

Sustainability in focus: turning insights into practical action



“The work we did last year to understand the greenhouse gas emissions across our value chains and engage with our business teams on the topic has led to a significant change in mindset across Synthomer.”

Chris Brown

Vice President, Environment, Social and Governance

Thanks to new data, skills and relationships, we have made significant progress this year to further embed sustainability into our everyday business and create value for customers.

This year has been pivotal for Synthomer and our sustainability agenda. Not only is it continuing to support our strategy to drive value, it has increasingly become a business principle, influencing the decisions that our teams make. This sustainability mindset helps us better anticipate and respond to customer needs – recognising that, like us, they are increasingly taking a value chain approach. It supports our progress against our Vision 2030 roadmap, which lays out a series of sustainability-related targets for the Group (see below). It also drives the innovation and specialisation that enable Synthomer’s growth.

You can see a growing maturity in the way we are using our product sustainability scorecard (as Robin Harrison, our Vice President, Innovation describes on page 34) and evolving our approach to sustainable procurement, innovation and human rights, in the systems we are building to support better data analysis and the work we

are doing in our operations to address our own carbon footprint. I know from conversations with the Board that they see a greater sense of ownership among our executives and divisional leaders too.

Highlights from 2024

- Launched our Bio, Circle and Clima product propositions
- Achieved ISCC PLUS accreditation for eight of our manufacturing plants
- Completed a double materiality assessment in line with future requirements for the European Union’s Corporate Sustainability Reporting Directive (CSRD)
- Maintained our A- ‘leadership’ level for CDP Climate
- 140 employees engaged through our Sustainability Academy
- Implemented site sustainability audits under the Together for Sustainability (TfS) standards
- Achieved top-quartile safety performance in our industry for the second consecutive year.

Taking an holistic approach to our value chain relationships

A lot of our progress has been made possible because of data insights and our teams' improved understanding of how to use those insights with their stakeholders.

Data has always been important, but in 2024 it became a key enabler for sustainability at Synthomer, as we built on the comprehensive assessment of greenhouse gas (GHG) emissions inside our value chain that we conducted the year before. The assessment has provided an unprecedented level of granularity in terms of our carbon footprint for specific raw materials, chemistries, plants and businesses. This has enabled our business teams to have deeper conversations that have more impact, and to take tangible action across the whole value chain.

The examples shown (right) demonstrate our ability to respond quickly to create value for our customers and ourselves when we take a 'whole value chain' approach. That starts with our commercial teams engaging with customers to understand their needs and sustainability ambitions, and then our businesses, functions, innovation and operations teams working together, and with their stakeholders, such as suppliers, to create tailored solutions.

They also demonstrate how we are building our sustainable procurement capabilities in direct response to our 2023 GHG assessment and new climate transition action plan (see box on page 29),

Examples of our whole value chain approach

Adhesive Solutions (AS)

When a key customer asked us to help them deliver their ambitious sustainability goals, particularly reducing their Scope 3 carbon footprint for a significant part of their purchases from us, we rapidly mobilised a multi-disciplinary team to investigate our options. Within six months, we were able to commercialise a new line of products branded as Regalite™ CLIMA, which offer a 20-40% reduction in carbon footprint compared to baseline, driven by utilisation of renewable energy and feedstock sources in the production process of our manufacturing site in Middelburg, the Netherlands.

Coatings & Construction Solutions (CCS)

We used our internal expertise to support our commercial team to demonstrate the significant contribution of our product in the customer's own product carbon footprint. We then presented the customer with reduction options and incorporated carbon cost benefits to show the true value of our lower-carbon product. One option resulted from extensive supplier engagement to enable the sourcing of new lower-carbon versions of two key raw materials used in production. Our models suggest this switch could eventually reduce our Group-level Scope 3 GHG emissions by 2%.

Health & Protection and Performance Materials (HPPM)

We developed cross-value-chain partnerships with upstream suppliers, glove manufacturers, distributors and end users to drive market demand for lower-carbon and sustainability-certified nitrile gloves. This included some of our experts travelling to the USA with one customer to attend workshops with end users, including hospitals, to learn more about their needs.

Review of the year / Sustainability in focus continued

GHG emissions are an increasingly important topic for our customers, and we are preparing ourselves for increasing demands and assurances from them. For example, our procurement team is using the more detailed understanding of our Scope 3 GHG emissions embedded within our value chain to make informed choices about what raw materials we buy, and where from – choices like sourcing new lower-carbon butyl acrylate and butadiene.

There are significant challenges associated with sourcing lower-carbon raw materials and we are working with our customers, suppliers and leading industry groups to ensure we have the digital tools and data governance models to help overcome them.

Our lifecycle assessment (LCA) and procurement teams have established processes on how we request, validate and manage ESG data, specifically related to product carbon footprints (PCFs). We will continue to improve these processes, and use the data insights they give us to inform our procurement and contracting activities. So while we still have more work to do, this will help us improve the way we consider emissions in our buying decisions alongside other, more traditional criteria, such as price, availability and quality.

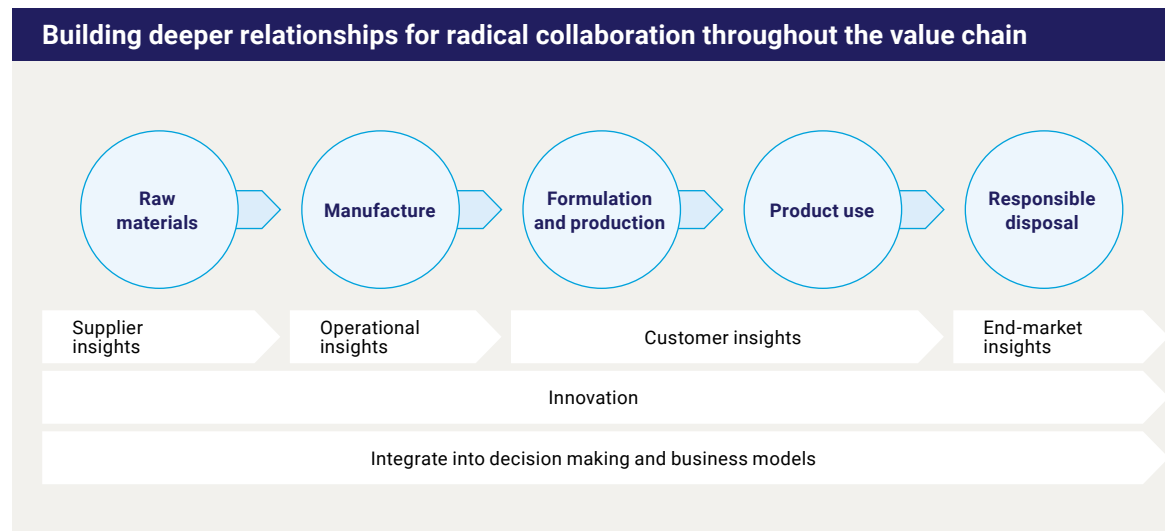
Building trust across our value chain

Alongside data, trust is the common thread that runs through all the divisional examples on page 27, above. And, given the scale of the climate challenge, they demonstrate how important it is that we move beyond 'transactional' relationships to a more radical form of collaboration across the value chain.

Trust requires credibility, reliability and a willingness to listen and learn from one another. What we have heard from our customers this year is that they want our help to address their upstream Scope 3 GHG emissions – which typically represent the largest part of their carbon footprint. One company's Scope 3 emissions is another's Scope 1 and 2, meaning that in a whole value chain, each company holds a piece of the carbon jigsaw puzzle. Our position within the value chain means we have an opportunity and responsibility to share our pieces of that puzzle, and encourage others to do the same. When we do, we can make more informed, collective decisions that drive measurable action and deliver value.

In recent years we have focused on building that credibility throughout the value chain. For example, our LCA team has developed a suite of detailed PCF reports with an externally verified methodology and compliant with the TfS guidelines. We share the PCF reports with our customers so that they can understand the precise impact of our polymers. Our commercial and procurement teams have also worked to build the sustainability knowledge they need to talk confidently with their stakeholders.

We know this approach is working because our customers tell us. For example, we have had feedback appreciating the granularity and transparency of our PCF reports and adding that it gives them confidence that we can create solutions that address their specific challenges.



We are also proud to be an active member of the Together for Sustainability (TfS) initiative – enabling us to work with our peers to drive collective change across the chemicals sector. A good example of that is our work with TfS to develop new product carbon footprint standards to create a consistent approach across our sector. Eight of our sites are now ISCC PLUS certified. This allows us to offer customers our BIO and CIRCLE products using the mass balance approach.

Our offer of products containing renewable/circular feedstock is made possible through value chain partnerships, both with customers and suppliers.

In Asia, we have teamed up with Neste and PCS to establish one of the first ISCC certified value chains to manufacture bio-based nitrile latex for the glove industry using responsibly sourced bio-based feedstock in a mass-balance approach.

And our CCS coatings business has just launched Revacryl AE 3723 BIO, a 50% mass-balance bio-based emulsion that keeps all the performance properties, while providing a lower-carbon benefit to the customer.

Continuing to strengthen our sustainability insights

This year we appointed a new Sustainability Data Insights and Governance Director, who works collaboratively with our businesses and functions to ensure we have robust, fit-for-purpose data – and the systems to collect and analyse it – to help us continue to make more informed strategic decisions and support our customers' needs. She has worked with our three divisions to develop a GHG forecasting model to help them assess the carbon impact of each product alongside its commercial impact, giving our businesses an holistic view when making their five-year strategy plans.

We are working with our IT team to develop new digital tools to strengthen our forecasting capabilities. This work is particularly important for the longer-term aspects of our carbon transition action plan, since it will help inform the future of our innovation pipeline and the new business models we will need to support a lower-carbon world. These tools will also help us take the right products to market more quickly.

Embedding sustainability across Synthomer

We also need to make sure that our day-to-day processes and decision making are set up in a way that allows our people to unlock the full potential of our innovation pipeline at speed. Our new Innovation Taskforce is designed to help us do that. (See page 35.)

Sustainability at Synthomer has evolved from being a set of important standalone goals to being customer-centric and fundamental to our business. It is now part of our Group-wide performance excellence programme, Synthomer Excellence, and we have set up a new Sustainability Academy to deliver foundation-level and role-specific training to help more of our colleagues engage with their stakeholders with greater fluency and confidence on sustainability topics.

Our new climate transition action plan

This year we developed a new climate transition action plan to support our journey towards net-zero. This will focus on four specific areas and is set out across three time horizons (2025, 2026-2030 and 2030-2050).

Our plan lays out four key areas of focus:

- Integrating a GHG forecasting model into our business plans to identify the product innovation and market development options to reduce our GHG emissions over the next five or more years
- Reducing Scope 1 and 2 GHG by continuing to deliver our current five-year capital improvement plan, driving energy efficiency through our manufacturing excellence programmes, sourcing 100% renewable electricity for all our sites and developing net-zero roadmaps for three pilot manufacturing sites
- Reducing Scope 3 GHG by selectively sourcing lower-carbon fossil-based feedstocks, sourcing certified sustainable feedstocks, developing value chain partnerships and innovating novel (bio- and circular) feedstocks and products
- Risk assessment and scenario analysis to further develop our strategic understanding of climate risk and its financial impacts for our business.

The area where we can make the biggest, fastest impact between now and 2030 is sourcing lower-carbon fossil-based feedstocks, though we need to be working on all areas in parallel to ensure we see the benefits in the medium and longer term.

Conducting our first double materiality assessment

This year we updated our Group-level 2021 materiality assessment with our first double materiality assessment (DMA). The DMA required us to assess the actual or potential effects of our operations on people and the planet, as well as how sustainability issues might affect our financial performance and position. This involved:

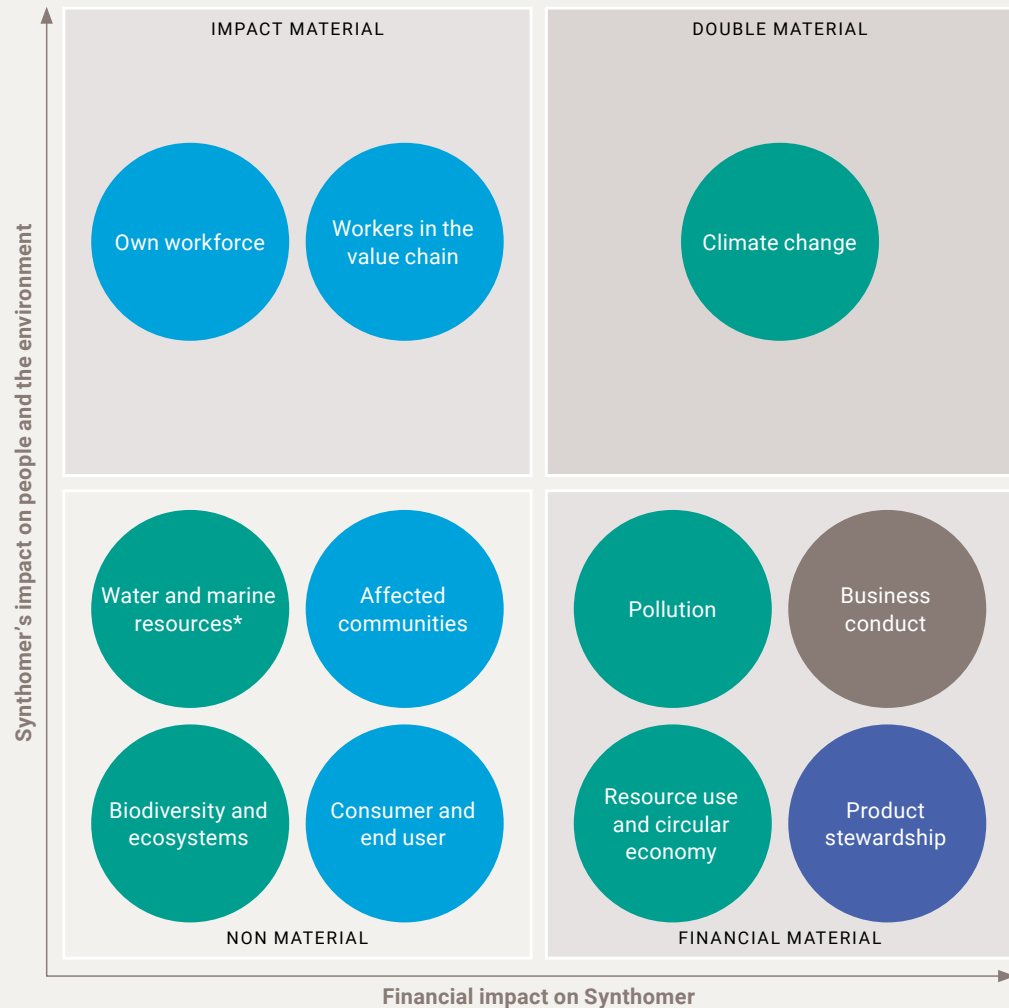
- Mapping our value chain and stakeholders to help us create a longlist of our risks and opportunities and their potential impact on stakeholders
- Engaging with key stakeholder groups, such as employees, investors, customers and suppliers to validate the longlist
- Assessing the financial materiality of those risks and opportunities on our business as well as their likely societal impact to help us set and validate specific materiality thresholds.

As a result, we have identified the topics aligned with the European Sustainability Reporting Standards (shown in the graphic to the right) that are most material to our business at a Group level and a provisional list of material impacts, risks and opportunities. We are now assessing and finalising our key performance indicators and potential changes to our Vision 2030 roadmap.

» For further information on our approach to materiality see [Synthomer.com](https://www.synthomer.com)

While the DMA confirmed that the majority of our Vision 2030 targets are focused on our most material areas, communities did not reach the materiality threshold, and we have decided to remove our Vision 2030 communities target.

This adjustment to Vision 2030 does not change our commitment to being a good corporate neighbour: the Synthomer Foundation continues its important work to support local communities in the USA and our global volunteering network continues to grow.



- Environmental matter
- Social matter
- Governance matter
- Entity-specific matter

* Water and marine resources is identified as material for the Synthomer entities in France due to manufacturing sites with high water stress. On a global level, this impact is not deemed material as it is confined to the sites in France.

Preparing for regulatory changes

Sustainability regulation is a fast-moving landscape, and we continue to monitor developments as they emerge, including around the European Union's Corporate Sustainability Reporting Directive (CSRD). We must be ready for any changes, which means laying the groundwork well in advance of our reporting requirements. That includes our sustainability team working with our financial leadership team to help them understand what sustainability-related regulatory requirements may mean for Synthomer, our reporting and assurance. Meanwhile our new Data Insights and Governance Director is looking at the systems we need to report effectively against the current requirements of future regulation.

CSRD is just one element of the changing regulatory landscape. We also need to be prepared for other new legislation, including the EU's Due Diligence Directive, Carbon Border Adjustment Mechanism and Deforestation Regulation. Different regions are also introducing regulation at different speeds in areas such as product safety. We have seen the number of product-related compliance questions from customers and other stakeholders increase by around 15% in the past five years, often intertwined with questions on other issues, like sustainability and quality. We focus on ensuring we have the appropriate representation across all our main geographies to comply with existing regulation and stay abreast of potential changes.

Continued progress against Vision 2030

We provide more detail on performance against our Vision 2030 targets on pages 41 to 43, but, as last year, we continue to make good progress.

Highlights include another historic low in our recordable injury case rate of 0.14, meaning we remain in the top quartile for our industry for the second consecutive year.

» See People in focus on pages 36 to 40

We have also continued our work to address the Scope 1, 2 and 3 GHG emissions across our entire value chain.

In terms of performance, we hit our renewable electricity target for the fourth year running and we continue to review our options to participate in power purchase agreements.

We have also seen an improvement in our expected future water resilience thanks to the work we started in 2023 to establish sustainable water management at our sites located in areas of high water stress and with high water use.

Looking ahead

This year, 2025, marks the midpoint between launching Vision 2030 and the deadline for realising our targets. There is still plenty to do, and there will be challenges along the way, but everything we have achieved so far gives me confidence that we are in good shape.

But 2030 is a milestone, not the final destination. So we will continue to shift our focus towards radical collaboration with customers and suppliers, and to ensure we have the skills, data and processes to take a more agile, proactive approach to sustainability-driven market opportunities. We have put strong foundations in place. Now it is time to build on them.

More information on our approach to sustainability

We provide more information on the work we are doing to understand our climate-related risks and opportunities in our Climate Action report, summarised on pages 58 to 61.

We obtain independent assurance for our ISO management systems and independent verification at a limited assurance level of our Scope 1, 2 and 3 GHG emissions. We benchmark our progress, and identify areas where we can improve our performance through disclosures to organisations including CDP, Ecovadis, S&P, London Stock Exchange Group and MSCI.

This year, we maintained our A- 'leadership' level for CDP Climate. We continue to work closely with industry bodies such as the Chemical Industries Association in the UK, the European Chemical Industry Council (CEFIC), and the American Chemistry Council in the USA. For more information, see Ratings and Resources on our [website](#).

We provide more information on our most relevant sustainability issues in our ESG Performance Summary and in a series of in-depth insights that are available on our [website](#).

Environment

Climate action
Water
Waste and pollution

Social

Health and safety in the workplace
Workers in the value chain
Product safety
Diversity, equity and inclusion
Communities

Governance

Business conduct

Review of the year

DELIVERING: Our strategy in action

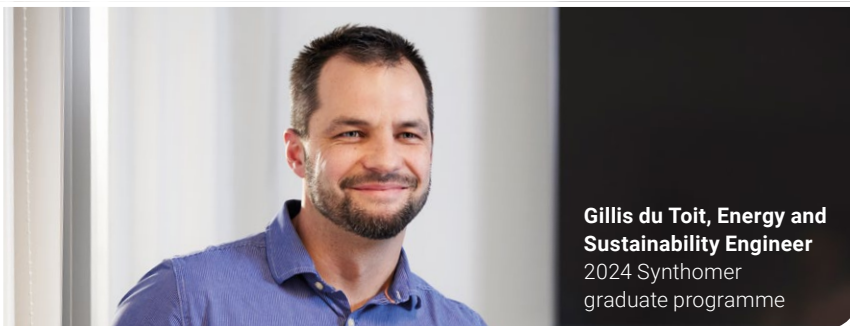
DEVELOPING:

Our skills and leadership training

Our success depends on our talented people, and we want to make sure they have the right skills and capabilities to help us achieve our strategic objectives.

That is why, despite ongoing market challenges, we continue to invest in employee development across all levels of the business. In many cases, our programmes have helped people accelerate their career at Synthomer. Through our graduate programme, university graduates participate in a structured, two-year learning scheme. This offers hands-on experience, strategic project work and direct access to mentoring, learning events, and networking opportunities with senior leaders. This year, 11 graduates took part in the scheme, and 50 current Synthomer people have benefited since 2018.

Our Accelerated Leadership Programme is designed to support nominated high-potential talent at every stage of their Synthomer career. We also offer a range of virtual leadership training opportunities open to all. Meanwhile, everyone at Synthomer has access to our internal leadership development framework – called Synthomer University – which focuses on leadership skills and performance excellence. And our Excellence Academy delivers targeted skills training in key business areas including commercial, sustainability and procurement. By investing in our people, we cultivate home-grown future leaders, foster innovation, and continue to drive Synthomer's transformation.



Gillis du Toit, Energy and Sustainability Engineer
2024 Synthomer graduate programme

INNOVATING:

With end customers in mind

When it comes to food packaging, nothing is more important than keeping consumers safe.

Thanks to our new Plastvance™ T product, our customers can now make lower-carbon, more recyclable packaging without compromising on safety or making major changes to their production processes.

Our Adhesive Solutions business developed Plastvance™ T to help food packaging manufacturers switch from polystyrene to polypropylene. This matters because polypropylene is thinner, but more durable, than polystyrene, meaning it has a lower carbon footprint. Importantly, it also meets strict food packaging regulations in the USA, Europe and China and can be recycled.

Historically, suppliers have considered the switch unworkable without significant capital investment. However, we conducted our own packaging film trials to demonstrate to some of the biggest food brands that by using Plastvance™ T as a plastic modifier, polypropylene can be thermoformed using existing packaging machinery without additional cost.

Some of the biggest names in the food industry are now trialling Plastvance™ T in their own facilities and we expect significant sales in 2025. It is a great example of how, by understanding end users' needs and applying focused innovation, we can put attractive products in the hands of our customers.

SPECIALISING:**Opening our new China Innovation Centre**

Around the world, our innovation centres of excellence help us create the specialised, highly differentiated products that our customers need. This year, that innovation network grew with the official opening of our new China Innovation Centre (CIC) in Shanghai.

The £6m centre is home to more than 10 research and development laboratories, strengthening our innovation capabilities in what is the world's largest – and fastest-growing – chemicals market.

The facilities will enable our team of scientists, technicians and technical services managers to design and tailor innovative products specifically for China and the wider region. It brings us closer to our customers, and helps us strengthen our presence in a market where we see exciting growth opportunities over the next decade.

The CIC is one of our five innovation centres of excellence and seven technical centres that we operate globally (see page 35 for a full list).

**OPTIMISING:****Using data to optimise operational efficiency at Le Havre**

In 2024, we implemented a digital transformation project at our Le Havre manufacturing site in France to increase the production capacity of a key product line and meet growing market demand.

The project team used machine learning algorithms and artificial intelligence to generate new data and insights to help optimise the cycle times of our batch reactors – a core stage in the production process. The team implemented the resulting technical solutions, supported by a structured change-management framework to encourage collaboration and agile teamwork across different areas of expertise.

Using advanced analytics, the team was able to capture critical operational knowledge and increase visibility across the project's performance metrics, delivering rapid results in an iterative manner. This has led to new ways of working and generated actionable, data-driven insights that have improved process efficiency and reduced cycle times by as much as 19%. It has also helped lower energy consumption per batch, unlocked operational improvements and empowered the team at Le Havre to adopt data-driven decision making to continuously improve performance and drive long-term success. We are now sharing the tools, techniques and key lessons from this project across Synthomer.

Review of the year

Innovation in focus: tangible progress in meeting customer needs



“ We are seeing great examples of our teams turning analysis into practical action across Synthomer.”

Robin Harrison
Vice President, Innovation

Innovation is key to adding value for customers and differentiating our specialised portfolio, and this year we have continued to transform our project pipeline.

Everything we do in innovation – developing new or enhanced products, more efficient processes or new applications – is designed to bring us closer to our customers’ needs and to support our growth strategy.

Those needs are increasingly driven by demand for products with sustainable benefits, which is why we are pleased that, once again, we exceeded our Vision 2030 sustainable products goal. In all, we launched 38 new products with enhanced sustainability benefits this year, representing 69% of all products launched (2023: 64%).

» See page 41 for more details on our Vision 2030 sustainable products performance.

New products this year include a hydrophobic dispersion technology platform (HDT) allowing direct-to-metal application of a water-borne coating delivering good adhesion and anti-corrosion properties. This will allow many of our customers to move away from solvent-borne coatings for metal applications in outdoor environments.

Much of this success is a result of our work to ensure we have the right tools and resources to meet that growing demand. For example, our product sustainability scorecard as part of our strategic scorecard continues to provide a clear framework for discussing product development and shaping portfolio decisions. As a result, we no longer have any projects with a negative sustainability score.

Meanwhile, our comprehensive assessment of GHG emissions inside our value chain in 2023 is having a significant impact on our innovation choices. In CCS for instance, we have sourced low-carbon impact butyl acrylate (BA) and butadiene (BD) (two key raw materials), which we will pilot at scale in 2025. This is a direct result of our carbon assessment, which identified fossil-based BA and BD as significant contributors to our Group-level upstream Scope 3 emissions. Our models suggest that switching could reduce those emissions by 2%.

Building strong relationships across the whole value chain

As Chris Brown also discusses on page 28, while data is important, meaningful change in a complex global value chain will only be possible if we work together – with our customers, their customers, our suppliers and other relevant stakeholders.

Here, too, we are seeing examples of this in action. In AS, we have developed Plastvance™ T, which helps food packaging customers to switch from polystyrene to polypropylene for some applications without major changes to their production processes. See more in our case study on page 32.

We are also looking beyond our traditional value chain relationships to help create meaningful change. In HPPM, we are developing a styrene-butadiene rubber polymer for use in carpet backing that allows the fibres from the carpet to be recycled at end of life. But while

Highlights from 2024

- Opened innovation centre of excellence in Shanghai, China.
- Exceeded our Vision 2030 sustainable products target for the second consecutive year.
- Winner of the Chemical Industries Association Sustainability Award for our product sustainability scorecard – marking the third year in a row it has received external recognition.
- First sales of FSC-certified resin to a tyre customer.
- Launched a new polymer that will help reduce the weight of latex gloves, lowering their overall carbon footprint.

Review of the year / Innovation in focus continued

customers can see the potential benefit of the product, it will not add value for them until there are recycling facilities that can process it. So we are talking to recycling firms, to create an end-to-end journey for a specialised product that has clear environmental benefits.

Creating a more valuable, efficient innovation pipeline

As well as exceeding our Vision 2030 target, we exceeded our aim to ensure that NPPs make up at least 20% of our sales volume – the NPP metric – over the long term. This year we reached 24% (2023: 22%).

New product innovation often requires collaboration between our global technology platform innovation team and divisional innovation teams to tailor solutions for customers and respond to changing consumer and market trends.

This year, for example, our central team worked with CCS to review customer evaluations of pilot-scale batches from our new bio-based emulsions polymer platform. Early feedback from our customers has been positive and we have begun new product development activities within the CCS innovation team. The team is now working with AS to look at developing bio-based and hybrid binder systems for paints and coatings applications, and the next generation of emulsion polymers for pressure-sensitive adhesives using bio-based monomers in the same platform.

Digitalisation and machine learning can dramatically accelerate our innovation. The emulsions polymer system is a great example. It is one of the first projects in Synthomer to use advanced experimental design and data analytics to help identify and predict the precise compositions we need to deliver specific performance requirements in new polymers. Meanwhile, we have launched a high-throughput polymerisation project, spun out of a collaboration with the University of Leeds, that could also significantly increase the speed of new product delivery.

Speed matters if we are to maintain competitive advantage. We know, for example, that interest in sustainability in markets like China is accelerating rapidly. We are well placed to meet that growing interest thanks to our newest innovation centre in Shanghai, China. Its state-of-the-art laboratories are designed to specifically support local product development in the local market.

Our new Innovation Taskforce

We want to keep this momentum going, which is why we have set up a new Innovation Taskforce. The taskforce is chaired by our non-executive director Roberto Gualdoni, and includes other non-executive directors, members of our Executive Committee, some of our Group and divisional innovation leaders and our VP of ESG. Following a deep-dive review with four Board members in September 2024, the taskforce has set up three work programmes. The first is looking at ways to improve the value of our innovation pipeline, and includes a new exploratory innovation team, which is already reviewing options in markets closely adjacent to our current portfolio. The second aims to redesign the innovation operating model to drive improved innovation delivery and value creation. The third looks to pilot AI/machine learning to drive greater speed to market. Combined, the changes delivered by these work programmes will create a new culture of innovation for the long-term delivery of our market and sustainability needs.

Working in partnership to accelerate innovation

One of the best ways in which we can accelerate innovation is by working in partnership with academia.

This year, we worked with the University of Montpellier and University of York to develop a new monomer system and formulation additives with high bio-based carbon content. We then evaluated their performance in real-world systems with positive results, and in November 2024 we filed a patent based on the additive technology. We are now looking to evaluate the new additive with our customers.

Meanwhile, we extended our programme with the University of York, thanks to a prestigious 'Prosperity Partnership' grant from the UK Government, which will enable us to evaluate the next generation of bio-based monomers, aiming to drive decarbonisation and defossilisation in the speciality polymer industry.

Looking ahead

Designing with sustainability in mind has become 'business as usual' for our innovation teams. But the way we do it is evolving, thanks to new data and digital tools and the work of our Innovation Taskforce to drive greater efficiency and speed to market. These will continue to be important areas of focus in the coming year, ensuring our innovation pipeline continues to do what matters most – serving the needs of our customers.

Our innovation centres

Our centres of innovation excellence, which provide products and process innovation across all our divisions:

Akron, USA

Harlow, UK

Marl, Germany

Shanghai, China

Kulai, Malaysia

Our market-specific technical centres:

Chester, Jefferson, Longview, USA

St Albano, Italy

Sintra, Portugal

Accrington, UK

Middelburg, the Netherlands

Review of the year

People in focus: a maturing approach to supporting our people

Our people's commitment to our customers and delivering the products they need has played an essential part in our strategic progress this year.

Our employees are at the heart of our success, which is why we continue to build an increasingly inclusive and dynamic culture that supports diversity of thought and encourages employees to share their views.

Strengthening employee engagement

We are particularly pleased that so many employees chose to participate in this year's global employee survey, Your Voice. It was our first since 2021 and, in all, 80% of employees shared their views – 7% more than three years ago.

We achieved an overall engagement score of 7.0 out of 10, which positions us in the middle of our chosen external benchmark and represents an improvement on our 2021 performance. This is a good result given how much internal change and external turbulence our employees have had to navigate in recent years.

We are encouraged by the positive scores for questions on safety, ethics and compliance, which sit at the heart of our core values. At the same time, employees would like to see opportunities to further strengthen career development and provide more support in times of transition and change.

Highlights from 2024

- 80% of employees responded to our global Your Voice engagement survey, helping us achieve our Vision 2030 employee engagement target
- Introduced new Global Recognition Framework with more than 60 nominations received for our inaugural Group Inspire Awards
- Strengthened our diversity, equity and inclusion commitment with new recruiting guidelines, continued focus on inclusive leadership and new pilot initiatives to drive gender diversity
- Launched Synthomer University with emphasis on leadership development, including three regional pilots for a new Operations Supervisor programme and three regional Emerging Leader programme cohorts

Our people priorities

We have updated our priority areas to ensure they continue to support Synthomer's overall business strategy. They are:

- Creating a compelling employee value proposition and fostering an innovative workplace
- Cultivating talent and capability to drive portfolio transformation and growth
- Driving HR excellence in optimising processes and execution
- Integrating strategic workforce planning for differentiated talent allocation
- Promoting engagement and wellbeing through holistic development and inclusive culture.

Board engagement

Our Board-level Employee Voice engagement initiative gives Board members the opportunity to actively engage with our people. This year, Board members held 11 face-to-face and virtual meetings across Asia, Europe and the USA.

We also introduced a new Board report summarising the status of our graduate programme activities during the year. This was combined with a 'show and tell' session at our headquarters in London, giving six graduates the opportunity to meet Board members and share their experiences.

More information on the Board's engagement with employees and other stakeholders is available on pages 76 to 81.



- 80% participation
- 7.0 overall engagement score
- More than 25,000 individual comments

Employee engagement is key to our strategy and we are committed to turning the survey results into positive actions. We already have a good track record. Our 2021 survey led to more than 250 specific actions, and progress in several key aspects of our people agenda, such as diversity, equity and inclusion (DE&I) and internal communications, is directly linked to previous survey results. Your Voice action planning will be one of our key people priorities for 2025.

Supporting employee health and wellbeing

Having established a new Synthomer Wellbeing Committee and Employee Assistance Programme in 2023, we focused on specific action in 2024, including embedding wellbeing priorities into site-specific safety, health and environment (SHE) goals. We also introduced wider initiatives, such as a World Mental Health Day campaign and financial wellbeing sessions in Asia. To help monitor our progress, we have also established a new health and wellbeing dashboard as part of our people analytics reporting. We asked specific health and wellbeing questions in our 2024 Your Voice survey to help us understand the impact our work is having.

Strengthening the way we manage recognition, talent and performance

This year, we created a more globally consistent approach to employee recognition, with a multi-tiered framework that includes a new Group-wide awards programme called the Inspire Awards. Launched in May 2024, it received 60 nominations from around the world. Our Executive Committee chose the three winning teams, who were then put forward for our Synthomer Choice Award. This was presented at our Global Leadership Team event to Jeganeswaran Annamala, Technical Service Manager in Health & Protection, for his work during the year with a key nitrile customer.

We continued to focus on development conversations to strengthen our talent pipeline and support career development and succession planning, and introduced a new talent health check framework.

We have made good progress in embedding our performance management framework, with completion rates for goal setting, mid-year conversations and summary conversations well above 90%. We are also expanding the inclusion of individual or team performance into bonuses for wider parts of the organisation to recognise the strong contribution our employees make during challenging times.

Growing local support for our DE&I agenda

Diversity, equity and inclusion (DE&I) remains a core pillar of Synthomer's strategy and our approach is maturing every year. We were particularly pleased to rank second at the 2024 SCI Innovation & Sustainability Awards, with judges noting our work to set up our DE&I-focused employee resource groups, our Inclusive Leadership programme and our DE&I ambassador network in Asia.

That network of local DE&I ambassadors continues to grow, with new representatives across EMEA and the USA.

We continue to raise awareness and build skills through initiatives like our inclusive leadership training and a new unconscious bias campaign. Our new recruiting guidelines will help ensure we have diverse selection panels in place and remove bias from our recruiting process.

Our gender diversity statistics

All employees

● Female	960
● Male	3,129
● Not declared	13
Total	4,102

23.4%
female

Board

● Female	3
● Male	7
Total	10

30%
female

Senior management

● Female	14
● Male	34
Total	48

29.2%
female

Our employee resource groups

We have three DE&I employee resource groups:

ENGENDER – our women's network

THRIVE – our LGBTQ+ network

EMPOWER – our cultural diversity network.

Monitoring our progress

We monitor progress via our DE&I dashboard. We added a new element to the dashboard this year to show the age differences in our teams. With the number of younger team members on the rise and a growing number of more experienced members reaching retirement we intend to use this data to improve ways that those different generations can learn from one another.

Our Board and Executive Committee continue to actively support our DE&I programme, providing governance via our DE&I Advisory Board and often engaging with employee resource group events, as described in The Board's year on page 67.

» For more on Board-level diversity, see our [Nomination Committee report on pages 95 to 97](#).

We have continued to make progress towards our Vision 2030 gender diversity target, with females now representing 23.4% of our workforce. The percentage of females in senior management has fallen slightly to 29.2% while our Board is 30.0% female. Despite the slight decline versus the previous year, we remain confident about our near-term objective of 33% female representation in senior management by the end of 2025. When looking at our leadership pipeline, the picture is also encouraging: our graduate programme has a female representation of 55% amongst active members of the programme.

» See page 43 for more details on our [Vision 2030 gender diversity performance](#).

It takes time to make meaningful change, particularly in a manufacturing industry like ours, where women have been historically underrepresented. At Synthomer, just 9% of our manufacturing team is female. We want to do more to shift that figure, and in 2024 we ran pilot focus groups at two of our sites in France. Hosted by Ana Perroni Laloe, our DE&I executive sponsor, and our HR Vice President for CCS and EMEA, the sessions gave female members of our operational teams an opportunity to share their experiences, views on what works well at Synthomer and ideas for change. We are aiming to hold similar sessions in other parts of the world over the next year, using what we hear to draw up an action plan.

Helping our people do the right thing

We expect everyone who works with and for Synthomer to act with integrity and respect – as enshrined in our values. Our Code of Conduct applies to everyone at Synthomer, and in 2024 we updated it to ensure it remains fit for purpose. Those updates include providing more detailed guidance for employees in areas like accepting gifts and hospitality. Over the coming year we will run a series of regional Code of Conduct roadshows to communicate the changes. Training on our Code is mandatory and we monitor participation closely.

We also continue to build our Human Rights Working Group, with representatives from all our main regions. This year the Group has reassessed the risk of modern slavery in our operations, using publicly available data to help identify our highest-risk locations. We are now working with those sites to raise awareness and ensure we have robust mitigation measures in place.

Our full Code of Conduct is available on our website, along with our Group policies and Sustainability insights, including:

Workers in the value chain

Business Conduct.



We are guided by five core values and associated behaviours that we all share



Our values were developed based on feedback from our employees, and represent the key expectations of everyone in Synthomer.

Deepening our approach to leadership development

One of the best ways that we can help more employees feel connected to Synthomer's strategic goals is by making sure our leaders have the right skills to manage, guide and communicate with their teams.

We continued to develop our Leadership Essentials series of videos and e-learning modules and virtual classes – available to all leaders – with inclusive leadership, managing change and developing teams being key areas of focus this year.

We also made progress in our targeted leadership development programmes – Operations Supervisor Development and Emerging Leader programme.

Co-developed with our manufacturing organisation, we piloted our Operations Supervisor Development programme in all three regions in 2024 and intend to roll it out further in 2025. We also aligned our 12-month Emerging Leader programme across all regions. This year there were 55 participants.

We are now developing a new programme for our future senior leaders called Aspire, a key people priority for 2025.

These activities are all part of our internal Leadership Academy, which is itself part of our newly launched Synthomer University. We continue to build other parts of the University, including our Sustainability Academy and Procurement Academy, which focus on helping our people develop the technical skills that are relevant for their jobs.

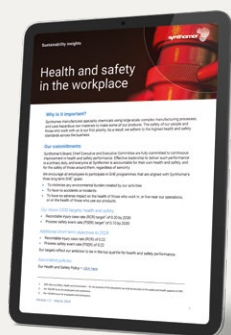


Looking ahead

While our approach in key areas like DE&I and recognition will continue to mature, one of our main areas of focus in the next 12 months will be making sure we address feedback from our latest Your Voice survey. We will also continue work to roll out our development programmes to a broader audience across Synthomer.

Our approach to managing health and safety

All our sites must align their processes and policies with our Group-wide Safety, Health and Environment Management System (SHEMS). Find out more at [Synthomer.com](https://www.synthomer.com)



Health and safety: another good year for occupational safety

Keeping our people and contractors safe is our highest priority, and is enshrined in our core SHE value, which states that 'we always have time to work safely'.

Our 2024 health and safety performance

For the second consecutive year, we achieved an historic low in our recordable injury case rate of 0.14. This is a great achievement, one that requires continual focus and diligence from all our teams.

Our process safety event rate, at 0.21, includes considerable variation between divisions and reflects the mix of chemistries and facilities we now have in our portfolio. We still have work to do at our most recently acquired sites to accelerate their improvement.

» See also page 43 for details on our Vision 2030 health and safety performance.

Continuing our focus on process safety

Improving our process safety performance remains challenging, particularly at our newer sites. So we continue to strengthen our site systems and focus on 'leading' indicators, such as permit to work, while encouraging near-miss and weak-signal reporting. In addition, we make full use of traditional measures, such as incident reporting and learning from both internal and external incidents.

Our new 'bowtie' barrier initiative has now completed checks on 10% of our identified barriers as part of our major accident hazard prevention programme. Our ongoing analysis shows that while the appropriate barriers are in place, some could be strengthened and we have shared important lessons with our other sites.

Sharing knowledge to keep improving

We used this year's annual regional SHE conferences to invite leaders to share their personal experiences of responding to an incident at their site, including what it meant for them and how they dealt with the necessary follow-up improvements. And we introduced new process safety webinars as a direct result of feedback from our 2023 conferences.

We have continued to roll out our competency assurance process to ensure we have consistent health and safety knowledge and skills across the business, and provided process safety training at our newer sites and for new employees.

Our safety performance by division

Full year ended 31 December	2024	2023
Recordable injury case rate (RCR) per 100,000 hours for employees and contractors		
CCS	0.25	0.23
AS	0.00	0.38
HPPM	0.09	0.03
Continuing Group	0.14	0.16
Process safety event rate (PSER) per 100,000 hours for employees and contractors		
CCS	0.15	0.13
AS	0.69	0.63
HPPM	0.09	0.08
Continuing Group	0.21	0.18

Priorities for 2025

While we still have work to do, our longer-term SHE trends continue to demonstrate that the longer sites are part of Synthomer and our SHE management system, the better their performance, though this year's PSER does show a small increase year-on-year. Our functional SHE experts will continue to support our newer sites to help them accelerate their SHE improvement by fully adopting strong systems and by learning from others across the Company.

Review of the year

Our Vision 2030 progress

Our Vision 2030 roadmap lays out a series of sustainability-related targets in areas that matter most to our stakeholders and where we can have the most material impact.

We keep our targets under review and update them when needed. This year, we conducted our first 'double' materiality assessment (DMA). The majority of our Vision 2030 targets correspond with the most material impacts, risks and opportunities identified by the DMA (see page 30).

We are now working to fully align our Vision 2030 targets with the material topics that relate to our DMA, and assessing and finalising our KPIs and any potential changes to our Vision 2030 roadmap. One target, 'Our communities', did not reach the materiality threshold and we have decided to remove it from our Vision 2030 reporting from this year.

Nonetheless, the Synthomer Foundation continues its great work to support local communities in the USA (see Synthomer Foundation on our [website](#)) and our internal global volunteering network is growing.

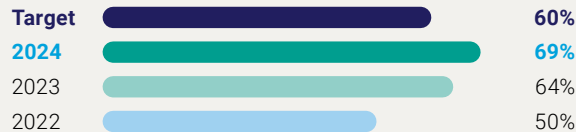
We provide more detail online on each of our target areas, including our approach, governance, progress and priorities. This information is organised into three areas – environment, people and governance – and can be found on our [website](#). This information includes more detail on our community programme.

* Set in 2020, excluding health and safety objectives, which are reset on an annual basis.
 ** Excludes adhesive resins business acquired in April 2022.
 Met or exceeded target.

Sustainable products

Vision 2030 target

At least 60% of new products with enhanced sustainability benefits.



Short-term 2025 objective*

At least 55% of new products with sustainability benefits.

Progress against the target and objective in 2024

This year we launched 38 new products with enhanced sustainability benefits, meaning we exceeded our 2030 target for the second consecutive year.

As well as introducing new products with a lower carbon footprint, one of the best ways we can reach our target is by eliminating substances of concern. In 2024, we met our commitment to completely eliminate an emulsifier used in fibre bonding binders called alkylphenol ethoxylates from our global production processes.

We continue to evolve our product sustainability scorecard to ensure we are designing new products with sustainability in mind, while sustainability now represents 25% of the weighting in our strategic scorecard.

Strategy

» See Innovation in focus on pages 34 to 35.

Link to strategy

- Organic growth in attractive end markets
- Rigorous and consistent portfolio management to build focused, leading positions
- Operational and commercial excellence in how we run our business
- Differentiated steering in how we allocate capital and talent
- Diversity, equity and inclusion, and holistic people development

Sustainable procurement

Vision 2030 target

80% procurement spend with a sustainability rating.



Short-term 2025 objectives*

- 50% procurement spend covered by a sustainability rating and improvement plan
- Audit eight key suppliers' sites by 2025
- Ensure that all our highest-risk suppliers agree to our Supplier Code of Conduct or equivalent standards

Progress against the target and objective in 2024

We achieved our short-term objective to have 50% of our spend covered by a sustainability rating.

Using the TfS audit methodology we have identified suppliers that we want to work with to better understand their approach to key sustainability topics. This year we audited eight sites, with a particular focus on human rights. We identified themes such as keeping records on working hours and managing breaks, and our suppliers are now working to improve in these areas.

We continue to review our supply chain risk and strengthen our due diligence tools and methodologies.

Our training this year has helped the procurement team improve its understanding of sustainability-certified materials, such as ISCC PLUS, and how to request and validate sustainability data from our suppliers. We also ran training on human rights and modern slavery.

To date, 93% of our highest-risk suppliers have agreed to meet our Supplier Code of Conduct or equivalent standards.

Strategy

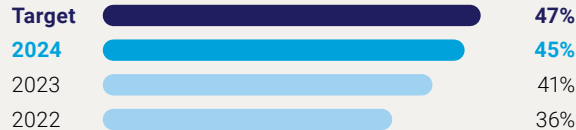
» See Sustainability in focus on pages 26 to 31.

Review of the year / Our Vision 2030 progress continued

Environment

Vision 2030 target

Reduce Scope 1 and 2 absolute emissions by 47%.



Short-term 2025 objective*

- 30% absolute reduction in Scope 1 and 2 emissions (versus 2019)
- 5% energy reduction on intensity (versus 2022)

Progress against the target and objective in 2024

Our Scope 1 and 2 emissions reduced this year by 7.2%, an overall reduction of 44.9% compared to our 2019 baseline. Our Scope 1 emissions increased 4% versus 2023. This was mainly due to an increase in reported process emissions from monomer production at our site in the Czech Republic. Additional emissions were also due to the rise in energy demand corresponding to increased sales volumes.

We continue to work on energy and process efficiency projects to tackle these emissions through our Manufacturing Excellence programme. For example, our site in Middelburg, the Netherlands, has saved an estimated 3kt of carbon dioxide equivalent (CO₂e).

In Marl, Germany, we improved energy efficiency by around 6% through process changes and recipe optimisation. We are now sharing some of Marl's approaches with other sites.

While our energy intensity (versus our 2022 baseline) is behind target, we did see a 3.5% improvement compared to 2023.

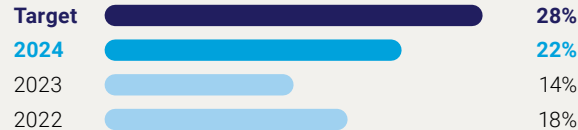
Our Scope 2 emissions were 32% lower than 2023, due primarily to the supplier of steam to the Marl site in Germany closing its last coal-fired production unit.

Other projects, such as replacing and upgrading drying technology at one of our sites in the USA, optimising our waste gas system at our Pasir Gudang site in Malaysia and evaluating opportunities to introduce heat pumps at certain sites, will all play an important part in helping us reach our 2030 goals.

- » See Sustainability in focus on pages 26 to 31, our Climate Transition Action Plan on page 29 and our Climate action insight paper at [Synthomer.com](https://www.synthomer.com). See our Environmental performance summary on pages 191 to 194 for data disclosures.

Vision 2030 target

Reduce Scope 3¹ absolute emissions by 28%.



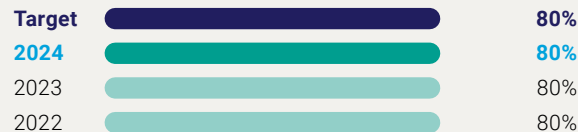
Progress against the target and objective in 2024

Our Scope 3 emissions are similar to last year based on our production volumes.

As explained on pages 27 to 29, our 2023 carbon assessment has informed our understanding of our Scope 3 emissions, particularly the raw materials we buy, and where we buy them from. That work has in turn informed our carbon transition action plan (page 29). And we expect the actions we took in 2024 to reduce our Group-level Scope 3 emissions by 2%.

Vision 2030 target

80% of electricity from renewable sources.



Progress against the target and objective in 2024

We met our target to source 80% of our electricity (as a Group) from renewable sources for the fourth year in a row. This was due to a combination of green tariffs, purchasing energy attribute certificates (EACs) and some smaller onsite renewable power generation.

Because of the likely changes in our manufacturing footprint in the coming years, we have revised our intention to sign a European virtual power purchase agreement due to the volume commitment that would be needed and we are now reviewing other options, such as joining a consortium that aggregates our demand with others.

Also, from 2025, we have updated our renewable electricity procurement policy to include the requirement that when we renew supply agreements we will only use green tariffs (where available) and will purchase EACs so that each of our sites uses at least 80% renewable electricity as a minimum (not just the Group).

We are also assessing the potential timing for introducing a 100% renewable electricity target.

Vision 2030 target

Establish sustainable water management at sites located in areas of high water stress.

Progress against the target and objective in 2024

Our water intensity metrics have improved this year, with water withdrawal intensity 2.2% better than 2023.

Our three sites with high baseline water stress and/or high forecast water stress have made progress against their water stewardship targets. Our site in Ribecourt, France, has met its legally binding 10% reduction target and has a clear set of objectives to hit its 25% reduction target by 2035. Our Le Havre, France site has worked with a third-party expert to develop and submit an action plan to its regulator, setting out proposals to meet a 20% reduction target.

Our site in Langelsheim, Germany, has continued work to consider eliminating once-through cooling using river water, which we estimate could reduce overall Group water withdrawal by 12% when complete. It has also made further progress towards implementing the Alliance for Water Stewardship (AWS) standard with a view to seeking certification in 2025.

Short-term 2025 waste objective*

5% reduction in total waste per tonne (versus 2022).

Progress against the target and objective in 2024

Our targeted three-year rolling waste intensity metric was 6.7% worse over the 2022-2024 period versus 2020-2022.

Like emissions and water, many of our sites are working on projects to improve the efficiency of our manufacturing processes, which can be a common cause of waste. For example, our Jefferson, USA, site optimised its hazardous waste stream management, saving more than \$1.2m in disposal costs and reducing hazardous waste by more than 1,000t.

Our total waste figures were affected by one-off waste disposals relating to non-process waste (including more than 1,000t of demolition-related waste at one of our German sites), as shown in the environmental performance summary table on page 193. As a result, our overall waste generation in 2024 was 1.9% up on last year, but 18% lower than 2022.

Strategy

- » See Sustainability in focus on pages 26 to 31 and our Water and Waste and pollution insight papers at [Synthomer.com](https://www.synthomer.com)

Review of the year / Our Vision 2030 progress continued

Health and safety

Vision 2030 target

Recordable injury case rate (RCR).***



Vision 2030 target

Process safety event rate (PSER).***



Short-term 2025 objectives*

- RCR of 0.20
- PSER of 0.20

Progress against the target and objective in 2024

We achieved another historic low in our RCR. This is a great achievement, one that requires continual focus and diligence from all our teams.

Our PSER includes considerable variation between divisions and reflects the mix of chemistries and facilities we now have in our portfolio. We continue to have work to do at our most recently acquired sites to accelerate their improvement.

These lagging indicators are important for tracking our overall performance but do not always tell the full story. Some sites have outstanding records, such as Uruapan, Mexico, which recently celebrated 10 years without a recordable injury or major process safety event. Meanwhile, our Adhesive Solutions site in Middelburg, The Netherlands, has completed a full year without a recordable injury for the first time since 2017.

Process safety has remained a priority throughout 2024, and we conducted around 10% of our 'bowtie' barrier checks as part of our ongoing major accident hazard prevention programme. We also carried out SHE audits at 10 sites to assess the way they continue to prevent potential major accident hazards, including how they manage contractors, after we noticed a correlation between contractor events and near-miss incidents.

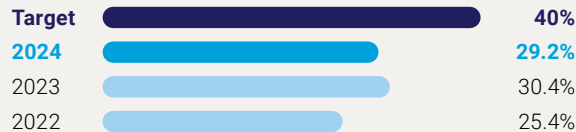
Strategy

» See Sustainability in focus on pages 26 to 31, People in focus on page 40 and our Our health and safety insight paper at [Synthomer.com](https://www.synthomer.com)

Our employees

Vision 2030 target

40% senior management² gender diversity.



Vision 2030 target

Achieve upper quartile engagement scores against external benchmarks.

Short-term 2025 objectives*

- 33% female senior leaders
- 20% senior leaders from ethnically diverse backgrounds

Progress against the target and objective in 2024

Despite the slight decline versus last year, we remain confident about meeting our near-term objective of 33% female representation in senior management by the end of 2025 – always grounded on our underlying principle of meritocracy.

We find it particularly encouraging to see our overall female representation across the workforce remaining on an upward trend with 23.4% versus 22.8% the year before.

We want to encourage more women to take up manufacturing careers – where they have traditionally been underrepresented both in Synthomer and across the chemicals industry. This year, we held pilot focus groups with female members of our operations at two of our sites, giving them the opportunity to share their experiences and ideas for change. We are aiming to hold similar sessions in other parts of the world over the next year, using what we hear to draw up an action plan.

Our ethnic diversity across senior management was at 20.8% for 2024.

We conducted our global employee engagement survey – Your Voice – in November 2024, with 80% of employees sharing their views. This was 7% higher than the last survey we ran in 2021. We achieved an overall engagement score of 7.0 out of 10, which positions us in the middle of our chosen external benchmark and represents an improvement on our 2021 performance. This is a good result given how much internal change and external turbulence our employees have had to navigate in recent years.

Once again, it is encouraging to see positive responses in areas such as safety, ethics and compliance. Employees also shared their thoughts on areas for improvement, including strengthening our approach to career development and providing more support in times of transition and change.

Our Board continues to hear directly from employees via our Employee Voice programme. This year, the Board participated in 11 face-to-face and virtual sessions across our three main regions.

Strategy

» See Our strategy on page 3, People in focus on pages 36 to 39.

* Set in 2020, excluding health and safety objectives, which are reset on an annual basis.

** Excludes adhesive resins business acquired in April 2022.

*** Per 100,000 hours for employees and contractors.

1 SBTi-approved Scope 3 science-based target is for Category 1: Purchased Goods and Services.

2 Senior management is defined as members of the Executive Committee plus senior managers directly reporting to them.