

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 10-Q**

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended **September 30, 2025**

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number: 001-42619

**QNTY ELECTRONICS, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

State or other jurisdiction of incorporation or organization

**33-3002745**

(I.R.S. Employer Identification No.)

**974 Centre Road      Building 735      Wilmington      Delaware**  
(Address of Principal Executive Offices)

**19805**  
(Zip Code)

(302) 294-4651

(Registrant's Telephone Number, Including Area Code)

**Not Applicable**

(Former Name or Former Address, if Changed Since Last Report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	Q	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

" Yes ☒ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

☒ Yes " No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer

"

Accelerated filer

"

Non-accelerated filer

☒

Smaller reporting company

☐

Emerging growth company

☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. "

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). ☐ Yes ☒ No

As of September 30, 2025, there was no established public market for the registrant's common stock, par value \$0.01 per share, and all of the registrant's then outstanding shares were held by its former parent company. The registrant's common stock began "regular way" trading on the New York Stock Exchange on November 3, 2025. The registrant had 209,463,194 shares of common stock, \$0.01 par value, outstanding at November 14, 2025.

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# Qnity Electronics

## QUARTERLY REPORT ON FORM 10-Q For the quarterly period ended September 30, 2025

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**Qnity Electronics**

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**EXPLANATORY NOTE**

Throughout this Quarterly Report on Form 10-Q, except as otherwise noted by the context, the terms "Qnity" or "Company" used herein mean Qnity Electronics, Inc. and its combined subsidiaries. On November 1, 2025, Qnity became an independent, publicly traded company through the previously announced separation (the "Separation") of the electronics business of DuPont de Nemours, Inc. ("DuPont" or "Parent"). Beginning on November 3, 2025, the Company's common stock is traded on the New York Stock Exchange under the ticker symbol "Q".

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This Quarterly Report on Form 10-Q (this "Quarterly Report") contains "forward-looking statements" within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, regarding future events and the future results of Qnity Electronics, Inc. ("Qnity" or the "Company") and its subsidiaries (collectively, "we," "us," and "our"). In this context, forward-looking statements often address expected future business and financial performance and financial condition, and often contain words such as "expect", "anticipate", "intend", "plan", "believe", "seek", "see", "will", "would", "target", "outlook", "stabilization", "confident", "preliminary", "initial", "continue", "may", "could", "project", "estimate", "forecast" and similar expressions and variations or negatives of these words, among others, as well as other words or expressions referencing future events, conditions or circumstances. All statements, other than statements of historical fact, are forward-looking statements, including statements that describe or relate to Qnity's plans, goals, intentions, strategies, financial estimates, Qnity's expectations regarding the Separation (as defined herein), and statements that do not relate to historical or current fact. Forward-looking statements are based on our current beliefs, expectations and assumptions, which may not prove to be accurate, and involve a number of known and unknown risks and uncertainties, many of which are out of Qnity's control, that could cause actual results to differ materially from those expressed in any forward-looking statements.

Forward-looking statements are not guarantees of future performance. Some of the important factors that could cause Qnity's actual outcomes and results to differ materially from those projected in any such forward-looking statements include, but are not limited to: the ability to realize the intended benefits of the Separation and the Distribution (as defined herein), including achievement of the intended tax treatment; contractual allocation to, and assumption by, DuPont de Nemours, Inc. ("DuPont") of certain liabilities; the possibility of disputes, litigation or unanticipated costs in connection with the Separation and the Distribution; and Qnity's success in achieving its intended post-Separation capital structure; the failure to realize expected benefits and effectively manage and achieve anticipated synergies and operational efficiencies in connection with the Separation and completed and future, if any, divestitures, mergers, acquisitions, and other portfolio management, productivity and infrastructure actions; the competitive environment in which we operate; the risks from our international operations, including trade restrictions and sanctions laws; our ability to comply with complex and increasing legal and regulatory requirements; interruptions in the operations of our manufacturing facilities; volatility in cost of inputs, including energy and raw materials; our ability to attract and retain talented people; reliance on key customers and suppliers; failure to protect our intellectual property or allegations that we have infringed the intellectual property of others; cybersecurity and privacy considerations; legal proceedings and investigatory risks; and other factors set forth under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" in this Quarterly Report and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" in the Information Statement, dated October 15, 2025, filed as Exhibit 99.1 to Qnity's Current Report on Form 8-K filed with the Securities and Exchange Commission (the "SEC") on October 15, 2025 (the "Information Statement"), as well as in our press releases and other filings with the SEC. Qnity may not actually achieve the plans, intentions or expectations disclosed in its forward-looking statements. New risk factors emerge from time to time and it is not possible to predict all such risk factors, nor can Qnity assess the impact of all such risk factors on its business or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statements.

For the reasons described above, Qnity cautions you against relying on any forward-looking statements, which should also be read in conjunction with this Quarterly Report and the documents referenced within this Quarterly Report and the other cautionary statements that are included elsewhere in this Quarterly Report and in Qnity's public filings, including under "Management's Discussion and Analysis of Financial Condition and Results of Operations." Forward-looking statements, reflect Qnity's beliefs and opinions on the relevant subject. These statements are based upon information available to Qnity as of the date of this Quarterly Report, and while Qnity believes such information forms a reasonable basis for such statements, such information may be limited or incomplete, and statements should not be read to indicate that Qnity has conducted an exhaustive inquiry into, or review of, all potentially available relevant information. All forward-looking statements attributable to Qnity or persons acting on its behalf are expressly qualified in their entirety by the foregoing cautionary statements. Qnity

does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise, should circumstances change, except as otherwise required by securities and other applicable laws.

#### **Trademarks**

All trademarks, service marks or registered trademarks referred to in this Quarterly Report are trademarks, service marks or registered trademarks of affiliates of the Company. Solely for convenience, the trademarks in this Quarterly Report are referred to without <sup>TM</sup>, <sup>SM</sup> or ® symbols, but such references should not be construed as any indicator that the Company or, to the extent applicable, their respective owners, will not assert, to the fullest extent under applicable law, the Company's or their rights thereto. We do not intend the use or display of other companies' trademarks to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

#### **Website and Social Media Disclosure**

The Company may use its website and/or social media outlets, such as Facebook, LinkedIn and X, as distribution channels of material company information. Financial and other important information regarding the Company is routinely posted on and accessible through the Company's website at <https://ir.qnityelectronics.com>, its LinkedIn page at <https://linkedin.com/company/qnityelectronics> and its WeChat account at <https://mp.weixin.qq.com/s/Kc0k2EPHlaxwge3E8Jpmeg>. In addition, you may automatically receive email alerts and other information about the Company when you enroll your email address by visiting the "Email Alerts" section under the "Resources" section at <https://ir.qnityelectronics.com>.

**PART I - FINANCIAL INFORMATION**

**ITEM 1. FINANCIAL STATEMENTS**

**Qnity Electronics  
Combined Statements of Operations (Unaudited)**

In millions, except per share amounts	<i>Three Months Ended September 30,</i>		<i>Nine Months Ended September 30,</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
Net sales	\$ 1,276	\$ 1,148	\$ 3,564	\$ 3,234
Cost of sales	701	609	1,918	1,753
Research and development expenses	92	81	264	230
Selling, general and administrative expenses	159	156	453	461
Amortization of intangibles	51	57	156	177
Restructuring and asset related charges - net	1	4	20	7
Equity in earnings of nonconsolidated affiliates	15	10	37	33
Other income (expense) - net	(1)	(1)	(3)	9
Interest expense	14	—	14	—
Income before income taxes	\$ 272	\$ 250	\$ 773	\$ 648
Provision for income taxes	49	43	153	145
Net income	\$ 223	\$ 207	\$ 620	\$ 503
Net income attributable to noncontrolling interests	12	8	28	23
Net income available for Qnity common stockholders	\$ 211	\$ 199	\$ 592	\$ 480

Per common share data:				
Earnings per common share - basic and diluted	\$ 1.01	\$ 0.95	\$ 2.83	\$ 2.30
Weighted-average common shares outstanding - basic and diluted	209	209	209	209

See Notes to the Combined Financial Statements.

**Qnity Electronics**  
**Combined Statements of Comprehensive Income (Unaudited)**

In millions	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net income	\$ 223	\$ 207	\$ 620	\$ 503
Other comprehensive (loss) income, net of tax				
Cumulative translation adjustments	(29)	147	203	10
Pension benefit plans	(7)	—	(8)	1
Total other comprehensive (loss) income	\$ (36)	\$ 147	\$ 195	\$ 11
Comprehensive income	\$ 187	\$ 354	\$ 815	\$ 514
Comprehensive income attributable to noncontrolling interests, net of tax	9	18	33	25
Comprehensive income attributable to Qnity	\$ 178	\$ 336	\$ 782	\$ 489

See Notes to the Combined Financial Statements.

**Qnity Electronics**  
**Condensed Combined Balance Sheets (Unaudited)**

In millions	September 30, 2025	December 31, 2024
<b>Assets</b>		
Current Assets		
Cash and cash equivalents	\$ 128	\$ 166
Accounts and notes receivable - net	802	682
Inventories	647	597
Prepaid and other current assets	44	38
Total current assets	\$ 1,621	\$ 1,483
Property, plant and equipment - net of accumulated depreciation (September 30, 2025 - \$1,388; December 31, 2024 - \$1,121)	1,622	1,548
Other Assets		
Goodwill	7,497	7,379
Other intangible assets	1,160	1,286
Investments and noncurrent receivables	433	394
Deferred income tax assets	44	42
Deferred charges and other assets	135	141
Total other assets	\$ 9,269	\$ 9,242
<b>Total Assets</b>	<b>\$ 12,512</b>	<b>\$ 12,273</b>
<b>Liabilities and Equity</b>		
Current Liabilities		
Accounts payable	590	\$ 528
Income taxes payable	154	161
Accrued and other current liabilities	166	150
Total current liabilities	\$ 910	\$ 839
Long-Term Debt	1,722	—
Other Noncurrent Liabilities		
Deferred income tax liabilities	189	259
Pensions - noncurrent	71	65
Other noncurrent obligations	233	214
Total other noncurrent liabilities	\$ 493	\$ 538
<b>Total Liabilities</b>	<b>\$ 3,125</b>	<b>\$ 1,377</b>
Commitments and contingent liabilities		
Equity		
Parent company net investment	9,347	11,058
Accumulated other comprehensive loss	(224)	(414)
Total Qnity equity	\$ 9,123	\$ 10,644
Noncontrolling interests	264	252
Total equity	\$ 9,387	\$ 10,896
<b>Total Liabilities and Equity</b>	<b>\$ 12,512</b>	<b>\$ 12,273</b>

See Notes to the Combined Financial Statements.



**Qnity Electronics**  
**Combined Statements of Cash Flows (Unaudited)**

In millions	Nine Months Ended September 30,	
	2025	2024
<b>Operating Activities</b>		
Net income	\$ 620	\$ 503
Adjustments to reconcile net income to net cash provided by (used for) operating activities:		
Depreciation of property, plant and equipment	124	120
Amortization of definite-lived intangible assets	156	177
Stock-based compensation	12	10
Credit for deferred income tax and other tax related items	(61)	(54)
Net gain on sales of assets	(1)	(2)
Restructuring and asset related charges - net	20	7
Net periodic pension benefit cost	6	4
Periodic benefit plan contributions	(3)	(2)
Earnings of nonconsolidated affiliates less dividends received	(37)	(33)
Changes in assets and liabilities:		
Accounts and notes receivable	(97)	(87)
Inventories	(33)	(84)
Other assets	13	(14)
Accounts payable	81	149
Accrued and other current liabilities	(6)	78
Other noncurrent liabilities	(1)	(1)
Income tax liabilities	(11)	4
Cash provided by operating activities	\$ 782	\$ 775
<b>Investing Activities</b>		
Capital expenditures	(214)	(134)
Other investing activities, net	—	1
Cash used for investing activities	\$ (214)	\$ (133)
<b>Financing Activities</b>		
Distributions to noncontrolling interests	(21)	(13)
Net transfers (to) from Parent	(2,311)	(611)
Proceeds from issuance of long-term debt	1,750	\$ —
Payments for debt issuance costs	(34)	—
Cash used for financing activities	\$ (616)	\$ (624)
Effect of exchange rate changes on cash and cash equivalents	10	(2)
<b>(Decrease) increase in cash and cash equivalents</b>	<b>\$ (38)</b>	<b>\$ 16</b>
Cash and cash equivalents at beginning of period	\$ 166	\$ 139
Cash and cash equivalents at end of period	\$ 128	\$ 155

See Notes to the Combined Financial Statements.

**Qnity Electronics**  
**Combined Statements of Changes in Equity (Unaudited)**  
**For the three months ended September 30, 2025 and 2024**

In millions	<i>Parent Company Net Investment</i>	<i>Accumulated Other Comprehensive (Loss) Income</i>	<i>Total Qnity Electronics Equity</i>	<i>Noncontrolling Interests</i>	<i>Total Equity</i>
Balance at June 30, 2024	\$ 11,173	\$ (373)	\$ 10,800	\$ 240	\$ 11,040
Net income	199	—	199	8	207
Other comprehensive income	—	137	137	10	147
Net transfers (to) from Parent	(313)	—	(313)	—	(313)
Balance at September 30, 2024	\$ 11,059	\$ (236)	\$ 10,823	\$ 258	\$ 11,081
Balance at June 30, 2025	\$ 11,121	\$ (191)	\$ 10,930	\$ 268	\$ 11,198
Net income	211	—	211	12	223
Other comprehensive loss	—	(33)	(33)	(3)	(36)
Distributions to noncontrolling interests	—	—	—	(13)	(13)
Net transfers (to) from Parent	(1,985)	—	(1,985)	—	(1,985)
Balance at September 30, 2025	\$ 9,347	\$ (224)	\$ 9,123	\$ 264	\$ 9,387

See Notes to the Combined Financial Statements.

**Qnity Electronics**  
**Combined Statements of Changes in Equity (Unaudited)**  
**For the nine months ended September 30, 2025 and 2024**

In millions	<i>Parent Company Net Investment</i>	<i>Accumulated Other Comprehensive (Loss) Income</i>	<i>Total Qnity Electronics Equity</i>	<i>Noncontrolling Interests</i>	<i>Total Equity</i>
Balance at December 31, 2023	\$ 11,183	\$ (245)	\$ 10,938	\$ 246	\$ 11,184
Net income	480	—	480	23	503
Other comprehensive income	—	9	9	2	11
Distributions to non-controlling interests	—	—	—	(13)	(13)
Net transfers (to) from Parent	(604)	—	(604)	—	(604)
Balance at September 30, 2024	\$ 11,059	\$ (236)	\$ 10,823	\$ 258	\$ 11,081
Balance at December 31, 2024	\$ 11,058	\$ (414)	\$ 10,644	\$ 252	\$ 10,896
Net income	592	—	592	28	620
Other comprehensive income	—	190	190	5	195
Distributions to non-controlling interests	—	—	—	(21)	(21)
Net transfers (to) from Parent	(2,303)	—	(2,303)	—	(2,303)
Balance at September 30, 2025	\$ 9,347	\$ (224)	\$ 9,123	\$ 264	\$ 9,387

See Notes to the Combined Financial Statements.

NOTES TO THE COMBINED FINANCIAL STATEMENTS (UNAUDITED)

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**NOTE 1 - BASIS OF PRESENTATION****Organization and Description of Business**

The accompanying unaudited interim Combined Financial Statements and notes present the unaudited interim combined results of operations, financial position, and cash flows of the Electronics business (collectively, “Qnity Electronics”, “Qnity” or “the Company”) of DuPont de Nemours, Inc. (“DuPont” or “Parent”), of which the Company has historically been a part, and have been prepared in accordance with generally accepted accounting principles in the United States of America (“U.S. GAAP”). In the opinion of management, the unaudited interim Combined Financial Statements reflect all adjustments (including normal recurring adjustments) which are considered necessary for the fair statement of the results for the periods presented. Results from interim periods should not be considered indicative of results for the full year. These unaudited interim Combined Financial Statements should also be read in conjunction with the audited annual Combined Financial Statements and notes thereto for the year ended December 31, 2024, collectively referred to as the “2024 Annual Financial Statements” as contained in the Company’s Information Statement, dated October 15, 2025, as filed as Exhibit 99.1 to our Current Report on Form 8-K on October 15, 2025 with the U.S. Securities and Exchange Commission (“SEC”) pursuant to the Securities Act of 1934, as amended. The unaudited interim Combined Financial Statements include the accounts of the Company and all of its subsidiaries in which a controlling interest is maintained.

On May 22, 2024, DuPont announced its plan to separate Qnity from DuPont into an independent publicly traded company (the “Separation”). On November 1, 2025 (the “Separation and Distribution Date”), DuPont completed the Separation through a pro-rata distribution of one share of Qnity common stock for every two shares of DuPont common stock held at the close of business on the record date of October 22, 2025 (the “Distribution”). As a result of the Distribution, as of the Separation and Distribution Date, Qnity became an independent, publicly traded company, and Qnity common stock commenced trading on the New York Stock Exchange under the symbol “Q” at the start of trading on November 3, 2025. See Note 17 for more information about the Separation and Distribution.

**Basis of Presentation**

Qnity has historically operated as a part of DuPont; consequently, stand-alone interim financial statements have not historically been prepared for Qnity. The unaudited interim Combined Financial Statements have been derived from DuPont’s accounting records as if Qnity’s operations had been conducted independently from those of DuPont and were prepared on a stand-alone basis in accordance with U.S. GAAP. The historical results of operations, financial position and cash flows of Qnity presented in these unaudited interim Combined Financial Statements may not be indicative of what they would have been had Qnity actually been an independent stand-alone entity, nor are they necessarily indicative of Qnity’s future results of operations, financial position and cash flows.

The unaudited interim Combined Statements of Operations and Comprehensive Income (Loss) include all revenues and costs directly attributable to Qnity, including costs for facilities, functions and services used by Qnity. The unaudited interim Combined Statements of Operations and Comprehensive Income (Loss) reflect allocations of general corporate expenses from DuPont including, but not limited to, executive management, finance, legal, information technology, employee benefits administration, treasury, risk management, procurement and other shared services, and any restructuring related to these functions. These allocations were made on the basis of revenue, expenses, headcount or other relevant measures. Management considers these allocations to be an overall reasonable reflection of the utilization of services by, or the benefits provided to, Qnity, in the aggregate. Management does not believe, however, that it is practicable to estimate what these expenses would have been had the Company operated as an independent entity, including any expenses associated with obtaining any of these services from unaffiliated entities. The allocations, therefore, may not reflect the expenses Qnity would have incurred as a stand-alone company for the periods presented.

The Qnity unaudited interim Condensed Combined Balance Sheets include assets and liabilities that are specifically identifiable or otherwise attributable to Qnity, including subsidiaries and affiliates in which Qnity has a controlling financial interest or is the primary beneficiary.

DuPont used a centralized approach to cash management and financing of its operations and DuPont funded Qnity’s operating and investing activities as needed. Cash transfers to the cash management accounts of DuPont were reflected in the unaudited interim Combined Statements of Cash Flows as “Net transfers (to) from Parent.”

Transactions between Qnity and DuPont and their affiliates and other associated companies are reflected in the unaudited interim Combined Financial Statements and disclosed as related party transactions when material. Related party transactions with DuPont are included in Note 5.

The unaudited interim Combined Financial Statements include the accounts of Qnity and subsidiaries in which a controlling interest is maintained. For those combined subsidiaries in which Qnity's ownership is less than 100%, the outside stockholders' interests are shown as noncontrolling interests.

Intracompany accounts and transactions within Qnity have been eliminated in the preparation of the accompanying unaudited interim Combined Financial Statements. Intercompany transactions with DuPont were deemed to have been paid in the periods the costs were incurred.

Qnity did not file separate tax returns in the U.S. for federal, certain state and local tax purposes, nor in foreign tax jurisdictions, as Qnity was included in the tax grouping of DuPont and its affiliate entities within the respective jurisdictions. The provision for income taxes included in these unaudited interim Combined Financial Statements has been calculated using the separate return basis, as if Qnity filed separate tax returns. Qnity's Provision for income taxes as presented in the unaudited interim Combined Financial Statements may not be indicative of the income taxes that Qnity will generate in the future. In jurisdictions where Qnity has been included in the tax returns filed by DuPont, any income taxes payable resulting from the related income tax provision are considered settled in cash with DuPont immediately and therefore have been reflected in the balance sheet within "Parent company net investment".

## **NOTE 2 - RECENT ACCOUNTING GUIDANCE**

### **Recently Adopted Accounting Guidance**

In November 2023, the FASB issued Accounting Standards Update No. 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures" ("ASU 2023-07") to improve disclosure requirements about reportable segments and address requests from investors for additional, more detailed information about a reportable segment's expenses. The new guidance requires disclosures of significant segment expenses regularly provided to the Chief Operating Decision Maker ("CODM") and included in reported measures of segment profit and loss. Disclosure of the title and position of the CODM is required. The guidance requires interim and annual disclosures about a reportable segment's profit or loss and assets. Additionally, the guidance requires disclosure of other segment items by reportable segment including a description of its composition. The amendments in ASU 2023-07 are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, on a retrospective basis. The disclosures have been implemented as required for the three and nine months ended September 30, 2025 and 2024. See Note 16 for more information.

### **Accounting Guidance Issued But Not Adopted at September 30, 2025**

In December 2023, the FASB issued Accounting Standards Update No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" ("ASU 2023-09") to improve transparency and disclosure requirements for the rate reconciliation, income taxes paid and other tax disclosures. The amendments in ASU 2023-09 are effective for annual fiscal years beginning after December 15, 2024, on a prospective basis. The disclosures will be implemented as required for the year-ended December 31, 2025. The Company is currently evaluating the impact of adopting this guidance.

In November 2024, the FASB issued Accounting Standards Update No. 2024-03, "Income Statement: Reporting Comprehensive Income (Topic 220): Expense Disaggregation Disclosures" ("ASU 2024-03") to improve disclosures about the nature of expenses within line items on the statements of operations. The amendments in ASU 2024-03 are effective for the Company's 2027 annual report and subsequent interim periods; however, early adoption is permitted. The amendments can be applied prospectively or retrospectively to all periods presented. The Company is currently evaluating the impact of adopting this guidance.

In September 2025, the FASB issued Accounting Standards Update No. 2025-06, "Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software" ("ASU 2025-06") to modernize the accounting for internal-use software costs and improve operability of the guidance across different software development project stages. The amendments in ASU 2025-06 are effective for the Company's 2028 annual and quarterly reports; however, early adoption is permitted. The amendments can be applied prospectively, retrospectively, or using a modified transition approach. The Company is currently evaluating the impact of adopting this guidance.

### NOTE 3 - REVENUE

#### Revenue Recognition

##### Products

Substantially all of Qnity's revenue is derived from product sales. Product sales consist of sales of Qnity's products to supply manufacturers and distributors. Qnity considers purchase orders, which in some cases are governed by master supply agreements, to be a contract with a customer. Contracts with customers are considered to be short-term when the time between order confirmation and satisfaction of the performance obligations is equal to or less than one year.

Net sales to Samsung Electronics Co., Ltd accounted for 11% of total net sales for each of the three months ended September 30, 2025 and 2024, and 10% and 11% of total net sales for the nine months ended September 30, 2025 and 2024, respectively. Additionally, net sales to Taiwan Semiconductor Manufacturing Company Limited (TSMC) accounted for 8% and 7% of total net sales for the three months ended September 30, 2025 and 2024, respectively, and 8% and 7% of total net sales for the nine months ended September 30, 2025 and 2024, respectively. The majority of revenues for both customers relate to the Semiconductor Technologies segment. See Note 16 for more information.

#### Disaggregation of Revenue

The Company disaggregates its revenue from contracts with customers by segment and geographic region, as the Company believes it best depicts the nature, amount, timing and uncertainty of its revenue and cash flows.

Net Sales by Segment	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
In millions				
Semiconductor Technologies	\$ 693	\$ 640	\$ 1,981	\$ 1,834
Interconnect Solutions	583	508	1,583	1,400
Total	\$ 1,276	\$ 1,148	\$ 3,564	\$ 3,234

Net Sales by Segment by Geographic Region	Three Months Ended September 30,					
	2025			2024		
	Semiconductor Technologies	Interconnect Solutions	Total	Semiconductor Technologies	Interconnect Solutions	Total
In millions						
Americas:	\$ 78	\$ 90	\$ 168	\$ 71	\$ 70	\$ 141
United States	77	81	158	70	62	132
Other Americas <sup>1</sup>	1	9	10	1	8	9
EMEA <sup>2</sup>	57	49	106	48	39	87
Asia Pacific:	558	444	1,002	521	399	920
China <sup>3</sup>	171	226	397	173	224	397
Rest of Asia Pacific:	387	218	605	348	175	523
South Korea	166	30	196	157	28	185
Taiwan	142	54	196	121	34	155
Other	79	134	213	70	113	183
Total	\$ 693	\$ 583	\$ 1,276	\$ 640	\$ 508	\$ 1,148

Net Sales by Segment by Geographic Region	Nine Months Ended September 30,					
	2025			2024		
	Semiconductor Technologies	Interconnect Solutions	Total	Semiconductor Technologies	Interconnect Solutions	Total
In millions						
Americas:	\$ 220	\$ 252	\$ 472	\$ 203	\$ 208	\$ 411
United States	218	227	445	201	188	389
Other Americas <sup>1</sup>	2	25	27	2	20	22
EMEA <sup>2</sup>	157	136	293	150	122	272
Asia Pacific:	1,604	1,195	2,799	1,481	1,070	2,551
China <sup>3</sup>	545	636	1,181	489	600	1,089
Rest of Asia Pacific:	1,059	559	1,618	992	470	1,462
South Korea	453	80	533	453	77	530
Taiwan	397	133	530	340	103	443
Other	209	346	555	199	290	489
Total	\$ 1,981	\$ 1,583	\$ 3,564	\$ 1,834	\$ 1,400	\$ 3,234

1. Includes Canada and Latin America.

2. Europe, Middle East and Africa.

3. Includes Hong Kong.

### Contract Balances

From time to time, the Company enters into arrangements in which it receives payments from customers based upon contractual billing schedules. The Company records accounts receivables when the right to consideration becomes unconditional. Contract liabilities primarily reflect deferred revenue from advance payment for product that the Company has received from customers. The Company classifies deferred revenue as current or noncurrent based on the timing of when the Company expects to recognize revenue.

Revenue recognized from amounts included in contract liabilities at the beginning of the period were insignificant for the three and nine months ended September 30, 2025 and 2024. The Company did not recognize any asset impairment charges related to contract assets during the periods. Qnity expects to recognize its noncurrent deferred revenue over a seven-year period beginning in fiscal year 2027.

Contract Balances		
In millions	September 30, 2025	December 31, 2024
Accounts receivable - trade <sup>1</sup>	\$ 688	\$ 580
Deferred revenue - current <sup>2</sup>	\$ 1	\$ 1
Deferred revenue - noncurrent <sup>3</sup>	\$ 35	\$ 35

1. Included in "Accounts and notes receivable - net" in the interim Condensed Combined Balance Sheets.

2. Included in "Accrued and other current liabilities" in the interim Condensed Combined Balance Sheets.

3. Included in "Other noncurrent obligations" in the interim Condensed Combined Balance Sheets.

### NOTE 4 - RESTRUCTURING AND ASSET RELATED CHARGES - NET

The Company records restructuring liabilities that represent nonrecurring charges in connection with DuPont-approved restructuring programs in order to simplify certain organizational structures and operations, including operations related to transformational projects such as divestitures and acquisitions. Charges for restructuring programs and asset related charges, which include asset impairments, were \$1 million and \$4 million for the three months ended September 30, 2025 and 2024, respectively, and \$20 million and \$7 million for the nine months ended September 30, 2025 and 2024, respectively. These charges were recorded in "Restructuring and asset related charges - net" in the unaudited interim Combined Statements of Operations. The total liability related to restructuring programs was \$8 million and \$3 million at September 30, 2025 and December 31, 2024, respectively, recorded in "Accrued and other current liabilities" in the interim Condensed Combined Balance Sheets. Refer to Note 16 for the breakout of restructuring and asset related charges incurred by segment.

### NOTE 5 - RELATED PARTY TRANSACTIONS

Historically, Qnity has been managed and operated in the normal course with other businesses of DuPont. Accordingly, certain shared costs have been allocated to Qnity and reflected as expenses in the stand-alone unaudited interim Combined Financial



Statements. Management considers the allocation methodologies used to be reasonable and appropriate reflections of the historical expenses attributable to Qnity for purposes of the interim stand-alone financial statements. The expenses reflected in the unaudited interim Combined Financial Statements may not be indicative of expenses that would be incurred by Qnity in the future. All related party transactions approximate prices at cost.

#### Corporate Expense Allocations

Qnity's unaudited interim Combined Statements of Operations include general corporate expenses of DuPont for services provided by DuPont for certain support functions that are provided on a centralized basis. These costs were first attributed to Qnity if specifically identifiable to its businesses. If not specifically identifiable to Qnity's businesses, these costs have been allocated using relevant allocation methods, primarily based on sales metrics, consistently for all periods presented.

Corporate expense allocations were recorded in the unaudited interim Combined Statements of Operations within the following captions:

In millions	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Selling, general and administrative expenses	\$ 58	\$ 57	\$ 168	\$ 172
Cost of sales	8	10	25	31
Research and development expenses	10	10	29	27
Restructuring	—	6	11	7
Total corporate expense allocations	\$ 76	\$ 83	\$ 233	\$ 237

#### Parent Company Equity

Net transfers from (to) Parent are included within Parent company net investment on the unaudited interim Combined Statements of Changes in Equity. The components of the net transfers from (to) Parent are as follows:

In millions	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Cash pooling and general financing activities	\$ (1,828)	\$ (164)	\$ (1,856)	\$ (168)
Less: Corporate cost allocations	76	83	233	237
Less: Taxes deemed settled with Parent	81	66	214	199
Total net transfers (to) from Parent per unaudited interim Combined Statements of Changes in Equity	(1,985)	(313)	(2,303)	(604)
Stock-based compensation and other noncash transfers (to) from Parent	(4)	—	(8)	(7)
Net transfers (to) from Parent per unaudited interim Combined Statements of Cash Flows	\$ (1,989)	\$ (313)	\$ (2,311)	\$ (611)

Refer to Note 10 for information on related party transactions with Qnity's equity method investment entities.

#### NOTE 6 - SUPPLEMENTARY INFORMATION

Other Income (Expense) - Net	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
In millions				
Net gain on sales of assets	\$ 1	\$ —	\$ 1	\$ 2
Non-operating pension (costs) credits	(2)	1	(2)	1
Interest income	—	—	2	—
Foreign exchange gains (losses), net	1	(4)	(4)	3
Miscellaneous income (expense) - net	(1)	2	—	3
Other income (expense) - net	\$ (1)	\$ (1)	\$ (3)	\$ 9

## Accrued and Other Current Liabilities

In millions	September 30, 2025	December 31, 2024
Accrued payroll	\$ 86	\$ 93
Other <sup>1</sup>	80	57
Total accrued and other current liabilities	\$ 166	\$ 150

1. No other component of "Accrued and other current liabilities" was more than 5% of total current liabilities at September 30, 2025 and December 31, 2024.

## Operating Leases

Supplemental balance sheet information related to leases was as follows:

In millions	September 30, 2025	December 31, 2024
<b>Operating Leases</b>		
Operating lease right-of-use assets <sup>1</sup>	\$ 122	\$ 127
Current operating lease liabilities <sup>2</sup>	28	30
Noncurrent operating lease liabilities <sup>3</sup>	97	100
Total operating lease liabilities	\$ 125	\$ 130

1. Included in "Deferred charges and other assets" in the interim Condensed Combined Balance Sheets.

2. Included in "Accrued and other current liabilities" in the interim Condensed Combined Balance Sheets.

3. Included in "Other noncurrent obligations" in the interim Condensed Combined Balance Sheets.

## Separation Costs

In connection with the Separation as further described above, the Company has incurred one-time-Separation costs of approximately \$4 million and \$6 million for the three and nine months ended September 30, 2025, respectively, recorded in "Selling, general and administrative expenses" within the interim Combined Statements of Operations. Separation costs primarily consist of employee-related costs. There were no costs incurred in connection with the Separation for the three and nine months ended September 30, 2024.

## NOTE 7 - INCOME TAXES

During the periods presented in the unaudited interim Combined Financial Statements, Qnity did not file separate tax returns in the U.S. for federal, certain state and local tax purposes, nor in foreign tax jurisdictions, as Qnity was included in the tax grouping of DuPont and its affiliate entities within the respective jurisdictions. The provision for income taxes included in these unaudited interim Combined Financial Statements has been calculated using the separate return basis, as if Qnity filed separate tax returns. Qnity's Provision for income taxes as presented in the unaudited interim Combined Financial Statements may not be indicative of the income taxes that Qnity will generate in the future.

The Company's effective tax rate fluctuates based on, among other factors, where income is earned and the level of income relative to attributes. The tax provision for the nine months ended September 30, 2025 resulted in an effective tax rate on operations of 19.8% on pre-tax income of \$773 million, compared with an effective tax rate of 22.4%, on pre-tax income of \$648 million for the nine months ended September 30, 2024. The lower effective tax rate for the first nine months of 2025 in comparison to the first nine months of 2024 resulted from a combination of certain discrete tax expenses incurred in 2024, including the settlement of an international tax audit, offset by changes to the geographic mix of earnings in 2025, including the impacts of the Organisation for Economic Co-Operation and Development's ("OECD") Global Anti-Base Erosion rules under Pillar Two in jurisdictions in which the Company operates.

Each year DuPont, inclusive of Qnity, files hundreds of tax returns in the various national, state and local income taxing jurisdictions in which it operates, either as a separate taxpayer or as a member of DuPont's consolidated income tax return. These tax returns are subject to examination and possible challenge by the tax authorities. Positions challenged by the tax authorities may be settled or appealed by Qnity. The uncertainty in income taxes is recognized in Qnity's interim financial statements in accordance with accounting for income taxes. The ultimate resolution of such uncertainties is not expected to have a material impact on Qnity's interim results of operations.

On July 4, 2025, the One Big Beautiful Bill Act (“the Act”) was enacted. The Act includes a broad range of tax reform provisions, including modifications and enhancements to the domestic and international provisions of the Tax Cuts and Jobs Act. Among other changes, the Act allows for immediate expensing of domestic research and development expenditures, revises provisions around foreign-sourced earnings and revises the corporate interest limitation rules. The legislation has multiple effective dates, with certain provisions becoming effective in fiscal 2025 and the majority becoming effective in fiscal 2026. The Company has considered the impact of the enacted provisions in its consolidated tax provision as of September 30, 2025. The legislation did not have a material impact on our income tax expense or effective tax rate for this quarter. The Company continues to evaluate the broader effects of the legislation as further guidance is issued.

#### NOTE 8 - EARNINGS PER SHARE CALCULATIONS

On the Separation and Distribution Date, 209 million shares of the Company's common stock, par value \$0.01 per share, were distributed to DuPont shareholders of record as of October 22, 2025. This share amount is being utilized for the calculation of basic and diluted earnings per share for all periods presented prior to the Separation as all common stock was owned by DuPont prior to the Separation. For all periods presented, it is assumed that there are no dilutive equity instruments as there were no equity awards of Qnity outstanding prior to the Separation. Therefore, the calculation of basic and diluted earnings per share is the same.

Net Income for Earnings Per Share Calculations - Basic & Diluted	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
In millions, except per share amounts				
Net income	\$ 223	\$ 207	\$ 620	\$ 503
Net income attributable to noncontrolling interests	12	8	28	23
Net income attributable to common stockholders	\$ 211	\$ 199	\$ 592	\$ 480
Weighted-average common shares - basic and diluted	209	209	209	209
Earnings attributable to common stockholders - basic and diluted	\$ 1.01	\$ 0.95	\$ 2.83	\$ 2.30

#### NOTE 9 - INVENTORIES

In millions	September 30, 2025	December 31, 2024
Finished goods	\$ 257	\$ 214
Work in process	213	209
Raw materials	149	147
Supplies	28	27
Total inventories	\$ 647	\$ 597

#### NOTE 10 - NONCONSOLIDATED AFFILIATES

Qnity’s investments in companies accounted for using the equity method (“nonconsolidated affiliates”) are recorded in “Investments and noncurrent receivables” in the interim Condensed Combined Balance Sheets. Investments in nonconsolidated affiliates were \$419 million and \$382 million at September 30, 2025 and December 31, 2024, respectively.

At September 30, 2025 and December 31, 2024, Qnity had a note payable to Hitachi Chem DuP Microsystems LLC, a nonconsolidated affiliate, (the “Related Party Note Payable”) of \$77 million and \$31 million, respectively. This Related Party Note Payable arises from an arrangement in which DuPont manages the daily domestic cash position resulting from the normal cash operations of Hitachi Chem DuP Microsystems LLC. Under this arrangement, both parties may loan funds to one another based on the cash position of Hitachi Chem DuP Microsystems LLC.

The Related Party Note Payable is short-term in nature and bears an interest rate equal to the average daily rate during the preceding month, plus any applicable commission and fee percentage payable to DuPont for its support of the cash management program. The balance of this Related Party Note Payable and the related interest payable is included within “Accounts Payable” in the interim Condensed Combined Balance Sheets.

Sales to nonconsolidated affiliates represented less than 1% of total net sales for each of the three and nine months ended September 30, 2025 and 2024. Purchases from nonconsolidated affiliates represented less than 1% of "Cost of sales" for each of the three and nine months ended September 30, 2025 and 2024. The Company maintained an ownership interest in three nonconsolidated affiliates at September 30, 2025.

#### NOTE 11 - GOODWILL AND OTHER INTANGIBLE ASSETS

The following table summarizes changes in the carrying amount of goodwill during the nine months ended September 30, 2025.

In millions	<i>Semiconductor Technologies</i>	<i>Interconnect Solutions</i>	<i>Total</i>
Balance at December 31, 2024	\$ 4,453	\$ 2,926	\$ 7,379
Currency translation adjustment	91	27	118
Balance at September 30, 2025	\$ 4,544	\$ 2,953	\$ 7,497

Qnity tests goodwill for impairment annually during the fourth quarter, or more frequently when events or changes in circumstances indicate that the fair value of a reporting unit is below its carrying value.

Effective in the first quarter of 2025, in anticipation of the Separation, DuPont realigned its segment structure. The realignment of DuPont's segments served as a triggering event requiring the Company to perform an impairment analysis related to goodwill prior to and subsequent to the realignment. As part of the realignment, the Company assessed and redefined certain reporting units, including reallocation of goodwill on a relative fair value basis, as applicable, to the reporting units impacted. Goodwill impairment analyses were then performed for reporting units impacted and no impairments were identified. The fair value of each reporting unit tested was estimated using a combination of a discounted cash flow model and market approach, with both approaches receiving equal weighting. The Company's significant assumptions in these analyses include, but are not limited to, projected revenue growth, EBITDA margin, weighted average cost of capital and terminal growth rate and EBITDA market multiples from comparable market transactions for the market approach.

#### Other Intangible Assets

The gross carrying amounts and accumulated amortization of other intangible assets with finite lives, by major class are as follows:

In millions	<i>September 30, 2025</i>			<i>December 31, 2024</i>		
	<i>Gross Carrying Amount</i>	<i>Accumulated Amortization</i>	<i>Net</i>	<i>Gross Carrying Amount</i>	<i>Accumulated Amortization</i>	<i>Net</i>
Other intangible assets:						
Developed technology	\$ 544	\$ (336)	\$ 208	\$ 605	\$ (357)	\$ 248
Trademarks/tradenames	55	(37)	18	55	(34)	21
Customer-related	2,130	(1,196)	934	2,353	(1,336)	1,017
Total other intangible assets	\$ 2,729	\$ (1,569)	\$ 1,160	\$ 3,013	\$ (1,727)	\$ 1,286

The following table provides the net carrying value of other intangible assets by segment:

<b>Net Other Intangibles by Segment</b>		
In millions	<i>September 30, 2025</i>	<i>December 31, 2024</i>
Semiconductor Technologies	\$ 276	\$ 314
Interconnect Solutions	884	972
Total	\$ 1,160	\$ 1,286

Total estimated amortization expense for the remainder of 2025 and the five succeeding fiscal years is as follows:

<b>Estimated Amortization Expense</b>	
In millions	
Remainder of 2025	\$ 48
2026	\$ 197
2027	\$ 166
2028	\$ 141
2029	\$ 107
2030	\$ 88

## NOTE 12 - LONG-TERM DEBT

### Debt Issuance Costs

Debt issuance costs and discounts are presented as a reduction of "Long-term debt" and are amortized and included in "Interest expense" on the Company's unaudited interim Combined Statements of Operations over the term on the related debt using the effective interest method.

### Long-Term Debt

Long-term debt at September 30, 2025 was \$1,722 million, comprised of the Secured Notes and Unsecured Notes, as more fully described below. There was no long-term debt due within one year at September 30, 2025. Long-term debt is presented net of unamortized debt issuance costs of \$28 million and is recorded in "Long-Term Debt" in the interim Condensed Combined Balance Sheets. There is \$6 million recorded in "Deferred charges and other assets" in the interim Condensed Combined Balance Sheet related to the Senior Secured Credit Facilities (as defined below), of which the debt was not issued prior to September 30, 2025. There was no long-term debt outstanding at December 31, 2024.

The gross proceeds of the Notes and the pre-funded interest deposit were held in escrow and subsequently released through the cash distribution to DuPont on October 31, 2025 in connection with the completion of the Separation on November 1, 2025. The below described financing is considered to be part of DuPont's centralized approach to cash management in connection with DuPont's plan to separate its electronics business. Therefore, the proceeds from the Notes are not reflected as an asset of the Company at September 30, 2025 as they were considered immediately transferred to DuPont. Therefore the debt issuance was reflected in the unaudited interim Combined Statement of Cash Flows as Proceeds from Issuance of Long-Term Debt with a corresponding immediate cash outflow within "Net transfers (to) from Parent". See Note 17 for more information.

### The Secured Notes

On August 15, 2025, Qnity issued \$1 billion aggregate principal amount of 5.750% senior secured notes due 2032 (the "Secured Notes"), pursuant to an indenture dated as of August 15, 2025 (the "Secured Notes Indenture"), by and between Qnity and U.S. Bank Trust Company, National Association, as trustee (the "Secured Notes Trustee"), collateral agent and paying agent. The Secured Notes mature on August 15, 2032 and bear interest at a rate of 5.750% per year. Interest on the Secured Notes is payable on February 15 and August 15 of each year, beginning on February 15, 2026.

The Secured Notes are jointly and severally and unconditionally guaranteed on a senior secured basis by each Qnity subsidiary that is a borrower, or guarantees indebtedness, under Qnity's Senior Secured Credit Facilities. Upon the consummation of the Separation (or, with respect to the foreign collateral, the day after the consummation of the Separation), the Secured Notes and related guarantees were secured, subject to permitted liens and certain other exceptions, by first priority liens on substantially the same collateral that secure Qnity's obligations under its Senior Secured Credit Facilities. The Secured Notes and related guarantees are secured on a pari passu basis with the Senior Secured Credit Facilities.

At any time prior to August 15, 2028, Qnity may redeem some or all of the Secured Notes at a price equal to 100% of the principal amount thereof to be redeemed, plus a "make-whole" premium plus accrued and unpaid interest, if any, to, but not including, the redemption date. In addition, Qnity may redeem some or all of the Secured Notes at any time on or after August 15, 2028 at specified prices, plus accrued and unpaid interest, if any, to, but not including, the redemption date. Qnity may also redeem up to 40% of the aggregate principal amount of the Secured Notes at any time on or prior to August 15, 2028 using the net proceeds from certain equity offerings at 105.750%, plus accrued and unpaid interest, if any, to, but not including, the redemption date. If Qnity experiences certain kinds of changes in control, Qnity must offer to repurchase the Secured Notes at a price equal to 101% of the principal amount of the Secured Notes, plus accrued and unpaid interest, if any, to, but not including, the repurchase date.

The Secured Notes Indenture includes certain covenants on the actions of Qnity and its restricted subsidiaries relating to debt incurrence, liens, restricted payments, assets sales and transactions with affiliates, changes in control, and mergers or sales of all or substantially all of Qnity's assets. The Secured Notes Indenture provides for customary events of default (subject, in certain cases, to customary grace periods), which include nonpayment on the Secured Notes, breach of covenants in the Secured Notes Indenture, payment defaults or acceleration of other indebtedness over a specified threshold, failure to pay certain judgments over a specified threshold and certain events of bankruptcy and insolvency. Generally, if an event of default occurs, the Secured Notes Trustee or holders of at least 30% of the aggregate principal amount of all then outstanding Secured Notes may declare the principal, premium, if any, interest and any other monetary obligations on all of the then outstanding Secured Notes to be due and payable immediately.

#### *The Unsecured Notes*

On August 15, 2025, Qnity issued \$750 million aggregate principal amount of 6.250% senior unsecured notes due 2033 (the "Unsecured Notes" and, together with the Secured Notes, the "Notes") pursuant to an indenture dated as of August 15, 2025 (the "Unsecured Notes Indenture"), by and between Qnity and U.S. Bank Trust Company, National Association, as trustee (the "Unsecured Notes Trustee") and paying agent, dated as of August 15, 2025. The Unsecured Notes mature on August 15, 2033 and bear interest at a rate of 6.250% per year. Interest on the Unsecured Notes is payable on February 15 and August 15 of each year, beginning on February 15, 2026.

The Unsecured Notes are jointly and severally and unconditionally guaranteed on a senior unsecured basis by each Qnity subsidiary that is a borrower, or guarantees indebtedness, under Qnity's Senior Secured Credit Facilities.

At any time prior to August 15, 2028, Qnity may redeem some or all of the Unsecured Notes at a price equal to 100% of the principal amount thereof to be redeemed, plus a "make-whole" premium plus accrued and unpaid interest, if any, to, but not including, the redemption date. In addition, Qnity may redeem some or all of the Unsecured Notes at any time on or after August 15, 2028 at specified prices, plus accrued and unpaid interest, if any, to, but not including, the redemption date. Qnity may also redeem up to 40% of the aggregate principal amount of the Unsecured Notes at any time on or prior to August 15, 2028 using the net proceeds from certain equity offerings at 106.250%, plus accrued and unpaid interest, if any, to, but not including, the redemption date. If Qnity experiences certain kinds of changes in control, Qnity must offer to repurchase the Unsecured Notes at a price equal to 101% of the principal amount of the Unsecured Notes, plus accrued and unpaid interest, if any, to, but not including, the repurchase date.

The Unsecured Notes Indenture includes certain covenants on the actions of Qnity and its restricted subsidiaries relating to debt incurrence, liens, restricted payments, assets sales, and transactions with affiliates, changes in control, and mergers or sales of all or substantially all of Qnity's assets. The Unsecured Notes Indenture provides for customary events of default (subject, in certain cases, to customary grace periods), which include nonpayment on the Unsecured Notes, breach of covenants in the Unsecured Notes Indenture, payment defaults or acceleration of other indebtedness over a specified threshold, failure to pay certain judgments over a specified threshold and certain events of bankruptcy and insolvency. Generally, if an event of default occurs, the Unsecured Notes Trustee or holders of at least 30% of the aggregate principal amount of all then outstanding Unsecured Notes may declare the principal, premium, if any, interest and any other monetary obligations on all of the then outstanding Unsecured Notes to be due and payable immediately.

#### *Senior Secured Credit Facilities*

Subsequent to the quarter ended September 30, 2025, on October 31, 2025 in connection with the Separation, the Company entered into a credit agreement (the "Credit Agreement") providing for (a) a five-year revolving credit facility in the aggregate committed amount of \$1.25 billion (up to \$100 million of such revolving facility is available for the issuance of letters of credit) (the "Senior Secured Revolving Facility"), and (b) a seven-year term loan facility in the aggregate principal amount of \$2.35 billion (the "Senior Secured Term Loan Facility" and, together with the Senior Secured Revolving Facility, the "Senior Secured Credit Facilities"). The full amount of the Senior Secured Term Loan Facility, \$2.35 billion, was funded on October 31, 2025, and paid directly to DuPont in the form of a cash dividend in connection with the Separation.

The borrowings under the Senior Secured Credit Facilities bear interest at a rate per annum equal to either of the following, plus, in each case, an applicable margin: (a) the base rate or (b) term Secured Overnight Financing Rate ("SOFR"). The applicable margin for borrowings under the Senior Secured Revolving Facility ranges from 0.25% to 1.25% with respect to base rate borrowings and 1.25% to 2.25% with respect to term SOFR borrowings, in each case, based on the Company's consolidated first lien net leverage ratio. The applicable margin for borrowings under the Senior Secured Term Loan Facility is 1.00% with respect to base rate borrowings and 2.00% with respect to term SOFR borrowings.

The Company has scheduled amortization payments under the Senior Secured Term Loan Facility in equal quarterly installments in an annual amount equal to 1.00% of the original principal amount of the term loans payable on the last day of each calendar quarter, with the unpaid balance being due and payable at maturity.

The Credit Agreement contains a number of negative covenants that, among other things and subject to certain exceptions, may restrict Qnity's ability and the ability of each of our restricted subsidiaries to: incur additional indebtedness (including guarantees thereof); create liens on, sell or otherwise dispose of Qnity assets; enter into mergers, consolidations and other fundamental changes; make certain investments or acquisitions; engage in sale-leaseback transactions; repurchase Qnity common stock, pay dividends or make similar distributions or other restricted payments on Qnity capital stock; repay certain indebtedness; engage in certain affiliate transactions; and enter into agreements that restrict Qnity's ability to create liens, pay dividends or make loan repayments.

With respect to the Senior Secured Revolving Facility, the related credit agreement requires that Qnity maintain, on a quarterly basis, a consolidated first lien net leverage ratio not to exceed 4.50:1.00, tested at the end of each fiscal quarter, subject to an increase of 0.50:1.00 in connection with the consummation of certain material acquisitions (defined in a customary manner) and applicable to the fiscal quarter in which such acquisition is consummated and the four consecutive full fiscal quarters thereafter.

The Credit Agreement also contains representations and warranties, affirmative covenants and events of default, in each case, usual and customary for facilities and transactions of this type.

## NOTE 13 - COMMITMENTS AND CONTINGENT LIABILITIES

### Litigation Matters

In the normal course of business, the Company is involved from time to time in various arbitrations, lawsuits, claims and other actions with respect to patent infringement claims, employment claims, including alleged wage and hour violations, and commercial claims.

The Company accrues for such matters where losses are deemed probable and reasonably estimable. There are other matters involving the Company for which a loss is deemed remote or reasonably possible, and, as a result, associated accruals have not been established. It is reasonably possible that some of these matters could result in future payments or costs in excess of the amounts accrued at September 30, 2025, but such excess amounts cannot be reasonably estimated. Based upon current information, management does not expect any of the matters pending against the Company at September 30, 2025 to have a material impact on its unaudited interim Combined Financial Statements.

## NOTE 14 - ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

### Accumulated Other Comprehensive Loss

The following tables summarize the activity related to each component of accumulated other comprehensive income (loss) ("AOCI" or "AOCL") for the three and nine months ended September 30, 2025 and 2024:

<b>Accumulated Other Comprehensive Loss</b> In millions	<i>Cumulative Translation Adj</i>	<i>Pension</i>	<i>Total</i>
<b>2024</b>			
Balance at June 30, 2024	\$ (389)	\$ 16	\$ (373)
Other comprehensive income	137	—	137
Balance at September 30, 2024	\$ (252)	\$ 16	\$ (236)
<b>2025</b>			
Balance at June 30, 2025	\$ (211)	\$ 20	\$ (191)
Other comprehensive loss before reclasses	(26)	(10)	(36)
Amounts reclassified from accumulated other comprehensive income	—	3	3
Net other comprehensive loss	\$ (26)	\$ (7)	\$ (33)
Balance at September 30, 2025	\$ (237)	\$ 13	\$ (224)

<b>Accumulated Other Comprehensive Loss</b> In millions	<i>Cumulative Translation Adj</i>	<i>Pension</i>	<i>Total</i>
<b>2024</b>			
Balance at January 1, 2024	\$ (260)	\$ 15	\$ (245)
Other comprehensive income	8	1	9
Balance at September 30, 2024	\$ (252)	\$ 16	\$ (236)
<b>2025</b>			
Balance at January 1, 2025	\$ (435)	\$ 21	\$ (414)
Other comprehensive income (loss) before reclasses	198	(11)	187
Amounts reclassified from accumulated other comprehensive income	—	3	3
Net other comprehensive income (loss)	\$ 198	\$ (8)	\$ 190
Balance at September 30, 2025	\$ (237)	\$ 13	\$ (224)

The tax effects on the net activity related to each component of other comprehensive loss were immaterial for each of the three and nine months ended September 30, 2025 and 2024.

#### NOTE 15 - PENSION PLANS

Qnity employees participate, as eligible, in Qnity's and DuPont's sponsored pension plans, including defined benefit plans and defined contribution plans. Where permitted by applicable law, Qnity and DuPont reserve the right to amend, modify, or discontinue the plans at any time. The defined benefit pension plans of Qnity are summarized below.

##### Multiemployer Plans

DuPont offers both funded and unfunded contributory and noncontributory defined benefit pension plans in certain non-US jurisdictions that are shared among its businesses, including Qnity, and the participation of its employees and retirees in these plans is reflected as though Qnity participated in multiemployer plans with DuPont. Qnity's proportionate share of the expense associated with the multiemployer plans is reflected in the unaudited interim Combined Financial Statements, while any assets and liabilities associated with the multiemployer plans are retained by DuPont and recorded on DuPont's balance sheet.

The benefits under these plans are based primarily on years of service and employees' pay near retirement.

DuPont's funding policy is consistent with the funding requirements of federal laws and regulations. Pension coverage for employees of DuPont's non-U.S. combined subsidiaries is provided, to the extent deemed appropriate, through separate plans. Obligations under such plans are funded by depositing funds with trustees, covered by insurance contracts, or remain unfunded.

Under the multiemployer approach, the amount recognized as expense represents an allocation of net periodic pension cost, which includes non-operating pension costs. The expense allocated to the unaudited interim Combined Financial Statements, which was based on the headcount of participants in the plans, was immaterial for both U.S. and non-U.S. plans for each of the three and nine months ended September 30, 2025 and 2024.

##### Single Employer Plans

Qnity has 11 non-U.S. pensions that benefit only its employees and retirees, and these plans are considered single-employer plans. The costs and any assets and liabilities associated with the single-employer pension benefit plans are reflected in the unaudited interim Combined Financial Statements.



The following sets forth the components of the Company's net periodic benefit costs for defined benefit pension plans:

Net Periodic Benefit Costs for All Significant Plans <small>In millions</small>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Service cost	\$ —	\$ 2	\$ 2	\$ 4
Interest cost	1	1	4	4
Expected return on plan assets	(1)	(2)	(3)	(4)
Curtailment/settlement	3	—	3	—
Net periodic benefit costs - total	\$ 3	\$ 1	\$ 6	\$ 4

The net periodic benefit costs, other than the service cost component, are included in "Other income (expense) - net" in the unaudited interim Combined Statements of Operations.

Qnity made \$1 million of periodic benefit plan contributions for the three months ended September 30, 2025 and no periodic benefit plan contributions for the three months ended September 30, 2024. Additionally, Qnity made \$3 million and \$2 million of periodic benefit plan contributions for the nine months ended September 30, 2025 and 2024, respectively. Qnity does not expect to make any material additional contributions for the remainder of 2025.

#### NOTE 16 - SEGMENTS

The Company's segments are aligned with the market verticals they serve, while maintaining integration and innovation strengths within strategic value chains. The Company's Chief Executive Officer is its CODM. Effective in the first quarter of 2025, in anticipation of the Separation, DuPont and Qnity realigned their segment structure. As a result of this realignment, Qnity consists of two operating and reportable segments: Semiconductor Technologies ("Semi") and Interconnect Solutions ("ICS"). All periods presented have been adjusted to conform to the current segment reporting structure. This realignment is consistent with how the CODM now assesses performance. Major products by segment include: Semi (which includes chemical mechanical planarization ("CMP") pads and slurries, photoresists, functional sub-layers, advanced overcoats, post-CMP cleaners, post-Etch residue removers and emerging cleans) and ICS (which includes copper pillar plating, copper redistribution layer, solder bump plating, under bump metallization, photoresists, packaging dielectrics, gap fillers, phase change, specialty thermal interface materials, thermally conductive insulators, copper plating solutions, dry film photoresists, laminates and polyimide films). The Company operates globally in substantially all of its product lines. Transfers of products between operating segments are generally valued at cost, to the extent such transfers are applicable.

The Company's measure of profit/loss for segment reporting purposes is Operating EBITDA as this is the manner in which the CODM assesses performance and allocates resources. The CODM utilizes Operating EBITDA to assess financial performance and allocate resources by comparing actual results to historical and previously forecasted results. The Company defines Operating EBITDA as earnings (i.e., "Income (loss) before income taxes") before interest, depreciation, amortization, non-operating pension and other post-employment benefits / charges, and foreign exchange gains / losses, indirect legacy costs, and adjusted for significant items. Reconciliations of these measures are provided on the following pages.

Segment Net Sales, Significant Segment Expenses and Segment Operating EBITDA <small>(In millions)</small>	Three Months Ended September 30,			
	2025		2024	
	Semiconductor Technologies	Interconnect Solutions	Semiconductor Technologies	Interconnect Solutions
Segment net sales	\$ 693	\$ 583	\$ 640	\$ 508
Less <sup>1</sup> :				
Cost of sales	\$ 360	\$ 341	\$ 315	\$ 294
Selling, general and administrative expenses	69	77	76	70
Research and development expenses	58	34	50	30
Amortization of intangibles & other segment items <sup>2</sup>	11	37	12	42
Add:				
Equity in earnings of nonconsolidated affiliates	\$ 14	\$ 1	\$ 10	\$ —
Depreciation and amortization <sup>3</sup>	31	57	35	63
Segment operating EBITDA	\$ 240	\$ 152	\$ 232	\$ 135

Segment Net Sales, Significant Segment Expenses and Segment Operating EBITDA	Nine Months Ended September 30,			
	2025		2024	
	Semiconductor Technologies	Interconnect Solutions	Semiconductor Technologies	Interconnect Solutions
(In millions)				
Segment net sales	\$ 1,981	\$ 1,583	\$ 1,834	\$ 1,400
Less <sup>1</sup> :				
Cost of sales	\$ 991	\$ 927	\$ 918	\$ 835
Selling, general and administrative expenses	202	215	226	206
Research and development expenses	167	96	144	84
Amortization of intangibles & other segment items <sup>2</sup>	37	116	35	136
Add:				
Equity in earnings (losses) of nonconsolidated affiliates	\$ 38	\$ (1)	\$ 34	\$ (1)
Depreciation and amortization <sup>3</sup>	91	175	93	193
Segment operating EBITDA	\$ 713	\$ 403	\$ 638	\$ 331

1. The significant expense categories and amounts align with the segment-level information that is regularly provided to the CODM.

2. Other segment items include immaterial other gains or losses and miscellaneous income and expenses.

3. Depreciation is a reconciling item to Segment Operating EBITDA as it is included within "Cost of sales", "Selling, general and administrative expenses" and "Research and development expenses".

Reconciliation of Segment Operating EBITDA to Income Before Income Taxes	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
(In millions)				
Semiconductor Technologies segment operating EBITDA	\$ 240	\$ 232	\$ 713	\$ 638
Interconnect Solutions segment operating EBITDA	152	135	403	331
Total segment operating EBITDA	\$ 392	\$ 367	\$ 1,116	\$ 969
+ Corporate Operating EBITDA <sup>1</sup>	\$ (10)	\$ (8)	\$ (25)	\$ (21)
- Depreciation and amortization	94	102	280	297
- Interest expense <sup>2</sup>	14	—	14	—
+ Non-operating pension benefit (costs) credits <sup>3</sup>	(2)	1	(2)	1
+ Foreign exchange gains (losses), net <sup>3</sup>	1	(4)	(4)	3
+ Significant items charges	(1)	(4)	(18)	(7)
Income before income taxes	\$ 272	\$ 250	\$ 773	\$ 648

1. Corporate includes certain enterprise and governance activities including non-allocated corporate overhead costs and support functions, leveraged services, and other costs not absorbed by reportable segments.

2. Interest expense in 2025 was driven by interest associated with the Secured and Unsecured Notes.

3. Included in "Other income (expense) - net."

The following tables summarize the pre-tax impact of significant items by segment that are excluded from Operating EBITDA above:

Significant Items by Segment for the Three Months Ended September 30, 2025	Semiconductor Technologies	Interconnect Solutions	Corporate	Total
(In millions)				
Restructuring and asset related charges - net <sup>1</sup>	\$ —	\$ —	\$ (1)	\$ (1)
Total	\$ —	\$ —	\$ (1)	\$ (1)

1. Includes restructuring actions and asset related charges. See Note 4 for additional information.

Significant Items by Segment for the Three Months Ended September 30, 2024	Semiconductor Technologies	Interconnect Solutions	Corporate	Total
(In millions)				
Restructuring and asset related charges - net <sup>1</sup>	\$ —	\$ (8)	\$ 4	\$ (4)
Total	\$ —	\$ (8)	\$ 4	\$ (4)

1. Includes restructuring actions and asset related charges. See Note 4 for additional information.

<b>Significant Items by Segment for the Nine Months Ended September 30, 2025</b> In millions	<i>Semiconductor Technologies</i>	<i>Interconnect Solutions</i>	<i>Corporate</i>	<i>Total</i>
Restructuring and asset related charges - net <sup>1</sup>	\$ (3)	\$ (4)	\$ (13)	\$ (20)
Employee Retention Credit <sup>2</sup>	2	—	—	2
<b>Total</b>	<b>\$ (1)</b>	<b>\$ (4)</b>	<b>\$ (13)</b>	<b>\$ (18)</b>

1. Includes restructuring actions and asset related charges. See Note 4 for additional information.

2. Reflects the accrued interest earned on employee retention credits and is recorded in "Interest income" within the "Other income (expense) - net" line item in the Company's unaudited interim Combined Statements of Operations.

<b>Significant Items by Segment for the Nine Months Ended September 30, 2024</b> In millions	<i>Semiconductor Technologies</i>	<i>Interconnect Solutions</i>	<i>Corporate</i>	<i>Total</i>
Restructuring and asset related charges - net <sup>1</sup>	\$ (1)	\$ (10)	\$ 4	\$ (7)
<b>Total</b>	<b>\$ (1)</b>	<b>\$ (10)</b>	<b>\$ 4</b>	<b>\$ (7)</b>

1. Includes restructuring actions and asset related charges. See Note 4 for additional information.

<b>Segment and Corporate Information</b> In millions	<i>Semiconductor Technologies</i>	<i>Interconnect Solutions</i>	<i>Corporate</i>	<i>Total</i>
<i>As of September 30, 2025</i>				
Total Assets	\$ 6,736	\$ 5,313	\$ 463	\$ 12,512
Investment in nonconsolidated affiliates	407	12	—	419
<i>As of December 31, 2024</i>				
Total Assets	\$ 6,520	\$ 5,270	\$ 483	\$ 12,273
Investment in nonconsolidated affiliates	370	12	—	382

<b>Capital Expenditure Reconciliation to Unaudited Interim Combined Financial Statements</b> In millions	<i>Three Months Ended September 30,</i>		<i>Nine Months Ended September 30,</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
Semiconductor Technologies	\$ 37	\$ 18	\$ 94	\$ 49
Interconnect Solutions	25	23	69	53
Corporate	6	5	14	15
Segment totals	\$ 68	\$ 46	\$ 177	\$ 117
Accrual to cash adjustment <sup>1</sup>	(7)	(17)	37	17
<b>Total</b>	<b>\$ 61</b>	<b>\$ 29</b>	<b>\$ 214</b>	<b>\$ 134</b>

1. Reflects the incremental cash spent or unpaid on capital expenditures; total capital expenditures are presented on a cash basis.

## NOTE 17 - SUBSEQUENT EVENTS

### *Separation*

On the Separation and Distribution Date, DuPont completed the Separation of the Company through the Distribution. After the Distribution, the Company began publicly trading on the New York Stock Exchange, under the ticker "Q", on November 3, 2025. As part of the Separation, the Company underwent an internal reorganization that resulted in it becoming the holder, directly or through its subsidiaries, of the ElectronicsCo business held by DuPont prior to the Separation and Distribution Date.

On the Separation and Distribution Date, the net proceeds from the Secured and Unsecured Notes issuance and borrowings under the Senior Secured Term Loan Facility, as well as cash on hand were used to fund the distribution to DuPont on the Separation and Distribution Date in the amount of \$4,122 million, inclusive of \$1,000 million and \$750 million net proceeds from the Secured and Unsecured Notes, respectively, \$2,350 million net proceeds from the Senior Secured Term Loan Facility and \$22 million of costs related to the Secured and Unsecured Notes. In addition, the Company distributed pre-funded interest on the Notes through March 31, 2026 of \$66 million (and investment returns on amounts held in escrow in respect of the Secured and Unsecured Notes issuance of \$15 million).

See Note 12 to the unaudited interim Combined Financial Statements for additional information on the Secured and Unsecured Notes issuances and borrowings under the Senior Secured Term Loan Facility.

*Separation Agreements*

In connection with the Separation, DuPont and the Company entered into a certain agreements that will effect separation, the allocation of assets and liabilities to DuPont and the Company and provide a framework for the relationship following the Separation and Distribution. Effective on the Separation and Distribution Date, the following agreements were executed:

- the Separation and Distribution Agreement;
- the Tax Matters Agreement;
- the Employee Matters Agreement;
- the Transition Services Agreements;
- the ESL Cost Sharing Agreement; and
- other agreements governing aspects of the Company's relationship with DuPont following the Separation including the Intellectual Property Cross-License Agreement and Legacy Liabilities Assignment Agreement, among others.

In connection with the Separation, certain assets and liabilities have been or will be contractually allocated to the Company from DuPont, including legacy liabilities and indemnifications as outlined within the agreements noted above. These amounts are expected to be material and will be reflective of operations through the Separation and Distribution Date. The amounts are being finalized and will be reflected as liabilities in the Company's December 31, 2025 balance sheet.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion and analysis provides information that management believes is relevant to an assessment and understanding of Qnity's financial condition and results of operations. Management's discussion and analysis of financial condition and results of operations is provided as a supplement to, and should be read in conjunction with, the unaudited interim Combined Financial Statements and related notes thereto included elsewhere in this Quarterly Report and the audited Financial Statements and related notes thereto included in the Information Statement, dated October 15, 2025, filed as Exhibit 99.1 to Qnity's Current Report on Form 8-K filed with the Securities and Exchange Commission (the "SEC") on October 15, 2025 (the "Information Statement") to enhance the understanding of the Company's operations and present business environment. Certain amounts may not foot due to rounding. This discussion and analysis contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to, those discussed in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" in this Quarterly Report, as well as in "Risk Factors" in the Information Statement. Carefully read the information under "Cautionary Note Regarding Forward-Looking Statements" in this Quarterly Report. Qnity assumes no obligation to update any of these forward-looking statements except as required by law. Actual results may differ materially from those contained in any forward-looking statements.*

### OVERVIEW

We are a global leader in materials and solutions for semiconductor and electronics industries. We empower our customers' technology roadmaps to enable advancements in megatrends such as artificial intelligence ("AI"), advanced computing and advanced connectivity. We partner with leading semiconductor and advanced device manufacturers to address complex challenges and develop solutions that facilitate next-generation technological innovations. With over 50 years of experience in systems engineering and material science, a global manufacturing footprint, and major application labs across the world, we are well-positioned to capitalize on emerging opportunities across various sectors including transportation, data centers, consumer and personal electronics and aerospace and defense.

We are organized into two operating segments:

- **Semiconductor Technologies:** Our Semiconductor Technologies segment provides a portfolio of innovative materials and solutions utilized across multiple stages of the semiconductor manufacturing process. These advanced materials are qualified into customers' roadmaps, designed to improve chip performance, enhance yield, and enable leading-edge node technology.
- **Interconnect Solutions:** Our Interconnect Solutions segment offers a comprehensive range of best-in-class material solutions that address the evolving complexities of signal integrity, thermal and power management and advanced packaging. These solutions are integral for advanced electronics hardware, including complex printed circuit boards and advanced semiconductor packaging.

Our broad portfolio of solutions and materials across both Semiconductor Technologies and Interconnect Solutions segments positions us as a comprehensive solutions provider for our customers. We are often the partner of choice due to our strong innovation capabilities and extensive materials and engineering expertise. In a fast-paced electronics industry, our customers' needs are highly performance-driven and our long-standing relationships and strong renewal rates demonstrate our commitment to delivering excellence in a demanding market.

### Macroeconomic Environment

Recent and continuing developments in U.S. and foreign policy related to trade, such as the imposition of new or increased tariffs on product imports from certain countries have heightened global trade tensions and sparked significant uncertainty in macroeconomic and geopolitical environments, particularly with respect to China. The nature of our global business exposes us to risks associated with trade conflicts between the U.S. and its trading partners, including about the ultimate extent and duration of the tariffs, responsive actions from other countries and the resulting impacts, including on general economic conditions and on our financial condition, liquidity, or results of operations. As a result, we may face a reduction in the demand for, and in the competitiveness of, our products, particularly from local or domestically sourced competition, harm to our relationships with our customers, and decreased profitability, which have the potential to adversely affect our business, financial condition and results of operations.

### Recent Developments

#### *Transition to Stand-Alone Company*

On May 22, 2024, DuPont de Nemours, Inc. ("DuPont" or "Parent"), of which we have historically been a part, announced its plan to separate its Electronics business, which included its semiconductor technologies and interconnect solutions businesses, from the other businesses of DuPont (the "Separation"). On November 1, 2025 (the "Separation and Distribution Date"), the

Separation was completed through a tax-free pro rata distribution of all of the then issued and outstanding shares of our common stock to DuPont stockholders at a ratio of one share of our common stock for every two shares of DuPont's common stock held at the close of business on the record date of October 22, 2025 (the "Distribution").

#### ***Relationship with DuPont***

Historically, we have relied on DuPont to manage certain aspects of our operations and provide us with certain services, the costs of which have historically been either allocated or directly billed to us. Historical costs for such services may not necessarily reflect the actual expenses we would have incurred, or will incur, as an independent company. In connection with the Separation, we and/or certain of our subsidiaries entered into the Separation Agreement and certain other agreements with DuPont and/or certain of its subsidiaries as of the Separation and Distribution Date, including, but not limited to, the Tax Matters Agreement, the Employee Matters Agreement, the Transition Services Agreement (as defined below), the Intellectual Property Cross-License Agreement, the Transitional House Marks Trademark License Agreement, the Ex-Station Lease ("ESL") Cost Sharing Agreement (as defined below) and certain other intellectual property-related, real estate-related, confidentiality-related, regulatory-related and commercial agreements. DuPont will not provide us with ongoing assistance other than the transition and other services described in these agreements. These services do not include every service that we have received from DuPont in the past, and DuPont is only obligated to provide the transition services for limited periods following the Separation. Following the cessation of the Transition Services Agreement, we will need to provide internally or obtain from unaffiliated third parties the services we will no longer receive from DuPont. The cost of replacing such services may vary from the historical costs directly allocated to us.

#### **Stand-Alone Company Expenses**

As a result of the Separation, we are required to operate as an independent company. Under the Transition Services Agreement with DuPont, dated as of the Separation and Distribution Date (the "Transition Services Agreement"), we are receiving certain services, including informational technology services, from DuPont. As we transition from those services, we will incur additional expenditures. We currently estimate it will cost approximately \$180 million in one-time costs, incurred over two years, to establish stand-alone informational technology systems, not including the cost of maintenance or employee-related expenditures.

In addition, we are incurring costs related to expanding, internally or through third parties, our functional capabilities such as information technology, finance, human resources, legal, tax, facilities, branding, government relations and insurance. We are subject to the requirements of the federal and state securities laws and stock exchange requirements and have established, or are in the process of establishing, additional procedures and practices as a stand-alone public company. As a result, we will incur incremental costs including, but not limited to, costs relating to external reporting, internal audit, treasury, investor relations, board of directors and officers and stock administration.

#### **Cost Sharing Arrangements**

Under the ESL Cost Sharing Agreement, dated as of August 28, 2025, by and between FCC Acquisition Corporation, a Delaware corporation, and DuPont (the "ESL Cost Sharing Agreement"), DuPont and Qnity will be responsible for 60% and 40%, respectively, of certain costs and expenses that exceed the net revenues received by DuPont from certain third parties at the Experimental Station facility ("Experimental Station"). As a result, we may have to pay certain additional costs, including in the event that certain portions of Experimental Station not occupied by us, DuPont or their respective subsidiaries as of the Separation become vacant and DuPont does not lease such portions to a new tenant for rental rates that are at least equal to the current rental rates. Because DuPont will operate the Experimental Station following the Separation, such costs will be beyond our control, and our obligation to bear such costs may negatively impact our business, results of operations, financial condition and cash flows.

#### **Certain Indemnification Obligations to DuPont**

In connection with the Separation, we have been contractually allocated, and will directly pay or indemnify DuPont for, the Applicable Qnity Percentage of certain liabilities, including funding obligations of DuPont under the Memorandum of Understanding ("MOU"), legacy PFAS liabilities and liabilities related to businesses and operations of DuPont that were previously discontinued or divested. The Applicable Qnity Percentage is equal to the trailing twelve month Pro Forma Operating EBITDA attributable to the Qnity business and assets (measured at the time of the distribution, but prior to giving effect to the distribution) divided by the trailing twelve month Pro Forma Operating EBITDA (measured at the time of the distribution, but prior to giving effect to the distribution) of DuPont, multiplied by 100. For purposes of the following discussion, we have assumed the Applicable Qnity Percentage is 44% and determined all amounts in accordance with the applicable provisions of the Separation Agreement (including adjustments therein related to estimated income tax benefits arising from the liabilities allocated to us).

*Liabilities under the Memorandum of Understanding*

As of September 30, 2025, DuPont has borne Qualified Spend of approximately \$665 million and has recorded an indemnification liability for probable and reasonably estimable future Qualified Spend of \$216 million. Accordingly, we expect to record an indemnification liability for such probable and reasonably estimable future Qualified Spend of \$75 million.

We will directly contribute or indemnify DuPont for, the Applicable Qnity Percentage of DuPont's funding obligations in respect of an MOU Escrow Account established by DuPont, Corteva, Inc. ("Corteva") and The Chemours Company ("Chemours") to support and manage potential future eligible PFAS costs.

*New Jersey*

On August 3, 2025, DuPont, together with Chemours and Corteva and its subsidiary EIDP Inc. (formerly known as E. I. du Pont de Nemours and Company) ("EIDP"), agreed to a proposed Judicial Consent Order (the "Consent Order") with the State of New Jersey to resolve outstanding claims by the State of New Jersey pending against the companies related to legacy use of a wide variety of substances of concern for an aggregate cash payment to the State of New Jersey of \$875 million, payable over a period of 25 years. The first of the scheduled annual payments will be due within 30 days of the date the Judicial Consent Order is entered by the Court, but no earlier than January 31, 2026.

Contingent upon the Settlement being approved by the Court, DuPont and Corteva will purchase Chemours' interest in future, if any, insurance proceeds related to PFAS claims. DuPont and Corteva will make the purchase by contributing a total of \$150 million into an escrow fund (the "NJ Insurance Escrow") to be applied to Chemours' share of the Settlement. In exchange, Chemours shall assign to DuPont and Corteva its rights to \$150 million of PFAS-related insurance proceeds plus a fee equal to the lesser of (a) \$35 million, or (b) \$3 million plus interest (at prime minus 2%) on the unrecovered fraction of \$150 million, until Chemours' share of insurance recoveries fully recoups the purchase price.

The obligations of DuPont set forth in this section relating to the Settlement, including the cash payments, any remediation obligations (and related liabilities), and the establishment and maintenance of the reserve fund, and the purchase of Chemours' interest in future insurance proceeds related to PFAS claims, in each case constitute, liabilities contractually allocated between us and DuPont based their respective Applicable Percentage. Accordingly, we will indemnify DuPont, or remit directly to the relevant third party, the amount owed in respect of our share of such liabilities.

As of September 30, 2025, DuPont recorded a pre-tax charge of \$177 million related to the proposed Consent Order, we estimate our contractually allocated portion of the recorded pre-tax charge will be approximately \$66 million. Additionally, DuPont recorded interest accretion of \$4 million during the three and nine months ended September 30, 2025, resulting in a liability of \$181 million as of September 30, 2025. We estimate our contractually allocated portion of this accreted interest will be approximately \$2 million. We will share in the ongoing costs of maintaining a reserve fund in the event the remedial funding source for a site has been exhausted and the party responsible is not otherwise performing the required remediation.

We estimate our contractually allocated cash contribution in respect of the NJ Insurance Escrow will be \$47 million. We will also receive the Applicable Qnity Percentage of any insurance proceeds related to PFAS claims recovered.

*Other*

As of September 30, 2025, DuPont has recorded liabilities related to business and operations, historical activities of DuPont, including environmental liabilities, and its present and former subsidiaries, for which we estimate our contractually allocated portion to be \$38 million.

## RESULTS OF OPERATIONS

Summary of Sales Results	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
In millions				
Net sales	\$ 1,276	\$ 1,148	\$ 3,564	\$ 3,234

The following table summarizes sales variances by segment and geographic region from the prior year:

Sales Variances by Segment and Geographic Region										
Percentage change from prior year	Three Months Ended September 30, 2025					Nine Months Ended September 30, 2025				
	Local Price & Product Mix	Currency	Volume	Portfolio & Other	Total	Local Price & Product Mix	Currency	Volume	Portfolio & Other	Total
Semiconductor Technologies	(1)%	— %	9 %	— %	8 %	(1)%	— %	9 %	— %	8 %
Interconnect Solutions	(1)	1	15	—	15	(2)	—	15	—	13
Total	(1)%	1 %	11 %	— %	11 %	(2)%	— %	12 %	— %	10 %
Americas	(2)%	— %	21 %	— %	19 %	(1)%	— %	16 %	— %	15 %
EMEA <sup>1</sup>	1	3	18	—	22	—	1	7	—	8
Asia Pacific	(1)	1	9	—	9	(1)	—	11	—	10
Total	(1)%	1 %	11 %	— %	11 %	(2)%	— %	12 %	— %	10 %

1. Europe, Middle East and Africa.

We reported net sales for the three months ended September 30, 2025 of \$1.3 billion, up 11% from \$1.1 billion for the three months ended September 30, 2024, due to an 11% increase in volume and a 1% favorable currency impact partially offset by a 1% decrease in local price and product mix. The volume increase was attributable to both Interconnect Solutions (up 15%) and Semiconductor Technologies (up 9%). Contributing to the volume increase was an approximate \$40 million benefit from order timing related to system cut-over activities in advance of the Separation. The favorable currency impact was attributable to Interconnect Solutions (up 1%) while the currency impact of Semiconductor Technologies remained flat. Local price and product mix declined in both Interconnect Solutions (down 1%) and Semiconductor Technologies (down 1%).

Net sales for the nine months ended September 30, 2025 were \$3.6 billion, up 10% from \$3.2 billion for the nine months ended September 30, 2024, due to a 12% increase in volume partially offset by a 2% decrease in local price and product mix. The increase in volume was attributable to both Interconnect Solutions (up 15%) and Semiconductor Technologies (up 9%). Contributing to the volume increase was an approximate \$40 million benefit from order timing related to system cut-over activities in advance of the Separation. Local price and product mix declined in both Interconnect Solutions (down 2%) and Semiconductor Technologies (down 1%).

### Cost of Sales

Cost of sales were \$701 million for the three months ended September 30, 2025, up 15% from \$609 million for the three months ended September 30, 2024 primarily due to increased volume of 10% as well as increases in input costs of 4% and unfavorable currency impacts of 1%.

Cost of sales as a percentage of net sales for the three months ended September 30, 2025 was 55% as compared to 53% for the three months ended September 30, 2024.

Cost of sales were \$1.9 billion for the nine months ended September 30, 2025, up 9% from \$1.8 billion for the nine months ended September 30, 2024 due to increased volume of 9%.

Cost of sales as a percentage of net sales remained flat at 54% for the nine months ended September 30, 2025 and 2024.

### Research and Development ("R&D") Expenses

R&D expense was \$92 million for the three months ended September 30, 2025, up from \$81 million for the three months ended September 30, 2024. R&D expense as a percentage of net sales was consistent period over period at 7% for each of the three months ended September 30, 2025 and 2024.

R&D expense was \$264 million for the nine months ended September 30, 2025, up from \$230 million for the nine months ended September 30, 2024. R&D expense as a percentage of net sales was consistent period over period at 7% for each of the nine months ended September 30, 2025 and 2024.



**Selling, General and Administrative ("SG&A") Expenses**

SG&A expenses were \$159 million in the third quarter of 2025, up slightly from \$156 million in the third quarter of 2024. SG&A expenses as a percentage of net sales decreased period over period at 12% and 14% for the three months ended September 30, 2025 and 2024, respectively.

For the first nine months of 2025, SG&A expenses were \$453 million, down from \$461 million in the first nine months of 2024. SG&A expenses as a percentage of net sales remained relatively consistent at 13% and 14% for the nine months ended September 30, 2025 and 2024, respectively. The decrease for the nine months ended September 30, 2025 as compared with the same period of the prior year was primarily due to decrease in legal expenses partially offset by higher employee related costs.

**Amortization of Intangibles**

Amortization of intangibles was \$51 million in the third quarter of 2025, down from \$57 million in the third quarter of 2024. In the first nine months of 2025, amortization of intangibles was \$156 million, down from \$177 million in the same period of the prior year. The decrease for the three and nine months ended September 30, 2025 as compared with the same periods of the prior year was primarily due to the absence of amortization from fully amortized assets.

**Restructuring and Asset Related Charges - Net**

Restructuring and asset related charges - net were \$1 million in the third quarter of 2025, down from \$4 million of charges in the third quarter of 2024. In the first nine months of 2025, restructuring and asset related charges - net were \$20 million, up from \$7 million of charges in the same period last year. The activity for the three and nine months ended September 30, 2025 and 2024 related to nonrecurring charges in connection with DuPont-approved restructuring programs. See Note 4 to the unaudited interim Combined Financial Statements for additional information.

**Equity in Earnings of Nonconsolidated Affiliates**

Our share of the earnings of nonconsolidated affiliates was \$15 million in the third quarter of 2025, up from \$10 million in the third quarter of 2024. In the first nine months of 2025, our share of earnings of nonconsolidated affiliates was \$37 million, up from \$33 million in the first nine months of 2024. The increase for each of the three and nine month periods is due to higher earnings in the underlying nonconsolidated affiliates. See Note 10 to the unaudited interim Combined Financial Statements for additional information.

**Other Income (Expense) - Net**

Other income (expense) - net includes a variety of income and expense items such as gain or loss on sale of assets and foreign exchange gains or losses. Other income (expense) - net remained flat at \$1 million of expense in the three months ended September 30, 2025, and 2024.

In the first nine months of 2025, Other income (expense) - net was an expense of \$3 million, as compared to \$9 million of income in the first nine months of 2024. The nine months ended September 30, 2025 included \$4 million net foreign exchange loss, as compared to \$3 million net foreign exchange gain for the nine months ended September 30, 2024. See Note 6 to the unaudited interim Combined Financial Statements for additional information.

**Interest Expense**

Interest expense was \$14 million for the three and nine months ended September 30, 2025. There was no interest expense for the three and nine months ended September 30, 2024. The increase in interest expense in 2025 was driven by interest associated with the Notes (as defined herein). See Note 12 to the unaudited interim Combined Financial Statements for additional information.

**Provision for Income Taxes**

Our effective tax rate fluctuates based, among other factors, on where income is earned and the level of income relative to tax attributes. For the nine months ended September 30, 2025, the effective tax rate was 19.8%, compared with 22.4% for the nine months ended September 30, 2024. The lower effective tax rate for the first nine months of 2025 in comparison to the first nine months of 2024 resulted from a combination of certain discrete tax expenses incurred in 2024, including the settlement of an international tax audit, offset by changes to the geographic mix of earnings in 2025, including the impacts of the OECD's Global Anti-Base Erosion rules under Pillar Two in jurisdictions in which we operate.

## SEGMENT RESULTS

Our measure of profit/loss for segment reporting purposes is Operating EBITDA as this is the manner in which our CODM assesses performance and allocates resources. We define Operating EBITDA as earnings (i.e., "Income (loss) before income taxes") before interest, depreciation, amortization, non-operating pension / other post-employment benefits ("OPEB") / charges, and foreign exchange gains / losses, indirect legacy costs, and adjusted for significant items.

## SEMICONDUCTOR TECHNOLOGIES

The Semiconductor Technologies segment provides a portfolio of innovative materials and solutions utilized across multiple stages of the semiconductor manufacturing process. These advanced materials are specified into customers' roadmaps, designed to improve chip performance, enhance yield, and enable leading-edge node technology.

Semiconductor Technologies	Three Months Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
In millions				
Net sales	\$ 693	\$ 640	\$ 1,981	\$ 1,834
Operating EBITDA	\$ 240	\$ 232	\$ 713	\$ 638
Equity in earnings of nonconsolidated affiliates	\$ 14	\$ 10	\$ 38	\$ 34

Semiconductor Technologies	Three Months Ended	Nine Months Ended
Percentage change from prior year	September 30, 2025	September 30, 2025
<i>Change in Net Sales from Prior Period due to:</i>		
Local price & product mix	(1)%	(1)%
Currency	—	—
Volume	9	9
Portfolio & other	—	—
Total	8 %	8 %

Semiconductor Technologies net sales were \$693 million for the three months ended September 30, 2025, up 8% as compared to \$640 million for the three months ended September 30, 2024. Net sales increased primarily due to a 9% increase in volume slightly offset by a 1% decrease in local price and product mix. The increase in sales volume was due to ongoing end-market demand strength due to content gains in advanced nodes, share gains, and improved customer utilization rates including AI driven applications. Additionally, there was an approximate \$25 million benefit from order timing related to system cut-over activities in advance of the Separation.

Operating EBITDA was \$240 million for the three months ended September 30, 2025, up 3% as compared to \$232 million for the three months ended September 30, 2024, primarily due to volume growth partially offset by currency and selective growth investments to improve both R&D and supply chain capabilities.

Semiconductor Technologies net sales were \$1,981 million for the nine months ended September 30, 2025, up 8% as compared to \$1,834 million for the nine months ended September 30, 2024. Net sales increased primarily due to a 9% increase in volume slightly offset by a 1% decrease in local price and product mix. The increase in sales volume was due to ongoing end-market demand strength due to content gains in advanced nodes, share gains, and improved customer utilization rates including AI driven applications. Additionally, there was an approximate \$25 million benefit from order timing related to system cut-over activities in advance of the Separation.

Operating EBITDA was \$713 million for the nine months ended September 30, 2025, up 12% as compared to \$638 million for the nine months ended September 30, 2024, primarily due to volume growth partially offset by growth investments.

## INTERCONNECT SOLUTIONS

The Interconnect Solutions segment is a leading provider of materials and solutions that address the evolving complexities of signal integrity, thermal and power management and advanced packaging. These solutions are integral for advanced electronics hardware, including advanced semiconductor packaging, high density and high-layer-count printed circuit boards and high-performance electronics assemblies.

Interconnect Solutions In millions	Three Months Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Net sales	\$ 583	\$ 508	\$ 1,583	\$ 1,400
Operating EBITDA	\$ 152	\$ 135	\$ 403	\$ 331
Equity in earnings (losses) of nonconsolidated affiliates	\$ 1	\$ —	\$ (1)	\$ (1)

Interconnect Solutions Percentage change from prior year	Three Months Ended	Nine Months Ended
	September 30, 2025	September 30, 2025
<i>Change in Net Sales from Prior Period due to:</i>		
Local price & product mix	(1)%	(2)%
Currency	1	—
Volume	15	15
Portfolio & other	—	—
Total	15 %	13 %

Interconnect Solutions net sales were \$583 million for the three months ended September 30, 2025, up 15% from \$508 million for the three months ended September 30, 2024. Net sales increased primarily due to a 15% increase in volume and a 1% favorable currency impact slightly offset by a 1% decrease in local price and product mix. The increase in sales volume was due to continued demand strength from AI driven technology ramps in addition to growth from other industrial end-markets such as aerospace, defense and automotive. Additionally, there was an approximately \$15 million benefit from order timing related to system cut-over activities in advance of the Separation. The favorable currency impact is primarily driven by the Japanese yen, euro, and Taiwanese dollar.

Operating EBITDA was \$152 million for the three months ended September 30, 2025, up 13% as compared to \$135 million for the three months ended September 30, 2024, primarily due to an increase in sales volume partially offset by selective growth investments.

Interconnect Solutions net sales were \$1,583 million for the nine months ended September 30, 2025, up 13% from \$1,400 million for the nine months ended September 30, 2024. Net sales increased primarily due to a 15% increase in volume slightly offset by a 2% decrease in local price and product mix. The increase in sales volume was due to continued demand strength from AI driven technology ramps in addition to growth from other industrial end-markets such as aerospace, defense and automotive. Additionally, there was an approximately \$15 million benefit from order timing related to system cut-over activities in advance of the Separation.

Operating EBITDA was \$403 million for the nine months ended September 30, 2025, up 22% compared to \$331 million for the nine months ended September 30, 2024, primarily due to an increase in sales volume and productivity partially offset by selective growth investments.

## CHANGES IN FINANCIAL CONDITION

### Liquidity & Capital Resources

Historically, the Electronics business, as managed by DuPont, has generated positive cash flows from operations. A majority of such cash flows was transferred to DuPont in connection with our participation in DuPont's cash pooling arrangements to manage liquidity and fund operations, the effect of which is presented as net parent investment in our unaudited interim Combined Financial Statements. Our cash and cash equivalents as of September 30, 2025 reflected on the unaudited interim Combined Balance Sheets represent cash on hand at certain foreign entities as a result of local requirements.

Upon Separation, we ceased participation in DuPont cash pooling arrangements and our cash and cash equivalents will be held and used solely for our own operations. Our capital structure, long-term commitments and sources of liquidity will change meaningfully from our historical practices.

We believe our existing cash and cash flows generated from operations and indebtedness incurred in conjunction with the Separation discussed in detail below and anticipated domestic cash and cash equivalents we will retain at the completion of the Separation will be responsive to the needs of our current and planned operations for at least the next 12 months. We believe we will meet longer-term expected future cash requirements and obligations through a combination of our cash flow from operations, indebtedness incurred in conjunction with the Separation and issuances of equity securities or debt offerings, as needed.

Cash flows from operating, investing and financing activities are provided in the tables that follow. Individual amounts in the unaudited interim Combined Statements of Cash Flows exclude the effect of exchange rate impacts on cash and cash equivalents, which are presented separately in the cash flows. Thus, the amounts presented in the following operating, investing and financing activities tables reflect changes in balances from period to period adjusted for these effects.

### Summary of Cash Flows

Our cash flows from operating, investing and financing activities, as reflected in the unaudited interim Combined Statements of Cash Flows, are summarized in the following table.

Cash Flow Summary In millions	Nine Months Ended	
	September 30, 2025	September 30, 2024
Cash provided by (used for):		
Operating activities	\$ 782	\$ 775
Investing activities	\$ (214)	\$ (133)
Financing activities	\$ (616)	\$ (624)
Effect of exchange rate changes on cash and cash equivalents	\$ 10	\$ (2)

### Cash Flows from Operating Activities

In the first nine months of 2025, cash provided by operating activities was \$782 million, compared with \$775 million in the same period last year. The increase in cash provided by operating activities is primarily due to higher earnings, partially offset by an increase in net cash used for working capital. Changes in working capital were primarily driven by higher trade receivables from increased sales and higher inventory based on volume growth, partially offset by higher accounts payable resulting from purchases to support higher volumes.

The table below reflects net working capital:

Net Working Capital In millions (except ratio)	September 30, 2025	December 31, 2024
Current assets	\$ 1,621	\$ 1,483
Current liabilities	910	839
Net working capital	\$ 711	\$ 644
Current ratio	1.78:1	1.77:1

#### *Cash Flows from Investing Activities*

In the first nine months of 2025, cash used for investing activities was \$214 million, compared with \$133 million in the first nine months of 2024. The increase in cash used for investing activities is attributable to higher capital expenditures.

#### *Cash Flows from Financing Activities*

In the first nine months of 2025, cash used for financing activities was \$616 million compared with \$624 million in the same period last year. The decrease in cash used for financing activities is primarily attributable to cash proceeds from the issuance of long-term debt, partially offset by a decrease in net transfers (to) from Parent and payments for debt issuance costs.

#### *Material Cash Requirements*

In the normal course of business, we enter into contracts and commitments that oblige us to make payments in the future. Information regarding our obligations under lease, debt, commitments and pensions and are provided in Note 6, Note 12, Note 13 and Note 15, respectively, in the unaudited Combined Financial Statements for the three and nine months ended September 30, 2025 and 2024.

As a result of the Separation, as discussed in the section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations— Stand-Alone Company Expenses”, we will incur costs related to operating as a stand-alone public company and our costs under the Separation Agreements including certain cost sharing arrangements as well as indemnification obligations. While these costs are expected to be significant and we are not able to predict the full extent or timing of our future obligations, we expect the generation of cash from operations and the ability to access the debt capital markets and other sources of liquidity will continue to provide sufficient liquidity and financial flexibility to meet our obligations, and those of our subsidiaries, as they come due.

#### *Debt*

We have historically relied, via DuPont, on cash from operating activities and access to the debt capital markets and other sources of liquidity to fund our operations.

As of October 31, 2025 we have incurred indebtedness in an aggregate principal amount of \$4.1 billion. We believe that our financing arrangements, future cash from operations, and access to capital markets will provide adequate resources to fund our future cash flow needs. On August 15, 2025, we issued \$1 billion aggregate principal amount of 5.750% senior secured notes due 2032 (the "Senior Secured Notes") and \$750 million aggregate principal amount of 6.250% senior unsecured notes due 2033 (the "Senior Unsecured Notes" and, together with the Senior Secured Notes, the "Notes").

On October 31, 2025 we entered into (a) the Senior Secured Revolving Facility in the aggregate committed amount of \$1.25 billion (up to \$100 million of the Senior Secured Revolving Facility will be available for the issuance of letters of credit), and (b) the Senior Secured Term Loan Facility in the aggregate principal amount of \$2.35 billion. The Senior Secured Revolving Facility was not utilized at the consummation of the Separation, other than with respect to the issuance of letters of credit. The Notes and the Senior Secured Credit Facilities include various customary covenants including those relating to debt incurrence, liens, restricted payments, assets sales, and transactions with affiliates, changes in control, and mergers or sales of all or substantially all of our assets. See Note 12 to the unaudited interim Combined Financial Statements for additional information.

We expect to rely on cash from our own operating activities, borrowings available under our Senior Secured Revolving Facility, and access to the capital markets to fund our operations. The servicing of this debt will be supported, in part, by cash flows from our existing operations. The cost and availability of debt financing will be influenced by our future credit ratings and market conditions.

#### **Dividends**

On November 12, 2025, the Company announced that its Board of Directors declared a quarterly dividend of \$0.06 per share payable on December 15, 2025, to stockholders of record on November 28, 2025.

#### **Recently Issued Accounting Pronouncements**

For a discussion of recently issued accounting pronouncements, see Note 2 to the unaudited interim Combined Financial Statements.

#### **Critical Accounting Estimates**

There have been no material changes in our critical accounting estimates from those disclosed under the heading "Critical Accounting Estimates" in our Information Statement, dated October 15, 2025, filed as Exhibit 99.1 to our Current Report on Form 8-K filed with the SEC on October 15, 2025.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

For our disclosures about market risk, see the information under the heading "Quantitative and Qualitative Disclosures about Market Risk" in our Information Statement, dated October 15, 2025, filed as Exhibit 99.1 to our Current Report on Form 8-K filed with the Securities and Exchange Commission on October 15, 2025. There have been no material changes to our disclosure about market risk in our Information Statement.

### **ITEM 4. CONTROLS AND PROCEDURES**

#### **Evaluation of Disclosure Controls and Procedures**

As of September 30, 2025, our Chief Executive Officer (CEO) and Chief Financial Officer (CFO), together with management, conducted an evaluation of the effectiveness of our disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based on that evaluation, the CEO and CFO concluded that these disclosure controls and procedures are effective and during the three months ended September 30, 2025, there were no changes in our internal controls over financial reporting.

Prior to November 1, 2025, we relied on certain material processes and internal controls over financial reporting performed by DuPont. As a result of the Separation from DuPont on November 1, 2025, we are in the process of reviewing, revising and adopting policies, as needed, to meet all regulatory requirements applicable to us as an independent, publicly traded company. In addition, in connection with our Separation, we entered into Transition Services Agreements, pursuant to which DuPont will continue to provide certain information technology, administrative and other services on a transitional basis.

**Qnity Electronics, Inc.**  
**PART II - OTHER INFORMATION**

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**ITEM 1. LEGAL PROCEEDINGS**

In the normal course of business, the Company and its subsidiaries are subject to various litigation matters, including, but not limited to, patent infringement claims, employment claims, including alleged wage and hour violations, and commercial claims. It is the opinion of the Company's management that the possibility is remote that the aggregate of all such claims and lawsuits will have a material adverse impact on the results of operations, financial condition and cash flows of the Company.

**ITEM 1A. RISK FACTORS**

There have been no material changes in the Company's risk factors from those disclosed under the heading "Risk Factors" in our Information Statement, dated October 15, 2025, filed as Exhibit 99.1 to our Current Report on Form 8-K filed with the Securities and Exchange Commission on October 15, 2025.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

Not applicable.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None.

**ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

**ITEM 5. OTHER INFORMATION**

**Trading Arrangements**

During the three months ended September 30, 2025, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

**ITEM 6. EXHIBITS**

<b>EXHIBIT NO.</b>	<b>DESCRIPTION</b>
<a href="#"><u>2.1<sup>+</sup></u></a>	Separation and Distribution Agreement by and between DuPont de Nemours, Inc. and Qnity Electronics, Inc. (Incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K (File No. 001-42619) filed with the SEC on November 3, 2025).
<a href="#"><u>3.1</u></a>	Amended and Restated Certificate of Incorporation of Qnity Electronics, Inc. (Incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K (File No. 001-42619) filed with the SEC on November 3, 2025).
<a href="#"><u>3.2</u></a>	Certificate of Designation of Qnity Electronics, Inc. (included in Exhibit 3.2) (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-42619) filed with the SEC on November 3, 2025).
<a href="#"><u>3.3</u></a>	Amended and Restated Bylaws of Qnity Electronics, Inc. (Incorporated by reference to Exhibit 3.3 to the Company's Current Report on Form 8-K (File No. 001-42619) filed with the SEC on November 3, 2025).
<a href="#"><u>4.1</u></a>	Indenture, dated as of August 15, 2025, by and between Qnity Electronics, Inc. and U.S. Bank Trust Company, National Association, as trustee and notes collateral agent (incorporated by reference to Exhibit 10.7 to Amendment No. 4 to Qnity Electronics, Inc.'s registration statement on Form 10, filed with the U.S. Securities and Exchange Commission on September 29, 2025).
<a href="#"><u>4.2</u></a>	Indenture, dated as of August 15, 2025, by and between Qnity Electronics, Inc. and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to Exhibit 10.8 to Amendment No. 4 to Qnity Electronics, Inc.'s registration statement on Form 10, filed with the U.S. Securities and Exchange Commission on September 29, 2025).
<a href="#"><u>4.3</u></a>	First Supplemental Indenture, dated as of November 1, 2025, by and among Qnity Electronics, Inc., the U.S. Guarantors and U.S. Bank Trust Company, National Association, as trustee and notes collateral agent (Incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K (File No. 001-42619) filed with the SEC on November 3, 2025).
<a href="#"><u>4.4</u></a>	Second Supplemental Indenture, dated as of November 2, 2025, by and among Qnity Electronics, Inc., the Foreign Guarantors and U.S. Bank Trust Company, National Association, as trustee and notes collateral agent (Incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K (File No. 001-42619) filed with the SEC on November 3, 2025).
<a href="#"><u>4.5</u></a>	First Supplemental Indenture, dated as of November 1, 2025, by and among Qnity Electronics, Inc., the U.S. Guarantors and U.S. Bank Trust Company, National Association, as trustee (Incorporated by reference to Exhibit 4.5 to the Company's Current Report on Form 8-K (File No. 001-42619) filed with the SEC on November 3, 2025).
<a href="#"><u>4.6</u></a>	Second Supplemental Indenture, dated as of November 2, 2025, by and among Qnity Electronics, Inc., the Foreign Guarantors and U.S. Bank Trust Company, National Association, as trustee (Incorporated by reference to Exhibit 4.6 to the Company's Current Report on Form 8-K (File No. 001-42619) filed with the SEC on November 3, 2025).
<a href="#"><u>10.1</u></a>	Letter Agreement, dated as of June 1, 2019, by and between DuPont de Nemours, Inc. (f/k/a DowDuPont Inc.) and Corteva, Inc. (Incorporated by reference to Exhibit 10.5 to the Company's Registration Statement on Form 10, as amended (File No. 001-42619) filed with the SEC on September 29, 2025).
<a href="#"><u>10.2</u></a>	Tax Matters Agreement, effective as of November 1, 2025, by and between DuPont de Nemours, Inc. and Qnity Electronics, Inc. (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-42619) filed with the SEC on November 3, 2025).
<a href="#"><u>10.3</u></a>	Employee Matters Agreement, effective as of November 1, 2025, by and between DuPont de Nemours, Inc. and Qnity Electronics, Inc. (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K (File No. 001-42619) filed with the SEC on November 3, 2025).
<a href="#"><u>10.4</u></a>	Transition Services Agreement, effective as of November 1, 2025, by and between DuPont Specialty Products USA, LLC and EKC Advanced Electronics USA, LLC (Incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K (File No. 001-42619) filed with the SEC on November 3, 2025).
<a href="#"><u>10.5</u></a>	Intellectual Property Cross-License Agreement, effective as of November 1, 2025, by and among DuPont de Nemours, Inc., Qnity Electronics, Inc. and certain of their respective affiliates (Incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K (File No. 001-42619) filed with the SEC on November 3, 2025).
<a href="#"><u>10.6</u></a>	Legacy Liabilities Assignment Agreement, effective as of November 1, 2025, by and between DuPont de Nemours, Inc. and Qnity Electronics, Inc. (Incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K (File No. 001-42619) filed with the SEC on November 3, 2025).
<a href="#"><u>10.7</u></a>	Credit Agreement, effective as of October 31, 2025, by and among Qnity Electronics, Inc., JPMorgan Chase Bank, N.A. and the other parties thereto (Incorporated by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K (File No. 001-42619) filed with the SEC on November 3, 2025).
<a href="#"><u>10.8</u></a>	Qnity Electronics, Inc.'s Equity and Incentive Plan (Incorporated by reference to Exhibit 4.4 to the Company's Registration Statement on Form S-8 (File No. 333-291198) filed with the SEC on October 31, 2025).



<a href="#">10.9</a>	Electronics, Inc.'s Stock Accumulation and Deferred Compensation Plan for Directors (Incorporated by reference to Exhibit 4.5 to the Company's Registration Statement on Form S-8 (File No. 333-291198) filed with the SEC on October 31, 2025).
<a href="#">10.10*</a>	Qnity Electronics, Inc.'s Senior Executive Severance Plan.
<a href="#">10.11*</a>	Qnity Electronics, Inc.'s Management Deferred Compensation Plan.
<a href="#">10.12*</a>	Qnity Electronics, Inc.'s Retirement Savings Restoration Plan.
<a href="#">31.1*</a>	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
<a href="#">31.2*</a>	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
<a href="#">32.1**</a>	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
<a href="#">32.2**</a>	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

<sup>+</sup> Certain schedules or similar attachments have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The registrant agrees to furnish supplemental copies of any of the omitted schedules or attachments upon request by the SEC.

\*Filed herewith

\*\* Furnished herewith and not deemed to be “filed” for purposes of Section 18 of the Exchange Act and shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act (whether made before or after the date of this Quarterly Report on Form 10-Q), irrespective of any general incorporation language contained in such filing.

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure except for the terms of the agreements or other documents themselves, and you should not rely on them for other than that purpose. In particular, any representations and warranties made by the Company in these agreements or other documents were made solely within the specific context of the relevant agreement or document and do not apply in any other context or at any time other than the date they were made.

**Qnity Electronics, Inc.**  
**Signatures**

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Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

QNITY ELECTRONICS, INC.  
Registrant

Date: November 18, 2025

By: /s/ Michael G. Goss  
Name: Michael G. Goss  
Title: Vice President and Controller  
City: Wilmington  
State: Delaware

**Qnity Electronics, Inc.**  
**Senior Executive Severance Plan**

**ARTICLE I**

**PURPOSE**

This Senior Executive Severance Plan has been established by the Company on November 1, 2025 and the Plan is effective as of the Separation (the “Effective Date”) to provide certain senior executives of the Company with the opportunity to receive certain severance protections. The Plan, as set forth herein, is primarily intended to help retain qualified executives, maintain a stable work environment and provide economic security to eligible executives in the event of certain qualifying terminations of employment. Capitalized terms used but not otherwise defined herein have the meanings set forth in Article II.

The Plan is not intended to be included in the definitions of “employee pension benefit plan” or “pension plan” set forth under Section 3(2) of ERISA. The Plan is intended to meet the descriptive requirements of a plan constituting a “severance pay plan” within the meaning of regulations published by the Secretary of Labor at Title 29, Code of Federal Regulations, Section 2510.3-2(b). Notwithstanding the foregoing, if and to the extent that the Plan is deemed to be an “employee pension benefit plan” or “pension plan” as set forth under Section 3(2) of ERISA, then the Plan is intended, for all purposes under ERISA, to constitute a plan that is unfunded and maintained by the Company primarily for the purposes of providing deferred compensation for a select group of management or highly compensated employees.

**ARTICLE II**

**DEFINITIONS**

“Accrued Compensation” means in respect of any Participant: (i) Base Salary accrued by the Participant through, but not paid to the Participant as of, the Qualifying Termination Date, (ii) any cash incentive bonus earned by the Participant in respect of the most recent completed fiscal year preceding the Qualifying Termination but not paid to the Participant as of the Qualifying Termination Date and (iii) any vested employee benefits to which the Participant is entitled as of the Qualifying Termination Date under any employee benefit plan of the Company.

“Administrator” means the Compensation Committee or its delegate.

“Affiliate” means any entity that, directly or through one or more intermediaries, is controlled by the Company.

“Base Salary” means the Participant’s annual base salary as in effect immediately prior to the Qualifying Termination Date or, if higher, as in effect immediately prior to the occurrence of an event or circumstance constituting Good Reason.

“Beneficial Owner” has the meaning defined in Rule 13d-3 under the Exchange Act.

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“Benefit Continuation” has the meaning set forth in Section 3.02(c).

“Benefit Continuation Coverage” means (i) in the case of the CEO, three (3) years if a Qualifying Termination occurs during the Covered Period and two (2) years if a Qualifying Termination occurs outside of the Covered Period and (ii) in the case of any other Participant, two (2) years if a Qualifying Termination occurs during the Covered Period and one and one half (1.5) years if a Qualifying Termination occurs outside of the Covered Period.

“Benefit Continuation Period” means the period commencing on the Qualifying Termination Date and ending upon the earlier to occur of (i) completion of the number of years under the applicable Benefit Continuation Coverage and (ii) the date on which the Participant becomes eligible to receive coverage on substantially similar terms from another employer or, in the case of outplacement services, the date on which the Participant accepts an offer of full-time employment from a subsequent employer.

“Board” means the Board of Directors of the Company.

“Cause” shall have the meaning set forth in a Participant’s employment or other agreement with the Company; provided that if the Participant is not a party to any such employment or other agreement or such employment or other agreement does not contain a definition of Cause, then Cause shall mean (i) the willful and continued failure of the Participant to perform substantially the Participant’s duties with the Company (other than any such failure resulting from incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to the Participant by the employing Company that specifically identifies the alleged manner in which the Participant has not substantially performed the Participant’s duties or (ii) the willful engaging by the Participant in illegal conduct or misconduct that is injurious to the Company, including without limitation any breach of the Company’s Code of Business Conduct or other applicable ethics policy. The determination as to whether the Participant is being terminated for Cause shall be made after a reasonable and good faith investigation by the Board; provided, however, that Cause shall not exist under this Plan unless: (x) the Company gives written notice to the Participant of the event or condition within ninety (90) days following the Board’s actual knowledge thereof where such notice describes with particularity the alleged act(s) at issue; (y) the Company has given the Participant no fewer than thirty (30) days to remedy or otherwise cure the event or condition if curable; and (z) the Company terminates the Participant’s employment within thirty (30) days following the expiration of any cure period.

“CEO” means the Chief Executive Officer of the Company from time to time.

“Change in Control” means that the event set forth in any one of the following paragraphs shall have occurred:

(i) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company) representing 30% or more of the combined voting power of the

Company's then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (A) of paragraph (iii) below; or

(ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the date hereof, constitute the Board and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company's stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended; or

(iii) there is consummated a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation or other entity, other than (A) a merger or consolidation which results in (I) the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any subsidiary of the Company, at least 60% of the combined voting power of the securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation and (II) the individuals who comprise the Board immediately prior thereto constituting immediately thereafter at least a majority of the board of directors of the Company, the entity surviving such merger or consolidation or, if the Company or the entity surviving such merger is then a subsidiary, the ultimate parent thereof, or (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company) representing 30% or more of the combined voting power of the Company's then outstanding securities; or

(iv) the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets (it being conclusively presumed that any sale or disposition is a sale or disposition by the Company of all or substantially all of its assets if the consummation of the sale or disposition is contingent upon approval by the Company's stockholders unless the Board expressly determines in writing that such approval is required solely by reason of any relationship between the

Company and any other Person), other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity (A) at least 60% of the combined voting power of the voting securities of which are owned by stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale or disposition and (B) the majority of whose board of directors immediately following such sale or disposition consists of individuals who comprise the Board immediately prior thereto; or

(v) a corporate transaction or series of transactions involving a sale or other disposition of a business of, or operations relating to, the Company (whether by sale, spin-off, split-off, divestiture or other disposition of an organizational unit or business unit of the Company or one of its subsidiaries) that the Administrator expressly determines in its discretion, before the occurrence of such transaction or the completion of such series of transactions, to deem such transaction or series of transactions as a Change in Control for purposes of the Plan with respect to some or all of the Participants.

Notwithstanding the foregoing, (i) a Change in Control shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the holders of common shares of the Company immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of the Company immediately following such transaction or series of transactions; and (ii) to the extent necessary to avoid the imposition of adverse taxation under Section 409A of the Code, in no event will a Change in Control be deemed to have occurred if such transaction is not also a "change in the ownership or effective control of" the Company or "a change in the ownership of a substantial portion of the assets of the Company as determined under Treasury Regulation Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder).

"Code" means the Internal Revenue Code of 1986, as amended. Any reference to a section of the Code shall be deemed to include a reference to any regulations promulgated thereunder.

"Company" means Qnity Electronics, Inc., a Delaware corporation, and, except as the context otherwise requires, its Affiliates and wholly-owned subsidiaries and any successor by merger, acquisition, consolidation or otherwise.

"Compensation Committee" means the People and Compensation Committee of the Board.

"Covered Period" means the period of time beginning on the first occurrence of a Change in Control and lasting through the two-year anniversary of the occurrence of the Change in Control.

“DuPont” means DuPont de Nemours, Inc., a corporation organized under the laws of the State of Delaware.

“Effective Date” has the meaning set forth in Article I.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended. Any reference to a section of ERISA shall be deemed to include a reference to any regulations promulgated thereunder.

“Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time.

“Excise Tax” means any excise tax imposed on the Participant under Section 4999 of the Code.

“Good Reason” means, in each case without the Participant’s consent, (i) a material diminution in the Participant’s base compensation, annual target bonus opportunity or annual long-term incentive award opportunity, (ii) a material diminution in the Participant’s title, authority, duties or responsibilities, (iii) a material change in the geographic location at which the Participant must perform his/her services for the Company, (iv) a material breach by the Company of any material written agreement between the Participant and the Company or (v) the failure of any successor to expressly assume and agree to perform this Plan in accordance with Section 8.07 hereof. The Participant’s continued employment shall not constitute consent to, or a waiver of rights with respect to, any act or failure to act constituting Good Reason hereunder. For purposes of any determination regarding the existence of Good Reason, any claim by the Participant that Good Reason exists shall be presumed to be correct unless the Company establishes to the Board by clear and convincing evidence that Good Reason does not exist. Notwithstanding the foregoing, none of these events or conditions will constitute Good Reason unless: (x) the Participant provides the Company with written objection to the event or condition within ninety (90) days following the occurrence thereof; (y) the Company does not reverse or otherwise cure the event or condition within thirty (30) days of receiving that written objection; and (z) the Participant terminates his or her employment within thirty (30) days following the expiration of that cure period.

“Participant” means the CEO and the individuals identified on Exhibit A hereto.

“Person” shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof.

“Plan” means this Qnity Electronics, Inc. Senior Executive Severance Plan, as may be amended and/or restated from time to time.

“Qualifying Termination” means the termination of a Participant’s employment either by the Company without Cause or by the Participant for Good Reason.

“Qualifying Termination Date” means the date on which a Participant incurs a Qualifying Termination.

“Restricted Period” means (i) in the case of the CEO, the one and one half (12) year period following a Qualifying Termination, and (ii) in the case of any other Participant, the one (1) year period following a Qualifying Termination.

“Separation” means the consummation of the transactions contemplated by the Separation and Distribution Agreement, dated as of November 1, 2025, by and between DuPont and the Company.

“Severance Multiple” means (i) in the case of the CEO, (A) three (3) in respect of a Qualifying Termination during the Covered Period and (B) two (2) in respect of a Qualifying Termination outside the Covered Period and (ii) in the case of any other Participant, (A) two (2) in respect of a Qualifying Termination during the Covered Period and (B) one and one half (1/2) in respect of a Qualifying Termination outside the Covered Period.

“Target Annual Bonus” means a Participant’s target annual cash incentive bonus pursuant to any annual bonus or incentive plan maintained by the Company in respect of the fiscal year in which the Qualifying Termination Date occurs; provided that if the Participant is not eligible to receive a specified target annual cash incentive bonus following a Change in Control, then Target Annual Bonus shall mean such target annual cash incentive bonus in effect as of immediately prior to the date of the Change in Control.

“Total Payments” has the meaning set forth in Section 4.01.

### ARTICLE III

#### SEVERANCE

Section 3.01 Accrued Compensation. If a Participant terminates employment with the Company for any reason, the Company shall provide (or cause to be provided to) the Participant the Participant’s Accrued Compensation.

Section 3.02 Qualifying Termination.

(a) Amount. In the event a Participant incurs a Qualifying Termination, subject to the execution and nonrevocation of a general release of claims in a form and manner reasonably acceptable to the Company and compliance with the provisions of Article V, the Company shall provide (or cause to be provided to) the Participant:

(i) a lump sum cash payment equal to the product of the applicable Severance Multiple and the sum of Base Salary and Target Annual Bonus;

(ii) a lump sum cash payment equal to the product of (A) the Target Annual Bonus or the annual cash incentive bonus that would have



been paid to the Participant had there been no employment termination as calculated based on actual performance, whichever is greater, and (B) a fraction, the numerator of which is the number of days elapsed in the calendar year in which occurs the Qualifying Termination, through and including the Qualifying Termination Date, and the denominator of which is 365, to be paid at the time annual cash bonuses are paid to otherwise similarly situated active employees of the Company and in any event on or before March 15th of the year following the year in which the Qualifying Termination occurs;

(iii) Benefit Continuation during the Benefit Continuation Period, as made available immediately before the Qualifying Termination (or, if the Qualifying Termination occurs during the Covered Period, as made available immediately before the Change in Control if more favorable);

(iv) continued financial counseling and tax preparation services during the Benefit Continuation Period pursuant to Company policy from time to time, as made available immediately before the Qualifying Termination (or, if the Qualifying Termination occurs during the Covered Period, as made available immediately before the Change in Control if more favorable); and

(v) the provision of outplacement services suitable to the Participant's position during the Benefit Continuation Period pursuant to Company policy from time to time.

(b) Timing and Form of Cash Payment. Subject to Section 8.13, the payments described in Section 3.02(a)(i) and (ii) shall be made no sooner than the date on which the general release of claims becomes irrevocable but subject to Section 3.02(a)(ii) in no event later than sixty (60) days following the Qualifying Termination Date.

(c) Benefit Continuation. For purposes of this Plan, "Benefit Continuation" means that the Company shall provide (or cause to be provided) continued participation by the Participant and his or her eligible dependents in the health, dental and vision benefit plans in which the Participant participated immediately prior to the Qualifying Termination (or, if more favorable, immediately before an event giving rise to Good Reason termination rights) on the same basis as similarly situated active employees, if possible under the terms of such benefit plans. If continued participation in such plans is not possible, the Company shall provide the Participant and his or her eligible dependents with substantially equivalent coverage. Benefit Continuation shall be provided concurrently with any health care benefit required under COBRA.

Section 3.03 Notice of Termination. After a Change in Control and during the Covered Period, any purported termination of the Participant's employment (other than by reason of death) shall be communicated by written Notice of Termination from one party hereto to the other party hereto. Notices and all other communications provided for hereunder shall be in writing and shall be deemed to have been duly given when delivered or mailed by United States registered mail, return receipt requested, postage prepaid, addressed, if to the Participant, to the

most recent address shown in the personnel records of the Company and, if to the Company, to the address set forth in Section 6.01, or to such other address as either party may have furnished to the other in writing in accordance herewith. For purposes of this Plan, a “Notice of Termination” shall mean a notice which shall (i) indicate the specific termination provision in this Plan relied upon and (ii) set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Participant’s employment under the provision so indicated.

Section 3.04 Coordination of Benefits. Notwithstanding anything set forth herein to the contrary, to the extent that any severance payable under a plan or agreement covering a Participant as of the date such Participant becomes eligible to participate in this Plan constitutes deferred compensation under Section 409A of the Code, then to the extent required to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, the portion of the benefits payable hereunder equal to such other amount shall instead be provided in the form set forth in such other plan or agreement.

Section 3.05 Effect on Other Plans. Benefits provided under this Plan shall be in lieu of benefits provided under any other severance plan of the Company for which a Participant may be eligible by reason of a Qualifying Termination if the aggregate value of the benefits provided under this Plan exceeds the aggregate value of the benefits that otherwise would be provided under such other severance plan.

## ARTICLE IV

### SECTION 280G

Section 4.01 Treatment of Payments. Notwithstanding any other provision of the Plan to the contrary, in the event that any payment or benefit received or to be received by the Participant (including any payment or benefit received in connection with a Change in Control or the termination of the Participant’s employment, whether pursuant to the terms of the Plan or any other plan, arrangement or agreement) (all such payments and benefits, including the severance benefits payable hereunder, being hereinafter referred to as the “Total Payments”) would be subject (in whole or part), to the Excise Tax, then, after taking into account any reduction in the Total Payments provided by reason of Section 280G of the Code in such other plan, arrangement or agreement, the severance benefits payable hereunder shall be reduced to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax but only if the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state and local income taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments) is greater than or equal to the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state and local income taxes on such Total Payments and the amount of Excise Tax to which the Participant would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments).

Section 4.02 Ordering of Reduction. In the case of a reduction in the Total Payments pursuant to Section 4.01, the Total Payments shall be reduced in the following order: (i) payments that are payable in cash the full amount of which are treated as parachute payments under Treasury Regulation Section 1.280G-1, Q&A 24(a) shall be reduced (if necessary, to zero), with amounts that are payable last reduced first; (ii) payments and benefits due in respect of any equity the full amount of which are treated as parachute payments under Treasury Regulation Section 1.280G-1, Q&A 24(a), with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24), shall next be reduced; (iii) payments that are payable in cash that are valued at less than full value under Treasury Regulation Section 1.280G-1, Q&A 24, with amounts that are payable last reduced first, shall next be reduced; (iv) payments and benefits due in respect of any equity valued at less than full value under Treasury Regulation Section 1.280G-1, Q&A 24, with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24), shall next be reduced; and (v) all other non-cash benefits not otherwise described in clauses (ii) or (iv) shall be next reduced pro-rata.

Section 4.03 Additional Payments. If the Participant receives reduced payments and benefits by reason of this Article IV and it is established pursuant to a determination of a court of competent jurisdiction, which determination is not subject to review or as to which the time to appeal such determination has expired, or pursuant to an Internal Revenue Service proceeding, that the Participant could have received a greater amount without resulting in any Excise Tax, then the Company shall thereafter pay the Participant the aggregate additional amount which could have been paid without resulting in any Excise Tax as soon as reasonably practicable.

## ARTICLE V

### RESTRICTIVE COVENANTS

Section 5.01 Confidential Information. At all times following a Qualifying Termination of a Participant's employment with the Company, the Participant may not use or disclose, except on behalf of the Company and pursuant to the Company's directions, any Company "Confidential Information" (i.e., information concerning the Company and its business that is not generally known outside the Company or any of its past parents, subsidiaries or affiliates, and includes, but is not limited to, (a) trade secrets; (b) intellectual property; (c) information regarding the Company's present and/or future products, developments, processes and systems, including invention disclosures and patent applications; (d) information on customers or potential customers, including customers' names, sales records, prices, and other terms of sales and Company cost information; (e) Company business plans, marketing plans, financial data and projections; and (f) information received in confidence by the Company from third parties). For purposes of this Section 5.01, information regarding products, services or technological innovations in development, in test marketing or being marketed or promoted in a discrete geographic region, which information the Company is considering for broader use, shall be deemed not generally known until such broader use is actually commercially implemented.

Section 5.02 Non-Solicitation of Employees. During the Restricted Period, a Participant may not, directly or indirectly, on behalf of the Participant or any other individual, company or entity: (a) recruit, solicit or induce, or cause, allow, permit or aid others to recruit, solicit or induce, any employee or independent contractor of the Company to terminate his or her employment or engagement with the Company and/or to seek employment with the Participant's new or prospective employer, as applicable, or (b) offer employment to or hire, or cause or aid others to offer employment to or hire, any employee or independent contractor of the Company.

Section 5.03 Non-Solicitation of Customers. During the Restricted Period, a Participant may not, directly or indirectly, on behalf of the Participant or any other individual, company or entity, solicit or participate in soliciting, products or services competitive with or similar to products or services offered by, manufactured by, designed by or distributed by the Company to any individual, company or entity which was a customer or potential customer for such products or services and with which the Participant had direct or indirect contact regarding those products or services or about which the Participant learned Confidential Information at any time during the two (2) years immediately preceding the Qualifying Termination Date that the Participant was employed or engaged by the Company or DuPont or any of its direct or indirect subsidiaries.

Section 5.04 Non-Competition Regarding Products or Services. During the Restricted Period, a Participant may not, directly or indirectly, on behalf of the Participant or any other individual, company or entity, in any capacity, provide products or services competitive with or similar to products or services offered by the Company to any individual, company or entity which was a customer for such products or services and with which customer the Participant had direct or indirect contact regarding those products or services or about which customer the Participant learned Confidential Information at any time during the two (2) years immediately preceding the Qualifying Termination Date that the Participant was employed or engaged by the Company or DuPont or any of its direct or indirect subsidiaries.

Section 5.05 Non-Competition Regarding Activities. During the Restricted Period, a Participant may not, directly or indirectly, on behalf of the Participant or any other individual, company or entity, in any capacity, engage in activities which are (a) entirely or in part the same as or similar to activities in which the Participant engaged, for or on behalf of the Company or DuPont or any of its direct or indirect subsidiaries, at any time during the two (2) years immediately preceding the Qualifying Termination Date, and (b) in connection with products, services or technological developments (existing or planned) that are entirely or in part the same as, similar to, or competitive with, any products, services or technological developments (existing or planned) on which the Participant worked, for or on behalf of the Company or DuPont or any of its direct or indirect subsidiaries, at any time during the two (2) years immediately preceding the Qualifying Termination Date. This Section 5.05 applies in countries in which the Participant has physically been present performing work for the Company or DuPont or any of its direct or indirect subsidiaries at any time during the two (2) years immediately preceding the Qualifying Termination Date.

Section 5.06 Non-Disparagement. At all times following a Qualifying Termination, subject to Section 5.07 below, the Participant may not, except to the extent required by law or legal process, make, or cause to be made, any statement or communicate any information (whether oral or written) that disparages or reflects negatively on the Company or any of its officers, directors, partners, shareholders, attorneys, employees and agents.

Section 5.07 Permitted Disclosures. Notwithstanding anything to the contrary in this Plan, pursuant to 18 U.S.C. § 1833(b), each Participant understands that the Participant will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret of the Company that (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or the Participant's attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Notwithstanding anything to the contrary in this Plan, each Participant understands that if the Participant files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Participant may disclose the trade secret to the Participant's attorney and use the trade secret information in the court proceeding if the Participant (x) files any document containing the trade secret under seal, and (y) does not disclose the trade secret, except pursuant to court order. Nothing in this Plan or any agreement that the Participant has with the Company is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such section. Further, nothing in this Plan or any agreement that a Participant has with the Company shall prohibit or restrict the Participant from making any voluntary disclosure of information or documents concerning possible violations of law to any governmental agency or legislative body, or any self-regulatory organization, in each case, without advance notice to the Company.

Section 5.08 Reasonableness. In consideration of receiving payments and benefits hereunder upon a Qualifying Termination, each Participant hereby acknowledges that (a) the Participant's obligations under this Article V are reasonable in the context of the nature and scope of the Company's business and the competitive injuries likely to be sustained by the Company if the Participant were to violate such obligations and (b) the payments and benefits provided under this Plan are made in consideration of, and are adequately supported by, the agreement of the Company to perform its obligations under this Plan and by other consideration, which the Participant acknowledges constitutes good, valuable and sufficient consideration.

## ARTICLE VI

### CLAIMS PROCEDURES

Section 6.01 Initial Claims. A Participant who believes he or she is entitled to a payment under the Plan that has not been received may submit a written claim for benefits to the

Plan within one hundred and twenty (120) days after the Participant's Qualifying Termination Date. Claims should be addressed and sent to:

Qnity Electronics, Inc.  
974 Centre Road, Building 735  
Wilmington, DE 19805  
Attention: Corporate Secretary

If the Participant's claim is denied, in whole or in part, the Participant shall be furnished with written notice of the denial within ninety (90) days after the Administrator's receipt of the Participant's written claim, unless special circumstances require an extension of time for processing the claim, in which case a period not to exceed one hundred and eighty (180) days shall apply. If such an extension of time is required, written notice of the extension shall be furnished to the Participant before the termination of the initial ninety (90)-day period and shall describe the special circumstances requiring the extension, and the date on which a decision is expected to be rendered. If written notice of denial of the claim for benefits is not furnished within the specified time, the claim shall be deemed to be denied. The Participant shall then be permitted to appeal the denial in accordance with Section 6.02 below. Written notice of the denial of the Participant's claim shall contain the following information:

- (a) the specific reason or reasons for the denial of the Participant's claim;
- (b) references to the specific Plan provisions on which the denial of the Participant's claim was based;
- (c) a description of any additional information or material required by the Administrator to reconsider the Participant's claim (to the extent applicable) and an explanation of why such material or information is necessary; and
- (d) a description of the Plan's review procedures and time limits applicable to such procedures, including a statement of the Participant's right to bring a civil action under Section 502(a) of ERISA following a benefit claim denial on review.

Section 6.02 Appeal of Denied Claims. If the Participant's claim is denied (or deemed denied) and he or she wishes to submit a request for a review of the denied claim, the Participant or his or her authorized representative must follow the procedures described below:

- (a) Upon receipt of the denied claim, the Participant (or his or her authorized representative) may file a request for review of the claim in writing with the Administrator. This request for review must be filed no later than sixty (60) days after the Participant has received written notification of the denial (or no later than sixty (60) days after the claim is deemed denied).

(b) The Participant has the right to submit in writing to the Administrator any comments, documents, records or other information relating to his or her claim for benefits.

(c) The Participant has the right to be provided with, upon request and free of charge, reasonable access to and copies of all pertinent documents, records and other information that is relevant to his or her claim for benefits.

(d) A request for review must set forth all of the grounds on which it is based, all facts in support of the request and any other matters that the Participant feels are pertinent.

(e) The review of the denied claim shall take into account all comments, documents, records and other information that the Participant submitted relating to his or her claim, without regard to whether such information was submitted or considered in the initial denial of his or her claim.

(f) The Administrator may require the Participant to submit additional facts, documents or other material as he or she may find necessary or appropriate in making his or her review.

Section 6.03 Administrator's Response to Appeal. The Administrator shall provide the Participant with written notice of its decision within sixty (60) days after the Administrator's receipt of the Participant's written claim for review. There may be special circumstances which require an extension of this sixty (60)-day period. In any such case, the Administrator shall notify the Participant in writing within the sixty (60)-day period and the final decision shall be made no later than one hundred and twenty (120) days after the Administrator's receipt of the Participant's written claim for review. This notice of extension shall describe the special circumstances necessitating the additional time and the date by which the Administrator is to render his or her decision on review. The Administrator's decision on the Participant's claim for review shall take into account all comments, documents, records and other information submitted by the applicant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination, shall be communicated to the Participant in writing and shall clearly state:

(a) the specific reason or reasons for the denial of the Participant's claim;

(b) reference to the specific Plan provisions on which the denial of the Participant's claim is based;

(c) a statement that the Participant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, the Plan and all documents, records and other information relevant to his or her claim for benefits; and

- (d) a statement describing the Participant's right to bring an action under Section 502(a) of ERISA.

Section 6.04 Exhaustion of Administrative Remedies. The exhaustion of these claims procedures is mandatory for resolving every claim and dispute arising under the Plan. As to such claims and disputes:

(a) no claimant shall be permitted to commence any legal action to recover benefits or to enforce or clarify rights under the Plan under Section 502 or Section 510 of ERISA or under any other provision of law, whether or not statutory, until these claims procedures have been exhausted in their entirety; and

(b) in any such legal action, all explicit and implicit determinations by the Administrator (including but not limited to determinations as to whether the claim, or a request for a review of a denied claim, was timely filed) shall be afforded the maximum deference permitted by law.

## ARTICLE VII

### ADMINISTRATION, AMENDMENT AND TERMINATION

Section 7.01 Administration. The Administrator has the exclusive right, power and authority, in its sole and absolute discretion, to administer and interpret the Plan. The Administrator has all powers reasonably necessary to carry out its responsibilities under the Plan including (but not limited to) the sole and absolute discretionary authority to:

- (a) administer the Plan according to its terms and to interpret Plan policies and procedures;
- (b) resolve and clarify inconsistencies, ambiguities and omissions in the Plan and among and between the Plan and other related documents;
- (c) take all actions and make all decisions regarding questions of eligibility and entitlement to benefits, and benefit amounts;
- (d) make, amend, interpret, and enforce all appropriate rules and regulations for the administration of the Plan;
- (e) process and approve or deny all claims for benefits; and
- (f) decide or resolve any and all questions, including benefit entitlement determinations and interpretations of the Plan, as may arise in connection with the Plan.

The decision of the Administrator on any disputes arising under the Plan, including (but not limited to) questions of construction, interpretation and administration shall be final, conclusive and binding on all persons having an interest in or under the Plan. The Administrator



may delegate any of its duties hereunder to such person or persons from time to time as it may designate. Any such delegation shall be in writing.

Section 7.02 Amendment and Termination. The Plan may be amended or terminated by the Compensation Committee or the Board of Directors of the Company at any time; provided that, without the consent of an affected Participant, the Plan may not be amended or terminated in respect of the Participant during the twenty-four (24) months immediately following a Change in Control or following such Participant's Qualifying Termination. The CEO or chief human resources officer of the Company may amend Exhibit A from time to time to add, but not remove, individuals who are employees of the Company but who are not executive officers under the Exchange Act.

## ARTICLE VIII

### GENERAL PROVISIONS

Section 8.01 At-Will Employment. The Plan does not alter the status of each Participant as an at-will employee of the Company. Nothing contained herein shall be deemed to give any Participant the right to remain employed by the Company or to interfere with the rights of the Company to terminate the employment of any Participant at any time, with or without Cause.

Section 8.02 Effect on Other Plans, Agreements and Benefits.

(a) Each Participant who incurs a Qualifying Termination shall remain entitled to any benefits to which he or she would otherwise be entitled under the terms and conditions of the Company's tax-qualified retirement plans and non-qualified deferred compensation plans and nothing contained in the Plan is intended to waive or relinquish the Participant's vested rights in such benefits.

(b) Any severance benefits payable to a Participant under the Plan shall not be counted as compensation for purposes of determining benefits under any other benefit policies or plans of the Company, except to the extent expressly provided therein.

(c) The treatment of any equity incentive compensation awards made to a Participant shall be governed by the terms of the applicable equity plan and equity award agreement.

Section 8.03 Mitigation. Except as provided in Section 3.02(c) or by reason of the definition of Benefit Continuation Period, the amount of any payment or benefit provided for in this Plan shall not be reduced by any compensation earned by the Participant as the result of employment by another employer, by retirement benefits, by offset against any amount claimed to be owed by the Participant to the Company, or otherwise.

Section 8.04 Severability. The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision of the Plan. If any provision of the Plan is held by a court of competent jurisdiction to be illegal, invalid, void or unenforceable, such provision shall be deemed modified, amended and narrowed to the extent necessary to render such provision legal, valid and enforceable, and the other remaining provisions of the Plan shall not be affected but shall remain in full force and effect.

Section 8.05 Headings and Subheadings; Gender. Headings and subheadings contained in the Plan are intended solely for convenience and no provision of the Plan is to be construed by reference to the heading or subheading of any section or paragraph. References in this Plan to any gender include references to all genders, and references to the singular include references to the plural and vice versa.

Section 8.06 Unfunded Obligations. The amounts to be paid to Participants under the Plan are unfunded obligations of the Company. The Company is not required to segregate any monies or other assets from its general funds with respect to these obligations. Participants shall not have any preference or security interest in any assets of the Company other than as a general unsecured creditor.

Section 8.07 Successors. The Plan shall be binding upon any successor to the Company, its assets, its businesses or its interest (whether as a result of the occurrence of a Change in Control or otherwise), in the same manner and to the same extent that the Company would be obligated under the Plan if no succession had taken place. In the case of any transaction in which a successor would not by the foregoing provision or by operation of law be bound by the Plan, the Company shall require any successor to the Company to expressly assume the Plan in writing and honor the obligations of the Company hereunder, in the same manner and to the same extent that the Company would be required to perform if no succession had taken place. All payments and benefits that become due to a Participant under the Plan shall inure to the benefit of his or her heirs, assigns, designees or legal representatives.

Section 8.08 Transfer and Assignment. Neither a Participant nor any other person shall have any right to sell, assign, transfer, pledge, anticipate or otherwise encumber, transfer, hypothecate or convey any amounts payable under the Plan prior to the date that such amounts are paid, except that, in the case of a Participant's death, such amounts shall be paid to the Participant's beneficiaries.

Section 8.09 Waiver. Any party's failure to enforce any provision or provisions of the Plan shall not in any way be construed as a waiver of any such provision or provisions, nor prevent any party from thereafter enforcing each and every other provision of the Plan.

Section 8.10 Governing Law. To the extent not pre-empted by federal law, the Plan shall be construed in accordance with and governed by the laws of the State of Delaware without regard to conflicts of law principles. Any action or proceeding to enforce the provisions of the Plan shall be brought only in a state or federal court located in the State of Delaware in New Castle County and each party consents to the venue and jurisdiction of such court.

Section 8.11 Clawback. Any amounts payable under the Plan are subject to any policy (whether in existence as of the Effective Date or later adopted) established by the Company providing for clawback or recovery of amounts that were paid to the Participant. The Company shall make any determination for clawback or recovery in its sole discretion and in accordance with any applicable law or regulation.

Section 8.12 Withholding. The Company shall have the right to withhold from any amount payable hereunder any Federal, state and local taxes in order for the Company to satisfy any withholding tax obligation it may have under any applicable law or regulation.

Section 8.13 Section 409A. The intent of the Company and the Participants is that payments and benefits under this Plan be exempt from, or comply with, Section 409A of the Code, and accordingly, to the maximum extent permitted, this Plan shall be interpreted and administered to be in accordance therewith. Notwithstanding anything contained herein to the contrary, a Participant shall not be considered to have terminated employment with the Company for purposes of any payments under this Plan which are subject to Section 409A of the Code until the Participant would be considered to have incurred a "separation from service" within the meaning of Section 409A of the Code. Each amount to be paid or benefit to be provided under this Plan shall be construed as a separate identified payment for purposes of Section 409A of the Code, and any payments described in this Plan that are due within the "short term deferral period" as defined in Section 409A of the Code shall not be treated as deferred compensation unless applicable law requires otherwise. Without limiting the foregoing and notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Plan during the six (6)-month period immediately following a Participant's separation from service shall instead be paid on the first business day after the date that is six (6) months following the Participant's separation from service (or, if earlier, death). To the extent required to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, amounts reimbursable to the Participant under this Plan shall be paid to the Participant on or before the last day of the year following the year in which the expense was incurred and the amount of expenses eligible for reimbursement (and in-kind benefits provided) during any one year may not effect amounts reimbursable or provided in any subsequent year. The Company makes no representation that any or all of the payments described in this Plan shall be exempt from or comply with Section 409A of the Code and makes no undertaking to preclude Section 409A of the Code from applying to any such payment. The Participant shall be solely responsible for the payment of any taxes and penalties

incurred under Section 409A of the Code. Notwithstanding anything in this Plan to the contrary, in the event any payments hereunder could occur in one of two calendar years as a result of being dependent upon the general release of claims becoming nonrevocable, then, to the extent required to avoid penalties under Section 409A of the Code, such payments shall commence or be made on the first regularly scheduled payroll date of the Company, following the date the general release of claims becomes nonrevocable, that occurs in the second of such two calendar years.

**EXHIBIT A**

**Schedule of Participants other than CEO**

**Qnity Electronics, Inc.**  
**Management Deferred Compensation Plan**

**Effective November 1, 2025**

**Article 1**

**PURPOSE & SPIN-OFF**

Article 1     Purpose. Qnity Electronics, Inc. (the “Company”) desires to provide certain of its employees with an opportunity to accumulate additional retirement savings through voluntary compensation deferral contributions to a plan intended to constitute a non-qualified deferred compensation plan which, in accordance with Sections 201(2), 301(a)(3) and 401(a)(1) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), is unfunded and maintained by the Company primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees. The Company intends that a participant’s compensation deferrals, and the earnings thereon, will not be subject to federal income tax until such amounts are paid or made available to the participant.

Section 1.02 Spin-Off. Effective as of the Effective Date, DuPont de Nemours, Inc. (“DuPont”) distributed its interest in the Company to DuPont’s shareholders and agreed to assume elections and deferrals made under DuPont’s Management Deferred Compensation Plan (the “DuPont MDCP”) with respect to calendar years through 2026 by certain participants therein (the “Effective Date Participants”), all as more fully described in that certain Employee Matters Agreement dated November 1, 2025 by and among the Company and DuPont (as it may be amended from time to time). This Plan document governs such elections and deferrals, which notwithstanding anything herein to the contrary shall remain subject to the terms and conditions that governed them under the DuPont MDCP and also provides for participation in the Plan in respect of 2026 by Eligible Employees who first become Eligible Employees during 2025 on or after the Effective Date.

**ARTICLE 2**

**DEFINITIONS**

01.     “Account” means each account established on the books of account of the Employer to reflect the balance of Plan benefits attributable to a Participant. An Account shall be credited or debited, as applicable, with Deferral Contributions and Credited Investment Return, and any payments made by the Employer to the Participant or the Participant’s Beneficiary pursuant to this Plan. A Participant’s Account shall be divided into Directed Investment Subaccounts, with respect to which he/she shall be permitted to make Deemed Investment Elections.

Section 2.02     “Active Participant” means a Participant on whose behalf a current Deferral Election is in effect.

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Section 2.03 “Administrator” means the Benefit Plan Administrative Committee appointed by the Senior Vice President - HR of the Company.

Section 2.04 “Affiliate” means any corporation, organization or entity which is under common control with the Company or which is otherwise required to be aggregated with the Company pursuant to paragraphs (b), (c), (m), or (o) of Section 414 of the Code.

Section 2.05 “Base Salary” means the basic pay from the Employer (excluding LTI Awards and STI Awards, distributions from nonqualified deferred compensation plans, commissions, overtime, severance, fringe benefits, stock options and other equity awards, relocation expenses, incentive payments, non-monetary awards, automobile and other allowances (whether or not such allowances are included in the Employee’s gross income) and other non-regular forms of compensation paid to a Participant for employment services rendered). Base Salary shall be calculated before reduction for compensation voluntarily deferred or contributed by the Participant pursuant to all qualified or nonqualified plans of any Employer and shall be calculated to include amounts not otherwise included in the Participant’s gross income under Code Sections 125, 132, 402(e)(3), 402(h), or 403(b) pursuant to plans or arrangements established by any Employer; provided, however, that all such amounts will be included in Base Salary only to the extent that had there been no such plan, the amount would have been payable in cash to the Employee. Notwithstanding anything in this Plan to the contrary, Base Salary shall not include any amount paid pursuant to a long-term disability plan or pursuant to a long-term disability insurance policy.

Section 2.06 “Base Salary Deferral Eligible Employee” means any U.S.-based employee of the Employer who is designated from time to time by the Employer as eligible to defer the payment of Base Salary in accordance with Article 4 hereof.

Section 2.07 “Beneficiary” means the person or persons designated as such pursuant to Article 7 hereof

Section 2.08 “Change in Control” means an objectively determined event that occurs with respect to the Company or the Employer for whom the Participant renders services and which constitutes both a Change in Control for purposes of the Equity and Incentive Plan and change in the ownership or effective control of the Company or Employer, as applicable, or in the ownership of a substantial portion of the Company’s or Employer’s, as applicable, assets for purposes of Code Section 409A.

Section 2.09 “Code” means the Internal Revenue Code of 1986, as amended, and the regulations and rulings issued thereunder.

Section 2.10 “Common Stock Unit” means a notional unit representing one share of common stock of the Company.

Section 2.11 “Credited Investment Return” means the hypothetical gain or loss credited to a Participant’s Directed Investment Subaccounts pursuant to Article 5 hereof.

Section 2.12 “Deemed Investment Election” means the selection by a Participant, pursuant to Article 5 hereof, of Investment Options in which his/her Directed Investment Subaccounts shall be deemed invested.

Section 2.13 “Deferral Contributions” means the elective contributions made to the Plan by a Participant pursuant to Article 4 hereof.

Section 2.14 “Deferral Election” means an election, pursuant to Article 4 hereof, to defer receipt of Base Salary or STI Awards. Deferral Elections shall be made in accordance with the procedures established by the Administrator for that purpose. “Directed Investment Subaccount” means that portion of a Participant’s Account to which a Participant’s Deferral Contributions of Base Salary and STI Awards, and Credited Investment Return attributable thereto, will be allocated and with respect to which he/she may make Deemed Investment Elections in accordance with Article 5 hereof. A Participant may maintain no more than five (5) Directed Investment Subaccounts under this Plan.

Section 2.15 “Effective Date” means November 1, 2025.

Section 2.16 “Eligible Employee” means any Base Salary Deferral Eligible Employee or STI Deferral Eligible Employee.

Section 2.17 “Employer” means the Company and any Affiliate which, with the consent of the Company, adopts this Plan.

Section 2.18 “Equity and Incentive Plan” means the Company’s Equity and Incentive Plan.

Section 2.19 “Form of Payment” means either (i) a lump sum or (ii) annual installments (for up to ten (10) years); provided that annual installments where the Payment Event is a specified date shall be limited to no more than five (5) years. In the event of a Participant’s death, his/her remaining Account balance will be distributable in a single lump sum.

Section 2.20 “Identification Date” means each December 31.

Section 2.21 “Investment Options” means one or more alternatives designated from time to time, pursuant to Article 5 hereof, for purposes of crediting earnings or losses to Directed Investment Subaccounts.

Section 2.22 “LTI Award” means an award of RSUs or PSUs.

Section 2.23 “Participant” means any Eligible Employee who has elected to participate in the Plan by completing the appropriate forms (including electronic forms) prescribed by the Administrator for that purpose.

Section 2.24 “Payment Event” means any of the following:



(a) Separation from Service (or in any year up to two years following a Separation from Service as specified at the time the Deferral Election is made)

(b) The earlier of (i) Separation from Service or (ii) a specified date

Notwithstanding the foregoing, in the event of a Participant's death, his/her remaining Account balance will automatically be distributed to his/her Beneficiary in a single lump sum no later than December 31<sup>st</sup> of the calendar year following the calendar year of the Participant's death.

Section 2.25 "Plan" means this Qnity Electronics, Inc. Management Deferred Compensation Plan.

Section 2.26 "Plan Year" means the twelve (12) month period beginning January 1 and ending December 31.

Section 2.27 "PSU" means a performance-based restricted stock unit granted under the Equity and Incentive Plan.

Section 2.28 "Qualified Leave" means military leave, sick leave, or other bona fide leave of absence if the period of such leave does not exceed six months, or if longer, so long as the individual retains a right to reemployment with the service recipient under an applicable statute or by contract. A leave of absence constitutes a bona fide leave of absence only if there is a reasonable expectation that the employee will return to perform services for the employer. If the period of leave exceeds six months and the individual does not retain a right to reemployment under an applicable statute or by contract, the employment relationship is deemed to terminate on the first date immediately following such six-month period.

Section 2.29 "RSU" means a time-vested restricted stock unit granted under the Equity and Incentive Plan.

Section 2.30 "Section 16 Person" means any employee who is subject to the reporting requirements of Section 16(a) or the liability provisions of Section 16(b) of the Securities and Exchange Act of 1934, as amended.

Section 2.31 "Separation from Service" means a "separation from service" as defined in Treasury Regulation Section 1.409A-1(h).

Section 2.32 "Similar Plan" means a plan required to be aggregated with this Plan under Treasury Regulation Section 1.409A-1(c)(2)(i)(A).

Section 2.33 "Specified Employee" means an officer of the Employer at any time during the 12-month period ending on an Identification Date. If a Participant is a Specified Employee as of an Identification Date, such Participant is treated as a Specified Employee for the 12-month period beginning on the first day of the first month following the Identification Date.

Section 2.34 “STI Award” means a cash-based award under the Equity and Incentive Plan or the Company’s Annual Incentive Plan

Section 2.35 “STI Deferral Eligible Employee” means any U.S.-based employee of the Employer who is designated from time to time by the Employer as eligible to defer the payment of an STI Award in accordance with Article 4 hereof.

### **Article 3**

#### **ELIGIBILITY**

Section 3.01 Procedure For and Effect of Admission. Each Eligible Employee who desires to participate in this Plan shall complete such forms (including electronic forms) and provide such data as is reasonably required by the Administrator. By becoming a Participant, an Eligible Employee shall be deemed to have consented to the provisions of this Plan and all amendments hereto.

Section 3.02 Cessation of Participation. A Participant shall cease to be an Active Participant on the earlier of:

- (a) The date on which the Plan terminates;
- (b) The date on which he/she ceases to be an Eligible Employee; or
- (c) The date on which he/she is permitted by the Administrator to terminate Deferral Contributions to the Plan.

A former Active Participant will be considered a Participant for all purposes, except with respect to the right to make contributions, as long as he/she retains an Account.

### **Article 4**

#### **DEFERRAL ELECTIONS**

Section 4.01 Annual Deferral Elections.

(a) Deferral Contributions of Base Salary. A Base Salary Deferral Eligible Employee may elect to defer a percentage, not to exceed 60%, of his/her Base Salary payable with respect to services performed during the Plan Year; provided, however, that such Deferral Election shall be made (i) during the open enrollment period established by the Administrator for that purpose and (ii) on or before the last day of the calendar year preceding the first day of the Plan Year to which such Deferral Election relates. Any election made pursuant to this section shall remain in effect unless and until changed by the Participant; provided, however, that with respect to Base Salary earned in any future taxable year, such election becomes irrevocable on December 31 of the preceding calendar year.

(b) Deferral Contributions of STI Awards. An STI Deferral Eligible Employee may elect to defer a percentage, not to exceed 80%, of an STI Award; provided, however, that (i) such STI Deferral Eligible Employee performs services continuously from the later of the beginning of the performance period or the date the performance criteria are established through the date the election to defer is made and (ii) such Deferral Election is made (A) during the open enrollment period established by the Administrator for that purpose and

(B) on or before the date that is six months before the end of the performance period over which the STI Award shall be determined. Any election made pursuant to this section shall remain in effect unless and until changed by the Participant; provided, however, that with respect to any STI Award earned during any future taxable year, such election becomes irrevocable on the date that is six months before the end of the performance period over which the STI Award shall be determined.

Section 4.02 Initial Distribution Elections.

(a) Directed Investment Subaccounts. A Participant may elect to establish up to five (5) Directed Investment Subaccounts under his/her Account. At the time a Participant establishes a Directed Investment Subaccount, he/she must also elect a Payment Event and Form of Payment with respect to such subaccount. When making a Deferral Election with respect to Base Salary or STI Awards, a Participant shall designate: (i) to which Directed Investment Subaccounts amounts deferred pursuant to that election, and Credited Investment Return attributable thereto, shall be allocated; and (ii) how those amounts shall be allocated among the designated Directed Investment Subaccounts. If a Participant fails to establish a Directed Investment Subaccount or fails to designate the Directed Investment Subaccount(s) to which his/her Deferral Contributions of Base Salary or STI Awards should be allocated, such Deferral Contributions shall be allocated to the default Directed Investment Subaccount established by the Administrator. The Payment Event with respect to such default Directed Investment Subaccount shall be Separation of Service and the Form of Payment shall be a lump sum.

**Article 5**

**INVESTMENT OF ACCOUNTS**

Section 5.01 Investment Options. The Administrator shall designate from time to time one or more Investment Options in which a Participant's Directed Investment Subaccounts may be deemed invested. The Administrator shall have the sole discretion to determine the number of Investment Options to be designated hereunder and the nature of the Investment Options and may change or eliminate any of the Investment Options from time to time. In the event of such change or elimination, the Administrator shall give each Participant timely notice and opportunity to make a new election. No such change or elimination of any Investment Options shall be considered to be an amendment to the Plan pursuant to Section 9.01.

Section 5.02 Making Deemed Investment Elections. A Participant shall select one or more Investment Options in which his/her Directed Investment Subaccounts shall be deemed invested. Separate Deemed Investment Elections may be made with respect to each Directed Investment Subaccount. Any such election shall be made by filing with the Administrator the appropriate form prescribed for that purpose. The Administrator shall establish procedures relating to Deemed Investment Elections. Deemed Investment Elections shall remain in effect until changed by a Participant pursuant to Section 5.03.

Section 5.03 Changes to Deemed Investment Elections. A Participant may request a change to his/her Deemed Investment Elections for future amounts allocated to his/her Directed Investment Subaccount and amounts already allocated to his/her Directed Investment Subaccount. Any such change shall be made by filing with the Administrator the appropriate

form (including electronic forms) prescribed by the Administrator for that purpose. The Administrator shall establish procedures relating to changes in Deemed Investment Elections, which may include limiting the percentage, amount and frequency of such changes and specifying the effective date for any such changes.

Section 5.04 Crediting or Debiting of Investment Experience. Each Participant's Directed Investment Subaccount shall be credited or debited, as applicable, daily with the amount which the Participant's Directed Investment Subaccount would have earned or lost, as applicable, if the amounts credited to such account had, in fact, been invested in accordance with the Participant's Deemed Investment Elections.

## **Article 6**

### **PAYMENT OF ACCOUNTS**

Section 6.01 Payment in General. Upon the occurrence of a Payment Event that is a Separation from Service, the Employer shall, within 90 days thereafter, commence payment of the applicable Distribution Subaccount(s) to the Participant, or his/her Beneficiary, as applicable, in the Form of Payment elected by the Participant with respect thereto. Upon the occurrence of a Payment Event that is a specified date, the Employer shall commence payment of the applicable Subaccount to the Participant on such specified date in the Form of Payment elected by the Participant with respect thereto. The amount of each payment made pursuant to this section shall be based upon the fair market value of the Participant's Account as of the latest practicable date preceding the payment date and the number of remaining scheduled payments due.

Section 6.02 Specified Employees. Notwithstanding Section 6.01, upon the occurrence of a Payment Event that is a Separation from Service (other than on account of death), the Employer shall commence payment of the applicable Distribution Subaccount(s) to the Participant in the Form of Payment elected by the Participant with respect thereto on the later of: (1) the date that is six months and one day after such Payment Event; or (2) the date on which such payment was otherwise scheduled to commence.

## **Article 7**

### **BENEFICIARY DESIGNATION**

Section 7.01 Right to Designate Beneficiary. The Participant will have the right, at any time, to designate any person or persons as Beneficiary (both primary and contingent) to whom payment under the Plan will be made in the event of the Participant's death. The Beneficiary designation will be effective when it is submitted in writing or electronically to the Administrator during the Participant's lifetime on a form prescribed by the Administrator.

Section 7.02 Cancellation/Revocation of Beneficiary Designation. The submission of a new Beneficiary designation will cancel all prior Beneficiary designations.

Section 7.03 Failure to Designate Beneficiary or Death of Beneficiary. If a Participant fails to designate a Beneficiary as provided above, or if every person designated as

Beneficiary predeceases the Participant, then the Administrator will direct the distribution of the benefits to the Participant's estate. If a primary Beneficiary dies after commencement of the Participant's death but prior to completion of benefits under this Plan, and no contingent Beneficiary has been designated by the Participant, any remaining payments will be paid to the Beneficiary's estate.

## **Article 8**

### **PLAN ADMINISTRATION**

Section 8.01 Administrator's Responsibilities. The Administrator is responsible for the day to day administration of the Plan. The Administrator may appoint other persons or entities to perform certain of its functions. Such appointment shall be made and accepted by the appointee in writing and shall be effective upon the written approval of the Company. The Administrator and any such appointee may employ advisors and other persons necessary or convenient to help him/her carry out his/her duties. The Administrator shall have the right to remove any such appointee from his/her position. Any person, group of persons or entity may serve in more than one capacity.

Section 8.02 Records and Accounts. All individual and group records relating to Participants and Beneficiaries, and all other records necessary for the proper operation of the Plan, shall be made available to the Employer and to each Participant and Beneficiary for examination during business hours except that a Participant or Beneficiary shall examine only such records as pertain exclusively to the examining Participant or Beneficiary and those records and documents relating to all Participants generally.

Section 8.03 Administrator's Specific Powers and Duties. In addition to any powers, rights and duties set forth elsewhere in the Plan, the Administrator shall have the following powers and duties:

- (a) to adopt such rules and regulations consistent with the provisions of the Plan;
- (b) to enforce the Plan in accordance with its terms and any rules and regulations it establishes;
- (c) to maintain records concerning the Plan sufficient to prepare reports, returns and other information required by the Plan or by law;
- (d) to construe and interpret the Plan and to resolve all questions arising under the Plan;
- (e) to direct the Employer to pay benefits under the Plan, and to give such other directions and instructions as may be necessary for the proper administration of the Plan;
- (f) to engage assistants and professional advisors.

Section 8.04 Construction of the Plan. The Administrator shall have the sole and absolute discretion to interpret the Plan and shall resolve all questions arising in the administration, interpretation and application of

the Plan. The Administrator shall correct any defect, reconcile any inconsistency, or supply any omission with respect to this Plan. All such corrections, reconciliations, interpretations and completions of Plan provisions shall be final and binding upon the parties.

Section 8.05 Employer's Responsibility to Administrator. Each Employer shall furnish the Administrator such data and information as it may require. The records of the Employer shall be determinative of each Participant's period of employment, termination of employment and the reason therefor, leave of absence, reemployment, years of service, personal data, and compensation reductions. Participants and their Beneficiaries shall furnish to the Administrator such evidence, data, or information, and execute such documents, as the Administrator requests.

Section 8.06 Engagement of Assistants and Advisers; Plan Expenses. The Administrator shall have the right to hire such professional assistants and consultants as it, in its sole discretion, deems necessary or advisable, including, but not limited to:

- (a) investment managers and/or advisers;
- (b) accountants;
- (c) actuaries;
- (d) attorneys;
- (e) consultants; and
- (f) clerical and office personnel.

Section 8.07 Liability. Neither the Administrator nor the Employer shall be liable to any person for any action taken or omitted in connection with the administration of this Plan unless attributable to its own fraud or willful misconduct; nor shall the Employer be liable to any person for such action unless attributable to fraud or willful misconduct on the part of a director, officer or employee of the Employer.

Section 8.08 Payment of Expenses. If directed by the Company, expenses of the Administrator incurred in the operation or administration of this Plan shall be charged against the Participant's Accounts to which the expense relates. If an expense is applicable to more than one Participant's Accounts, the expense shall be allocated among such Participants' Accounts in a non-discriminatory manner as determined by the Company.

Section 8.09 Indemnity of Administrator. The Employer shall indemnify the Administrator (including any individual who is a member of a committee serving as the Administrator) or any individual who is a delegate of the Administrator against any and all claims, loss, damage, expense or liability arising from any action or failure to act, except when due to gross negligence or willful misconduct.

## Article 9

### AMENDMENT OR TERMINATION

Section 9.01 Amendment. The Board of Directors of the Company, or its delegate, may amend the Plan at any time and from time to time and any amendment may have retroactive effect, including, without limitation, amendments to the amount of contributions; provided, however, that no amendment shall (i) reduce the value of a Participant's Account or (ii) change the form or timing of payment of an amount contributed prior to the date of amendment.

Section 9.02 Termination. While the Plan is intended to be permanent, the Board of Directors of the Company, or its delegate, may at any time terminate or partially terminate the Plan; provided that upon such termination, except to the extent otherwise permitted under Code Section 409A, all Accounts will be distributed in accordance with the terms of the Plan as in effect on the date of termination. Written notice of such termination or partial termination, setting forth the date and terms thereof, shall be given to the Administrator.

Section 9.03 Change in Control. Notwithstanding the foregoing, following a Change in Control (as such term is defined in the Company's Equity and Incentive Plan) no amendment or termination referenced in Section 9.01 or 9.02, respectively, may adversely affect any benefits accrued or deferrals made under the Plan prior to the adoption of the amendment or termination (including, without limitation, any terms, conditions or distribution alternatives applicable to such accrued benefits). In addition, for a period of two years following a Change in Control, the Plan shall not be terminated in whole or in part or be amended in any way that adversely affects or limits the terms and conditions of benefits as available pursuant to the Plan immediately prior to the Change in Control.

## Article 10

### MISCELLANEOUS

Section 10.1 Section 16 Person. With respect to Section 16 Persons, the Administrator may establish, in writing, such rules, regulations, policies or practices hereunder which it deems, in its sole discretion, to be necessary and appropriate.

Section 10.2 Claims Review. In any case in which a claim for Plan benefits of a Participant or Beneficiary is denied or modified, the Administrator shall furnish written notice to the claimant within 90 days (or within 180 days if additional information requested by the Administrator necessitates an extension of the 90-day period), which notice shall:

- (a) State the specific reason or reasons for the denial or modification;
- (b) Provide specific reference to pertinent Plan provisions on which the denial or modification is based;
- (c) Provide a description of any additional material or information necessary for the Participant, his/her Beneficiary, or representative to perfect the claim and an explanation of why such material or information is necessary; and

(d) Explain the Plan's claim review procedure as contained herein, including the claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse review determination.

In the event a claim for Plan benefits is denied or modified, if the Participant, his/her Beneficiary, or a representative of such Participant or Beneficiary desires to have such denial or modification reviewed, he/she must, within 60 days following receipt of the notice of such denial or modification, submit a written request for review by the Administrator of its initial decision. In connection with such request, the Participant, his/her Beneficiary, or the representative of such Participant or Beneficiary may review any pertinent documents upon which such denial or modification was based and may submit issues and comments in writing. Within 60 days following such request for review the Administrator shall, after providing a full and fair review, render its final decision in writing to the Participant, his/her beneficiary or the representative of such Participant or Beneficiary stating specific reasons for such decision, making specific references to pertinent Plan provisions upon which the decision is based and stating that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim. If special circumstances require an extension of such 60-day period, the Administrator's decision shall be rendered as soon as possible, but not later than 120 days after receipt of the request for review. If an extension of time for review is required, written notice of the extension shall be furnished to the Participant, Beneficiary, or the representative of such Participant or Beneficiary prior to the commencement of the extension period.

Section 10.03 Limitation of Participant's Rights. Nothing in this Plan shall be construed as conferring upon any Participant any right to continue in the employment of an Employer, nor shall it interfere with the rights of an Employer to terminate the employment of any Participant and/or take any personnel action affecting any Participant without regard to the effect which such action may have upon such Participant as a recipient or prospective recipient of benefits under the Plan.

Section 10.04 Obligations to Employer. If a Participant becomes entitled to a distribution of benefits under the Plan, and if at such time the Participant has outstanding any debt, obligation, or other liability representing an amount owing to an Employer, then such Employer may offset such amount owed to it against the amount of benefits otherwise distributable. Such determination shall be made by the Administrator.

Section 10.05 Nonalienation of Benefits. Except as expressly provided herein, no Participant or Beneficiary shall have the power or right to transfer (otherwise than by will or the laws of descent and distribution), alienate, or otherwise encumber the Participant's interest under the Plan. Any such attempted assignment shall be considered null and void. The interest of any Participant or any beneficiary receiving payments hereunder shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Participant or the Participant's Beneficiary. An Employer's obligations under this Plan are not assignable or transferable except to (a) a business entity which acquires all or substantially all of an Employer's assets or (b) any business entity into which an Employer may be merged or consolidated.



Section 10.06 Unfunded Status of Plan. The Plan is intended to constitute an “unfunded” plan of deferred compensation for Participants for tax and for purposes of Title I of ERISA. The Plan constitutes a mere promise by the Employer to make benefit payments in the future. Each Employer shall not be liable for any benefit payments to any other Employer’s Eligible Employees who are Participant in this Plan. Benefits payable hereunder shall be payable out of the general assets of the applicable Employer, and no segregation of any assets whatsoever for such benefits shall be made. With respect to any payments not yet made to a Participant, nothing contained herein shall give any such Participant any rights that are greater than those of a general creditor of his/her Employer.

Section 10.07 Severability. If any provision of this Plan is held unenforceable, the remainder of the Plan shall continue in full force and effect without regard to such unenforceable provision and shall be applied as though the unenforceable provision were not contained in the Plan.

Section 10.08 Gender, Singular & Plural. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, or neuter, as the identity of the person or persons may require. As the context may require, the singular may be read as the plural and the plural as the singular.

Section 10.09 Notice. Any notice or filing required or permitted to be given to the Administrator under the Plan shall be sufficient if in writing and hand delivered, or sent by registered or certified mail, to the Administrator or to such representatives as the Administrator may designate from time to time. Such notice shall be deemed given as to the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification.

Section 10.10 Governing Law. The Plan shall be governed and construed under the laws of the State of Delaware to the extent not preempted by Federal law which shall otherwise control.

Section 10.11 Binding Terms. The provisions of the Plan shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, executors, administrators and successors.

Section 10.12 Headings. All headings preceding the text of the several Sections hereof are inserted solely for reference and shall not constitute a part of this Plan, nor affect its meaning, construction or effect.

Section 10.13 Representations. The Employer does not represent or guarantee that any particular federal or state income, payroll, personal property or other tax consequence will result from participation in the Plan. A Participant should consult with professional tax advisors to determine the tax consequences of his/her participation. In addition, the Company does not represent or guarantee positive Credited Investment Return and shall not be required to restore any negative Credited Investment Return.

Section 10.14 Compliance with Section 409A. The Company intends that this Plan provide for the deferral of compensation as permitted under Code Section 409A. If any provision of this Plan is determined to be inconsistent with such intent, it shall be severable and the balance of this Plan shall remain in full force and effect.

**QNITY ELECTRONICS, INC.****RETIREMENT SAVINGS****RESTORATION****PLAN**

Effective November 1, 2025

**I. PURPOSE**

The purpose of this Plan is to provide a select group of management or highly compensated employees selected by the Company in accordance with Section IV hereof with the opportunity to defer receipt of salary that, because of compensation limits imposed by law, is ineligible to be considered in calculating benefits within certain tax-qualified defined contribution plan(s) and thereby recover benefits lost because of that restriction.

**II. SPIN-OFF**

Effective November 1, 2025 (the “Effective Date”), DuPont de Nemours, Inc. (“DuPont”) distributed its interest in Qnity Electronics, Inc. (the “Company”) to DuPont’s shareholders and agreed to assume elections and deferrals made under the DuPont Retirement Savings Restoration Plan (the “DuPont RSRP”) with respect to calendar years through 2026 by certain participants therein (the “Effective Date Participants”), all as more fully described in that certain Employee Matters Agreement dated November 1, 2025, by and among the Company and DuPont (as it may be amended from time to time). This Plan document governs such elections and deferrals, which notwithstanding anything herein to the contrary shall remain subject to the terms and conditions that governed them under the DuPont RSRP.

**III. ADMINISTRATION**

The administration of this Plan is vested in the Benefit Plan Administrative Committee (the “Committee”) appointed by the Senior Vice President - HR of the Company. The Committee may adopt such rules as it may deem necessary for the proper administration of the Plan, and may appoint such person(s) or group(s) as may be judged necessary to assist in the administration of the Plan. The Committee’s decision in all matters involving the interpretation and application of this Plan shall be final. The Committee shall have the discretionary right to determine eligibility for benefits hereunder and to construe the terms and conditions of this Plan. In all cases, terms of this Plan shall be interpreted as necessary to comply with the requirements of Section 409A of the Internal Revenue Code and accompanying regulations.

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#### IV. ELIGIBILITY

Effective as of the Effective Date, each Effective Date Participant shall be eligible to participate in this Plan. After the Effective Date, a select group of management or highly compensated employees selected by the Company who are eligible to participate in the Company's Retirement Savings Plan or such other the tax-qualified 401(k) plan sponsored by the Company, shall be eligible to participate in this Plan (each, a "New Participant") and, together with the Effective Date Participants, the "Participants").

Except where the context requires otherwise, for purposes of this Plan, the term "Company," means Qnity Electronics, Inc., any wholly-owned subsidiary or part thereof and any joint venture, partnership, or other entity in which Qnity Electronics, Inc. has an ownership interest; provided that such entity (1) adopts this Plan with the approval of the Company and (2) agrees to make the necessary financial commitment in respect of any of its employees who become Participants in this Plan.

#### V. PARTICIPANTS' ACCOUNTS

An account shall be established on the books of account of the Company to reflect the balance of Plan benefits attributable to a Participant (an "Account"). A Participant's Account shall be divided into annual subaccounts in respect of Participant and Company Matching Contributions and Company Non-elective Contributions (each, a "Subaccount"), and each Subaccount shall be credited or debited, as applicable, for such amounts and any Earnings Equivalents. The balance in Participant Accounts shall be unfunded general obligations of the Company, and no Participant shall have any claim to or security interest in any asset of the Company on account thereof. With respect to each Subaccount:

- (A) **Participant and Company Matching Contributions.** Participants may elect to defer receipt of a percentage of compensation in excess of the amount prescribed in Internal Revenue Code Section 401(a)(17), and have the dollar equivalent of the deferral percentage credited to a Participant Account under this Plan. The deferral percentage elected under this Plan shall not exceed 6%. To the extent that a Participant makes or made a deferral election under the DuPont RSRP, the Company will credit to this Subaccount an amount equivalent to 100% of the Participant Contribution. The Participant must elect a Payment Event and Form of Payment with respect to each Participant and Company Matching Contribution Subaccount at the time the deferral election is made. Except as provided below, such deferral election will be made prior to the beginning of each calendar year and will be irrevocable for that calendar year.

For purposes of a New Participant's first year of participation in this Plan, the compensation deferral election must be made within 30 days of the date the employee becomes eligible to participate in the Plan, and no later than 30 days prior to the first day of the month for which compensation is deferred and will be irrevocable for the remainder of that calendar year.

- (B) **Company Non-elective Contributions.** For each employee eligible to participate in this Plan, whether or not he or she makes a deferral election under the terms of subparagraph (A) above, the Company will credit to that Participant's Account in this Plan an amount equal to 3% of the employee's compensation in excess of the amount prescribed in Internal Revenue Code Section 401(a) (17). The Participant must elect a Form of Payment with respect to each Company Non-elective Contribution Subaccount at the time the deferral election is made under the terms of subparagraph (A) above. The Payment Event with respect to any Company Non-elective Contribution Subaccount shall be Separation from Service or in any year up to two years following a Separation from Service as specified at the time the deferral election is made.
- (C) **Earnings Equivalents.** Credits for Participant and Company Matching Contributions and Company Non-elective Contributions shall be treated as having been invested in one or more of the investment options designated by the Committee from time to time for purposes of crediting earning or losses to the Participant's Account. The Committee shall have the sole discretion to determine the number of investment options to be designated hereunder and the nature of the investment options and may change or eliminate any investment option from time to time. In the event of such change or elimination, the Committee shall give each Participant timely notice and opportunity to make a new investment election. No such change or elimination of any investment option shall be considered to be an amendment to the Plan.
- The Participant shall have the right to:
- (1) designate which of the available investment options are to be used in valuing his/her Account under this Plan; and/or
  - (2) change the designated investment options used in valuing his/her Account under this Plan.
- (D) **Definition of Compensation.** Compensation for purposes of this Plan shall mean "compensation" as defined in the tax-qualified plan in which the Participant participates.

## VI. VESTING

Participant and Company Matching Contributions and Earnings Equivalents attributable thereto shall be vested at the time such amounts are credited to the Participant's Account. Company Non-elective Contributions and Earnings Equivalents thereto shall be vested after the employee completes 3 years of service, as defined in the tax qualified plan in which the participant participates (taking into account any service credited to an Effective Date Participant under the DuPont RSRP), or, if earlier, upon the occurrence of a Change in Control (as defined in the Company's Equity and Incentive Plan, a "Change in Control").

## VII. PAYMENT OF BENEFITS

Amounts payable under this Plan shall be distributed in one of the following forms and at a time as elected by the Participant:

- (A) **Form of Payment.** “Form of Payment” means either (i) a lump sum or (ii) annual installments (for up to ten (10) years); provided that annual installments where the Payment Event is a specified date shall be limited to no more than five (5) years.
- (B) **Payment Event.** “Payment Event” means any of the following: (i) Separation from Service (as defined in Treasury Regulation Section 1.409A-1(h)) (or in any year up to two years following a Separation from Service as specified at the time the deferral election is made) and (ii) the earlier of (x) Separation from Service or (y) a specified date.

Upon the occurrence of a Payment Event that is a Separation from Service, the Company shall, within 90 days thereafter, commence payment of the applicable Subaccount to the Participant, or his/her Beneficiary, as applicable, in the Form of Payment elected by the Participant with respect thereto. Upon the occurrence of a Payment Event that is a specified date, the Company shall commence payment of the applicable Subaccount to the Participant on such specified date in the Form of Payment elected by the Participant with respect thereto.

If the Participant does not make a valid election as to form and time of distribution, amounts payable shall be delivered in a cash lump sum as soon as practical after termination of employment. In the event of a Participant’s death, Participant’s Account balance will automatically be distributed to his/her Beneficiary in a single lump sum no later than December 31<sup>st</sup> of the calendar year following the calendar year of the Participant’s death. Any such election shall be made by the Participant at the time the deferral election is made.

Notwithstanding any provision of this Plan to the contrary, upon the occurrence of a Payment Event that is a Separation from Service (other than on account of death), amounts payable to a Specified Employee (as defined below) shall be paid in the Form of Payment elected by the Participant with respect thereto on the later of: (1) the date that is six months and one day after such Payment Event; or (2) the date on which such payment was otherwise scheduled to commence. All payments under this Plan shall be made by, and all expenses of administering this Plan shall be borne by, the Company.

Benefits payable due to a Participant’s death shall be paid to the beneficiary designated on the most recent valid beneficiary designation form received by the Committee, or, if no valid beneficiary designation is on file or the beneficiary cannot be determined by the Committee, to the Participant’s estate.

For purposes of this Plan, “Specified Employee” means an officer of the Company at any time during the 12-month period ending on each December 31. If a Participant is a Specified Employee as of any December 31, such Participant will be treated as a Specified Employee for the 12-month period beginning on the first day of the first month following such December 31.

**VIII. NON-ASSIGNMENT**

No assignment or alienation of the rights and interests of participants, beneficiaries and survivors under this Plan will be permitted or recognized under any circumstances. Plan benefits can be paid only to participants, beneficiaries or survivors.

**IX. RIGHT TO MODIFY**

The Company reserves the right to change or discontinue this Plan in its discretion by action of the Compensation Committee of the Board of Directors, or its delegate; provided, however, that following the Change in Control no such amendment or termination may adversely affect the deferrals made under the Plan prior to the termination or adoption of the amendment (including, without limitation, any terms, conditions or distribution alternatives applicable to such deferrals). In addition, notwithstanding anything to the contrary above, for a period of two years following a Change in Control, the Company shall not terminate the Plan in whole or in part or make any amendment to the Plan which in any way adversely affects or limits the terms and conditions of benefits as available pursuant to the Plan immediately prior to the Change in Control.

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**Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Jon D. Kemp, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Qnity Electronics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. [Paragraph intentionally omitted pursuant to Exchange Act Rule 13a-14(a)]
  - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 18, 2025

/s/ Jon D. Kemp

Jon D. Kemp

Chief Executive Officer

(Principal Executive Officer)

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**Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Matthew K. Harbaugh, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Qnity Electronics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. [Paragraph intentionally omitted pursuant to Exchange Act Rule 13a-14(a)]
  - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 18, 2025

/s/ Matthew K. Harbaugh

Matthew K. Harbaugh  
Chief Financial Officer  
(Principal Financial Officer)



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**Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

I, Jon D. Kemp, Chief Executive Officer of Qnity Electronics, Inc. (the “Company”), certify that:

1. the Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2025 as filed with the Securities and Exchange Commission (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Jon D. Kemp

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Jon D. Kemp

Chief Executive Officer

(Principal Executive Officer)

November 18, 2025

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Qnity Electronics, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.

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**Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

I, Matthew K. Harbaugh, Chief Financial Officer of Qnity Electronics, Inc. (the “Company”), certify that:

1. the Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2025 as filed with the Securities and Exchange Commission (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Matthew K. Harbaugh

Matthew K. Harbaugh  
Chief Financial Officer  
(Principal Financial Officer)  
November 18, 2025

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Qnity Electronics, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.