Israel and the US.

Eric holds a Doctorate in Pharmacy and a DESS in Analytical Chemistry from Paris XI (FR). He also holds an Executive MBA from SIMI (now Copenhagen Business School) (DK).

Current Activities and Functions

Eric Drapé is a member of the Remuneration Committee, which is responsible for reviewing and recommending compensation policies and plans, agreeing employment terms and evaluating the performance of the Executive Committee and the Chief Executive Officer.

He is also a member of the Audit and Compliance Committee, which is in charge of overseeing the systems of internal control and financial reporting, and compliance with laws and regulations, including the reporting and assurance process for ESG.

Public Company Boards

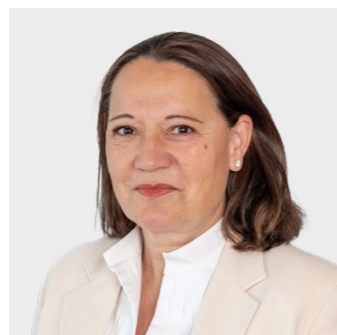
- Independent Member of the Board of Directors, Laboratoires Guerbet (since 2025)

Further Appointments

- Independent Member of the Board of Directors, LFB (since 2018)
- Member of the Board of Directors, Eukarÿs (since 2025)

Former Activities and Functions

- EVP, Head of Global Operations, Company Officer and Member of the Executive Committee, Teva (2019–2024)
- Member of the Board, Teva-Takeda Business Venture (2017–2022)
- EVP and Chief Quality Officer, Teva (2015–2019)
- Head of Biologics Operations, Teva (2014–2017)
- Senior VP, Technical Operations Steriles, Respiratory and Biologics, Teva (2014–2015)
- Executive VP, Technical Operations, Ipsen Pharma (2007–2014)
- Independent Member of the Board of Directors, NNE Pharmaplan France (2004–2007)
- Senior VP, Diabetes Finished Products, Novo Nordisk (2004–2007)
- Increasingly senior roles in Quality and as a Site Head in Novo Nordisk (1990–2004)
- Independent Member of the Board of Directors, A3P (1994–2001)
- Analytical Development roles in Air Force R&D and Servier (1987–1990)



Marion Helmes

Nationality: German
Year of birth: 1965

Independent member of the Board of Directors of Lonza Group Ltd (since May 2022).

Marion Helmes has extensive financial expertise as well as global operational experience from a career that includes Chief Financial Officer positions at Celesio, Q-Cells and with ThyssenKrupp's Elevator and Stainless divisions. She currently holds Board Memberships with Siemens Healthineers AG and Heineken N.V.

Marion has a degree in Business Administration from Freie Universität Berlin and a PhD from the University of St. Gallen.

Current Activities and Functions

Marion Helmes is a member of the Audit and Compliance Committee, which is responsible for overseeing the systems of internal control and financial reporting, and compliance with laws and regulations, including the reporting and assurance process for ESG.

She is also a member of the People and Governance Committee, which is responsible for overseeing governance, talent development, and succession planning for the Board and Executive Committee.

Public Company Boards

- Member of the Board of Directors, Chair of the Audit Committee, Heineken N.V. (since 2018)
- Member of the Board of Directors, Chair of the Audit Committee, Siemens Healthineers AG (since 2018)

Former Activities and Functions

- Vice-Chair of the Board of Directors, ProSiebenSat.1 Media SE (2014–2023)
- Member of the Board of Directors, British American Tobacco plc (2016–2022)
- Member of the Board of Directors, Uniper SE (2017–2020)
- Member of the Board of Directors, Bilfinger SE (2016–2018)
- Member of the Board of Directors, NXP Semiconductors N.V. (2013–2018)
- Chief Financial Officer, Celesio AG. From 2013, Speaker of the Management Board (2012–2014)
- Member of the Board of Directors, Fugro N.V. (2009–2014)
- Chief Financial Officer, Q-Cells SE (2010–2011)
- Chief Financial Officer, ThyssenKrupp Elevator AG (2006–2010)
- Chief Financial Officer, ThyssenKrupp Stainless AG (2005–2006)
- Various positions in Mergers & Acquisitions, Corporate Development and Controlling, ThyssenKrupp AG (1997–2005)
- Project Manager, St. Gallen Consulting Group (1996–1997)
- Manager Restructuring, Privatisation, Treuhandanstalt (1991–1994)



Angelica Kohlmann

Nationality: German, Brazilian
Year of birth: 1960

Independent member of the Board of Directors of Lonza Group Ltd (since May 2018).

Angelica Kohlmann holds a MD and doctorate in medicine from Hamburg University (DE).

Current Activities and Functions

Angelica Kohlmann is the Chair of the Strategy and Innovation Committee, which is responsible for reviewing innovation and technology initiatives at Lonza, including ESG developments.

She is also a member of the Remuneration Committee, which is responsible for reviewing and recommending compensation policies and plans, agreeing employment terms and evaluating the performance of the Executive Committee and the Chief Executive Officer.

- Member of the Board, Foundation Prince Liechtenstein SFLIII (since 2025)
- Chair of the Board of Directors, Bloom Diagnostics AG (since 2018)
- Member International Advisory Board IE University and Business School, Madrid (since 2017)
- Chair of Board of Directors, Kohlmann & Co AG (since 2013)
- International investor in biotech and tech, based in Switzerland (since 2014)
- Chair of the Advisory Board Peter Drucker Society Europe / Global Peter Drucker Forum, Vienna (since 2009)

Former Activities and Functions

- Board Observer Teralytics AG (2017–2023)
- Member Advisory Board UBS Unique (2017–2018)
- Director Trinnacle Fund Ltd (2016–2017)
- Member Board of Directors Teralytics AG (2013–2016)
- Founder & CEO Ifitech GmbH, Germany (2010–2017)
- International investor in biotech and tech, based in Germany (2000–2013)
- International consultant for strategy, management, investments and restructuring (1992–1999)
- Head global restructuring Behringwerke AG, Germany (1990–1992)
- Member Board Staff Hoechst AG, Germany (1988–1990)
- International Marketing Group Leader, Behringwerke AG (1986–1988)
- MD Anderson Cancer Center, Houston and Memorial Sloan Kettering Cancer Center, New York, USA – various cancer research functions



David Meline

Nationality: Swiss, US
Year of birth: 1957

Independent member of the Board of Directors of Lonza Group Ltd (since May 2025).

David has served as CFO of three publicly listed industrial and biotech companies and worked in various capital-intensive industries throughout his career. After serving as CFO and CAO of 3M Company as well as CFO of Amgen, one of the world's largest independent biotech companies, David was CFO of Moderna during the COVID-19 pandemic. He has extensive governance, financial and industry experience, including business and IT services.

David holds a bachelor's degree in Mechanical Engineering from Iowa State University (US), a master's degree in Economics from London School of Economics (UK), and an MBA in Finance from the University of Chicago (US).

Current Activities and Functions

David Meline is a member of the Remuneration Committee, which is responsible for reviewing and recommending compensation policies and plans, agreeing employment terms and evaluating the performance of the Executive Committee and the Chief Executive Officer.

He is also a member of the Audit and Compliance Committee, which is in charge of overseeing the systems of internal control and financial reporting, and compliance with laws and regulations, including the reporting and assurance process for ESG.

Public Company Boards

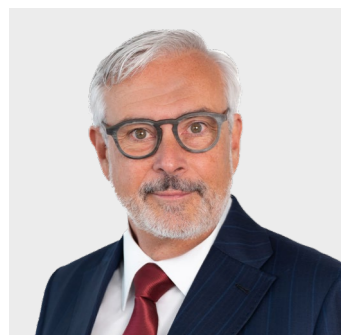
- Non-Executive Member of the Board, and Audit Committee, Eikon Therapeutics (since 2025)
- Member of the Board, Member of the Finance, Investment and Technology Committee (since 2023), Chair of the Audit Committee (since 2024), HP Inc.
- Non-Executive Member of the Board of Directors, and Chair of the Finance, Audit and Compliance Committee, ABB Ltd (since 2016)

Further Appointments

- Vice-Chair of the Board of Directors, Los Angeles Philharmonic, a non-profit organization (since 2016)

Former Activities and Functions

- Member of the Board and Member of the Audit Committee, Pacific Biosciences of California, Inc. (2023–2025)
- Chief Financial Officer, Moderna (2020–2022)
- Chief Financial Officer, Amgen (2014–2019)
- Chief Financial Officer, 3M Company (2011–2014)
- Corporate Controller and Chief Accounting Officer, 3M Company (2008–2011)
- Chief Financial Officer North America, General Motors (2007–2008)
- Chief Financial Officer Europe, General Motors (2004–2007)
- Chief Financial Officer Daewoo, General Motors (2002–2004)
- Chief Financial Officer Brazil, General Motors (2000–2001)
- Finance and management roles in Brazil, Kenya and the US (1986–1999)
- Product Design Engineer, AT&T (1980–1983)



Roger Nitsch

Nationality: Swiss, German
Year of birth: 1961

Independent member of the Board of Directors of Lonza Group Ltd (since May 2022).

Roger Nitsch serves as CEO and President of Neurimmune, which he founded in 2006 with two business partners. A neuroscientist with a background in medicine, Roger is recognized as an opinion leader in neurodegenerative diseases with over 30 years of experience in Alzheimer's disease research and drug development. A Potamkin Prize winner and Member of the German Academy of Sciences, Roger served as a founding director of the Institute for Regenerative Medicine (IREM), University of Zurich.

Roger Nitsch holds an MD degree from the University of Heidelberg and earned his post-doctoral qualification at the Massachusetts Institute of Technology and Harvard Medical School.

Current Activities and Functions

Roger Nitsch is a member of the Strategy and Innovation Committee, which is responsible for reviewing innovation and technology initiatives at Lonza, including ESG developments. He is also a member of the People and Governance Committee, which is responsible for overseeing governance, talent development, and succession planning for the Board and Executive Committee.

- CEO and President of the Board of Directors, Neurimmune Group (since 2006)
- Member of the Board of Directors, OphthaNova Therapeutics AG (since 2025)
- Member of the Advisory Board, PUREOS Bioventures (since 2017)
- Member of the Board of Directors, NOVAGO Therapeutics AG (since 2015)
- Member of the Board of Directors, INTEGRA Biosciences Holding AG (since 2002)

Former Activities and Functions

- Professor at the University of Zurich (1998–2024)
- Director and co-founder of the Institute for Regenerative Medicine University of Zurich (2016–2020)
- Overseas Visiting Professor of Health Science Aino University, Osaka, Japan (2016–2018)
- Member of the Advisory Board Max-Planck-Institute for Psychiatry, Munich (2009–2012)
- Member and Chair of the Scientific Advisory Board Institute for Advanced Studies (2006–2012)
- Chair, Board of Trustees, Center for Clinical Research University Hospital Zurich (2002–2014)
- Vice Dean Research, Medical Faculty at the University of Zurich (2002–2008)
- Coordinator of the European Union DIADEM and APOPIS Research Consortia (1999–2006)
- Director at the Psychiatric University Hospital Zurich (1998–2005)
- Member of the Board of Directors and co-founder EVOTEC Neurosciences (1995–1998)
- Post-Doc, M.I.T. and Harvard Medical School (1990–1995)
- Post-Doc, University of Heidelberg (1987–1990)
- Research Fellow, Max-Planck Institute for Medical Research, Heidelberg (1983–1987)



Barbara Richmond

Nationality: British
Year of birth: 1960

Independent member of the Board of Directors of Lonza Group Ltd (since April 2014).

Barbara Richmond holds a first-class degree in management science from the University of Manchester Institute of Science and Technology in England. Barbara Richmond has substantial knowledge as a financial expert, demonstrated by her roles as CFO for various companies. She is a Fellow of the Institute of Chartered Accountants in England and Wales.

Current Activities and Functions

Barbara Richmond is the Chair of the Audit and Compliance Committee, which is responsible for overseeing the systems of internal control and financial reporting, and compliance with laws and regulations, including the reporting and assurance process for ESG.

Public Company Boards

- Independent Non-Executive Member of the Board, Berkeley Group Holdings plc (since 2026)
- Member of the Board of Directors, Barry Callebaut AG (since 2024)

Former Activities and Functions

- Integration and Synergies Director, Barratt Redrow plc (2024–2025)
- Group Finance Director, Barratt Redrow plc (2010–2024)
- Group CFO, Inchcape plc (2006–2009)
- Non-Executive Director and Audit Committee Chair, Scarborough Building Society until its merger with The Skipton Building Society (2005–2009)
- Non-Executive Director, Senior Independent Director and Audit Committee Chair, Carclo Group plc (2000–2006)
- Group CFO, Croda International plc (1997–2006) with dual role as Group CFO and President of Active Ingredients and Industrial Chemicals (2002–2006)
- Group CFO, Whessoe plc in 1993 (1993–1997)
- Various financial roles in Alstom Group SA (1987–1992)
- Auditor and management consultant, Arthur Andersen (1981–1984)

Former Member of the Board of Directors in 2025¹

Olivier Verscheure

Nationality: Belgian
Year of birth: 1972

Independent member of the Board of Directors of Lonza Group Ltd (from May 2018 until May 2025).

Olivier Verscheure holds a PhD in Computer Science from EPFL (July 1999).

Current Activities and Functions

- Member of the Foundation Council, SWITCH (since 2019)
- Co-Director of the Executive Education program in Data Science and Management, HEC Lausanne and EPFL (since 2018)
- Member of the Scientific Advisory Board, ETH Strategic Initiative on Personalized Health and Related Technologies (since 2017)
- Co-Founder and Executive Director of the Swiss Data Science Center (since 2016)

Former Activities and Functions

- Research Program Director at IBM Research, Ireland (2010–2016)
- Senior Research Manager at the IBM T.J. Watson Research Center, New York (2004–2010)
- Senior member of the research staff at the IBM T.J. Watson Research Center, New York (1999–2004)



¹ Information tracked until the end of the mandate with Lonza Group Ltd.

Executive Committee

The Board of Directors appoints the members of the Executive Committee (EC). Lonza's Executive Committee performs the duties assigned to it by the Board of Directors under the terms of the [Regulations Governing Internal Organization and Board Committees](#). It is responsible for managing Lonza worldwide and for implementing policies and strategies as defined by the Board of Directors. The Executive Committee supports and coordinates

the activities of the Business Platforms, the Group Functions and the Global Business Services Organization. The Executive Committee is also responsible for leadership development.

The Executive Committee comprises the following ten members as of 31 December 2025:

Members of the Executive Committee

Name	Nationality	Year of Birth	Function
Wolfgang Wienand	German	1972	Chief Executive Officer
Philippe Deecke	Swiss / German / French	1972	Chief Financial Officer
Maria Soler Nunez	Spanish	1969	Chief Quality Officer
Nicoleta Baumgärtner	Romanian / US / Canadian / Swiss	1971	Chief Human Resources Officer
Andreas Bohrer	Swiss	1968	Chief Legal & Corporate Affairs Officer
Jason Berndt	US	1978	Head of Group Operations
Gordon Bates	British	1965	Head of Integrated Biologics
Christian Seufert	German	1975	Head of Advanced Synthesis
Daniel Palmacci	German / Italian / US	1969	Head of Specialized Modalities
Jean-Christophe Hyvert	Swiss / French	1972	Head of Capsules & Health Ingredients

Limitation of Number of Mandates

According to Article 26 of [Lonza's Articles of Association](#), no member of the Executive Committee may hold more than:

- one additional mandate in a listed company;
- two additional mandates in non-listed companies; and
- ten mandates in associations, trusts and employee welfare foundations, educational institutions and similar organizations (in all cases only to the extent they are an undertaking with an economic purpose).

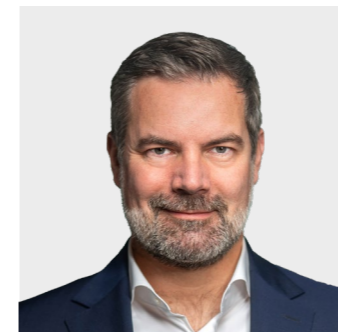
Mandates shall mean any membership of the board of directors, the executive committee, the advisory board or any comparable function under foreign law, of an undertaking with an economic purpose. Mandates in different legal entities that are under joint control or same beneficial ownership (including family asset management structures) are deemed one mandate. Mandates in companies that are controlled by Lonza or that control Lonza are not subject to the limitation set forth above. No member of the Executive Committee may hold more than five mandates at the request of Lonza or companies controlled by it, for a legal entity not affiliated with the group (including pension funds or joint ventures).

Management Contracts

Lonza Group Ltd has not entered into management contracts with companies or natural persons not belonging to the Group.

CVs Executive Committee

Members of the Executive Committee as of 31 December 2025



Wolfgang Wienand

Nationality: German
Year of birth: 1972

Chief Executive Officer (CEO) and Member of the Executive Committee (since July 2024).

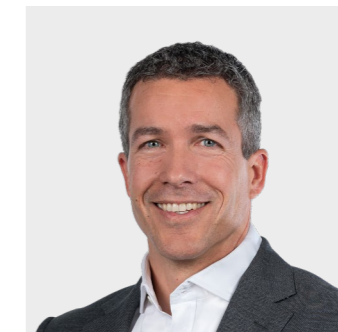
Wolfgang holds a PhD in Organic and Bioorganic Chemistry from the University of Cologne (DE), as well as an Executive Master of Science in Finance from HEC Paris (FR).

Current Activities

- Non-Executive Director of the Board, Mettler-Toledo International Inc. (since 2023)

Former Activities and Functions

- Chief Executive Officer, Siegfried Holding AG (2019–2024)
- Chief Scientific and Strategy Officer, and Member of the EC, Siegfried Holding AG (2017–2018)
- Chief Strategy Officer and Member of the EC, Siegfried Holding AG (2011–2017)
- Chief Scientific Officer and Member of the EC, Siegfried Holding AG (2010–2012)
- Vice President, Strategy and Business Development, Evonik Industries AG (2008–2010)
- Director, Process Research Biocatalysis and Homogenous Catalysis, Evonik Industries AG (2006–2008)
- Director, Strategy & Market Intelligence, Evonik Industries AG (2005–2006)
- Project Leader, Evonik Industries AG (formerly Degussa AG) (2002–2004)



Philippe Deecke

Nationality: Swiss, German, French
Year of birth: 1972

Chief Financial Officer (CFO) and Member of the Executive Committee (since December 2021).

Philippe holds a master's degree in Industrial Management and Manufacturing and a Bachelor's Degree in Computer Science from the Swiss Federal Institute of Technology (ETH), Zurich (CH), as well as an MBA from Cornell University's Johnson School (US).

Current Activities

- Member of the Board of Directors, Swisscom (since 2026)
- Member of the Board of Directors, Assura (since 2023)

Former Activities and Functions

- CFO, Novartis Oncology (2021)
- CFO, Sandoz, division of Novartis (2017–2021)
- CFO, Alcon EMEA, division of Novartis (2015–2017)
- Head Group Business planning and Analysis, Novartis International AG (2012–2015)
- CFO, Chief Financial and Administration Officer, Novartis Schweiz AG (2010–2012)
- Project Director, Novartis International AG (2008–2010)
- Head Finance, Novartis Pharmaceutical Inc. (US) (2006–2008)
- Assistant to CEO, Novartis International AG (2005–2006)
- Associate Principal, McKinsey (1998–2005)



Maria Soler Nunez

Nationality: Spanish
Year of birth: 1969

Chief Quality Officer (since October 2025) and Member of the Executive Committee (since August 2022).

Maria Soler Nunez holds a PhD in Pharmacy in the area of Genetics, Molecular Biology from the Universidad Complutense de Madrid (ES).

Former Activities and Functions

- Head of Group Operations, Lonza Group Ltd (2022–2025)
- Chief Quality Officer, Novartis (2020–2022)
- Head Global Manufacturing Functions, Novartis (2018–2020)
- Head Packaging and Manufacturing, Science & Technology, Novartis (2018)
- Head Manufacturing, Science & Technology, Novartis (2016–2017)
- Various regional and global leadership positions in Manufacturing and Quality at Novartis and Lilly (1997–2016)



Nicoleta Baumgärtner

Nationality: Romanian, Canadian, US and Swiss
Year of birth: 1971

Chief Human Resources Officer (CHRO) and Member of the Executive Committee (since November 2024).

Nicoleta holds a master's degree in Economics from the Academy of Economic Studies in Bucharest (RO).

Former Activities and Functions

- Global Head of HR, Biologics division, Lonza Group Ltd (2024)
- Global Head of HR, Capsules & Health Ingredients division, Lonza Group Ltd (2021–2024)
- Global Head Rewards, Novartis Pharmaceuticals (2018–2021)
- Head HR, Global Supply Chain, Global Strategy & OpEx, Novartis (2016–2018)
- Head HR, Global Functions, Pharma TechOps, Novartis (2015–2016)
- Head Compensation & Benefits, Pharma Technical Operations, Novartis (2014–2015)
- Performance Management and Compensation Leader, Roche (2006–2014)
- Various Compensation and Sales Effectiveness roles at AMD, Wells Fargo, Phillip Morris, and Kodak (1998–2006)



Andreas Bohrer

Nationality: Swiss
Year of birth: 1968

Chief Legal & Corporate Affairs Officer and Member of the Executive Committee (since July 2025).

Andreas holds a Master of Laws (LLM) from New York University (US), a Habilitation in Law from the University of Zurich (CH) and is admitted as attorney-at-law in Zurich (CH).

Current Activities and Functions (representation of Lonza in business associations):

- Chair of the Board, SwissHoldings (association of the multinational companies in Switzerland, since 2025; Board member since 2024)
- Vice-Chair of the Board, Scienceindustries (association of the life sciences companies in Switzerland, since 2025; Board member since 2019)
- Member of the Board Committee, economiesuisse (association of the Swiss economy, since 2024; Board member since 2021)
- Member of the Executive Board, BIAC/Business at OECD (business association, since 2025)

Former Activities and Functions

- Group General Counsel and Company Secretary, Lonza Group Ltd (2015–2025)
- General Counsel and Member of the Executive Committee, Novartis Animal Health Division (2014–2015)
- Head Legal Transactions, Novartis Group (2010–2014)
- General Counsel Switzerland, UBS AG (2009–2010)
- General Counsel and Chief Risk Officer EMEA, UBS Global Asset Management (2004–2009)
- Executive Director, M&A, Group Legal, UBS AG (2003–2004)
- Corporate Attorney, Lenz & Staehelin, (1999–2003)
- Corporate Associate, Covington & Burling (Howard Smith & Levin LLP), New York (1998–1999)



Jason Berndt

Nationality: US
Year of birth: 1978

Head of Group Operations and Member of the Executive Committee (since October 2025).

Jason holds a bachelor of science from the United States Military Academy (US) and MBA from University of Michigan (US).

Former Activities and Functions

- Senior Vice President, Head of Global Technical Services, Bristol Meyers Squibb (2024–2025)
- Head of Global Operations, Gingko Bioworks (2022–2024)
- Senior Vice President, Head of Global Biologics Operations, Teva Pharmaceutical Industries (2022)
- Senior Vice President, Head of Global Transformation Office, Teva Pharmaceutical Industries (2020–2022)
- Vice President and General Manager, Japan Operations, Teva Pharmaceutical Industries (2017–2020)
- Site General Manager, Cincinnati Ohio, Teva Pharmaceutical Industries (2015–2017)
- Senior Director, Head of Operational Excellence, Americas Region, Teva Pharmaceutical Industries (2014–2015)
- Consultant specializing in operational restructuring, transformation and operational strategy, McKinsey & Company (2012–2014)
- Various roles in manufacturing and supply chain leadership, Procter & Gamble Company (2006–2012)
- Military officer, US Army (2001–2006)



Gordon Bates

Nationality: British
Year of birth: 1965

Head of Integrated Biologics (since April 2025) and Member of the Executive Committee (since April 2021)

Gordon Bates holds a master's degree in Engineering Business Management from the University of Warwick (UK).

Former Activities and Functions

- President, Lonza Small Molecules Division (2021–2025)
- President, Lonza Chemical Division (2018–2020)
- Senior Vice President, Business Unit Head, Lonza Chemical and Microbial Manufacturing (2015–2017)
- Global Head of Sales, Lonza Pharma Custom Manufacturing (2013–2015)
- Head of Operations and Site Manager, Lonza Slough (UK) (2007–2013)
- Global Head of Lonza Operational Excellence (2003–2007)



Christian Seufert

Nationality: German
Year of birth: 1975

Head of Advanced Synthesis (since April 2025) and Member of the Executive Committee (since July 2022).

Christian Seufert holds a master's degree in Business Administration and Economics from the University of Hohenheim (DE).

Former Activities and Functions

- President, Lonza Capsules & Health Ingredients Division (2022–2025)
- Senior Vice President Pharma Solutions/Nutrition & Health Americas, BASF (2018–2022)
- Vice President, Global Segment Management Aroma Ingredients, BASF (2015–2018)
- Vice President, Regional Business Management Home Care, Industrial and Institutional Cleaning, Europe & EAWA, BASF (2012–2014)
- Vice President/Director, Regional Business Management Formulation Technologies, North America, BASF (2009–2012)
- Various regional and global leadership positions in Strategy, Sales and Marketing at BASF (2002–2009)



Daniel Palmacci

Nationality: German, Italian, US
Year of birth: 1969

Head of Specialized Modalities (since April 2025) and Member of the Executive Committee (since November 2022).

Daniel Palmacci holds a master's degree in Chemistry and Process Engineering with High Honors from the Technical University Berlin (DE).

Current Activities

- Member of the Board of Directors, LOWENCO (since September 2022)

Former Activities and Functions

- President, Lonza Cell & Gene Division (2022–2025)
- Senior Vice President, Global Head Technical Operations, MorphoSys (2020–2022)
- Global Head Vaccines & Biologics Strategic Facility Creation, Merck Sharp & Dohme (2019–2020)
- Global Head Drug Substance Biopharma Manufacturing/CEO Sandoz GmbH, Novartis (2018–2019)
- Site Head, Drug Product Schafftenau, Novartis (2017–2018)
- Global Head External Supplier Operations, Biopharma, Sandoz – Novartis (2015–2017)
- Global Head Technical Operations, Biopharma, Sandoz – Novartis (2015)
- Global Product Leader & Global Head Manufacturing, Science & Technology (MS&T), Sandoz – Novartis (2013–2015)
- Head of Manufacturing, Bayer Healthcare (2008–2013)
- Director of Operations – Plant Manager, Bayer Healthcare (2006–2008)
- Various Project Manager and QA Manager roles, Berlex LCC, Schering AG, Schering do Brazil, ingea depotec and GTZ (1994–2006)



Jean-Christophe Hyvert

Nationality: Swiss, French
Year of birth: 1972

Head of Capsules & Health Ingredients (since April 2025) and Member of the Executive Committee (since April 2021).

Jean-Christophe Hyvert holds a master's degree in Physics from INSA, Rennes (FR) and an MBA from the Northwestern University (USA).

Current Activities

- Senior Advisor to Astorg (02/2025–01/2026)
- Member of the Board, Solvias (since 2025)

Former Activities and Functions

- President, Lonza Biologics Division (2021–2025)
- President, Lonza Cell & Gene Division (2021–2022)
- Chief Commercial Officer, Lonza Pharma Biotech & Nutrition Segment (2019–2020)
- Vice President, Finance, Lonza Pharma & Biotech Segment (2017–2019)
- Finance Director ECEMEA, Baxter International (2016–2017)
- Senior Director EMEA Business Development, Baxter International (2015–2016)
- Finance Director, Baxter International (2013–2014)
- Various leadership positions in Finance and Corporate Development at Newell Rubbermaid, Lehman Brothers and Legris (covering M&A and Supply Chain) (1995–2013)

Compensation, Shareholdings and Loans

Details of Board and Executive Committee compensation are contained in the Remuneration Report, respectively on pages 193 and 184.

Shareholders' Participation Rights

Voting Rights Restrictions and Representation

Only persons with valid entries in the share register are recognized as shareholders or usufructuaries. A shareholder may only be represented at the Shareholders' Meeting by the independent proxy, a legal representative or, by means of written proxy, by a representative of their choice. Persons who do not declare to have acquired the respective shares in their own name and for their own account are considered "nominees". They will be entered with voting rights in the share register up to a maximum of 2% of the share capital, unless the actually entitled persons are revealed. The details are set out in Article 6 of [Lonza's Articles of Association](#). This restriction is not meant to serve as takeover defense. It may only be removed by a resolution of the Shareholders' Meeting with a quorum in accordance with Swiss law. Each share has the right to one vote and is entitled to dividends. The shares held by Lonza or Group entities are not entitled to vote and bear no dividends. Lonza may use an electronic voting system for all the resolutions to be taken at a Shareholders' Meeting. [Lonza's Articles of Association](#) do not contain any other rules on the electronic participation in the Shareholders' Meeting, nor specific rules on the issue of instructions to the independent proxy.

Statutory Quora

Except as otherwise stipulated by law, an absolute majority of the votes represented at a Shareholders' Meeting is required for resolutions and elections. For certain important matters such as a change of the company purpose and domicile, the dissolution of the company, and certain matters relating to capital changes, Article 704 of the Swiss Code of Obligations requires at least two-thirds of the voting rights represented and an absolute majority of the nominal value of shares represented.

Convocation of Shareholders' Meetings

Ordinary Shareholders' Meetings are called in accordance with the law and [Lonza's Articles of Association](#). Extraordinary Shareholders' Meetings must be called upon resolution of a Shareholders' Meeting or if demanded by one or more shareholders representing at least 5% of the share capital. Lonza sends the invitation to shareholders at least 20 days before the Shareholders' Meeting and publishes it on its website as well as in the Swiss Official Gazette of Commerce.

Agenda

One or more shareholders representing at least 0.134% of the share capital or the voting rights may request an item to be included in the agenda of a Shareholders' Meeting. The request to include an item must be submitted in writing at least 40 days before the meeting, stating the item to be included and the motions.

Entry in the Share Register

Purchasers of Lonza shares may submit a request to be entered, without limitation, as shareholders with voting rights in the share register, provided they expressly declare that they have acquired the shares in their own name and for their own account. Special rules exist for persons who do not expressly declare in the entry application that they hold the shares for their own account (nominees) – see Limitations on Transferability and Nominee Registrations section, page 207. There are no special rules in [Lonza's Articles of Association](#) concerning a deadline for entry in the share register. For the 2026 AGM, the share register will be closed on Wednesday, 29 April 2026 at 5:00 pm CEST.

Changes of Control and Defense Measures

Duty to Make an Offer

According to the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (Financial Market Infrastructure Act, FinMIA), an investor who acquires more than 33 1/3% of the voting rights (directly, indirectly or in concert with third parties), whether exercisable or not, is required to submit a takeover offer for all shares outstanding. No special opting-out or opting-up dispositions are contained in [Lonza's Articles of Association](#).

Clauses on Change of Control

The employment agreements of the Executive Committee members contain certain clauses on change of control, which are outlined in the Compensation of the Executive Committee section of the Remuneration Report. In addition, Lonza's Long-Term Incentive Plan (LTIP) provides that unvested awards or blocked shares unconditionally vest upon change of control (see Compensation of the Executive Committee section of the Remuneration Report, page 184).

Auditors

Duration of the Mandate and Term of Office of the Lead Auditor

The external statutory auditor is elected at the Annual General Meeting for a period of one financial year. Deloitte AG, Pfingstweidstrasse 11, 8005 Zurich (CH), was elected as external statutory auditor of Lonza Group Ltd at the Annual General Meeting held on 5 May 2023 for the financial year 2024 and as statutory auditor of Group companies for the same financial

year. Deloitte AG was re-elected at the Annual General Meeting 2024 for the financial year 2025 and again at the 2025 AGM for the financial year 2026. Fabien Lussu from Deloitte AG has been nominated as lead auditor for the financial year 2025. Lonza's Audit and Compliance Committee ensures that the lead auditor is rotated at least every seven years.

Auditing Fees and Additional Fees

The fees for professional services due to Deloitte AG for the year under audit ended 31 December 2025 are as follows:

Million CHF	2025	2024
Audit services	3.702	3.801
Audit-related services		
– Assurance – transaction related	1.280	0.000
– Assurance – other	1.210	0.964
– Non-statutory audits		
Tax services	0.109	0.274
Other services	0.036	0.295
Total	6.337	5.334

Audit services are provided as required by law and include the audit of the consolidated financial statements of Lonza Group Ltd as well as the required statutory audits of Lonza Group entities. Audit-related services include other assurance and accounting services provided by the independent auditors but which may not exclusively be provided by the statutory auditors. These services go beyond the legal requirements and may include, inter alia, other attestation services, comfort letters, audits in connection with non-recurring transactions, consents and consultations, as well as audit services related to the performance of carve-out financial statements. Tax services represent tax compliance, assistance with historical tax matters, and other related services.

Supervisory and Control Instruments vis-à-vis the Auditors

The Audit and Compliance Committee is responsible for evaluating the performance and independence of the external auditors on behalf of the Board of Directors. This evaluation occurs at least once a year. The criteria applied for the assessment include professional competence, sufficiency of resources, the ability to provide effective and practical recommendations and coordination of the external auditors with the Audit and Compliance Committee and senior management. In the reporting year, Deloitte AG attended five Audit and Compliance Committee meetings. In those meetings, the external auditors presented the 2025 audit strategy and their 2025 results. The Comprehensive

Auditor's Report to the Board of Directors prepared by Deloitte AG summarizes the reports presented to the Audit and Compliance Committee throughout the year. Within the scope of the approved and budgeted amount, the Chief Financial Officer can delegate non-audit-related mandates to the external auditors, subject to all applicable auditor independence regulations. The Board of Directors has determined the rotation interval for the lead auditor in charge to be at least every seven years, as defined by the Swiss Code of Obligations. The Audit and Compliance Committee reviews Lonza's financial reporting process on behalf of the Board of Directors. Lonza's management is responsible for preparing the financial statements and the reporting process, including the system of internal controls. The Audit and Compliance Committee is also responsible for overseeing the conduct of the activities by Lonza's management and the external auditors.

The external auditor, Deloitte AG, is responsible for expressing an opinion on the accounting records and the financial statements prepared in accordance with Swiss law and [Lonza's Articles of Association](#). Deloitte AG is also responsible for expressing an opinion on the consolidated financial statements (balance sheet, income statement, statement of comprehensive income, cash flow statement, statement of changes in equity and notes) prepared in accordance with the International Financial Reporting Standards (IFRS), which is issued by the International Accounting Standards Board (IASB), and with Swiss law. Deloitte AG also audited the Remuneration Report 2025 with respect to the information required by the Swiss Code of Obligations.

Information Policy and Key Reporting Dates

Lonza pursues a proactive and professional communication policy. Lonza publishes price-sensitive information in accordance with the obligation to disclose price-sensitive facts as required by the SIX Swiss Exchange. Ad hoc notices are made available on [Lonza's news site](#) and submitted to SIX Swiss Exchange. Additionally, Lonza's website provides a [news and subscription service](#) that allows interested parties to receive, via e-mail distribution, free and timely notification of price-sensitive facts.

Corporate Communications reports directly to the Chief Executive Officer. Investor Relations reports to the Chief Financial Officer. On basic matters of general corporate policy, Corporate Communications and Investor Relations receive their directives from the Executive Committee.

Lonza makes the Annual Report, the Sustainability Report, the Half-Year Results and the Full-Year Results available to all interested parties as a [PDF download](#).

The invitation to the Annual General Meeting is published on Lonza's website and in the Swiss Official Gazette of Commerce. It is also sent by mail or e-mail to the shareholders entered in the share register. Lonza's website is regularly updated and provides relevant information such as share-price development, news releases and presentations.

In 2025, Lonza hosted financial results presentations in Zürich (CH) via webcast and conference call. In addition, Lonza manages an annual program of investor meetings, attending investor conferences and hosting roadshows in key financial hubs. Shareholders, potential investors and financial analysts are also welcomed at our headquarters at Münchensteinerstrasse 38, 4002 Basel (CH) or can contact Investor Relations via telephone (+41 61 316 29 85) or email (investor.relations@lonza.com).

Anticipated Key Reporting Dates

The list of all corporate events of special interest is subject to change during the year as dates are adjusted and added. Updated information is found on the [Investor Relations](#) page of our website or on page 17 of the Annual Report.

Black-out Periods and Trading Bans

Lonza Group Ltd has two regular black-out periods which start on (i) 9 June and (ii) 10 December every year and end on the day after the public announcement of the company's Half-Year and Full-Year Results, respectively. During these black-out periods, members of the Board of Directors and Executive Committee as well as several employees (which are deemed to potentially have access to sensitive information during these periods) are not allowed to trade Lonza securities.

In addition, Lonza may issue a special trading ban outside of the regular black-out periods for persons which potentially have access to sensitive information (such as in the case of working on specific projects or matters which may lead to ad hoc announcements). These special trading bans are upheld for as long as the potentially sensitive information has not been made public. The persons in scope are informed of the start and the end of a special trading ban and are not allowed to trade Lonza securities during this period.

In 2025, no exceptions to the rules regarding regular black-out periods and special trading bans were granted.

Legal Disclaimer

Forward-Looking Statements

This Annual Report includes statements that are, or may be deemed to be “forward-looking statements”. Forward-looking statements are qualified in their entirety as there are certain factors that could cause results to differ materially from those anticipated. Forward-looking statements are not statements of historical fact and may be identified by forward-looking terminology, including the words “outlook,” “guidance,” “believes,” “plans,” “anticipates,” “expects,” “estimates”, “may”, “will”, “should”, or in each case, their negative or other variations, or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Investors are cautioned that all forward-looking statements involve risks and uncertainty because they relate to future events and circumstances.

Forward-looking statements are not guarantees of future performance and the financial position and results of operations of the Group, and the development of the markets and the industries in which members of the Group operate, may differ materially from those described in, or suggested by, the forward-looking statements contained in this Annual Report. There are a number of important factors that could cause actual results or events to differ materially from those indicated by such forward-looking statements, including the timing and strength of its product, service or technology offerings; pricing strategies of competitors; interruption or delays in manufacturing; the company’s ability to continue to receive adequate products from its vendors on acceptable terms, or at all, and to continue to obtain sufficient financing to meet its liquidity needs; difficulty to maintain relationships with employees, customers and other business partners; and changes in the political, social and regulatory framework in which the company operates, or in economic or technological trends or conditions, including currency fluctuations, increased tariffs, trade restrictions, and changing trade policies, inflation and consumer confidence, on a global, regional or national basis.

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No Offer and No Solicitation

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Legal and Regulatory Disclosure

Lonza Group Ltd has its headquarters in Basel, Switzerland, and is listed on the SIX Swiss Exchange. It has a secondary listing on the Singapore Exchange Securities Trading Limited (“SGX-ST”). Lonza Group Ltd is not subject to the SGX-ST’s continuing listing requirements but remains subject to Rules 217 and 751 of the SGX-ST Listing Manual.

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The 2025 Annual Report PDF version legally prevails over the 2025 Online Annual Report.

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