

Review of the year

Sustainability in focus: building deeper partnerships with our customers



“This year we have focused on building stronger partnerships with our customers and other key stakeholders to create value and shape a more sustainable future.”

Chris Brown

Vice President, Environmental, Social and Governance

This was another productive year for our sustainability agenda, with work to accelerate innovation and deepen partnerships with customers and suppliers continuing, despite ongoing market challenges.

Synthomer has come a long way since we set out our Vision 2030 framework five years ago. Today, sustainability is a business principle and a foundation of our growth strategy and we have made consistent progress against most of our targets. Targets are important, since they help us make – and report on – progress, but they are not a strategy in themselves. Which is why everything we do when it comes to sustainability must be in service of our key stakeholders’ needs, and demonstrate the benefits to our customers of choosing us over another supplier. We want them to see us as a sustainability enabler. If they do not, we risk missing out on future business opportunities.

So while we have continued sharpening our approach in areas like innovation, human rights and value chain emissions data analysis, we are also building deeper partnerships with our customers and suppliers to help accelerate change across our value chain.

Importantly, others are recognising our progress. In 2025, we won a sustainability award from a key adhesives customer, Henkel, and a supplier award from our high-performance materials customer, Nitto. This second award recognised our commitment to quality, service and sustainability. We also retained our CDP Climate A- rating, which places us in the leadership group, and our silver EcoVadis rating, where we are now in the top 2% of rated companies for sustainable procurement.

This year also marked the end of the first of three time horizons that we set out two years ago in our climate transition action plan. As well as finding new ways to meet our science-based 2030 GHG emissions targets, the action plan will help us identify the business opportunities to reach our 2050 net zero ambition.

That deadline is getting closer. We need to start developing the next generation of sustainable solutions today in order to keep delivering the products that our customers will need in future. We know from our latest scenario analysis that if we do not, we may miss opportunities to continue delivering our growth strategy.

» See our latest scenario analysis on pages 58 to 63.

Highlights from 2025

- Delivered first sales of our BIO and CLIMA products.
- Won supplier sustainability awards from two key customers.
- Launched a new customer portal providing key product safety information.
- Eliminated alkylphenol ethoxylates from our global product portfolio.
- Developed a new greenhouse gas forecasting model, identifying new options to deliver our climate transition plan.
- Maintained our A- 'leadership' level for CDP Climate.
- More than 1,900 employees engaged through our Sustainability Academy.



Continued commitment under challenging circumstances

Unlocking these opportunities will be challenging, not least if broader market conditions continue to test our industry. We have certainly seen a shift in business priorities in 2025, as customers, suppliers and peers prioritise managing cost pressures. However, change is not linear and a good strategy does not get blown about by short-term challenges. Sustainability remains a key enabler for our strategy, but it is also a business consideration like any other.

Our ISCC PLUS certification is a good example. In 2025, we achieved ISCC PLUS accreditation for 11 of our manufacturing plants, enabling us to offer customers our BIO and CIRCLE products using the mass balance approach. While changes in short-term business priorities have made it harder to incorporate additional cost, we know that customers are interested in these products and we have now made initial customer sales in our Adhesives and our Coatings businesses.

While it is important we help our customers understand the benefits of our products today, it is essential that we understand their needs, challenges and timelines so we can work together more effectively to create the next generation of more sustainable products.

Accelerating change through greater collaboration

Sustainable change has to be championed by the people who work most closely with our customers and suppliers. Our Sustainability Academy, which we launched in 2024, is playing an important role in this, helping our commercial, innovation and procurement teams develop the tools and language they need to become those champions. And it is thanks to their hard work and collaboration that we are building deeper partnerships across our value chain.

As a B2B company, working with our customers to help them realise their goals – and with our suppliers to understand theirs – is the only way we will achieve ours. Our partnerships with key universities are important here. They help us accelerate innovation and train the next generation of synthetic and polymer chemists in key aspects of green chemistry (see page 35). We increasingly participate in key industry organisations, such as the European Chemical Industry Council (CEFIC), the American Chemistry Council (ACC) and the Chemicals Industries Association (CIA) in the UK. We are also an active member of the Together for Sustainability (TfS) initiative. This year we participated in three TfS workstreams focusing on assessing and auditing suppliers, building skills and Scope 3 emissions. These collaborations are essential given our industry's importance as nations and regions build their industrial strategies in the face of increasing competition from other parts of the world.

Our climate transition action plan

In 2024, we developed a new climate transition action plan to support our journey towards net zero. The plan focuses on four specific areas and is set out across three time horizons (2025, 2026-2030 and 2030-2050):

- 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 emissions 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 emissions by selectively sourcing lower-carbon fossil-based feedstocks, sourcing certified sustainable feedstocks, developing value chain partnerships and innovating novel (recycled, bio-based and CO₂-derived) feedstocks and products
- Risk assessment and scenario analysis to further develop our strategic understanding of climate risk and its financial impacts for our business.

Getting to work on delivering our climate transition action plan

We have reported against the recommendations of the Task Force on Climate-related Financial Disclosures for many years (see pages 58 to 63) and in 2024 conducted our first double materiality assessment (see page 30) and implemented our new climate transition action plan (see left).

Both have strengthened our understanding of our biggest risks and opportunities and confirmed that we were broadly focused on our most material issues through our Vision 2030 framework. What our climate transition action plan also showed us is that the biggest, fastest impact we can have between now and 2030 is through sourcing lower-carbon feedstocks.

As well as introducing the ISCC PLUS products, this year we piloted the use of low-carbon versions of two key raw materials: butyl acrylate (BA) and butadiene (BD). The pilot targeted lower-carbon BA and BD at two specific sites and improved our understanding of how to account for multiple sources of a raw material in a product carbon footprint. It also highlighted practical challenges for our procurement team in maintaining a secure supply from a smaller pool of suppliers. We will use what we have learnt to continue developing options for lower-carbon products and better understand their impact on our procurement approach. This will help us determine better ways to deliver lower-carbon options for our customers.

As part of our action plan, we are working to identify alternative raw materials to complement existing lower-carbon fossil-based products over the medium and long term. In 2025, we reviewed market-ready and emerging drop-in feedstocks from recycled, bio-based and CO₂-derived sources, as well as new chemistries and technologies for future polymers. All three alternative feedstocks – and several relevant

technologies – are projected to become commercially significant by 2030, presenting meaningful opportunities for our portfolio. The barriers to adoption are now shifting from technical feasibility towards the need for stronger market pull, as well as supportive policy frameworks to help these lower-carbon solutions compete with conventional fossil-based materials.

Our procurement teams play a crucial role here. They are helping us build closer relationships with key suppliers so we can identify and source the raw materials we need to deliver the next generation of sustainable products, proving that innovation does not always happen in a laboratory.

New GHG emissions forecasting model to accelerate progress

As in 2024, much of what we have achieved this year is thanks to data insights and how they inform our discussions with stakeholders. This year, we have worked with our businesses and functions to develop a new GHG emissions forecasting model that helps us understand the potential future impact of our business growth plans. The model also enables us to review our raw material and product costs versus carbon impact. Our businesses and procurement teams have responded positively to the tool and its ability to open conversations with customers and suppliers about the impact of GHG emissions in the same way as for cost and price.

This tool is another important milestone in addressing our Scope 3 emissions – by far the largest proportion of our carbon footprint. Developing it has involved mapping our customers' purchases against the raw materials we use to make our products and the suppliers we purchase them from. It provides exceptional granularity on any given emissions trajectory for individual customers and product lines.

It has also helped identify important data gaps and the specific suppliers we need to work with more closely to understand their carbon footprint and goals.

We plan to improve the model in 2026 to allow the tool to demonstrate the margin, price and carbon impact of our products. This will help us make better informed business decisions while delivering more sustainable products for our customers.

We see plenty more potential for other digital tools and artificial intelligence (AI) to help us. In 2026 we will investigate options to build AI functionality into the forecasting tool to generate new insights to keep reducing our Scope 3 emissions.

Our customers want to know more about our products' carbon footprint (PCF), and our growing portfolio of detailed, TfS-compliant PCF reports has become a valuable resource.

Creating these reports is time-consuming. So, at the end of 2025 we ran a pilot for a new PCF automation tool at our site in Ribécourt, France. The tool automatically creates a carbon footprint for specific products using manufacturing procurement and production data. As well generating targeted PCFs to meet specific customer requests, this tool will help us expand our PCF portfolio more quickly. It will also enable us to track Scope 3 GHG emissions in real time, instead of manually collating data once a quarter. While this will initially occur at an individual plant level, our ambition is to integrate the tool across our whole business over the next five years.

An ongoing commitment to product stewardship

One of the most important ways we can support wider sustainability is by minimising or eliminating the use of certain chemicals. The majority of our products are not classified as hazardous, and only a small proportion of what we sell contains hazardous ingredients. However, that proportion means we are, rightly, subject to strict regulations on their use and we provide customers with up-to-date, legally compliant safety sheets for products in all the markets where we operate.

But product safety regulation is regional, complex and changing rapidly. So over the past few years we have strengthened our approach. This includes regular training sessions to help our procurement teams understand key regulation and ensure they ask suppliers the right questions about raw materials. We also have a new tool that enables our innovation teams to screen raw materials against regulations to help them make faster, more informed decisions when designing products.

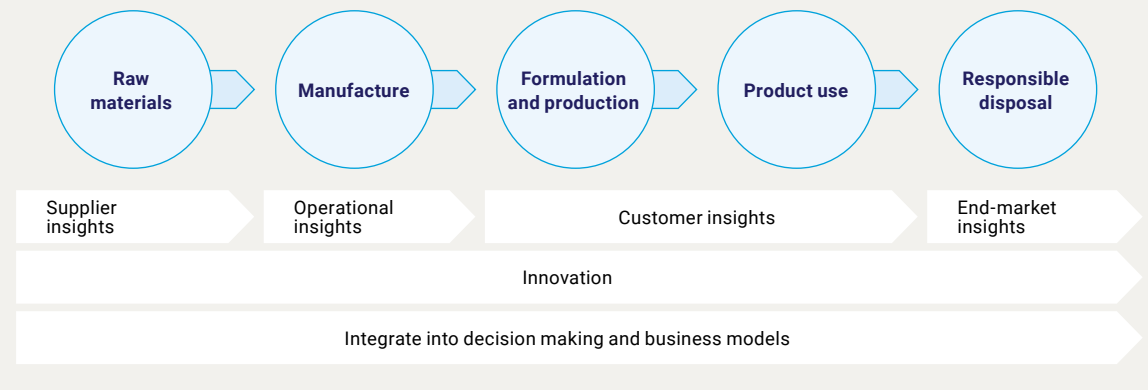
Meanwhile, we continue to improve the way we share information with customers, and this year launched a new customer portal that includes product regulation passports. The passports provide concise information that enables customers to check compliance in multiple geographies, answering many of our most frequently asked questions.

The portal itself is an excellent example of our customer-centric approach. Launched in January 2025, it currently contains our Adhesive Solutions and SVP business product lines, and we intend to add more businesses in 2026. To date, more than 100 customers have downloaded over 1,500 documents and more customers are signing up all the time.

» See Synthomer's customer portal.

Building deeper relationships for radical collaboration throughout the value chain

We are using data, information and knowledge from across our value chain to generate insights that help us create options for more sustainable products and services for our customers.



Our double materiality assessment

In 2024, we completed a double materiality assessment (DMA) to evaluate both the impact of our operations on people and the planet, and how sustainability issues could affect our financial performance. The process included:

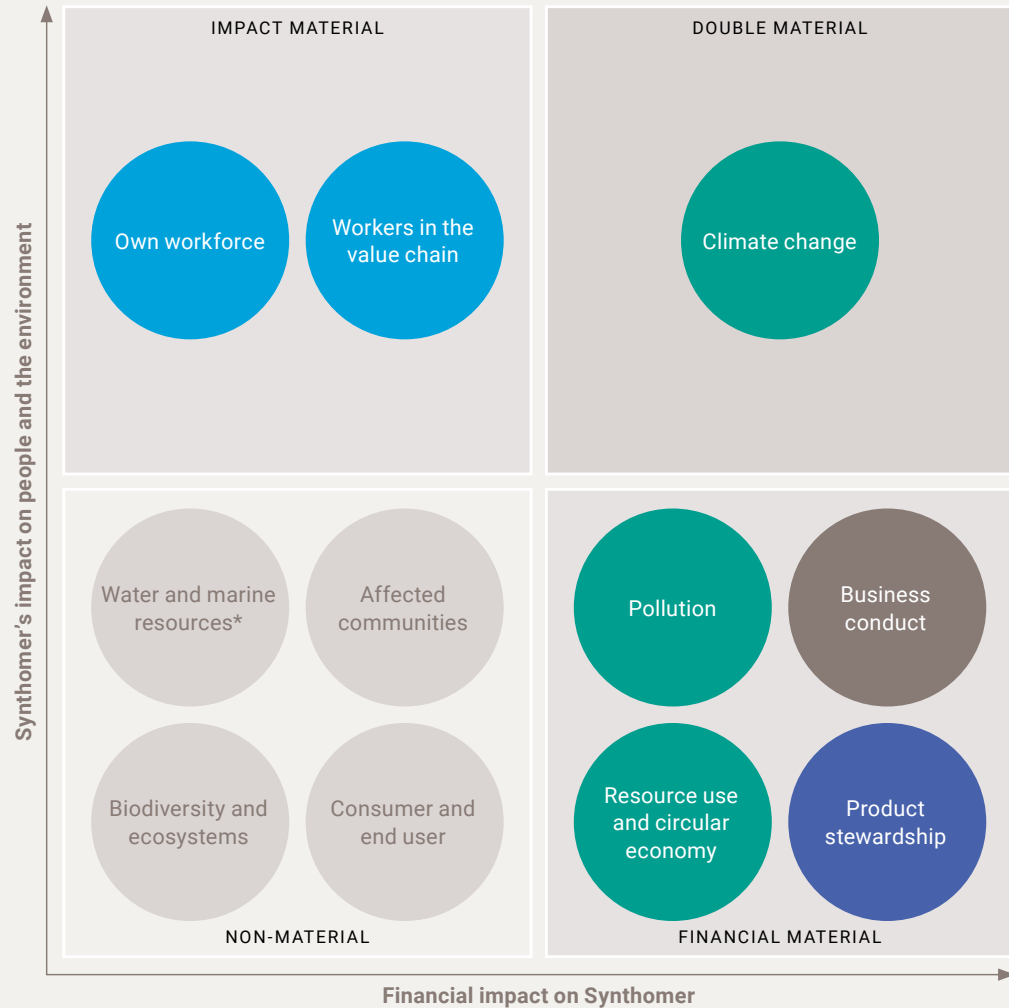
- Mapping our value chain and stakeholders to identify a long list of risks and opportunities.
- Engaging with key stakeholders – employees, investors, customers, and suppliers – to validate this list.
- Using our existing Group risk framework methodology to quantify the financial materiality of those risks and opportunities on our business as well as their likely societal impact.

» More information is available at [Synthomer.com](https://www.synthomer.com)

From this, we identified the topics (shown in the graphic on the right) that are most material to our business at a Group level, along with a list of impacts, risks, and opportunities. The DMA confirmed that most of our Vision 2030 targets aligned with our material priorities.

We are now reviewing future regulatory reporting requirements, including the EU Corporate Sustainability Reporting Directive (CSRD) and the UK Sustainability Reporting Standards (UK SRS).

We will review and revise the DMA and relevant key performance indicators in 2026 to confirm these remain our most material risks and continue to be aligned with our group risk management methodology.



- Material topics**
- Environmental
 - Social
 - Governance
 - Entity-specific

* 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.

We want to be more than just compliant, though, and are committed to eliminating and reducing the proportion of hazardous ingredients in our products wherever possible. Our product innovation scorecard commits us to eliminating substances of very high concern (SVHCs) from our portfolio, and today 1.12% of our products contain them at a concentration higher than 0.1%.

Meanwhile, we stopped manufacturing per- and polyfluoroalkyl substances (PFAS) in 2023. However, we still find traces in some of our raw materials, so a new cross-functional taskforce is developing a screening process that will help us to eliminate them entirely.

We also reached a significant milestone this year in our voluntary programme to eliminate alkylphenol ethoxylates (APEOs) from our products. In September 2025, our Adhesive Solutions division produced its last batch of SUNCRYL™ water-based release coatings containing APEOs in North America. This completes a multi-year initiative to reformulate 17 products across our divisions and means our global product portfolio is now APEO-free.

Steady progress against Vision 2030

We provide more detail on performance against our Vision 2030 targets on pages 41 to 43, but continue to make good progress against many of them.

The broader economic climate has slowed our short-term ability to deliver some of our bigger plans. Due to financial pressures explained in this report on pages 7 to 9 we have constrained our five-year capital investment plan for Scope 1 and 2 GHG emissions reduction and paused the purchase of energy attribution certificates contributing to our Vision 2030 renewable electricity target. While these decisions have affected our short-term progress we successfully met our 2025 objective and remain on track to achieve both our 2030 Scope 1 and 2 science-based target and renewable electricity target.

Nonetheless our sites have continued implementing 'self-help' measures to reduce energy consumption, including installing more energy efficient equipment when old equipment reaches the end of its useful life. Meanwhile, our three sites located in areas of high water stress and with high water use have made good progress in establishing sustainable water management programmes.

Other highlights include a recordable injury case rate of 0.15, meaning we have exceeded our 2030 target for the third consecutive year. We also successfully met our 2025 objectives for both senior management gender diversity and senior leaders from ethnically diverse backgrounds.

» See People in focus on pages 36 to 40.

Looking ahead

Our people should be proud of everything they have achieved in the past five years. It is thanks to their hard work that we are on track to deliver our 2030 targets while building deeper, more collaborative partnerships with our customers. A growing number of customers are asking for our help, and we know we can do more.

We see huge potential for our growth strategy over the coming decade, as long as we work at the right pace with the right knowledge. So an important focus for us in 2026 will be reviewing the way we measure and communicate the benefits of our products to customers. As we do so, we will continue to work in partnership with customers, suppliers and peers to accelerate progress across our value chain.

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 63. This includes work in 2025 to update our climate-related risk assessments and scenario analysis.

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, 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 and continue to work closely with key industry bodies. For more information, see Ratings and Resources on our website.

We provide more information on our most relevant sustainability issues in our ESG data pack and 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