Statement of Investment Principles – Huntsman Pension Scheme (March 2026)

Introduction

This document is the Statement of Investment Principles (‘SIP’) adopted by the Huntsman Pension Trustees Limited (the “Trustee”) for the Huntsman Pension Scheme (the ‘Scheme”) in accordance with the requirements of Section 35 of the Pensions Act 1995 (as amended by the Pensions Act 2004 and regulations made under it).

The Trustee will review this SIP at least every three years and without delay after any significant change in investment policy. However, given the Scheme has purchased a bulk annuity insurance policy covering the great majority of the Scheme’s liabilities, a future material change in investment policy is no longer anticipated. Before finalising this SIP, the Trustee took written advice from the Scheme’s Investment Consultant (Towers Watson Limited) and consulted Huntsman Polyurethanes (UK) Ventures Limited (the “Principal Employer”) and Huntsman Corporation, the ultimate parent company (together the “Company”). The ultimate power and responsibility for deciding investment policy, however, lies solely with the Trustee.

The Scheme’s Scheme Actuary and Investment Consultant has been provided with a copy of this statement.

Division of responsibilities

Trustee

The Trustee’s responsibilities include:

a) Reviewing regularly the content of this Statement of Investment Principles and for modifying it if deemed appropriate, in consultation with the Scheme’s Scheme Actuary and Investment Consultant.

b) Reviewing the investment policy following the results of each actuarial review, in consultation with the Scheme’s Scheme Actuary and Investment Consultant, noting that the Scheme has purchased a bulk annuity insurance policy covering the great majority of the Scheme’s liabilities, and changes to the Trustee’s current investment strategy are expected to be limited.

c) Appointing (and dismissing) the investment manager(s) if relevant.

d) Consulting with the Company when reviewing investment policy issues.

e) Monitoring compliance of the investment arrangements with this Statement on an on-going basis, including an overview of the Scheme’s liquidity needs with the support of the Scheme’s Scheme Actuary and Investment Consultant.

Investment Manager

The investment manager’s responsibilities include:

a) At their discretion, but within any guidelines given by the Trustee, implementing changes in the asset mix and selection of securities within each chosen asset class.

b) Informing the Trustee of any changes in the internal performance objective and guidelines of any pooled fund used by the Scheme as and when they occur.

Scheme Actuary

The Scheme Actuary's responsibilities include:

a) Liaising with the investment consultant on the suitability of the Scheme's investment strategy given the financial characteristics of the Scheme.

b) Assessing the funding position of the Scheme in respect of the Scheme Specific Funding requirements (SSFR) and advising on the appropriate response to any shortfall.

c) Performing the triennial (or more frequently as required) valuations and advising on the appropriate contribution levels.

Scheme objectives and investment strategy

The Trustee's objective is to manage the Scheme so that members receive their benefits as and when they fall due, by maintaining an adequate level of funding for members' benefits and making the Scheme "buy-out ready" such that the Scheme can buy out the benefits and wind-up as soon as possible if the Company confirms this becomes the direction for the Scheme.

On 13 March 2025 the Trustee purchased a bulk-annuity policy to secure the vast majority of the liabilities of the Scheme with a reputable insurer (M&G). As such, the Trustee's main policy is to hold an insurance policy that as closely as possible matches the benefits due to members.

There is some residual liability that remains in relation to some data cleansing that is required, the Guaranteed Minimum Pension ("GMP") inequality as well as the expenses the Scheme is expected to incur by the time it winds-up in future. Surplus assets remaining after the insurance premium was paid will be used to insure these residual liabilities and these assets are expected to more than suffice to cover the remaining liabilities.

Given the uncertainty of the residual liabilities, a desire to simplify governance arrangements after the insurance transaction, the complexity and imperfection of any hedging the Trustee could employ given the nature of the residual liabilities, and the surplus asset buffer the Trustee has in excess of the expected value of the residual liabilities, the Trustee's policy is to hold these residual assets in a cash liquidity fund (beyond a small level required for operational liquidity which is held in the Trustee's bank account). The Scheme's Investment Strategy is summarised below:

Asset class	Fund currently used by the Scheme	Target Allocation %
Cash Fund	L&G Sterling Liquidity Fund	100
Total		100

The Trustee will monitor the Scheme's residual assets and liabilities on a regular basis

There are limited options to sell the insurance contract and the Trustee does not anticipate a need to ever do so.

Investment strategy expected return

There is no market value available for the insurance contracts. Where a value is required, the Scheme Actuary will provide an estimate based on the discounted value of the cashflows expected to be received from the insurer. This value will fluctuate with market conditions and estimated insurer pricing, and the Trustee has not set an expected return for the insurance contracts as any change is expected to equal the corresponding change in value of the liability.

Based on 30 September 2025 market conditions, the 10 year median return expected on any cash held by the Scheme, assuming this is invested in a cash fund, based on Towers Watson's Investment Model is 1.1% pa relative to UK RPI. Broadly, this is expected to translate to a nominal return of 3.9% pa.

Investment managers/insurance company

In accordance with the Financial Services and Markets Act 2000, the Trustee will set general investment policy, but will delegate the responsibility for selection of specific investments to an appointed investment manager or managers. The investment manager(s) shall provide the skill and expertise necessary to manage the investments of the Scheme competently. The Trustee has selected Legal & General (L&G) to be the Scheme's sole investment manager.

The Trustee is not involved in the investment managers' day-to-day method of operation and does not directly seek to influence attainment of their performance targets. The Trustee will assess performance on a regular basis against a measurable objective for each manager, consistent with the achievement of the Scheme's long-term objective, and an acceptable level of risk.

The Trustee looks to ensure that, in aggregate, its portfolio is consistent with the policies set out in this Statement, in particular those required under regulation 2(3)(b) of the Occupational Pension Schemes (Investment) Regulations (2005). The Trustee will also ensure that the investment objectives and guidelines of any particular pooled vehicle are consistent with its policies, where relevant to the mandate in question.

Should the Trustee's monitoring process reveal that a manager's portfolio is not aligned with the Trustee's policies, the Trustee will engage with the manager further to encourage alignment. If, following engagement, it is the view of the Trustee that the degree of alignment remains unsatisfactory, the manager will be terminated and replaced. This monitoring process no longer includes specific consideration of the sustainable investment and ESG characteristics of the portfolio and managers' engagement activities due to the nature of the investments held.

For the Scheme's investments, the Trustee expects the investment managers to invest with a medium to long time horizon.

Managers are paid an ad valorem fee, in line with normal market practice, for a given scope of services which includes consideration of long-term factors and engagement.

The Trustee reviews the costs incurred in managing the Scheme's assets periodically, although due to the nature of the assets held, does not explicitly monitor the costs associated with portfolio turnover.

The Trustee has also contracted with an insurance company who is authorised under the Financial Services and Markets Act 2000 to undertake investment business. The Trustee has no control over how the insurance company will choose its investments.

There is no ongoing or future fee anticipated in relation to the bulk annuity insurance held, on behalf of the insurer with any insurer fees incorporated by the insurer in the premium the Scheme agreed to pay.

Advisors' fees are paid on either an hourly or project basis.

Sustainable Investments

The Trustee recognises that a company's long-term financial success is influenced by a range of factors including sustainable factors such as (but not limited to) those arising from Environmental, Social, and corporate Governance (ESG) considerations, including climate change.

Whilst it is the Trustee's preference that all companies should be run in a socially responsible way, it takes the view that its primary responsibility is to act in the best financial interest of the members of the Scheme.

As the Trustee's focus is explicitly on financially material considerations the Trustee's policy at this time does not take into account of non-financially material considerations.

Due to the type of investment the Scheme holds, the extent to which environmental, social and corporate governance considerations issues may have a financial impact on the portfolio is extremely limited although the Trustee has taken such factors into account in selecting the insurance provider and have sought to understand their chosen insurer's ESG credentials. The Trustee's policy is therefore to consider these issues on a very light-touch basis acknowledging that limited actions can be taken.

These matters are kept under review by the Trustee, in consultation with their investment consultant.

The Trustee does not directly hold any funds to which ordinary shares are an underlying asset class or directly hold any assets that include voting rights.

Other matters

The Scheme is a Registered Pension Scheme for the purposes of the Finance Act 2004.

The Scheme provided a facility for members to pay AVCs into the Scheme to enhance their benefits at retirement. The Trustee's policy is to allow members to invest in a suitable mixture of real and monetary assets.

Risk Management

The Trustee recognises a number of risks involved in the investment of the Scheme's assets and continues to monitor them:

- **Counterparty risk**:

  - The main Scheme assets is the insurance policy held. The Scheme is therefore exposed to the risk of the insurer defaulting on the payments into the Scheme. This risk is managed through selecting a reputable insurer, an understanding of the protections offered by the UK insurance regime and the FCA prior to entering into the insurance policies, regular monitoring of the financial strength of the insurer by the Trustee and looking to carry out any steps required to be able to convert the bulk annuities into individual policies as soon as reasonably practicable when/if this direction is provided by the Company.

  - The Scheme is also exposed to the risk of the bank holding the bank account failing, resulting in losses to the Scheme's current cash on excess of what can be claimed from the Financial Services

Compensation Scheme. The risk is managed by looking to minimise the cash held in the bank account and relying on the Company covenant.

- **Manager risk:**

  - This is measured by the expected deviation of the return relative to the benchmark set. This is managed through the Trustee's ongoing monitoring of the investment manager's actual deviation of the return relative to the objective and factors supporting each investment manager's investment process.

- **Sponsor risk**

  - Unless the Scheme is wound-up the Company remains ultimately responsible for member benefits and the Scheme also relies on the Company for the payment of any residual liabilities that cannot be covered by the residual assets.

  - Risk is measured by the level of ability and willingness of the Company to support the continuation of the Scheme

  - Risk is managed by maintaining an open communication with the Company and by holding a sizable buffer in excess of the residual liabilities expected to be paid.

- **Mismatching risk**:

  - The main Scheme assets are the insurance policies held which match the members benefits. Some mismatching risk exists in relation to the long-term interest rate and inflation characteristics of the residual liabilities that have such exposure, in relation to premium inflation on the residual insurance that may be purchased and expense cost inflation in relation to the expenses that need to be met until the Scheme's wind-up. Following consideration of inflation and interest risk analysis, any residual mismatching risk will be managed through the Trustee's cash holding, looking to pay the residual liabilities as quickly as possible, and by holding a sizeable buffer in excess of the anticipated size of the residual liabilities.

- **Liquidity risk**:

  - is measured by the level of cashflow required by the Scheme over a specified period.

  - is managed through the contractual cashflows from the insurers and the contractual provisions for increases to these cashflows in the event of additional member events (early retirement, transfer values) given the expectation this would suffice to meet member benefits as they fall due. Management of the cash received from the insurers will be undertaken by the Scheme's administrators.

  - The remaining risk on additional payments required will be managed by the administrations assessing the level and timing of cashflow requirements, and providing sufficient notice for the Trustee to approve disinvestments from the Scheme's invested cash holding as well through holding an excess liquidity buffer designed to withstand a 3 month delay in receiving contracted payments from the insurer.

- **Political risk**:

  - is measured by the level of concentration of any one market leading to the risk of an adverse influence on investment values arising from political intervention.

- is managed by the due diligence the Trustee carried out in relation to the investments their chosen insurer held before the buy-in transaction and periodic reviews of the financial strength of the insurer.

These measures do not render the investment policy free of risk. Rather, the measures endeavour to balance the need for risk control and the need for assets which are likely to achieve the required performance target.

Authorised for and on behalf of the Trustee of the Scheme

Signed by: ....

Print Name:

Print Title:

Date: