

# Workers in the value chain

## Why is it important?

We work in complex, global supply chains, relying on our suppliers to deliver the raw materials, goods and services we need to operate successfully. We also rely on other corporate and site services, such as travel, IT, temporary labour and contractors, and waste management.

This means we touch a lot of people's lives, directly and indirectly, and because of that we are committed to maintaining the highest ethical standards and sustainable business practices. That includes respecting and protecting human rights across our Group operations and supply chain. We recognise that this is an ongoing challenge, and we continue to develop and strengthen our processes, practices and policies to identify and prevent modern slavery and human trafficking occurring anywhere in our business or supply chain.

## Our commitments

Synthomer supports and is committed to the UN Sustainable Development Goals (UN SDGs). We recognise human rights as encompassed in SDG 8: Decent Work and Economic Growth to promote inclusive and sustainable economic growth, employment, and decent work for all. We respect and recognise human rights for all, as described by the Universal Declaration of Human Rights<sup>1</sup> and are committed to the UN Guiding Principles on Business and Human Rights.<sup>2</sup>

Global statistics show that women are disproportionately at risk of becoming victims of forced labour, so we expect our suppliers to be alert to this risk, and to comply with all domestic employment legislation. We also require a commitment from them to respect all human rights and follow the International Labour Organization (ILO) conventions and protocols, and the Universal Declaration of Human Rights.

Although we work in parts of the world and certain sectors that face a higher risk of human rights abuses, we do not tolerate those abuses, modern slavery or human trafficking anywhere in our business or supply chain. This is enshrined in our Modern Slavery Act statement.

## Our Vision 2030 target

- 80% procurement spend with a sustainability rating

<sup>1</sup> Universal Declaration of Human Rights | United Nations.

<sup>2</sup> Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework | OHCHR.

### *Additional short-term objectives to 2025*

- 50% procurement spend covered by a sustainability rating and improvement plan
- Audit eight key suppliers' sites
- Ensure that all our highest-risk suppliers agree to our Supplier Code of Conduct or equivalent standards

### Associated policies

Code of Conduct

Conflict Minerals Policy

Human Rights Policy

Modern Slavery Act statement

Responsible Procurement Policy

Supplier Code of Conduct

Our Group policies are all available on our website.

## **Our approach to workers in the value chain**

Synthomer takes a global approach to raising awareness of modern slavery, forced labour, child labour and human trafficking, identifying and addressing potential instances of abuse. We have developed robust policies and practices designed to support our commitment to combating modern slavery. Our policies set out our expectations on everyone who works for and with Synthomer. For example, our Code of Conduct and Supplier Code of Conduct provide practical guidance to help people make the right decisions in their daily jobs.

In 2025, we published our Human Rights Policy, which supports our Code of Conduct. The policy provides dedicated guidance on how to identify modern slavery, as well as advice on how to prevent modern slavery and human rights abuses.

Synthomer does not tolerate human trafficking and modern slavery within its supply chain and we work in partnership with our third-party suppliers to combat these threats. As described above, our suppliers must comply with all domestic employment legislation, alongside all applicable International Labour Organization (ILO) conventions and protocols, and the United Nations' Universal Declaration of Human Rights.

To do that, we expect our suppliers and their supply chains to:

- Provide training and education opportunities for employees that support their role
- Not employ any person below the age of 15 or applicable higher legal minimum age
- Not use forced labour, slave labour or other forms of involuntary labour at their work sites
- Not allow any practice that would restrict free movement or freedom of association of employees.

Synthomer will only work with responsible suppliers who adhere to our Supplier Code of Conduct or who have comparable codes and policies with equivalent standards in place. Suppliers must also understand the nature of the products, materials and services that they are supplying, and recognise their responsibility – as we do – to protect the environment and foster good relations with their employees and local communities.

Our Supplier Code of Conduct applies across all our businesses, and sets out our standards and expectations regarding human rights, working conditions, environmental protection and ethical business practices, which our suppliers must meet. Our Code brings together the range of processes we use to oversee our supply chain, including:

- Onboarding and qualification processes that are risk-based for new suppliers before Synthomer engages in business. This is a risk-based approach using low-/medium-/high-risk criteria and questionnaires to ensure robust due diligence before onboarding
- General purchasing conditions for suppliers
- Suppliers accepting our Responsible Procurement Policy
- Conducting supplier risk assessments. Each year, we screen our Group-wide supplier base using four different risk lenses. These include spend, sustainability risk, business risk and human rights risk. We use the proprietary software tool, EcoVadis IQ, which allows us to identify and focus on our highest-risk suppliers.

We have processes in place to ensure we only work and partner with third parties who share our ethical standards. We carry out due diligence activities on all material and higher-risk suppliers (based on location or type of business), and we expect suppliers to commit to our Supplier Code of Conduct or demonstrate how they meet equivalent standards of behaviour and conduct.

We use our risk management platform (Diligent) to manage the onboarding, due diligence and in-life monitoring of our agents and distributors, and we are aiming to use it to onboard other third parties (such as suppliers) from 2025. We also run a weekly screening process on all third parties to identify any new sanctions, trade restrictions or significant adverse media. We continue to strengthen our due diligence process to provide assurance over the third parties with whom we engage and partner.

We focus our responsible procurement approach on suppliers that we consider priority suppliers through a risk and opportunity assessment, as well as on raw materials that we have identified as having the highest human rights, social, economic and environmental risks. This helps us prioritise and manage the highest risks within our supply chain. It does not mean that we limit our sustainability ambitions to priority suppliers only. We continue to deploy our new supplier onboarding platform, which is now active in all our regions.

Synthomer's Human Rights Working Group (HRWG) is central to the way we govern our modern slavery programme. Its remit is to develop and oversee initiatives to mitigate modern slavery risks across our business. The key priorities for the HRWG in 2025 were:

- Overseeing our modern slavery e-learning programme, including content, audience and frequency
- Developing our modern slavery risk assessment. We developed this in 2025 based on external data (including the modern slavery risk heat map) and internal data, such as supplier data analysis, audits that have taken place at our sites and training statistics per site.
- Reviewing due diligence and ongoing monitoring measures with respect to value chains both upstream and downstream and including Group operations and subsidiaries, including relevant joint ventures with management control and partners
- Setting and monitoring key performance indicators, such as Modern Slavery e-learning completion statistics, supply chain verification statistics, and site and supplier audit completion
- Reviewing actions identified during site or supplier audits that relate to human rights risks
- Reviewing EthicsPoint cases that relate to any actual or potential issues or breaches of human rights

- Ensuring Synthomer's dedicated intranet page related to Modern Slavery and human rights contains clear and useful content for employees.

Members of the HRWG include key stakeholders from across Group Legal and Compliance, Sustainability, Operations, HR, and Procurement, and the group is sponsored by our Group General Counsel & Company Secretary.

We are a member of the industry procurement peer group Together for Sustainability (TfS), whose purpose is to accelerate the development of sustainable and resilient chemical supply chains.

During 2025, we continued to use TfS methodology for site sustainability audits. This gives us access to the supplier audit reports, including corrective actions taken, that have been conducted by other members. We also add the results of our own supplier site audits to help grow this important repository of information.

Our independent multilingual whistleblowing hotline – EthicsPoint – allows all stakeholders, including employees, contractors, suppliers and other external parties working with Synthomer, to raise any concerns or violations of our Code of Conduct. This includes any potential concerns relating to modern slavery. This is supported by our non-retaliation policy<sup>3</sup> and a guidance document with frequently asked questions, both of which we publish on our website.

Our Investigations Protocol includes a process to ensure all reports are reviewed and investigated independently, with actions taken (or action plans agreed) if risks of modern slavery are identified.

Our Conflict Minerals Policy Statement commits us to avoiding the use of conflict minerals in all our activities. We recognise that 3TG minerals (gold, tin, tantalum, and tungsten) may be mined in parts of the world where armed conflict and human rights abuses are known to take place. We reviewed and updated our Conflict Minerals Policy Statement in 2024. It outlines our expectations on suppliers, including a requirement for them to conduct their own due diligence to verify the origin of their materials, and provide certification under recognised initiatives. Read our full Conflict Minerals Policy Statement<sup>4</sup> on our website.

Our new Sustainability Academy provides training on all sustainability criteria, including modern slavery. This means we are able to provide dedicated, targeted training to our procurement teams on this important topic, helping them ask more informed questions when working with our suppliers.

<sup>3</sup> <https://www.synthomer.com/media/pddl3lw/non-retaliation-policy.pdf>

<sup>4</sup> <https://www.synthomer.com/media/tl4t1xb1/conflict-minerals-policy-statement-dec-2024.pdf>

## Our performance in 2025

We have made considerable progress against our Vision 2030 target over the past four years, investing significantly in our procurement teams to develop their skills and expertise. We have particularly focused on helping them understand the challenges we face in addressing human rights, including modern slavery, as well as in reducing our indirect Scope 3 emissions.

This year, 39% of our procurement spend was covered by a sustainability rating (versus 53% in 2024). Our overall result fell in 2025, due to 11 priority suppliers – who represent 22% of our spend – not renewing their ratings before year end. While we did not meet our 2025 objective, we added an additional 200 suppliers to our EcoVadis platform, and our sustainable procurement programme ranked in the top 2% of all companies rated by EcoVadis.

Having met our short-term audit objective a year early, we added another eight sites in 2025. Key themes for this year included management, environment, health and safety, labour and human rights, and governance issues.

As part of our ongoing work to deepen relationships with our suppliers, we ran six webinars to share examples of our work and encourage them to participate in audits. We are also targeting eight site supplier audits for 2026.

We updated the human rights and modern slavery guidance in our Supplier Code of Conduct and introduced a modern slavery e-learning module for our procurement teams.

As we are a member of TfS, our teams have access to specific responsible procurement training and resources, which 96% of our procurement team completed or accessed in 2025.

We regularly track awareness and understanding of our Code of Conduct in our employee surveys, and expect employees to declare they have read and understood our Code through our e-learning management system. We monitor completion rates in our Code of Conduct training, with 97% of employees completing the course in 2025. We also ran Code of Conduct roadshows across several key sites, including in Saudi Arabia, Malaysia and Europe to raise awareness of our expectations.

As well as Code of Conduct training and roadshows, we provide dedicated modern slavery e-learning for employees to improve their understanding of human rights abuses and modern slavery and how to report it via EthicsPoint. In all, 100% of relevant employees completed the training this year.

In 2025, 92% of our highest-risk suppliers agreed to meet our Code or equivalent standards. We remain committed to achieving 100% and are taking targeted action with our suppliers to reach full adoption.

In 2025, we received no EthicsPoint cases related to actual or potential issues or breaches related specifically to human rights. However, we continue to ensure that our employees (through training and awareness) and our third parties (through regular engagement and awareness of our own EthicsPoint line) know how to report a concern.

**Synthomer Group**

<b>Procurement performance</b>	<b>Unit</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>
Procurement spend covered by sustainability rating (Target 50% by 2025)	%	39	53	45
Targeted suppliers that have agreed to our Supplier Code of Conduct	%	92	93	80
Targeted suppliers that have gone through a CSR assessment (EcoVadis assessment)	%	27	43	–
Targeted suppliers that have gone through a CSR on-site audit (TfS)	#	8	8	–
Buyers across all locations who have received training on sustainable procurement	%	96	88	–
Audited/assessed suppliers engaged in corrective actions or capacity building	#	16	8	–
Targeted suppliers that have ESG clauses	#	1	0	–

## Next steps

As well as supporting our plans to continue strengthening our procurement team’s skills, our TfS membership will help us address challenges in auditing our suppliers. We are confident that we can accelerate progress in future, both in the number of physical supplier audits we conduct and the number of suppliers covered by TfS’s wider audit pool.

We will also take a more centralised approach to working with priority and key suppliers, using key account management models, signing up our highest-risk suppliers to our Supplier Code of Conduct, and continuing our EcoVadis assessments and corrective action plans to help achieve our 2030 objective.

To ensure we keep improving, we have completed an initial assessment of our modern slavery policies, standards and processes against the British Standards Institution’s BS 25700. In 2026, we explore options to revise and strengthen our approach to ensure we fully align with this standard.

## Methodologies

The term *supplier* is used in this document to mean the provider of materials, products, equipment, site works or other services. It is used as a collective term for a material or equipment supplier, sub-contractor, trade contractor, consultant or professional service provider.

Vision 2030 KPI = % procurement spend with a sustainability rating.

Description of the Vision 2030 Target key performance indicator = total Group spend where the supplier has a valid EcoVadis scorecard assessment.