Message to our stakeholders

Customer meeting at Gazometro, Rome

Dear Stakeholders,

the European chemicals sector continues to operate in a structurally complex and highly competitive environment. The difficulties that emerged in previous years have not abated, and the situation has been further characterised by a high degree of unpredictability, which makes industrial planning and the allocation of investment even more challenging.

Against this backdrop, pressure from geographically more competitive regions, combined with an unstable geopolitical context, highlights the need to define strategic priorities and industrial models in order to achieve sustainable growth in the chemical industry.

With this in mind, Versalis is resolutely continuing its transformation journey, recognising the need to adapt its operating model to a rapidly and constantly changing landscape.

This transformation is not merely a response to short-term economic difficulties, but a long-term strategic choice aimed at building a more resilient, sustainable and specialised portfolio, through the gradual strengthening of new, higher value-added growth platforms, in conjunction with the expertise the company has developed.

People's safety, environmental protection and asset integrity have always been our top priority. In a complex environment such as the current one, strengthening our Health, Safety & Environment (HSE) and Asset Integrity frameworks is essential to ensuring operational continuity, protecting our facilities and creating long-term value. We continue to invest in improving safety and reliability standards, in risk prevention and in our corporate culture, which puts safety first.

In March 2025, a Memorandum of Understanding was signed at the Ministry of Enterprise and Made in Italy for the implementation of the chemical industry transformation plan, whose strategic objectives include the reduction of the scope of the basic chemicals business and the development of new biochemical, circular and specialised platforms, outlining a structure more focused on the end market and sustainability, consistent with an increasingly integrated positioning within downstream supply chains and geared towards customer needs; the Memorandum also provides for investments in biorefining and stationary storage facilities.

During 2025, as part of the reduction in the scope of the basic chemicals business, activities continued with the shutdown of the steam crackers at Brindisi in March and Priolo in July.

Sites such as Priolo and Brindisi demonstrate how plants originally established and developed as cornerstones of the basic chemicals industry have become key platforms for industrial transformation, extending well beyond the sector's traditional scope. During the year, work began on the conversion to the production of stationary storage systems in a joint venture with Seri Industrial in Brindisi, whilst in Priolo the authorisation process was launched for a biorefinery with a capacity of around 500 kt/year and a chemical recycling plant using proprietary Hoop® technology.

For the group, sustainability is not just environmental, but also economic and social; the plan provides for the maintenance of industrial intensity and overall employment levels, as well as staff retraining and training programmes.

The biochemistry platform, through Novamont, is one of the fundamental pillars of Versalis's transformation. In 2025, the process of integrating and leveraging industrial and research expertise continued, with the aim of strengthening the Group's position in biodegradable and bio-based materials and developing higher value-added solutions for agricultural, industrial and consumer applications.

Alongside biochemistry, the journey towards increasingly circular models continues, through the development and consolidation of mechanical and chemical recycling activities across the entire value chain, in line with the objectives of decarbonisation and more efficient use of resources.

Versalis has signed supply chain partnership agreements to develop joint initiatives in the advanced recycling of post-consumer and post-industrial plastics, to promote the advanced recycling of plastics and to develop an integrated, locally sourced supply chain in the Porto Marghera area.

At the same time, development of the specialisation platform continues, with an increasing focus on compounding and high-performance solutions. The aim is to respond in an increasingly targeted manner to customer needs, offering not only materials but also integrated solutions that combine innovation, application performance and a contribution to sustainability. In this context, the integration of Finproject's expertise and the evolution of the product range enable Versalis to operate in segments characterised by greater resilience and technological sophistication.

In 2025, Versalis Oilfield Solution (VOS) was established, specialising in proprietary high-performance formulations, solvents and chemical additives for the oil and gas industry.

These initiatives form part of an approach increasingly focused on developing industrial ecosystems and partnerships along the supply chain – a key element in enabling sustainable models and strengthening competitiveness within the new market context.

The challenges we face require a shared commitment and ongoing collaboration: only by involving industrial partners, institutions and local communities can we pursue such a profound and challenging transformation. We would like to thank them all for the support, expertise and commitment with which they contribute, every day, to building the future of Versalis.

Adriano Alfani
Chief Executive Officer