

The strategy applies to the worldwide activities of Synthomer plc and its subsidiaries and joint ventures. It covers the 2024 financial year and taxes and duties set out in paragraph 15 (1) Schedule 19, Finance Act 2016 for all UK operations. Synthomer plc considers that the publication of this statement complies with the duty set out in Paragraph 16(2) Schedule 19 Finance Act 2016.

► Introduction

Synthomer plc is a leading global supplier of high-performance speciality polymers and ingredients for coatings, construction, adhesives, and healthcare end markets. Headquartered in London, UK, we employ around 4,000 employees across over thirty locations in Europe, the USA, and Asia, including four centres of excellence for innovation in the UK, Germany, Malaysia, and the USA.

As a global business we pay a variety of taxes, corporate income taxes, excise duties, employment, and other taxes. In addition, we collect and pay employee taxes as well as indirect taxes such as sales and use tax and VAT. The taxes we pay and collect form part of our economic contribution to the countries in which we operate.

We manage our tax affairs in a way that is consistent with our business strategy and Code of Conduct, details of which are available on our website, www.synthomer.com in the “Our Strategy” and “Group Policies” sections.

We aim to balance our responsibility of controlling tax cost and cash outflows with following the letter and spirit of the tax regulations wherever we do business, paying all legally required taxes when they fall due.

► Approach to tax risk management and governance

Synthomer continues to adapt our approach to tax risk to keep pace with our changing business and the increasingly complex international tax environment in which we operate. Tax risk is inevitable and uncertain tax positions will arise. All known areas of tax uncertainty are provided for in line with accounting standard requirements.

The Board is accountable for tax governance. It approves the overall Group Tax strategy and monitors performance against it. The Group Tax Director is a member of the Group’s Finance Leadership team and provides regular updates regarding the Group’s tax affairs to the Chief Financial Officer, who is also the Senior Accounting Officer. The Group Tax Director also presents for the Audit Committee’s review the accounting and disclosure of the Group’s tax affairs in our Annual and Interim Reporting, available in the Investor Relations section of our website.

Our Group Tax team based in our UK Headquarters, led by the Group Tax Director, are responsible for the development of the overall approach to and management of the Group’s tax affairs at an operational level and they review the effectiveness of our risk mitigating actions. Globally, an appropriately qualified and experienced team of tax professionals works with the Group Tax team to manage day to day tax risk, guided by Group policies, including our tax governance framework and our policy on the UK Corporate Criminal Offence (CCO) of Failure to Prevent the Facilitation of Tax Evasion. They also implement appropriate controls to mitigate tax risk. Tax training is given to individuals outside the tax department.

Tax risks are identified, recorded in our risk register, and monitored by the Group Tax team through regular formal and informal communication with Synthomer’s functions and

business divisions and by monitoring proposed changes in tax legislation, consulting with external advisers as required. These updates and communication ensure that tax is considered in the day to day running of the business and that the tax consequences of commercial transactions, including acquisitions and divestments, are reviewed on a timely and proactive basis.

Internal controls are in place and are monitored by the Board directly or through the Audit Committee. Internal Audit provides a further independent level of assurance on internal controls and risk management processes which impact on our tax arrangements. Our statutory auditors provide external assurance on tax disclosures within our Annual and Interim Group reporting and local financial statements.

Synthomer operates an Ethics Helpline (synthomer.ethicspoint.com) and any employee or third party working with us can raise concerns regarding unethical or unlawful behaviour relating to our tax affairs.

► **Acceptable levels of tax risk**

The Board sets Synthomer's risk culture, appetite, and tolerances for financial and ethics and compliance risk, including tax. Synthomer takes a prudent approach to tax risk and considers the following factors when assessing the level of tax risk:

- The legal and fiduciary duties of Directors and employees
- The requirements set out in our tax governance framework
- The related financial, operational, and reputational risks
- The potential impact on our relationship with Tax Authorities

► **Attitude to tax planning**

The Board consider the reputation of Synthomer and the trust and confidence of those with whom it deals, shareholders, employees, suppliers, competitors, and the wider community as one of its most important resources. Therefore, Synthomer will not enter into tax planning, transactions or structures which involve low tax jurisdictions or tax havens, are not consistent with our commercial operations or would be notifiable to tax authorities under mandatory tax avoidance disclosure regimes.

Tax is however one of a number of commercial considerations in doing business globally and if the tax outcome is sustainable and is aligned with our commercial operations and business strategy, including innovation and sustainability initiatives, we will utilise available allowances, such as investment and capital allowances, deductions, reliefs, incentives, such as patent box reduced corporate tax rates and credits, such as R&D tax credits. We commit to undertaking intragroup transactions on an arm's length basis (this is the price that would be charged by an unrelated party for conducting the same transaction) and comply with obligations under transfer pricing rules in the jurisdictions where we operate, and under global transfer pricing principles.

External advisers are used where complex or specialist tax matters arise, in particular for cross border and acquisition and divestment advice.

► **Relationship with Tax Authorities**

Synthomer is committed to having an open and professional relationship with all Tax Authorities globally, including the UK's HM Revenue and Customs ("HMRC") in relation to tax planning, compliance, strategy, risks, and significant transactions. We will always seek to cooperate with Tax Authorities and deal with issues in a timely and collaborative manner. In the UK we engage with our Customer Compliance Manager on a periodic

basis.

Our tax compliance process, including the submission of tax returns and payments, aims to be timely and accurate and will, through full disclosure, provide sufficient detail to enable Tax Authorities to form an accurate view of our tax affairs. All returns are prepared in line with the intent of the legislation. In circumstances where an area of tax law is complex and may have a material impact on our financial position, we will seek to have real time discussions with Tax Authorities to gain certainty over the treatment for tax purposes and to avoid the potential for any future dispute. For instance, Synthomer has sought advance pricing agreements with selected Tax Authorities.

The tax strategy is reviewed and approved annually by the Board of Synthomer plc and published by Synthomer plc on its website. The strategy for the year ending 31 December 2024 was approved by the Board on 3 December 2024.