



Governance report

A speciality solutions platform serving customers in attractive growth markets.

- 67 The Chair's introduction
- 67 The Board at a glance
- 68 Our Board of Directors
- 72 Our Executive Committee
- 74 Our governance framework
- 75 The Board's year
- 78 How the Board engages (s.172 compliance)
- 83 Compliance with the Code
- 88 Audit Committee report
- 95 Nomination Committee report
- 98 Directors' remuneration report and proposed new remuneration policy
- 127 Other regulatory disclosures
- 129 Statement of Directors' responsibilities

The Chair's introduction



“I have seen at first hand the dedication and commitment shown by everyone at Synthomer as they navigate difficult market conditions while transforming our business to become a speciality chemicals platform that drives value creation.”

On behalf of the Board, I am pleased to share our Governance report for 2025.

In my first full year as Chair, I have seen at first hand the dedication and commitment shown by everyone at Synthomer as they navigate difficult market conditions while transforming our business to become a speciality chemicals platform that drives value creation.

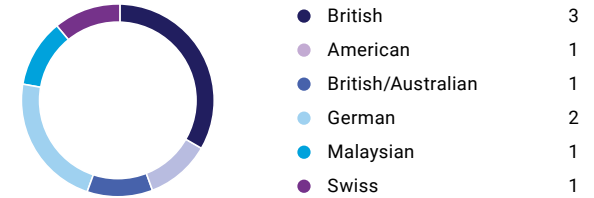
The Board had an active programme this year, providing support and challenge to the senior leadership, and engaging the stakeholders on whose support Synthomer's success relies, while ensuring that the Group continues to demonstrate robust, transparent governance. I would like to thank all our stakeholders for their support for Synthomer – and my colleagues on the Board, for their ongoing commitment to the Company's good governance and success.

Peter Hill, CBE
Chair

Shortly before publication of this Annual Report on 30 April 2026, Lily Liu informed the Board of her intention to step down from her role as Chief Financial Officer (CFO) and Executive Director of the Group on 15 May 2026, in order to take up the role of Executive Vice President and CFO at Umicore SA.

The Board at a glance

Nationality



Board tenure



Individual Directors' skills



We asked our nine Directors to rate themselves on each of 28 skills. For simplicity, we grouped those skills into the 15 categories above. For each category, we added up the rating points and divided the result by the total possible points available for that category to represent an approximate number of Directors with skills in that category.

Our Board of Directors

Peter Hill, CBE Chair

1



Michael Willome Chief Executive Officer

2



Lily Liu Chief Financial Officer

3



Janet Ashdown Senior Independent Director

4



Martina Flöel Independent Non-Executive Director

5



Uwe Halder Non-Executive Director

6



Dato' Lee Hau Hian Non-Executive Director

7



Jonathan Silver Independent Non-Executive Director

8



Holly A Van Deursen Independent Non-Executive Director

9



Anant Prakash General Counsel and Company Secretary

10



Our Board of Directors continued

Peter Hill, CBE

1

Chair

Nationality

British
Appointed to the Board September 2024; appointed Chair from 1 January 2025

Key expertise International, strategy/M&A, CEO/Board leadership, people/culture/change, finance/investment, PLC governance, risk, broader industrials, SHE/regulatory, supply chain

Background

Peter has strong public company governance and international manufacturing experience in a range of industries. He was previously chair of Keller Group plc, Petra Diamonds Limited, Volution Group plc, Imagination Technologies plc and the speciality chemicals company Alent plc. Peter was chief executive officer of Laird plc from 2002 to late 2011, and previously held senior roles at BTR plc, Invensys plc and Costain Group plc, latterly as an executive director. He has been a non-executive director of four other publicly listed companies and three UK government organisations.

N D

Michael Willome

2

Chief Executive Officer

Nationality

Swiss
Appointed to the Board November 2021

Key expertise International, strategy/M&A, people/culture/change, finance/investment, risk, chemicals, sales/marketing

Background

Michael has a track record of driving performance through strong operational management and strategic actions, including M&A. He was previously CEO of Conzzeta AG (now Bystronic AG) in Zurich, and spent 18 years with Clariant AG, leading its global industrial and consumer specialities division. Before that, he held leadership roles in Asia-Pacific, based in Hong Kong, and in Canada and Türkiye.

External appointments

Non-executive director of Glaston Oyj (Nasdaq Helsinki), sits on subsidiary boards of the Indutrade Group

D

Lily Liu

3

Chief Financial Officer

Nationality

British/Australian
Appointed to the Board July 2022

Key expertise Strategy/M&A, people/culture/change, finance/investment, PLC governance, risk, chemicals, broader industrials

Background

Lily is a highly experienced CFO. She has worked in the manufacturing and engineering sectors for more than 20 years, and joined Synthomer from Essentra plc, a FTSE 250 components and solutions business, where she was CFO. Lily was previously CFO at Xaar plc, a UK-listed inkjet technology developer, and at Smiths Detection business, a division of Smiths Group plc.

External appointments

Non-executive director and member of the audit committee of DCC plc

D

Janet Ashdown

4

Senior Independent Director

Nationality

British
Appointed to the Board July 2025

Key expertise CEO/Board leadership, people/culture/change, risk, broader industrials, sales/marketing, supply chain, sustainability

Background

Janet has significant experience of the process and chemicals industries. She had a 30-year executive career at BP plc until 2010, running the UK retail and commercial fuel business in her last role there. She then became chief executive of Harvest Energy, until 2013. Janet has chaired corporate remuneration committees for more than 10 years.

External appointments

Non-executive director and remuneration committee chair of Victrex plc, non-executive director and chair of the remuneration and corporate sustainability committees at RHI Magnesita N.V., non-executive director of Stolt-Nielsen Limited

A R N

Our Board of Directors continued

Martina Flöel

5

Independent Non-Executive Director

Nationality German

Appointed to the Board September 2023

Key expertise Strategy/M&A, CEO/Board leadership, people/culture/change, risk, chemicals, SHE/regulatory, innovation

Background

Martina has considerable executive experience in the chemicals industry, leading what became OXEA GmbH between 2003 and 2016. Before this, she held a number of senior roles at Celanese AG and its predecessor Hoechst AG, focusing on strategy, operations and capital investment, human resources, and innovation and technology. Martina began her career as a research chemist and holds a PhD in chemistry.

External appointments

Non-executive director of Sasol Limited since 2018, and of Neste Oyj from 2017 to 2023



Uwe Halder

6

Non-Executive Director

Nationality German

Appointed to the Board September 2024

Key expertise Chemicals, SHE/regulatory, innovation, sustainability

Background

Uwe's entire career has been in the global chemicals industry. He worked in the USA at BASF SE and as president of DyStar USA, and in Europe at CHT/BEZEMA and Archroma, before joining a business acquired by KLK OLEO, part of the global oleochemical and manufacturing division of Kuala Lumpur Kepong Bhd (KLK).

External appointments

Member of the KLK OLEO chemicals boards in Europe, subsidiaries of Synthomer's largest shareholder KLK

Dato' Lee Hau Hian

7

Non-Executive Director

Nationality Malaysian

Appointed to the Board 2002 as a

Non-Executive Director; first joined the Board in 1993

Key expertise Strategy/M&A, CEO/Board leadership, broader industrials, SHE/regulatory

Background

Hau Hian has experience in organisational transformations, acquisitions, chemicals and manufacturing operations and sustainability matters.

External appointments

Non-executive director of KLK, which is Synthomer's largest shareholder; managing director of Batu Kawan Bhd, a listed Malaysian investment holding company, which is a 47% shareholder of KLK

Jonathan Silver

8

Independent Non-Executive Director

Nationality British

Appointed to the Board July 2025

Key expertise Strategy/M&A, finance/investment, risk, broader industrials, supply chain

Background

Jonathan has significant international experience in finance and accounting, risk and controls, treasury, investment management and mergers and acquisitions. His 30-year career at Laird plc included serving as CFO. Jonathan is a chartered accountant and a member of the Institute of Chartered Accountants of Scotland. He was previously a non-executive director, senior independent director and audit committee chair at Spirent Communications plc.

External appointments

Non-executive director and audit committee chair at Baillie Gifford China Growth Trust plc and Henderson High Income Trust plc



Our Board of Directors continued

Holly A Van Deursen

9

Independent Non-Executive Director

Nationality American

Appointed to the Board September 2018

Key expertise Strategy/M&A, risk, chemicals, broader industrials, innovation, digital

Background

Until 2005, Holly was group vice president, petrochemicals at BP plc. She has worked in the global chemicals industry for more than 25 years and held senior positions across North America, Europe and Asia. Since 2016, Holly has held non-executive director roles for global companies headquartered in the USA and spent 12 years on the board of a Norwegian listed company.

External appointments

Non-executive director and chair of the talent, culture and compensation committee of Kimball Electronics Inc, non-executive director and chair of the safety, sustainability, operations and capital investment committee of Albermarle Corporation



Anant Prakash

10

General Counsel and Company Secretary

Nationality British

Appointed to the Board December 2022

Background

Anant joined Synthomer having spent five years at defence and security company Ultra Electronics Group plc, latterly as general counsel, Europe and Asia-Pacific. Before moving into industry, he worked at international law firm Slaughter and May, where he developed a broad corporate, commercial and M&A practice, including experience working in Hong Kong and Spain.

External appointments

Non-executive council member at City St. George's, University of London

Our non-independent Board members

The Board recognises the unusual nature of having non-independent members.

This is a voluntary arrangement that has been in place for 40 years and reflects the major shareholdings in the Company that they represent.

Dato' Lee Hau Hian and Uwe Halder are the Board's representatives for our largest shareholder, KLK (27%).






Hau Hian's extensive leadership experience in chemical manufacturing and experience of organisational transformations and acquisitions means he offers the Board and Executive Committee invaluable insights when making business decisions. He also offers an important perspective on the Malaysian and Southeast Asian business landscape.

Uwe joined the Board with effect from 1 September 2024. His extensive experience in global chemicals is a significant benefit to the Company, as is his expertise in R&D and innovation, and in strategy and SHE management.

Other Board members in 2025

The Hon. Alexander Catto stepped down from the Board at the AGM on 1 May 2025. Ian Tyler and Roberto Galdoni stepped down from the Board on 12 December 2025.

Board Committee key

-  Audit Committee
-  Remuneration Committee
-  Nomination Committee
-  Disclosure Committee
-  Committee Chair

Our Executive Committee

Michael Willome Chief Executive Officer



Lily Liu Chief Financial Officer



Anant Prakash General Counsel and Company Secretary



Ana Perroni Laloe President, Coatings & Construction Solutions, and EMEA

1



Stephan Lynen President, Adhesive Solutions, and Americas

2



Rob Tupker President, Health & Protection and Performance Materials, and Asia

3



Jan Chalmovsky President, Strategy and M&A

4



Gayla Cowie Chief Human Resources Officer

5



Our Executive Committee continued

Biographies for **Michael Willome**, **Lily Liu** and **Anant Prakash** can be found on pages 69 and 71.

Ana Perroni Laloe 1

President, Coatings & Construction Solutions, and EMEA

Nationality Brazilian
Appointed to the Executive Committee
 February 2022

Background

Ana has more than 20 years' global sales and marketing experience, with a strong track record of successfully commercialising solutions for end markets. She started her career at Ciba Specialty Chemicals in Brazil. Elected president of RadTech South America for two consecutive terms, Ana is one of the pioneers of introducing UV curing technology in the region.

Jan Chalmovsky 4

President, Strategy and M&A

Nationality German
Appointed to the Executive Committee
 September 2022

Background

Jan has more than 15 years' experience in strategy and mergers and acquisitions, most recently as head of strategy and M&A at global industrial company Conzeta AG (now Bystronic AG). Before that, he spent nine years at McKinsey & Company, including as an associate partner, focusing on strategy, corporate transformations and corporate finance.

Stephan Lynen 2

President, Adhesive Solutions, and Americas

Nationality German
Appointed to the Executive Committee
 May 2023

Background

Stephan has more than 25 years' leadership experience in the chemicals industry, principally at Clariant AG, the global speciality chemicals company he worked for in several countries, especially in Asia. He led different Clariant businesses, including its additives unit, before becoming CFO. Stephan brings experience in commercial and operational activities, strategy, finance, M&A, post-merger integration and transformation.

Gayla Cowie 5

Chief Human Resources Officer

Nationality British
Appointed to the Executive Committee
 October 2025

Background

Gayla has more than 25 years' experience in HR, for major multinationals across sectors including automotive, consumer technology and chemicals. She started her career with Nissan Motor Co., Ltd, where she worked in Europe, Africa, the Middle East and Asia. Gayla also worked for Dyson Group and Johnson Matthey Plc, and brings expertise in talent management and driving a high-performance culture.

Rob Tupker 3

President, Health & Protection and Performance Materials, and Asia

Nationality Dutch
Appointed to the Executive Committee
 September 2018

Background

Rob was previously with Honeywell International Inc, where he held a variety of senior business leadership positions in its performance materials and home and building technologies divisions. Before that, he worked with Süd-Chemie (now Clariant AG) and Unilever/ICI's (now Givaudan SA's) flavour and fragrance division. Rob worked for seven years in Asia-Pacific, five years in the USA and 20 years across Europe, with a consistent focus on growing and transforming global businesses in the chemical and process industries.

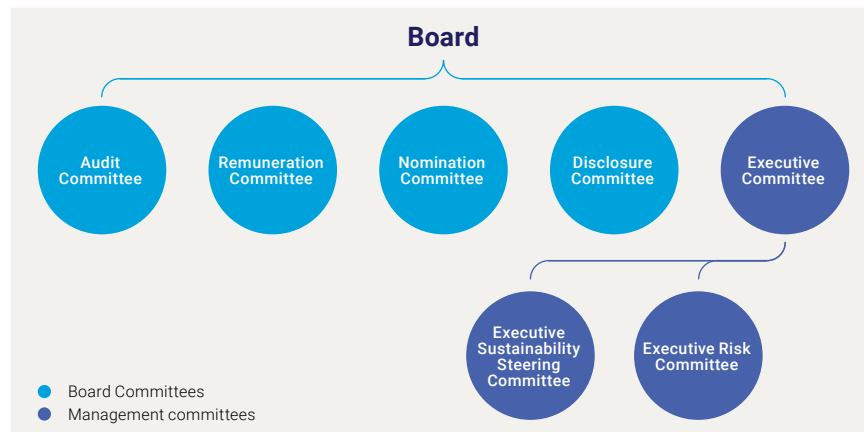
Our governance framework

Our governance framework is designed to focus the Board on setting the Group's purpose, values and strategy, on monitoring performance and on ensuring sound governance, including appropriate controls and balanced risk assessment.

We delegate certain oversight and management responsibilities to various Committees. Executive management is responsible for implementing strategy and leading our colleagues across the Group to deliver that strategy.

As a UK-listed company, we follow the UK Corporate Governance Code and so have an established governance structure. For more detail about how we apply its principles and comply with its provisions, see pages 83 to 87.

Our Board Committees and management committees



Our Disclosure Committee supports the Board and monitors compliance with disclosure controls and procedures for material information, and is responsible for identifying inside information. It comprises the Chair, Senior Independent Director, CEO and CFO, who meet after each scheduled Board meeting, and is advised by the General Counsel and Company Secretary and the Vice President, Investor Relations. The Committee's terms of reference are available on our [website](#).

The Company's progress against our sustainability strategy, Vision 2030 targets and 2050 net zero pledge is under the Board's direct supervision. Given that these environmental, social and governance (ESG) matters are a key part of our strategy, we want to clearly show that the Board retains ultimate oversight of, and responsibility for, delivering against our stated ESG goals.

At the Executive Committee level, the Executive Sustainability Steering Committee is chaired by the CEO, meets quarterly and is attended by the full Executive Committee. It oversees our overall sustainability agenda and progress on each of our Vision 2030 sustainability goals. These goals are owned and sponsored by an Executive Committee member, who is responsible for making sure we have the right plans in place to deliver within the timeframe.

The Company also has an Executive Risk Committee, which has been in place since 2022. This Committee is chaired by the CFO and ensures a robust process for identifying, prioritising, managing and controlling significant risks affecting the Group. It is attended by the full Executive Committee and the Vice President, Risk, Audit and Compliance. It makes sure the Group has risk management policies and procedures in place – including those covering project governance, sanctions, human rights, fraud prevention, cyber security and business management. See [Managing risk](#) on pages 44 to 48.

All Executive Committee members also attend a substantial number of our Board meetings, except when certain sensitive matters are discussed. As a Board, we have debated this approach and continue to believe that this provides us with great insight into the business. It allows deeper discussion and direct challenge to our different businesses and promotes a unified approach to implementing governance and strategy. We continue to have strong positive feedback from Board members – new and continuing – and Executive Committee members on this approach. For more details, see [The Board's year](#) on pages 75 to 77.

» For more information on our Board Committees and their work this year, see the Committee reports from pages 88 to 126 and on our [website](#). A table of Directors' attendance at Committee meetings can be found on page 77.

The Board's year

The Board's focus remained largely unchanged this year: supporting and challenging the Executive Committee as they navigated market challenges while delivering robust operational performance and sustaining Synthomer's strategic transformation.

Activities included reviewing and approving key decisions to strengthen Synthomer's balance sheet, optimise capital allocation and refine its portfolio. At the same time, the Board continued to refresh its membership and maintained a keen interest in the Company's sustainability agenda, with a particular focus on people.

A robust balance sheet

The Board's main priority over the past year was to support the Executive Committee through ongoing work to improve the Company's balance sheet, including preparations for the refinancing of key debt facilities in 2026.

During the year, the Board considered the Company's short-term financial position and medium-term arrangements. This included assessing options to ensure we have a robust financial framework in place to manage short-term challenges while supporting longer-term value creation. So, towards the end of financial year 2025, the Board approved a new receivables purchasing arrangement worth £50m, intended to support the balance sheet and unlock additional liquidity, and oversaw the work of management and advisors to prepare for the 2026 refinancing.

The Board also monitored measures to strengthen the way Synthomer manages inventory levels.

» We provide more information in the Financial review on pages 18 to 19.

“The Board has been mindful throughout capital allocation discussions of the need to balance short-term cost challenges with longer-term investment for future success.”

Peter Hill, CBE
Chair

Rigorous focus on capital allocation

A robust balance sheet depends on a disciplined approach to capital allocation, particularly under tough market conditions. Given the broader outlook, the Board has encouraged the Executive Committee to focus on options with the greatest return in terms of increased volume and margin improvement.

A good example of this in 2025 was the Board's decision to approve a \$10m upgrade to improve efficiency and increase output at our Adhesive Solutions (AS) site in Longview, USA. The Board carefully considered the capital investment required at a time of significant balance sheet constraints, and the fact that the upgrade required a temporary pause in production, which affected revenue and EBITDA in the short term. The Board also interrogated the business case for a strong return on investment and rapid pay-back, as well as the strategic benefits of enhancing APO capacity, before approving the project.

Everyone is responsible for health and safety at Synthomer, and the Board continues to work closely with the Executive Committee to ensure that SHE investment is safeguarded when making capital allocation decisions. The Board was pleased to see Synthomer outperform its annual recordable injury case rate objective for the third consecutive year, while noting that a number of minor issues at two sites, now the focus of action plans, affected process safety metrics.

» We provide more information in Section 172 on page 79.

The Board's year continued

Reviewing and refining our portfolio

The Board is firmly committed to Synthomer's strategy to become a more focused, stronger speciality chemicals business. As well as its annual deep-dive session in June 2025, the Board discusses the strategy with the Executive Committee at every meeting.

This year, that included considering the merits of retaining our William Blythe business in the UK given its improved profitability in the first half of 2025. However, following a robust discussion, the Board concluded that divesting the business was the correct decision to align with the Group's strategy. The business was sold in May 2025. The sale is part of our ongoing programme to divest non-core businesses and product lines to reduce complexity and enable greater focus of capital, time and other resources on our core operations.

At the June 2025 strategy deep-dive, the Board considered a number of additional portfolio changes to accelerate the Group's deleveraging and further focus the portfolio, including giving consideration to broadening the divestment programme. This currently includes four other non-core divestments under discussion with third parties. Any proceeds from these sales will be used to pay down debt and strengthen the balance sheet.



“The Board was kept informed throughout Synthomer's headcount reduction programme. This is a sensitive process that was handled carefully by all involved.”

Holly Van Deursen

Designated Non-Executive Director for workforce engagement

Self-help measures and cost reduction

The ongoing market challenges facing the business have made it necessary to continue making cost savings across divisions and functions, and the Board has supported the Executive Committee's work here.

In 2025, this included robust discussions between the Board and the Executive Committee about staffing levels to ensure that the business is appropriately resourced and able to respond to changes in demand. The Board recognises that reducing headcount is never easy, but agreed with the Executive Committee that it was necessary given that market conditions are unlikely to recover in the short term. As a result, the Group took the difficult but necessary decision to reduce headcount by 250 roles. Nonetheless, the Board and Executive Committee continue to discuss the importance of long-term investment in our people to support growth, and the Board is pleased to note the Group's ongoing commitment to investing in its graduate and leadership development programmes.

The Board continues to play an active role in overseeing the Company's broader efforts to drive cost savings, tighten operational execution and deliver further efficiencies in areas including procurement. Taken together, Synthomer's operating cost reduction programmes are expected to deliver c.£20-25m in incremental benefits in 2026.

The Board's year continued

Refreshing the Board and processes

Three Board members – the Hon. Alexander Catto, Ian Tyler and Roberto Gualdoni – stepped down in 2025. This marked the latest stage in a significant multi-year evolution in Board composition.

The Board was conscious of the need to replace their considerable skills and experience, and worked closely with the Nomination Committee to identify their successors. In July 2025, the Board appointed Jonathan Silver and Janet Ashdown as Independent Non-Executive Directors. Jonathan succeeds Ian as Chair of the Audit Committee, and Janet is now our Senior Independent Director. Since their arrival, the Board has benefited greatly from their extensive experience in the chemicals industry and complex multinational organisations.

» We provide more detail on our recruitment and induction programme in our Nomination Committee report on page 97.

Board and Committee meeting attendance

	Board	Audit	Remuneration	Nomination	Disclosure
Peter Hill, CBE	7/7			6/6	4/4
Michael Willome	7/7	4/4			4/4
Lily Liu	7/7	4/4			4/4
The Hon. Alexander Catto ¹	3/3			3/3	
Martina Flöel	7/7	4/4	4/4	6/6	
Roberto Gualdoni ²	6/7	4/4	4/4	6/6	
Uwe Halder	7/7			6/6	
Dato' Lee Hau Hian	7/7			6/6	
Ian Tyler ³	7/7	3/4	3/4	6/6	4/4
Holly Van Deursen	7/7	4/4	4/4	6/6	
Janet Ashdown ⁴	3/3	2/2	2/2	2/2	
Jonathan Silver ⁵	3/3	2/2	2/2	2/2	

¹ The Hon. Alexander Catto retired in May 2025.

² Roberto Gualdoni retired in December 2025.

³ Ian Tyler retired in December 2025.

⁴ Janet Ashdown joined in July 2025.

⁵ Jonathan Silver joined in July 2025.

Driving innovation and sustainability into everything we do

Innovation and sustainability underpin our purpose and inform our growth strategy, making them fundamental topics for Board discussion.

This year our Innovation Taskforce worked with our internal business excellence and continuous improvement team (SynEx) to redesign Synthomer's full innovation operating model.

As well as continuing to receive quarterly sustainability updates from our Vice President, Environmental, Social and Governance, the Board now receives regular updates on our people agenda from our new Chief Human Resources Officer. In addition to supporting Board oversight of the commercial opportunities in serving customers with specific sustainability requirements, these updates have also helped the Board deepen its understanding of employee-related topics such as retention, training and succession planning, enabling a richer discussion during Board meetings. That deeper understanding helped inform the Board's thinking during discussions about headcount and the need to balance short-term market challenges with longer-term investment in training and development.

» For more on the Innovation Taskforce's work this year, see page 35.

How the Board engages (s.172 compliance)

Understanding the issues that are important to our stakeholders is essential to how we develop and implement our business strategy. It is also critical to our long-term success.

Our approach to Section 172

Our Section 172 statement describes how the Board has carried out its responsibility to promote the success of the Company, recognising that the key decisions it makes today will affect long-term performance. The statement considers paragraphs (a) to (f) of Section 172(1) of the Companies Act 2006 and includes details of how the Board has considered and engaged with stakeholders.

When making decisions, the Board considers the needs of our different stakeholder groups as well as the likely outcome that any action taken might have. The Board receives papers that include Section 172 information, which it uses to inform strategic discussions, including any implications for the resilience of our business and the potential impact on our communities and environment. It is the Chair's responsibility to ensure that the Board considers Section 172 when making its decisions.

We recognise that it is not always possible to provide a positive outcome for all stakeholders and that, sometimes, the Board has to make decisions based on competing priorities. The Board regularly assesses the outcomes of its decisions and is available to talk to stakeholders. This engagement helps the Board to better understand what matters most to our stakeholders and supports discussion of relevant issues. It also helps the Board choose the course of action that will best lead to high standards of business conduct and success for Synthomer in the long term.

Stakeholder engagement in 2025

We made no changes to our list of key stakeholders this year, which we set out on pages 80 to 82 alongside a discussion of how we engaged with and responded to them in the year.

The Board has continued to ensure it understands, and considers, the issues that matter most to all our stakeholder groups, particularly when making key decisions.

We consider our understanding of the sustainability issues that matter most to our stakeholders through periodic materiality assessments. Our double materiality assessment requires 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.

» We explain more about the assessment and its findings on page 30.

Principal decisions in 2025

As a Board, we made a number of significant decisions this year. Here we set out how we considered our stakeholders and Section 172 obligations when making three of those decisions.

Reviewing and refining our portfolio: divesting the William Blythe business



Background

Synthomer's programme of refining and focusing its portfolio of products and businesses has been running and supported by the Board since 2022, and has included a number of divestments of non-core operations so that capital allocation and resources can be targeted more effectively. As part of the programme in 2025, we considered divesting the William Blythe business which as an inorganic chemistry business with limited synergies with the rest of the Group, was designated as a non-core business.

Decision

A proposal was received in early 2025 to divest the William Blythe business, in a buy-out led by the existing management team. In a year of trading headwinds and difficult conditions for Synthomer generally, however, the Board reviewed William Blythe's strong commercial performance in the first quarter of the year and considered whether it would be more appropriate to retain the business within Synthomer's portfolio for a period. The Board reviewed the terms of the proposal including the overall consideration and structure, and concluded that the divestment was the right decision and aligned with Synthomer's strategy.

How the Board engages (s.172 compliance) continued

Outcome

The William Blythe business was sold in May 2025, for a total consideration of £30m, all net proceeds being used to pay down existing debt. The divestment also marked a strategic milestone for Synthomer, which has now met its target of having fewer than 30 global manufacturing sites (down from 43 in 2022).

Rigorous focus on capital allocation: investing in APO manufacture at Longview

Cu E In Su

Background

Synthomer has maintained a disciplined approach to capital allocation, particularly under the market conditions of recent years. As a Board we have encouraged the Executive Committee to focus on capital investment options with the greatest return in terms of increased volume and/or margin improvement.

Decision

Opportunities were identified in 2025 for debottlenecking and efficiency gains in manufacturing APO at the AS site in Longview, USA. The proposed investment of \$10m would require a manufacturing shutdown, with associated impacts on revenue and EBITDA – but would materially improve production capacity if it went ahead. We concluded that there was a robust business case for a strong return on investment and rapid pay-back, and strategic benefits to enhancing APO capacity.

Outcome

The investment was made and, since late 2025, Longview has increased APO manufacturing volumes by 10%.

Self-help and cost reduction: simplifying our structure and reducing roles

E In

Background

The market challenges facing the business have made it necessary to continue making cost savings across divisions and functions. In 2025, management conducted a comprehensive review of our staffing structure and headcount across the Group, including the functions, in line with our strategy. Following this review, the Executive Committee proposed a reduction of 250 roles across the global Group and a more streamlined management structure.

Decision

The Board conducted robust discussions with the Executive Committee about staffing levels to ensure that the business is appropriately resourced and able to respond to changes in demand. While recognising that reducing headcount is never easy and has a clear impact on the affected employees, the Board agreed with the Executive Committee that it was necessary given that market conditions are unlikely to recover in the short term, and approved the reduction in roles.

Outcome

The role reduction process took place across the second half of 2025, taking a people-first approach which treated affected individuals with empathy and respect and provided as much support as possible. The Board is pleased to note the Group's ongoing commitment to investing in its graduate and leadership development programmes.

» Find out more about these decisions on page 76.

Key to our stakeholder groups

- Cu Customers
- E Employees
- Co Communities
- Su Suppliers
- In Investors
- G Governments and authorities

How the Board engages (s.172 compliance) continued

Our key stakeholder groups

Cu Customers

We work with more than 6,000 customers worldwide, providing the products and solutions they need to serve their own customers in a range of end markets.

How the Board engaged

- The Executive Committee attended part of all scheduled Board meetings, and divisional presidents provided customer-related information to the Board.
- We received deep-dive AS business updates at each scheduled Board meeting, and held deep-dive HPPM and CCS working sessions during the year, as part of which the divisional presidents provided in-depth market intelligence and customer feedback.
- We received reports from management about its engagement with customers across the business. These reports were especially important given the ongoing volatility and lack of visibility across the chemicals industry and our end markets.
- We also received regular reports about ongoing SynEx projects, which focused on commercial and operational excellence.

How the Board responded

- Given that a number of areas of our business continue to see soft demand, we supported management's focus on improved reporting, forecasting and innovation to strengthen customer relationships.
- We also reviewed and discussed ongoing operational changes needed to optimise production and costs – including plant capacity, shift planning and headcount reduction.
- Having held our annual deep-dive strategy review, we reaffirmed our commitment to the strategy announced in 2022, which focuses on getting closer to our customers and growing, principally organically, in attractive end markets.
- Members of the Board are part of Synthomer's Innovation Taskforce.

E Employees

Our success relies on the talent of our around 3,800 entrepreneurial and highly skilled employees. We want to foster a culture that values diversity and inclusion, fairness and transparency.

How the Board engaged

- In 2025 the full Board visited Synthomer's Le Havre and Ribécourt sites in France. Employees at the sites appreciated the opportunity to engage directly with Board members.
- The Board received regular reports about our Employee Voice programme and quarterly updates on our people priorities and support. We also received summaries of management townhalls held across the business.
- We received reports summarising the status of Synthomer's graduate programme.

Employee Voice programme

- Every year, our designated Non-Executive Director for workforce engagement, Holly Van Deursen, carries out a comprehensive programme of Employee Voice engagement sessions on behalf of the Board.
- Holly hears from groups across different businesses and geographies, in person and by video. In 2025 she held sessions with 62 employees in six workforce engagement sessions. These included engaging with employees during Board site visits, which this year saw Holly meet with colleagues at our Harlow and London sites in the UK and at Ribécourt and Le Havre in France.
- Holly reports back to the Board about the themes of her discussions, and we receive a summary of actions taken by site leaders in response to the feedback.

How the Board engages (s.172 compliance) continued

E Employees continued

- How the Board responded**
- On our visits to sites we heard from a wide range of employees, who showed their innovative thinking to develop stronger customer relationships and an entrepreneurial mindset. We were impressed by the teams' positivity and tenacity in responding to the challenges of recent years.
 - These broader Board interactions with employees supported our Board decisions on talent management throughout 2025.

Employee Voice programme

What our colleagues value most

- We continue to hear from employees that Synthomer's focus on safety, health and the environment is motivating and differentiating compared to many of our peers.
- We also heard that the opportunity to work across a global organisation, with exposure to new technical, customer, market and team challenges, creates an enriching professional experience and opportunity to develop new skills.
- A regular theme is that supportive team members create a sense of belonging where employees feel their views are heard.

Employees' ideas for change

- Employees shared their ideas for improvements in maintenance and succession planning (including plant operators), for better networking and knowledge sharing, for new approaches to hiring talent in a market downturn, for simplifying our business processes and technology systems, and for how we continue to improve communication with employees.

Employee Voice discussions in action

- In 2025, our HR team and divisional and site leadership teams followed up on employees' feedback, contributing to work to develop the internal communications strategy.

Co Communities

We want the communities who live near our sites to see us as a good neighbour.

- How the Board engaged**
- The health and safety of our people and local communities is critically important, and updates on this area of activity are always the first item of business at every Board meeting.
 - The Board receives updates from divisional leaders about developments that affect communities around Synthomer's sites.

- How the Board responded**
- We continued to monitor and challenge how management implements the SHE management system at all Synthomer's sites.
 - The Board continues to support the work of the Synthomer Foundation and a range of community projects local to the sites.

How the Board engages (s.172 compliance) continued

Su Suppliers

Our suppliers deliver the raw materials and services we need to make our products. We look for ways to work in partnership with suppliers to create a more sustainable supply chain.

How the Board engaged

- Management kept us informed about how it was engaging with utility suppliers and site hosts as it worked to reduce operational risks.
- The Board received updates on the Group's engagement with suppliers and customers on whole-value-chain approaches to decarbonisation.

How the Board responded

- Through feedback from the Group's direct and indirect engagement with suppliers this year, we continued to broaden our understanding of what is important to them and to deepen our relationships, particularly around sustainability.

In Investors

As a public company listed on the London Stock Exchange, we aim to deliver sustainable financial performance and long-term value creation for our investors.

How the Board engaged

- The CEO and CFO updated us about their meetings with investors, and our Vice President, Investor Relations shared IR developments at every Board meeting.
- Before each meeting, the Board received analysts' forecasts and consensus for financial performance, plus a summary of the externally prepared shareholder analysis report, showing our top 20 shareholders and their movements, alongside top buyers and sellers.
- Analysts' reports and notes are shared with the Board as they are issued.
- We held an in-person Annual General Meeting in May 2025, with the option for shareholders to submit questions in advance.
- We also have regular correspondence with investors, responding to suggestions and queries, and Board members make themselves available to shareholders.

How the Board responded

- Board engagement with investors encompassed how management is addressing the volatile market environment.

G Governments and authorities

As a member of the chemicals industry and scientific community, it is important we engage on issues such as policy, education and skills, compliance and collaboration.

How the Board engaged

- We engaged with legislative and regulatory processes through our membership of industry groups in the UK, Europe and the USA.
- We received reports on the changing regulatory landscape, including in respect of proxy adviser guidance, various consultations, sustainability reporting and broader corporate governance themes.

How the Board responded

- The Board continued to oversee the Company's processes and procedures to comply with all relevant laws and regulations.

Compliance with the Code

Here we set out how we applied the principles of the UK Corporate Governance Code (Code) in 2025.

We complied with all the Code's provisions from the start of 2025 until the date of this report, except one.

Provision 11 states that at least half the Board, excluding the Chair, should be Independent Non-Executive Directors. From 1 January 2025 until 1 May 2025, the Board comprised two Executive Directors, three non-independent Non-Executive Directors and four Independent Non-Executive Directors, alongside the Chair. So, the composition of the Board did not comply with Provision 11 for this period. The Board and Nomination Committee reflected on this situation and considered conflicts and whether any one group could dominate decisions. We were satisfied this was not the case.

For the remainder of 2025 until the date of this report, we complied with Provision 11. From 1 May 2025 – when Alexander Catto stepped down as a non-independent Non-Executive Director at the AGM – until 1 July 2025, we had two Executive Directors, two non-independent Non-Executive Directors and four Independent Non-Executive Directors, alongside the Chair. From 1 July 2025 – when we completed the recruitment of Janet Ashdown and Jonathan Silver as Independent Non-Executive Directors – until 12 December 2025, we had two Executive Directors, two non-independent Non-Executive Directors and six Independent Non-Executive Directors. On 12 December 2025, Independent Non-Executive Directors Ian Tyler and Roberto Gualdoni stepped down from the Board.

Accordingly, as at the date of this report, the Board comprises two Executive Directors, two non-independent Non-Executive Directors and four Independent Non-Executive Directors, alongside the Chair.

The Code is available in full on the FRC's website at [frc.org.uk](https://www.frc.org.uk) and should be read alongside our Strategic and Governance reports.

1 Board leadership and Company purpose

A The role of the Board

The Board continues to lead the Group's strategic direction and long-term objectives. The Board's year on pages 75 to 77 sets out the Board's main activities and outcomes for 2025 and shows how it provided strong governance, challenge and support to the business.

The Board met eight times during 2025, and all Directors continue to act in what they consider to be the best interests of the Company, consistent with their statutory duties.

B The Company's purpose, values and strategy

Our culture – including an overview of our values and how the Board ensures alignment with our purpose, values and strategy – is described on page 96.

C Resources

The Board delegates allocation of day-to-day resources to management through the CEO and the Executive Committee. We regularly discuss resourcing with the Executive Committee and the CEO, challenging, for example, resource allocation across our divisions and functions in line with the differentiated steering pillar of our strategy.

Compliance with the Code continued

1 Board leadership and Company purpose continued

D Shareholders and stakeholders

The Board engaged actively throughout 2025 with shareholders and other stakeholders (as described on pages 80 to 82). The Chair held a number of meetings with our largest corporate shareholder and with some of our major institutional shareholders to discuss the role of the Board and other general governance issues, and reported back to the Board.

The CEO and CFO met extensively with new and existing shareholders through regular trading updates and in bilateral discussions.

The Board continues to review its mechanism for workforce engagement, as required by Provision 5 of the Code. Holly Van Deursen, our Remuneration Committee Chair, was appointed as designated Non-Executive Director for workforce engagement and, being based in the USA, has proved very effective in reaching more parts of our business. Holly also has extensive people leadership roles in the chemicals industry.

The Board concluded that the employee engagement programme adds value and insight both to the Board and to executive management, and we regularly reflect on employee views during Board deliberations. We have also had feedback that colleagues feel the direct engagement with a Board member promotes open and inclusive discussions and valuable feedback. More details of our Board employee engagement are set out on pages 80 to 81.

E Workforce policies and practices

The Board oversees the Group's workforce policies and practices and delegates day-to-day responsibility to the CEO and Chief Human Resources Officer to make sure they are consistent with the Company's values and support its long-term success.

Employees are able to report matters of concern confidentially through our dedicated and independent whistleblowing hotline. The Board and/or Audit Committee routinely reviews reports from the hotline, which summarise calls and ensure cases can be investigated and followed up as appropriate.

2 Division of responsibilities

F The Chair

Peter Hill, CBE led the operation and governance of the Board and its Committees in 2025. The Chair was in post from January 2025, having joined the Board as an Independent Non-Executive Director in September 2024.

The Senior Independent Director conducted an annual review of the Chair's performance, which is also discussed in the Nomination Committee report.

Compliance with the Code continued

2 Division of responsibilities continued

G Board composition

The Nomination Committee regularly reviews the size and composition of the Board and its Committees to ensure the appropriate combination of Executive and Non-Executive Directors.

Provision 10 of the Code considers the independence of Non-Executive Directors and circumstances that might impair their independence, including holding office for more than nine years. Provision 11 states that at least half the Board, excluding the Chair, should be Independent Non-Executive Directors. From 1 January 2025 until 1 May 2025, the Board comprised two Executive Directors, three non-independent Non-Executive Directors and four Independent Non-Executive Directors, alongside the Chair. So, the composition of the Board did not comply with Provision 11 during this period. The Board and Nomination Committee reflected on this situation and considered conflicts and whether any one group could dominate decisions. We were satisfied this was not the case.

For the remainder of 2025 until the date of this report, we complied with Provision 11. From 1 May 2025 – when Alexander Catto stepped down as a non-independent Non-Executive Director at the AGM – until 1 July 2025, we had two Executive Directors, two non-independent Non-Executive Directors and four Independent Non-Executive Directors, alongside the Chair. From 1 July 2025 – when we completed the recruitment of Janet Ashdown and Jonathan Silver as Independent Non-Executive Directors – until 12 December 2025, we had two Executive Directors, two non-independent Non-Executive Directors and six Independent Non-Executive Directors. On 12 December 2025, Independent Non-Executive Directors Ian Tyler and Roberto Gualdoni stepped down from the Board.

Accordingly, as at the date of this report, the Board comprises two Executive Directors, two non-independent Non-Executive Directors, and four Independent Non-Executive Directors, alongside the Chair.

H Non-Executive Directors

Directors' existing commitments are carefully reviewed before they are appointed, and regularly after that to make sure they have sufficient time for the Group. If a Board member wishes to accept an additional substantive role, the Board must review and approve this.

The Board believes that Directors should be able to accept other appointments where there are no conflicts of interest and provided that the Director is able to carry out their duties effectively. Other appointments allow Directors to develop greater skills and experience, which the Company benefits from.

The terms of appointment for Non-Executive Directors outline the time they will be expected to commit to fulfil their role. Each year, the Chair reviews the time each Non-Executive Director dedicates to the Company as part of the internal performance review of Directors – see page 96 for more details. We are satisfied that their other duties and time commitments do not conflict with those as Directors. For more details about meeting attendance, see page 77.

The role of Senior Independent Director, fulfilled by Janet Ashdown (who succeeded Ian Tyler in the role in December 2025), provides a sounding board for the Chair and serves as an intermediary for the other Directors and shareholders. Janet also led the annual performance review of the Chair – see page 96.

Either after or before each Board meeting, Non-Executive Directors and the Chair meet without Executive Directors being present.

I Policies, processes, information and resources

The Chair and Company Secretary ensure that the Board and its Committees have the necessary policies and processes in place and that they receive timely, accurate and clear information. The Board and its Committees also have access to the Company Secretary, independent advice and other necessary resources at the Company's expense.

Compliance with the Code continued

3 Composition, succession and evaluation

J Appointments

The Nomination Committee considers succession plans in line with evolving strategy, business requirements, tenure and diversity. The overall process of appointing and removing Directors is overseen by the Board as a whole, through the Nomination Committee. All our Directors retire and seek election or re-election at each Annual General Meeting. The Nomination Committee also supports the Board in succession planning for senior management.

K Skills

A key part of Board succession planning is a regular review of Board skills, which the Nomination Committee does each year – see page 96.

The Chair and Company Secretary ensure that new Directors receive a full induction, and that all Directors continually update their skills and have the requisite knowledge and familiarity with the Group to fulfil their role.

The Executive and Non-Executive Directors have significant commercial, financial and operational experience of the markets and sectors within which the Group operates, as well as wider industry. Their diverse range of skills and leadership experience enables them to monitor the performance of the management team and provide constructive challenge and support to them.

L Annual performance review

Each year, the Board undertakes an internal or external effectiveness review.

Provision 21 of the Code states that an externally facilitated Board performance review should take place at least every three years. Our last external Board performance review was carried out in 2023.

An internal performance review, including a review of all Directors, took place in December 2025 (see page 96).

4 Audit, risk and internal control

M Audit functions

All members of the Audit Committee are Independent Non-Executive Directors. Jonathan Silver, the Chair of the Committee (who succeeded Ian Tyler in the role in December 2025), has recent and relevant financial experience, and the Committee as a whole has competence relevant to the sector in which we operate.

The Audit Committee reviewed the effectiveness of the Group's Internal Audit function and also assessed external auditor PwC LLP's performance during 2025, including its independence, effectiveness and objectivity. For details of these reviews, see the Audit Committee report on pages 93 to 94.

N Assessment of the Company's position and prospects

The Board considers the Annual Report, taken as a whole, to be fair, balanced and understandable and to provide the information necessary for shareholders to assess the Group's position, performance, business model and strategy. Its Statement of Directors' responsibilities is set out on page 129. The Directors have also concluded it is appropriate to prepare accounts treating the Group as a going concern and this is set out on pages 127 to 128.

An explanation of the Group's performance, business model, strategy and the risks and uncertainties relating to the Group's prospects, including the viability of the Group, is set out in the Strategic report.

Compliance with the Code continued

4 Audit, risk and internal control continued

O Risk management

The Board determines the nature and extent of the principal risks the organisation is willing to take to achieve its strategic objectives – it sets the risk appetite.

We carried out an assessment of the principal and emerging risks facing the Group during the year, including those risks that would threaten the Group's business model, future performance, solvency or liquidity, and reputation.

The Board and Audit Committee monitor the Group's risk management and internal controls systems and review their effectiveness each year. Throughout the year, the Board has directly – and through delegated authority to the Executive Committee, the Executive Risk Committee and the Audit Committee – overseen and reviewed all material controls, including financial, operational and compliance controls. For more detail, see pages 92 to 93.

5 Remuneration

P Remuneration policies and practices

Holly Van Deursen chairs the Remuneration Committee. Holly is a hugely experienced Non-Executive Director and has been chair and member of several international remuneration committees.

The Remuneration Committee is responsible for developing executive remuneration policy and determining the remuneration packages of Directors and senior management.

Q Procedure for developing policy on executive remuneration

Details of how the Directors' remuneration policy was implemented in 2025 are set out on pages 113 to 118.

Provision 41 of the Code requires engagement with the workforce on how executive remuneration aligns with wider Company pay policy. The Board's engagement activity is diverse and includes face-to-face meetings, site visits, attendance at employee events and virtual meetings. During the year, feedback was gathered on a wide range of topics, including pay.

No individual Director is involved in deciding their own remuneration outcome.

R Independent judgement and discretion

The Remuneration Committee has formal discretions in place in relation to outcomes under the annual bonus and Performance Share Plan, and these are disclosed as part of the remuneration policy. The Committee may, at its discretion, adjust the level of vesting of an award, if it considers that the outcome is not appropriate or does not reflect the underlying financial or non-financial performance of the participant or the Group over the relevant period, or that such a payout level is not appropriate in the context of circumstances that were unexpected or unforeseen when the targets were set. When deciding this, the Committee may consider other factors it feels are relevant.

Information about how the Remuneration Committee considered discretion in 2025 is set out on page 99.

Audit Committee report: introduction from the Chair



“In another busy year for the Committee, and largely under Ian Tyler’s stewardship, we have made sure our systems and processes are supporting Synthomer to deliver now and for the long term.”

Jonathan Silver
Audit Committee Chair

The Audit Committee continued to focus on the fundamentals in 2025, making sure our processes and controls are robust and fit for future success.

In another year in which Synthomer has been focused on responding to challenging markets and changes in the external economic environment, the Audit Committee has maintained its commitment to challenging and supporting our executives – and to ensuring that our systems of control and governance frameworks provide value and stability, so that Synthomer delivers now, and is in the best possible position for when markets improve.

My predecessor, Ian Tyler, diligently guided that work over the past three years. That means I have inherited a strong audit agenda as the new chair – one that I look forward to building on with the help of my fellow Committee members.

Strengthening internal audit

An important role for our Committee is leading the oversight of Synthomer’s internal audit processes. In the year, we approved Synthomer’s internal audit charter – including the mandate for internal audit – and endorsed combining corporate compliance with internal audit and risk as one function, with the appointment a Vice President for Risk, Audit and Compliance in July 2025.

The Vice President has now developed an improvement plan for 2026 to better align the sources of risk and assurance and to improve alignment with our strategy, for both risk management and internal audit activities. And our Committee approved a revised purpose statement for internal audit in December 2025, which included an increased focus on identifying value through potential operational efficiencies, EBITDA and cash improvements.

Our Committee also oversaw the delivery of the 2025 Internal Audit Plan and approved a 2026 plan based on Synthomer’s key risk exposures and an assessment of the internal audit universe.

Audit Committee report continued

Reviewing our material controls

The Committee appointed a third-party expert in November 2024 to help identify, review and test Synthomer's material controls, in line with Provision 29 of the updated UK Corporate Governance Code (the Code).

The results of this work, including identified gaps, were reported to the Committee in December 2025. The Internal Audit and Risk Management function will review and provide assurance over the design and effectiveness of material controls, with reporting to the Committee for the half-year and full-year position in 2026. These will in effect be dry runs to ensure compliance with Provision 29 for the year ending 31 December 2026.

Preparing for the changing sustainability landscape

Synthomer's sustainability reporting remains an important area of review for our Committee, not least as we prepare for future sustainability reporting standards, such as the EU's Corporate Sustainability Reporting Directive (CSRD) and UK Sustainability Reporting Standards (SRS).

The Committee plays a key role in the governance of climate-related risks and opportunities. We will continue to oversee ESG initiatives and related reporting requirements to make sure the Group continues to take a thoughtful and pragmatic approach to reporting, compliance and assurance.

Looking ahead

Everyone at Synthomer – from my fellow Committee members to our colleagues working in our manufacturing facilities – has continued to do a great job of staying focused on the fundamentals this year, even with external headwinds. We will continue that focus over the next 12 months to make sure Synthomer is well placed to capitalise on the broader market recovery when it does materialise.

Jonathan Silver
Chair

30 April 2026

Audit Committees and the External Audit: Minimum Standard

As part of our activities in the year, the Committee again reviewed and considered the requirements of the FRC's Audit Committees and the External Audit: Minimum Standard. This became effective from 1 January 2025 as part of the Code, which was published in January 2024. We reviewed the standard in conjunction with the Code and the FRC's Guidance on Audit Committees.

We believe we are compliant with the standard, which focuses on overseeing the external audit process, external audit tendering processes and reporting of work performed by the Committee. The significant issues we considered as part of our activities in the year are detailed on pages 90 to 93, with our oversight of external audit detailed on pages 93 to 94.

Audit Committee report continued

Audit Committee's role

On the Board's behalf, we monitor the integrity of financial statements, oversee the adequacy and effectiveness of the internal controls and risk management processes, and lead the oversight of external and internal audits. Our full terms of reference are available on our [website](#).

Committee members

Our Committee comprises four Independent Non-Executive Directors. We are chaired by Jonathan Silver, who was appointed to the Board in 2025 and as chair the Committee from December 2025, taking over from Ian Tyler. Our composition complies with the Code.

The Board considers Jonathan to have recent and relevant financial experience in line with Provision 24 of the Code, given his extensive executive and board experience. Jonathan has also been a non-executive director for international organisations and a FTSE 250 audit committee chair.

Together, our Committee members have a wide range of financial, operational and commercial experience across the chemicals and engineering sectors, which is set out on pages 68 to 71.

Committee meetings and operation

The Committee met three times in 2025 and has met twice since the end of the financial year.

Other Board members have a standing invitation to attend our meetings, unless notified otherwise. We are very pleased that the Chair of the Board, CEO and CFO routinely attend our Committee meetings, often with the rest of the Board. Our programme of risk reviews and updates has also allowed us to invite high-potential members of the management team to attend. These include senior Group Finance and Group IT team members and the newly appointed Vice President Risk, Audit and Compliance.

Our external auditors, from PwC, have attended all meetings of the Audit Committee.

As well as at our scheduled meetings, the Committee regularly meets with PwC and the Vice President Risk, Audit and Compliance without management present. This provides more opportunity for open dialogue and feedback.

As Committee Chair, Jonathan also liaises with the Remuneration Committee Chair to discuss matters such as setting Executive Director compensation targets.

Beyond formal meetings, our Chair regularly meets one-to-one with the CEO, CFO, Group Finance team members, the Vice President Risk, Audit and Compliance and PwC to develop the Committee's programme of work and to review progress on agreed actions. This allows us to explore and understand key issues as they arise – and to make sure we have appropriate information prepared on, and time to address, those issues in our meetings.

Significant areas of activity

Financial narrative

To enable the Committee and the Board to assess going concern and viability, management set out its assumptions and the potential risks to the business, together with economic and business scenarios and possible mitigations, at the April 2026 Committee meeting.

There was a particular focus on the funding requirements of the Group over the next 18 months, as existing financing arrangements mature. We also continued to consider the impact of the prolonged demand uncertainty and subdued markets in the chemicals industry, with continued limited visibility.

The process – which management conducted and the Committee reviewed to support the Board's statement – included:

- Reviewing the Group's sources of funding and, in particular, reviewing the leverage covenant in our financing arrangements and assessing available headroom
- Reviewing the short-, medium- and long-term cash flow forecasts, including requiring management to refresh its five-year plan, in various severe but plausible downside scenarios, as well as reverse stress-testing forecasts
- Assessing the Group's current and forecast activities and factors likely to affect its future performance and financial position
- Discussing the going concern and viability statements at the April 2026 Committee meeting, recommending that the Board provide the statements on page 64.

Audit Committee report continued

Significant financial judgements and estimates

In applying the Group's accounting policies, management is required to make judgements and estimates, some of which may have a significant effect on the amounts recognised in the Annual Report and Accounts. Management presented its view on key accounting issues and resulting considerations to the Committee throughout the year.

The Committee reviewed the most significant financial judgement areas and estimations, details of which are explained in the table below. In each case, the Committee considered and challenged the key facts and judgements that management presented and consulted with PwC as external auditor to establish its professional view on the judgements. This included a review of the disclosures included within the Annual Report and Accounts.

Issue/area of judgement

Impairment of goodwill and intangible assets

Synthomer's market capitalisation remains below the net asset value of the Group.

Combined with a lower-than-anticipated trading performance in the year, there continue to be indicators of a potential risk of impairment to goodwill and intangible assets.

Special Items

The Group discloses Special Items – which are either irregular or technical adjustments to ensure compliance with IFRS requirements – separately to provide a clearer indication of underlying performance.

For more detail, see note 4 to the Consolidated financial statements on pages 153 to 154.

Integrity of reporting and governance

We assessed whether the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable, and provide the necessary information for shareholders to assess the Group's financial position and performance, business model and strategy. The work done to make this statement is detailed in the table on page 92.

Our Committee also reviews the interim financial reporting as part of the reporting cycle. This includes challenge to estimates, judgements and going concern assumptions.

Committee action and conclusion

Management presented a summary of the impairment of goodwill and intangible assets for the cash generating units of the Group to the Committee for review. This included key assumptions, including discount and growth rates, and potential sensitivities.

The Committee also received a paper from management that considered the enterprise value of the Group and current market capitalisation in respect of potential indicators of impairment.

The Committee challenged the key assumptions made by management and concluded that there was no impairment to any of the segments.

The Committee regularly challenges management on what are considered Special Items. It reviews in detail the spend that is excluded or separated from reported Underlying profit and considers guidance from the FRC and the external auditor.

The Committee is satisfied that it is helpful to a reader of the financial statements to report Underlying profit, together with IFRS profit, without Special Items – and that all Special Items reported met with the Group's definition of such items.

We received and reviewed a number of FRC thematic reviews, and other reporting and governance updates, during the past 18 months. These included the:

- FRC's Annual Review of Corporate Governance Reporting 2025
- FRC's UK Corporate Governance Code update, effective from 1 January 2025
- FRC's 2025 Guidance on the Strategic Report.

We continue to review the division of responsibilities between our Committee and the Executive Risk Committee to ensure our effectiveness.

Climate-related reporting and governance

The Committee plays a key role in the governance of climate-related risks and opportunities. We will continue to oversee ESG initiatives and related reporting requirements to make sure the Group continues to take a thoughtful and pragmatic approach to reporting, compliance and assurance.

Climate disclosures and emissions reporting can be complex. During 2025, the Committee reviewed the emerging legislation expected to come into effect over the near to medium term and the implications for the Group. This includes the EU Corporate Sustainability Reporting Directive and UK Sustainability Reporting Standards.

In 2026 we will define and revise key performance indicators for each material topic as appropriate and establish a revised sustainability reporting and assurance framework, for agreement by the Committee, for the year ending December 2026.

Audit Committee report continued

Risk management and internal control environment

Each year, the Board is required to conduct a review of the effectiveness of the Group's systems of risk management and internal control. At our March 2026 meeting, our Committee reviewed management's assessment of the key elements of these systems and confirmed their overall effectiveness.

Our conclusion drew on:

- The internal audit programme – approved by the Committee and completed during 2025 – and progress in implementing the actions from it
- Our programme of risk reviews and discussions with senior managers and other staff across the Group throughout the year

- Ongoing management assurance – through Committee papers, and Board and Committee presentations and discussions – to review the Group's key financial controls to ensure they support our continued growth
- The key financial controls questionnaire, which is completed and signed by each Group operating unit each quarter
- Representations to the CFO from the divisions' financial and commercial management that the financial information reported to the Group has been prepared according to our accounting policies and that all relevant information has been provided to prepare the Group's Annual Report and Accounts. These representations are made twice a year in line with our external reporting timetable
- Progress on identifying material controls for compliance with Provision 29 of the updated Code, which was issued in January 2024.

Fair, balanced and understandable

In supporting this statement, the Committee oversaw work that included:

- Forming a Group-level team of suitably qualified specialists to coordinate and oversee the preparation of the Annual Report and Accounts, meeting regularly to ensure disclosures remained appropriate for all stakeholders and that drafting progressed as planned
- Engaging an external corporate communications and reporting adviser to assist in drafting, editing and proofreading the Annual Report
- Considering the equal prominence of GAAP and non-GAAP financial measures presented in the Annual Report
- Ensuring that the latest guidance issued by the FRC, together with other relevant regulatory developments, was fully considered during the reporting process
- The CEO and CFO confirming that, in their opinion, the Annual Report was fair, balanced and understandable and that they were not aware of any material misstatements
- Requiring certain key contributors, for example divisional presidents and finance directors, to sign a declaration confirming the accuracy of their information
- Engaging external remuneration consultants to review and advise on the Directors' remuneration report
- The Vice President, Group Finance compiling an audit trail for material data underpinning non-financial information disclosed in the Annual Report
- Circulating drafts of the Annual Report to PwC, the Audit Committee and the Board for review and approval.

The Committee discussed the fair, balanced and understandable statement at our March 2026 Committee meeting and, in light of the above, recommended that the Board provided the statement on page 129.

Effectiveness of material controls

Following publication of the updated Code, preparations are well underway to ensure compliance with the requirements of Provision 29 for the year ending 31 December 2026.

Materiality, for the purposes of complying with Provision 29, has been informed by the Group's principal risks and risk appetite, as well as by detailed governance and risk assessments and key controls documentation. It considers the size, nature and complexity of our operations as well as the requirements of various reporting regimes, laws and regulations that we are obliged to comply with.

We have defined our material controls as those that are most important to mitigating key risks that threaten the long-term sustainability of the business, and where a failure of their effective operation, or a resulting omission and/or misstatement of information caused by the control failure, is likely to influence decisions made by users of the information.

While the Code does not require independent or external assurance to be obtained, for those material controls that have the highest impact on the long-term sustainability of the organisation and that are most likely to influence decision makers, we engaged a third party to identify, review and challenge the controls to make sure they accurately represent our material controls.

An assessment of the strength of current assurance activities over the material controls has been performed. The results of this assessment, including identified gaps, were reported to the Committee in December 2025.

The Internal Audit and Risk Management function will review and provide assurance over the design and effectiveness of material controls, with reporting to the Committee for the half-year and full-year position in 2026. These will in effect be dry runs to ensure compliance with the requirements of Provision 29 for the year ending 31 December 2026.

Audit Committee report continued

Internal Audit and Risk Management function

With a reporting line to our Committee Chair, the Vice President Risk, Audit and Compliance independently assesses the effectiveness of our internal control and risk management processes, highlights key issues, makes recommendations, and monitors how mitigations and recommendations are being implemented. Synthomer's dedicated in-house Internal Audit and Risk Management function draws on specialist resources as required.

At each of our Committee meetings in 2025, we reviewed progress against the internal audit annual plan and explored areas needing action. We also reviewed completed audit reports, looking at recurring themes that might need Group action and at areas where the report findings were different from self-assessments.

In December 2025, our Vice President Risk, Audit and Compliance helped the Board to update our risk appetite and risk appetite statements, and introduced a methodology to help the Committee and the Board identify – and report – risks that may be outside our risk appetite.

Looking ahead to 2026, the Committee approved an improvement plan in 2025 to better align the sources of risk and assurance and to improve alignment with the strategy, for both risk management and internal audit activities. This improvement plan also ensures the function has the appropriate resources to deliver the required improvements.

2025 external audit

The Committee reviewed and recommended to the Board the continued appointment of PwC as the Group's external auditor, approving its remuneration and terms of engagement for 2025.

PwC presented the strategy and scope of the audit for the year ended 31 December 2025 at our Committee meeting in December 2025. These key topics were discussed:

December 2025	Committee action or outcome
PwC's audit risk assessment (pages 131 to 133)	PwC undertook a detailed risk assessment, setting out its view of the significance of key risks and the potential risk of material misstatement.
Materiality level for the audit (page 134)	PwC proposed an audit materiality level of £8.9m, based on 0.5% of revenue. This is consistent with the approach adopted in recent years, given the recent volatility of profit levels.
PwC's audit plan	We reviewed the audit coverage and agreed scope (pages 131 to 133) in detail, agreeing they were appropriate. The Committee noted and approved the continued high level of coverage and the timetable for the audit to be completed.
PwC's resources	With PwC, we reviewed and discussed its resources – particularly the experience of the teams covering key overseas territories, given changes to scoping. We held a number of meetings with the lead audit partner during the year to discuss any changes to resourcing required.
Audit fee and terms of engagement	The Committee reviewed PwC's fee proposal in light of the risks identified and proposed scope. We approved the proposed fee of £2.59m – this includes an increase in the number of overseas statutory audits performed by PwC and an inflationary increase on 2024's £2.47m fee. The fee is partially offset by other scope changes and identified efficiencies.

Audit Committee report continued

At our April 2026 Committee meeting, we discussed these key topics with PwC in relation to the 2025 audit:

March 2026	Committee action or outcome
Confirmation of PwC's audit plan	PwC confirmed that the audit materiality had been revised to £8.7m to reflect the actual results of 2025.
Audit findings, significant issues and other accounting judgements (pages 131 to 137)	These were discussed with PwC and management – the work of the Committee is described earlier in this report.
Management representation letter	The Committee reviewed and approved this.
PwC's independence and objectivity, and quality-control procedures	The Committee evaluated and confirmed PwC's independence and objectivity, and quality-control procedures.

During the year, the Committee Chair was in regular discussion with PwC's lead audit partner to discuss the progress of the audit. The Committee met PwC without management present after the April 2026 Committee meeting. No significant issues were raised.

The Committee evaluated the performance and effectiveness of the external auditor in the following ways:

Audit quality – how we reviewed PwC's performance

External evidence	The Committee reviewed the FRC's 2024/25 Audit Quality Inspection Report, summarising its findings from an assessment of a selection of PwC audits. The report noted PwC's ongoing commitment to high audit quality and well-developed audit culture, with inspection results showing an improvement on previous years with a high level of audits meeting the FRCs requirements. Areas for improvement were also outlined, with actions taken by PwC in response.
Management evidence	At our request, management sought feedback from people across the business who were involved in working with PwC on the year-end financial statements. The feedback was broadly positive, indicating that PwC had performed its audit well, particularly given lower levels of materiality. It was noted that the timeliness and communication of the audit plan and information requests, and consistency and knowledge of the business from the audit team, was beneficial.
Audit Committee evidence	The lead audit partner attended all Committee meetings during the year. In assessing the quality of the audit, the Committee noted the professionalism, pragmatism and robustness of challenge to management, particularly with regard to judgemental items and key business risks.

Auditor independence, objectivity and length of service

In addition to our Committee's annual review of PwC's effectiveness, we considered its independence and objectivity. We concluded that PwC continues to demonstrate appropriate independence and objectivity.

As part of this review, PwC provided assurances to the Committee in relation to its independence, including safeguards implemented, confirmation of compliance with ethics and independence policies and procedures by audit-related staff, and confirmation of independence in respect of non-audit services provided. This included one-off work done in relation to the bond issuance in the year.

PwC has been the Group auditor since 2012 and successfully re-tendered for the audit in 2016 and in 2024. PwC's audit partner, Craig Skelton, was appointed to be the lead partner for Synthomer for the 2024 financial year onwards. Given its tenure as external auditor since 2012, a new firm will need to be appointed for the financial years ending 31 December 2032 onwards.

The Committee has a clear policy on the provision of non-audit services by the external auditor and has defined the very limited non-audit services it can provide, in line with the FRC Ethical Standard. The Committee also periodically reviews a log of all services provided by major external audit firms, to ensure the Company has sufficient options in the case of any future audit tender.

Nomination Committee report



“In another year of change, the Nomination Committee has worked closely with the Board to ensure the Company has the breadth and depth of experience needed to support and challenge the Executive Committee.”

Peter Hill, CBE
Nomination Committee Chair

This has been a productive year for the Nomination Committee, with the appointment of two new Independent Non-Executive Directors taking up a significant proportion of our time.

A changing Board

The Board’s evolution continued this year, with the Hon. Alexander Catto stepping down as a Non-Executive Director at our Annual General Meeting in May 2025, followed by Ian Tyler and Roberto Gualdoni, who both stepped down in December 2025. I would like to thank all of them for their long-standing commitment to Synthomer.

Identifying and appointing Ian and Roberto’s successors was a significant undertaking for the Nomination Committee, given the breadth of experience both Directors brought to the Board. The Committee appointed Henrok Consulting, an independent executive search firm, to lead two parallel searches for Independent Non-Executive Directors: one to succeed Ian Tyler as Chair of the Audit Committee in due course, and a second to further strengthen the Board.

Following market mapping and initial screening, a longlist of six candidates was identified for each role. After references were taken, three candidates for each role were shortlisted and interviewed by the

Committee Chair and relevant Committee Chairs. A final shortlist of two candidates per role then met with the full Board.

Having considered the feedback received, the Committee agreed to recommend Janet Ashdown for appointment as an Independent Non-Executive Director and prospective Chair of the Remuneration Committee, and Jonathan Silver for appointment as an Independent Non-Executive Director, identifying him as the successor-designate to the Audit Committee Chair role in due course.

As a result, the Board appointed Jonathan Silver and Janet Ashdown as Independent Non-Executive Directors in July 2025. Both bring considerable expertise to Synthomer. Janet has significant experience of general management, primarily in the process and chemicals industries, including a 30-year career at the oil and gas company BP. She also brings expertise in environmental and sustainability matters. Jonathan, meanwhile, has significant international experience in finance and accounting, risk and controls, treasury, investment management and M&A, having served in a variety of senior roles, including chief financial officer, during his 30-year career at the electronics and technology company Laird plc. Both are also experienced UK public company non-executive directors.

Nomination Committee report continued

Janet and Jonathan are members of the Audit, Remuneration and Nomination Committees, with Jonathan succeeding Ian as Chair of the Audit Committee and Janet taking on his responsibilities as our Senior Independent Director. They have settled into their new roles well, working collaboratively with their fellow Board and Committee members.

The Nomination Committee worked with both to design comprehensive induction programmes, including specific strategy sessions with Synthomer's divisional presidents, our M&A team, the Company Secretary and the Committee Chairs. They also met key functional teams, including our global SHE experts, and external advisers. For Jonathan, this included specific sessions with our auditors. Janet and Jonathan also visited our site in Harlow, UK, to get a deeper understanding of our day-to-day operations and to hear directly from some of our employees.

Planning for future Board changes

While I do not anticipate as much Board change in the coming 12 months, we know that Holly Van Deursen will reach the end of her nine-year tenure as an Independent Non-Executive Director in April 2027. Janet will succeed Holly as Chair of the Remuneration Committee, and the Nomination Committee will begin the process of identifying and appointing a new Independent Non-Executive Director in due course.

As always, Board changes are an opportunity for the Committee to ensure we have a good mix of skills and experience. Looking ahead, the Committee will continue to prioritise strong financial and audit expertise and proven committee leadership capability, while remaining attentive to broader experience relevant to complex transformation environments and emerging areas such as technology and AI.

Culture and diversity

An important part of the Committee's work to refresh Board composition is ensuring that we draw on candidates from the widest possible pool of skills and backgrounds. With Janet's appointment, we now meet or exceed the FTSE Women Leaders Review's recommendations to maintain at least 40% female representation on the Board and for at least one of four key roles – Chair, CEO, Senior Independent Director or CFO – to be held by a woman. We also fully endorse the Financial Conduct Authority's updated Listing Rule requirements.

Supporting diversity in all its forms, underpinned by an inclusive culture, is an essential part of how we can drive greater innovation, and it is why diversity and inclusion is one of Synthomer's five strategic pillars. We are making steady progress in our metrics at all levels of the Company, with women now representing 38% of our Executive Committee and 35% of our senior leadership. This second figure means we exceeded our 2025 objective of 33%, and the Committee continues to monitor work towards our Vision 2030 target to have women represent 40% of senior leadership.

Gender diversity aside, we continue to comply with the guidance that at least one Board member be from an ethnically diverse background, and I am pleased to note that we also exceeded our 2025 objective to have 20% of senior leaders from ethnically diverse backgrounds, reaching nearly 22%.

This progress is welcome, but there is always more we can do. One of the best ways we can ensure it endures is by making sure our talent pipelines and succession plans reflect the communities where we live and work. A great example of this is Synthomer's new Aspire programme. Designed to help future senior leaders develop advanced leadership skills (see page 38 for more information), the programme's first cohort has been selected from across the business, representing a broad mix of backgrounds and experience.

Responding to evaluation feedback

During the 2025 financial year, the Committee reviewed and discussed the findings and feedback from the internal Board and Committee effectiveness review carried out in December 2024. As a result of that feedback, the Board placed increased emphasis on succession planning, committee leadership strength and the overall balance of skills, which directly informed Board refreshment activity, including the scope, sequencing and priorities of the non-executive director search process undertaken during the year.

In December 2025, the Board and its Committees undertook a further internal effectiveness review. The review confirmed that the Board and its Committees remained effective, cohesive and resilient during a year of sustained operational and financial challenge, with strong trust, open debate and disciplined decision making. The Board noted tangible progress in committee leadership, information quality and financial oversight, while identifying targeted development priorities for 2026, including streamlined information flow, enhanced forward-looking financial analysis, clearer succession visibility and more structured oversight of innovation.

Reviewing senior level skills

In April 2025, the Nomination Committee participated in Synthomer's annual global talent review, receiving a detailed update from management on succession coverage, internal pipelines and development priorities for the Group's most senior leadership roles. The Committee discussed the depth and resilience of those pipelines, opportunities to strengthen internal progression and the importance of supporting the development of future leaders alongside continued selective external recruitment.

The insights from this review informed the Committee's ongoing discussions on succession planning and Board composition, complementing the non-executive director search process underway at the time.

Nomination Committee report continued

Board and Executive Committee diversity

The following tables provide data on gender identity and ethnic background across our Board and Executive Committee as at the date of this report. The information was collected on a self-reporting basis.

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (Chair, CEO, SID, CFO)	Number in Executive Committee	Percentage of Executive Committee
Men	5	56%	2	5	62%
Women	4	44%	2	3	38%
Not specified/prefer not to say	–	–	–	–	–
White British or other White (including minority-white groups)	7	78%	3	6	75%
Mixed/multiple ethnic groups	–	–	–	–	–
Asian/Asian British	2	22%	1	2	25%
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group, including Arab	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

Looking ahead

The changes on Synthomer's Board over the past few years have added significant strength and depth in key areas, but the challenges and opportunities facing the business are changing faster than ever. Over the coming year, the Committee will continue overseeing work to ensure we have the right range of skills, experience and capabilities to support the business, with particular consideration for the skills we will need to replace as the Board's composition continues to evolve.

In addition, the Committee will continue to focus on orderly succession planning at both Board and senior management level, maintaining a diverse and high-quality pipeline of potential future leaders, and ensuring that the Board's composition remains resilient

as the business navigates an extended period of strategic and financial change. The Committee will also oversee preparation for the externally facilitated Board effectiveness review scheduled for 2026, to ensure it is informed by recent developments and is suitably forward-looking.

Peter Hill, CBE

Nomination Committee Chair

30 April 2026

Directors' remuneration report: introduction from the Chair



“ We strive to maintain the balance between rewarding our executives in challenging market circumstances and aligning that reward with shareholder experience.”

Holly Van Deursen
Remuneration Committee Chair

We have comprehensively reviewed our Directors' remuneration policy, to make sure that it continues to support the delivery of our business strategy and that it considers the interests of all our stakeholders.

We strive to maintain the balance between rewarding our executives in challenging market circumstances – as they continue to deliver our strategy against significant headwinds – and aligning that reward with stakeholder experience.

2025 performance

This has been another challenging year for Synthomer, with ongoing weak demand across many of our markets. Against this backdrop, we have continued our focus on delivering our strategy, and on developing and investing in differentiated, speciality products, which together have led to increased EBITDA margin. We have expanded our self-help cost-reduction programmes and focused on strong operational execution and positive cash generation.

2025 incentive outcomes

Our Executive Directors continue to deliver resilient results in difficult market conditions. We have made progress on EBITDA margin as a result of driving our strategy and have maintained positive operating cash and debt levels that are well within our covenants. This is a testament to the management team who have delivered resilient results despite the ongoing market headwinds, and who have maintained strong operational performance while implementing significant cost-reduction programmes.

Once again, when considering the appropriate level of reward, the Committee has reflected on the level of challenge faced by the management team in delivering these results, balanced with the experience of all our stakeholders.

Annual bonus

The 2025 annual bonus plan was designed to reward delivery of our key financial metrics: EBITDA and operating cash. Cash was reintroduced as a metric for 2025 (with a 20% weighting) to reflect the importance of generating positive cash and reducing costs in a challenging environment. The remainder of the bonus was based on personal strategic objectives linked to ongoing business transformation and on SHE measures aligned to our ongoing commitment to safety.

Directors' remuneration report continued

Performance of our main financial metric, EBITDA, did not meet the targets set at the beginning of the year because of difficult market conditions; however, the management team delivered a strong operating cash outturn. The Committee recognised that the management team has maintained focus on the key aspects of delivering the business strategy, in particular, the focus on higher-margin speciality products, improving reliability and delivering cost savings. In addition, the sale of William Blythe was successfully delivered and operational cash optimised. This was reflected in the 10% awarded to both Executive Directors for their personal performance.

The continued focus on health and safety also delivered an outturn of 5% of the overall bonus.

When determining the annual bonus plan outcome, our Committee considered the achievements of the management team in a challenging market environment – delivering resilient financial results, optimising operational cash and successfully divesting William Blythe – balanced with the experience of other stakeholders, including the wider workforce, and affordability.

As a result, and taken in the round, discretion was applied to reduce the formulaic outturn of 35% of maximum to 15%. The management team and the Committee both considered this to be a fair result for the year, which effectively balances all stakeholder interests.

Performance Share Plan (PSP)

The earnings per share (EPS), total shareholder return (TSR) and leverage metrics for the 2023 PSP, based on the three-year performance to 31 December 2025, did not achieve the threshold level set when the awards were made.

The new and protected products (NPP) ratio and carbon reduction metrics exceeded the maximum levels set by the 2023 PSP.

The additional PSP award of 50% of salary made to the Executive Directors in 2023 did not achieve the threshold level, which was upper-quartile relative TSR performance.

We considered that the overall outturn of 20% was fair and did not apply any discretion.

Directors' remuneration policy

Our Committee spent significant time in the year reviewing the existing remuneration policy, which was approved by shareholders at the 2023 AGM. We focused on whether the existing policy remained fit for purpose in terms of supporting the delivery of our business strategy while appropriately rewarding our Executive Directors in the current difficult market conditions.

We particularly considered potential alternative long-term incentive plan designs and metrics, given the low vesting levels during the term of the current policy – and despite the management team taking decisive action in challenging circumstances. We also considered the experience of our stakeholders over the same period and the feedback we have received from them over the past 12 months.

On balance, we decided that the current policy, including the incentive design, remains motivational for our management team – and that with a focus on improving financial performance, aligns closely with the expectations of our wider stakeholders. So, we are not proposing any substantive changes to the policy, other than removing the requirement for deferral of one third of bonus into shares for Executive Directors once their shareholding requirements have been met. See pages 103 to 112 for more details.

Performance measures for 2026 incentives

Our short-term and long-term incentive opportunities remain at the same levels as 2025.

Annual bonus

In 2025 we reintroduced operating cash (20% weighting) as a financial metric, alongside EBITDA (60% weighting), reflecting feedback from our stakeholders on the importance to them of improving operational cash generation. As part of the remuneration policy review, our Committee considered whether these two metrics remain the most appropriate, taking into account the business imperatives for 2026.

However, we also considered it necessary to introduce a specific metric aligned to the strategic focus for the year. We will add a strategic financial objective at 10% weighting, while reducing the operating cash metric to 10% to accommodate this. EBITDA will stay at 60% weighting. Our Committee believes this approach appropriately incentivises and rewards management for making the critical strategic decisions that will generate future value creation.

The 2026 measures will continue to include a small weighting for non-financial metrics – with 10% for achieving SHE objectives and up to 10% for achieving strategic personal objectives – aligned to the delivery of our strategy.

Directors' remuneration report continued

PSP

In looking at the design and metrics for our long-term incentive plan as part of the policy review, we concluded that the current design remained the best fit for all stakeholders for 2026, with the metrics intended to be broadly aligned with those used in the prior year.

However, given the continued significant share price volatility and the debt refinancing process, the Committee determined that it was not appropriate to proceed with the 2026 grants at this time, because these conditions presented material challenges to granting awards and setting meaningful targets. So, full details of the approach to the award – including final confirmation of the approach to performance metrics, weightings and targets – will be disclosed at the time of grant.

When the 2026 grants are made, we intend to maintain the primary incentive award for the CEO at 200% of base salary and for the CFO at 150%, with the opportunity to receive an additional 50% of base salary under the additional PSP award. The additional PSP award of 50% of base salary will continue to be based wholly on more challenging relative TSR targets. This award will continue to use the FTSE 250 (excluding investment trusts) as a comparator group and will only start to vest for achieving upper-quartile performance, with maximum vesting achieved at upper decile to align the Executive Directors' reward with our stakeholders' experience.

The Committee retains discretion to review the level of payout award at the end of the vesting period, and to scale back vesting if, at that time, we consider that the outcome does not align with shareholder and wider stakeholder experience during the period.

Wider workforce reward

The Committee considers the context of the wider workforce reward programmes when making decisions on executive remuneration, looking to align salary increases and performance metrics where practical. We also reviewed how incentive metrics aligned across the organisation to make sure they reflect our business priorities and provide line of sight to our key financial metrics for all employees. This has resulted in the introduction of a cash metric in the bonus plan for the wider workforce in 2026.

When determining increases for senior management, our Committee considered the percentage pay increases awarded to levels below the Executive Committee. As a result, we have chosen to adjust our Executive Directors' base salaries by 2.5% relative to 2025 levels. These increases are in line with the average increase for the UK management population.

Committee changes

Jonathan Silver and Janet Ashdown joined the Board on 1 July 2025 and became members of the Remuneration Committee from the same date.

Looking ahead

Our Committee continues to work effectively together, with robust discussions on the Directors' remuneration policy in 2025 and a specific deep dive into incentive design. As markets continue to be volatile, the same challenges remain for the Committee in 2026: to provide motivating rewards for Executive Directors while aligning with stakeholder expectations.

Holly Van Deursen

Remuneration Committee Chair

30 April 2026

Remuneration at a glance

Here we highlight the performance and remuneration outcomes for the year ended 31 December 2025. More detail is provided in the annual report on remuneration from pages 113 to 126.

Policy for Executive Directors

The current Directors' remuneration policy was approved in 2023, so is due to be renewed at the AGM in June 2026.

During its meetings in 2025, the Remuneration Committee discussed the important role the policy plays in supporting delivery of Synthomer's strategy in challenging industry conditions. We considered a number of changes, specifically around incentive design. On balance, however, we felt that the current policy was broadly the most appropriate to reward performance and motivate the management team – while aligning with stakeholder interests – in the current difficult climate in the chemicals industry. That means the proposed policy is substantially the same as the current policy, with a minor change related to bonus deferral once shareholding requirements have been met, and some other small changes to align to investor guidelines and current best practice. The full proposed policy is set out on pages 103 to 112.

Remuneration type

- Base salary
- Benefits
- Pension
- Annual bonus
- Performance Share Plan (PSP)
- Shareholding requirements

Base salary

Generally reviewed each year. Salary increases will usually be awarded in line with the average increase for the UK management population. Base salaries were increased by 2.5% from 1 January 2026, in line with the average increase awarded to the UK management population. Salaries at 1 January 2026 are:

Michael Willome £740,810

Lily Liu £501,471

Benefits

Include private health insurance, life insurance, car allowance and costs related to business moves (relocation) or international assignments. The CEO also receives a housing allowance.

Pension

Cash allowance of 7% of base salary for the CEO and CFO, which is aligned with that of the UK workforce.

Annual bonus (audited)

Maximum up to 150% of base salary. At least 70% assessed against financial metrics (80% in 2025), with up to 30% assessed against strategic and operational measures (20% in 2025). Awards in relation to financial performance of:

20%	50%	100%
of maximum for threshold	of maximum for target performance	of maximum for out-performance.

The Committee determines performance against strategic individual objectives in the round, taking into account performance against objectives set and each executive's overall contribution. A proportion of the bonus earned is deferred into shares for two years, until the shareholding requirement is reached. For current Executive Directors, this is one third of any bonus.

Performance Share Plan (PSP)

Shares awarded may not exceed 250% of salary (primary award 200%, additional award 50%).

Vesting based on performance over three years. For the primary award, at least 70% based on financial measures and up to 30% on strategic and sustainability performance measures linked to delivering the business strategy. There is a two-year post-vesting holding period requirement. For the additional PSP award, relative TSR will be the single performance metric, with threshold vesting for upper-quartile performance and maximum vesting at upper-decile performance.

Maximum of 25% for each element will vest for threshold performance.

Shareholding requirements

CEO 220% and CFO 200% of base salary.

Requirements expected to be built up over five years.

Remuneration at a glance continued

Incentive outturns

Annual bonus

Actual performance against the three annual bonus metrics are set out below.

	Weighting	Threshold	Target	Maximum	Actual	Bonus
EBITDA	60%	Threshold £141.4m	Target £157.1m	Maximum £172.8m	£136.5m	0%
Operating cash	20%	Threshold £67.6m	Target £75.1m	Maximum £82.6m	£109.6m	20%
SHE – OSHA incidents	5%		0.20		0.15	5%
SHE – Process safety	5%		0.20		0.25	0%
Individual strategic and operational goals	10%				10%	10%
Total bonus as a % of maximum before discretion applied	100%					35%
Total adjusted bonus as a % of maximum after discretion applied						15%

PSP 2023 award

Actual performance against the five elements of the PSP are set out below.

	Weighting	Threshold	Maximum	Actual	PSP
Relative TSR	20%	Median quartile	Upper quartile	below median	0%
EPS growth (targets restated post share consolidation and rights issue)	30%	61.8p	72.1p	-37.2p	0%
Leverage ratio (Group net debt/adjusted EBITDA)	30%	3x	2x	4.7x	0%
NPP	10%	14% of 2025 sales volume to come from new products launched in the five years to December 2025	21%	23.8%	10%
Carbon reduction	10%	20% reduction in CO ₂ emissions compared with 2019 baseline	30%	32.1%	10%
Total outcome	100%				20%

Our key principles for Executive Directors' remuneration

At Synthomer, our key principles for Executive Directors' remuneration are that it:

- Should be clear and simple with maximum award levels being clearly defined
- Is sufficient to attract and retain Executive Directors of the ability and expertise necessary to achieve the strategic goals of the Company
- Incentivises Executive Directors by rewarding performance and driving the right behaviours while ensuring appropriate safeguards are in place to mitigate risk
- Aligns Executive Director reward with the experience of stakeholders.

As well as considering the reward, incentives and conditions of employees throughout the Group when looking at the remuneration of Executive Directors and senior management, the Committee also considers corporate governance requirements and best practice in terms of remuneration structures and the process of setting executive remuneration.

The Committee reviews performance targets regularly to make sure they do not encourage or motivate inappropriate risk-taking. When assessing performance, the Committee will also, when necessary, consider any ESG events and the Audit Committee's reviews of the effectiveness of internal controls and risk management.

Proposed new remuneration policy

Summary of proposed changes to the Directors' remuneration policy

As outlined in the Chair's introduction, we have made no material changes to the Directors' remuneration policy for 2026. The one change we are proposing to the current 2023 policy is to remove the requirement to defer a portion of an Executive Director's annual bonus into shares once they have met their shareholding guideline.

Setting out the Directors' remuneration policy for 2026

The proposed policy for 2026 (proposed policy), which is intended to replace the policy shareholders approved at the 2023 Annual General Meeting (current policy), is subject to a binding vote by shareholders at the Annual General Meeting on 22 June 2026. If approved, it will come into effect from that date and is intended to apply until the 2029 Annual General Meeting.

The Remuneration Committee undertook a thorough review of Directors' remuneration arrangements and determined that the current policy was broadly fit for purpose. Only one change is proposed, which is to remove the requirement for annual bonus deferral once the Executive Directors have met the shareholding guideline. Once an Executive Director has met their guideline, the Committee believes they are already

well aligned with the interests of shareholders and incentivised to make sustainable long-term decisions – so deferring a portion of the annual bonus is no longer required to achieve this goal. We have also proposed some minor amendments to the wording of the current policy to align with best practice.

In determining the proposed policy, the Committee followed a robust process, which included discussions about its content at Remuneration Committee meetings during the year. The Committee considered input from management and our independent advisers, as well as best practice and guidance from major shareholders, proxy agencies and institutional investor representative bodies. We have also consulted with major shareholders on our proposed policy. While we did not consult specifically with employees on this proposed policy for executive remuneration, we considered general feedback provided through our designated employee Non-Executive Director.

Proposed new remuneration policy continued

The proposed policy in detail

Element	Purpose and link to strategy	Operation	Maximum opportunity	Performance measures
Base salary	<p>Supports the recruitment and retention of Executive Directors.</p> <p>Reflects the individual's skills, experience, performance and role within the Company, and its size and complexity.</p>	<p>The Committee reviews salary levels at appropriate intervals.</p> <p>When reviewing salary levels, the Committee considers:</p> <ul style="list-style-type: none"> ● The individual's skills, experience and performance ● The size and scope of the role ● Pay of the wider workforce ● Pay at companies of similar size, complexity and international scope ● Any other relevant factors. 	<p>There is no overall maximum for salary opportunity or increases. Salary increases will normally be in line with or below the increases awarded to the wider workforce.</p> <p>Larger increases may be made under certain circumstances, including, but not limited to:</p> <ul style="list-style-type: none"> ● An increase in the scope and/or responsibility of the individual's role ● The development of the individual within the role ● Alignment to market levels ● Material change in market practice ● Significant change in the size and complexity of the organisation ● Corporate events such as a significant acquisition or Group restructuring that affects the scope of the role ● Other exceptional circumstances. <p>For 2026, Executive Director salaries are:</p> <ul style="list-style-type: none"> ● M Willome: £740,810 an increase of 2.5% ● L Liu: £501,471 an increase of 2.5%. 	<p>None, although individual and Company performance are considered when looking at salary increases.</p>

Proposed new remuneration policy continued

Element	Purpose and link to strategy	Operation	Maximum opportunity	Performance measures
Benefits	<p>Provided to support the retention and recruitment of Executive Directors.</p>	<p>Benefits to Executive Directors may include private health insurance, life insurance and a fully expensed car or car allowance. The Committee has the discretion to review the benefits provided and may remove benefits or introduce other benefits if it considers it is appropriate to do so.</p> <p>Where Executive Directors are required to relocate on a permanent or temporary basis, the Committee may offer additional benefits – either on a one-off or ongoing basis – or vary benefits according to local practice.</p> <p>Expenses incurred may be reimbursed or paid for directly by the Company, as appropriate, including any tax due on the expenses.</p> <p>Executive Directors may participate in any all-employee share schemes or other benefit arrangements on the same basis as other employees.</p>	<p>There is no overall maximum for benefits, because the cost of insurance benefits may vary from year to year depending on individual circumstances, and the level of any relocation benefits, allowances and expenses will depend on the specific circumstances.</p>	<p>None.</p>
Pension	<p>Provide a competitive level of retirement benefits to support the retention and recruitment of Executive Directors.</p>	<p>Executive Directors are eligible to participate in the Group personal pension plan.</p> <p>Executive Directors may receive payments in whole or part as a cash allowance, which they may use either in conjunction with that plan and/or to enable them to make their own arrangements.</p>	<p>A maximum percentage of base salary aligned to the pension contribution rate available for the majority of the UK workforce (currently 7% of base salary).</p>	<p>None.</p>

Proposed new remuneration policy continued

Element	Purpose and link to strategy	Operation	Maximum opportunity	Performance measures
Annual bonus	Incentivises the delivery of financial, strategic and operational objectives selected to support our business strategy within the year.	<p>The Committee will determine performance targets for each performance period and assess performance against these targets following the end of the performance period.</p> <p>If an Executive Director has not met their shareholding guideline, then two thirds of the bonus will normally be delivered in cash with one third of the bonus deferred into shares for two years.</p> <p>If an Executive Director has met their shareholding guideline, then their entire annual bonus will normally be delivered in cash.</p> <p>The Committee may, at its discretion, adjust annual bonus payments, if it considers that the outcome is not appropriate or does not reflect the underlying financial or non-financial performance of the participant or the Group in the relevant period – or, that such a payout level is not appropriate in the context of circumstances that were unexpected or unforeseen when the targets were set. When deciding this, the Committee may take into account other factors it considers relevant.</p> <p>The Committee may reduce, cancel and/or forfeit the payment of annual bonus, including in the circumstances of serious misconduct, if there are circumstances giving rise, or that could give rise to material reputational damage to the Group, or if there has been a material misstatement of the Group or any member of the Group's financial statements, or if there has been an error in determining a performance condition or other condition, or in the event of a corporate failure.</p> <p>The Committee may reduce, cancel or claw back deferred bonus awards normally up to three years after grant in the same circumstances as set out above for the reduction of the annual bonus. The Committee considers the malus and clawback timeframes to be a reasonable period over which incentive pay should remain at risk.</p>	<p>The maximum opportunity in respect of a financial year is up to 150% of salary.</p> <p>For 2026, the bonus opportunity will be:</p> <ul style="list-style-type: none"> ● M Willome: 150% of salary ● L Liu: 150% of salary. 	<p>Normally, a minimum of 70% of awards are subject to financial measures, such as EBITDA and other relevant financial metrics.</p> <p>A maximum of 30% of awards are subject to strategic and operational measures, including personal objectives.</p> <p>For 2026 awards, performance measures will be 60% EBITDA, 10% Group operating cash, 10% Strategic financial objectives, 10% SHE objectives, and 10% personal strategic and operational objectives.</p> <p>The award for threshold performance is normally 20% of maximum.</p> <p>The award for target performance for the financial measures is normally 50% of maximum.</p> <p>Normally, strategic, personal and SHE targets are set as single binary targets.</p>

Proposed new remuneration policy continued

Element	Purpose and link to strategy	Operation	Maximum opportunity	Performance measures
Performance Share Plan	Incentivises Executive Directors to deliver sustained performance and sustainable returns for shareholders over the longer term.	<p>The vesting of awards is conditional on the Group's performance against long-term targets over a performance period that will normally be at least three years.</p> <p>The Committee may adjust the extent to which an award may vest if it considers that the outcome is not appropriate, including when considering the underlying financial or non financial performance of the Group or any member of the Group, business area or team, the performance, conduct or capability of the participant, the impact of any material safety, health or environmental incident or otherwise which gives rise to material reputational damage to the Group, the experience of stakeholders, corporate failure or windfall gains.</p> <p>The Committee may lapse an award in circumstances where the participant is summarily dismissed or leaves in circumstances where the participant's employer would have been entitled to summarily dismiss them.</p> <p>The Committee may reduce, cancel or claw back awards up to three years after vesting in the same circumstances as set out in the annual bonus section of this policy table.</p> <p>Vested awards are subject to a holding period post-vesting of an additional two years.</p>	<p>The value of shares awarded to an individual in respect of any one year may not normally exceed 250% of salary.</p> <p>For 2026, the present intention is that annual awards to current Executive Directors are:</p> <ul style="list-style-type: none"> ● M Willome: 250% of salary, comprising a primary award of 200% and an additional award of 50% ● L Liu: 200% of salary, comprising a primary award of 150% and an additional award of 50%. 	<ul style="list-style-type: none"> ● For the primary PSP award, at least 70% based on financial measures. This may include TSR, EPS, Return on Invested Capital (ROIC) or any other measure the Committee considers appropriate. ● Up to 30% based on strategic and sustainability performance measures. ● The additional PSP award of 50% of base salary will be entirely based on relative TSR, with threshold vesting beginning at upper quartile performance and maximum vesting at upper decile. <p>A maximum of 25% of each element will vest for threshold performance.</p>
Shareholding guidelines during and post-employment	<p>The Company operates shareholding guidelines for Executive Directors to strengthen the alignment between their interests and those of our shareholders. The CEO and CFO will be expected to build interests in shares of at least 220% and 200% of salary, respectively, within five years of appointment.</p> <p>Executive Directors who step down from their role will normally be expected to maintain their minimum shareholding (or actual shareholding, if lower) for the first 12 months after leaving the Board, and 50% of their minimum shareholding (or actual shareholding, if lower) for the next 12 months. The Committee has the discretion to waive this guideline if it is not considered appropriate in the specific circumstances.</p>			

Provisions to withhold or recover sums paid under incentives are detailed in the table above and the relevant governing plan rules and award terms. No other elements of remuneration are subject to recovery provisions.

Proposed new remuneration policy continued

Applying the policy

The Committee reserves the right to make any remuneration payments and/or payments for loss of office (including exercising any discretions available to it in connection with such payments) notwithstanding that they are not in line with the proposed policy set out in the previous table where the terms of the payment were agreed (i) before the proposed policy came into effect, provided that the terms of the payment were consistent with any applicable shareholder-approved Directors' remuneration policy in force at the time they were agreed or were otherwise approved by shareholders; or (ii) at a time when the relevant individual was not a Director of the Company (or other persons to whom the proposed policy applies) and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company or such other person. For these purposes, 'payments' includes the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are 'agreed' no later than the time the award is granted.

The Committee may make minor adjustments to the proposed policy (for regulatory, exchange control, tax or administrative purposes or to take account of a change in legislation) without obtaining shareholder approval for that amendment.

Awards granted under the PSP may:

- a** Be granted as conditional share awards or nil-cost options or in such other form that the Committee determines has the same economic effect
- b** Have any performance conditions applicable to them changed by the Committee if an event occurs that causes the Committee to reasonably consider it appropriate to do so

- c** Incorporate the right to receive an amount equal to the value of dividends that would have been paid on the shares under an award that vests up to the time of vesting – or, where the award is subject to a holding period, release. This amount may be calculated assuming that the dividends have been reinvested in the Company's shares on a cumulative basis
- d** Be settled in cash at the Committee's discretion. For Executive Directors, this provision will only be used in exceptional circumstances, such as where for regulatory reasons it is not possible to settle awards in shares
- e** Be adjusted in the event of any variation of the Company's share capital or any demerger, delisting, special dividend or other event that may materially affect the Company's share price.

Deferred bonus shares may be granted as conditional share awards in line with the rules of the Deferred share bonus plan.

Performance measures and targets**Annual bonus**

The annual bonus performance measures are chosen to provide an appropriate balance between incentivising Executive Directors to meet financial targets for the year and to deliver specific strategic and operational goals. The balance allows the Committee to effectively reward performance against key elements of our strategy.

The Committee sets the bonus targets each year to ensure that Executive Directors are appropriately focused on the key objectives for the next 12 months. Targets are set by reference to the Company's business plan.

Performance Share Plan

The performance measures under the PSP are set to align with the long-term strategy of the Company and long-term value creation for shareholders. Measures for 2026 awards may include:

- EPS – reflecting the financial performance of the Company. The Committee sets targets to be appropriately stretching, with regard to a number of internal and external reference points generally using previous years' EPS as a base for growth
- Reduction in leverage, which addresses a current primary concern for shareholders
- Relative TSR – reflecting the Company's ultimate delivery of value to shareholders. The Committee considers that this promotes alignment between the interests of Executive Directors and the shareholder experience. Relative TSR will be in two bands: threshold-to-maximum payouts being median to upper quartile for the primary award, and upper quartile to upper decile for the additional PSP awards

Proposed new remuneration policy continued

- ESG and/or strategic measures directly incentivising management to deliver the Company's key ESG and strategic priorities.

The Committee considers that this performance framework represents an appropriate and balanced basis on which to measure the performance of the Company.

Difference in policy for Executive Directors and other employees

The remuneration policy for our Executive Directors is designed according to the same principles that underpin remuneration for the wider employee population, and this was taken into account when revising the current policy. The wider workforce also participates in performance-based incentives. Throughout the Group, base salary and benefits levels are set according to the prevailing market conditions. Differences between Executive Director pay policy and other employee pay reflect the seniority of the individuals, the prevailing market conditions and the corporate governance practices for Executive Director remuneration. The key difference in policy is that, for Executive Directors, a greater proportion of total remuneration is based on incentives.

Non-Executive Directors' fees

Non-Executive Directors' fees

The Board reviews Non-Executive Director fees at appropriate intervals. When reviewing fee levels, the Board may consider the scope and time commitment of the role, the skills and experience of the individual and the fee levels at other companies. Non-Executive Directors do not participate in determining their own fees.

Non-Executive Directors may receive a base fee for Board membership, plus additional fees for chairing Board Committees, or for being a member of a Board Committee or the Senior Independent Director. Additional fees may be paid to reflect additional Board or Committee responsibilities or time commitment as appropriate.

Expenses incurred in performing Non-Executive Director duties for the Company may be reimbursed or paid for directly by the Company, as appropriate, including any tax due on the expenses.

Non-Executive Director fees are normally paid in cash but may be delivered in shares.

Non-Executive Directors do not participate in incentive arrangements or receive pension or benefits. Non-significant additional benefits may be introduced if considered appropriate.

Chair's fees

The Committee reviews Chair fees at appropriate intervals. When reviewing fee levels, they may consider the scope and time commitment of the role, the skills and experience of the individual and the fee levels at other companies. The Chair does not participate in determining the fee level.

Expenses incurred in performing duties for the Company may be reimbursed or paid for directly by the Company, as appropriate, including any tax due on the expenses.

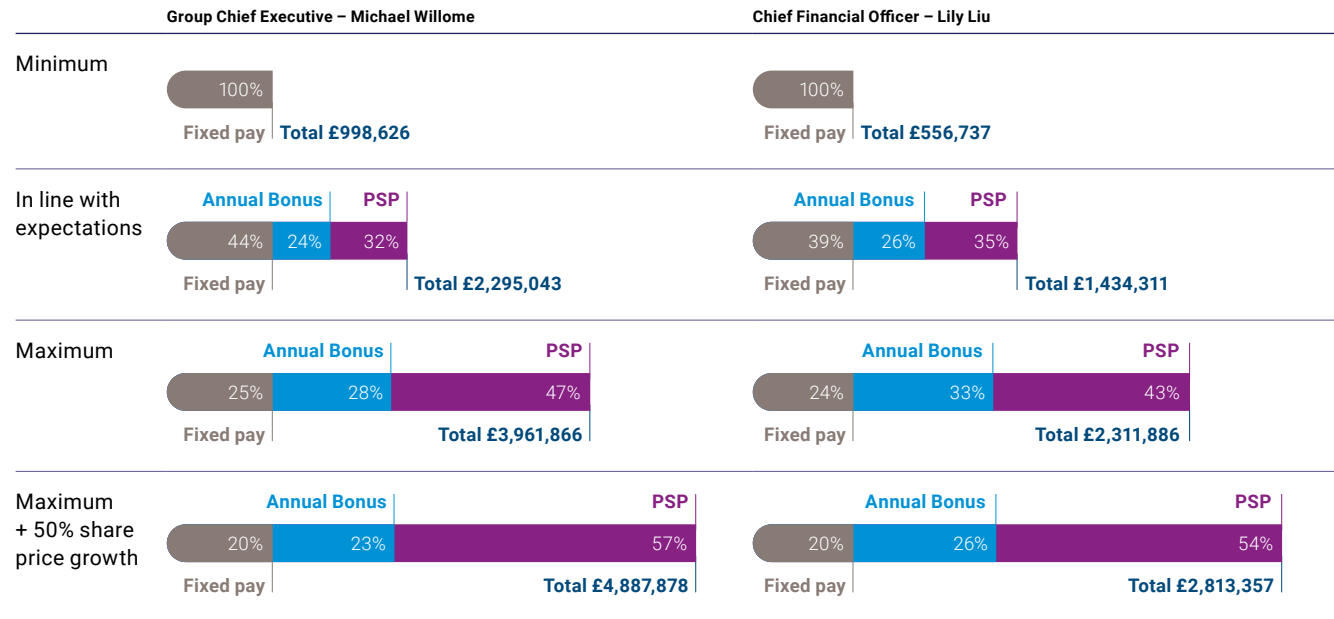
The Chair does not participate in incentive arrangements or receive pension or benefits. Non-significant additional benefits may be introduced if considered appropriate.

Total fees to Non-Executive Directors, including the Chair, operate within the cap defined in the Articles of Association, which is currently £750,000 a year.

Proposed new remuneration policy continued

How we would apply the proposed policy

The following charts illustrate the different elements of the Executive Directors' remuneration under four different performance scenarios: minimum, in line with expectations, maximum and maximum plus 50% share price increase. The assumptions used are provided below the charts. The illustrations are based on annual bonus awards for 2026 and PSP awards to be granted in 2026.



Fixed

Base salary 2026	M Willome: £740,810	L Liu: £501,471
Pension 2026 ¹	M Willome: £51,857	L Liu: £35,103
Benefits 2025 ²	M Willome: £205,959	L Liu: £20,163

Variable

Component	Minimum	In line with expectations	Maximum	Maximum + 50% share price growth
Annual bonus	0% of maximum	50% of maximum	M Willome: 150% of salary L Liu: 150% of salary	Same as maximum
PSP ³	0% vesting	40% vesting ⁴ 38% vesting ⁴	M Willome: 250% of salary ⁵ L Liu: 200% of salary ⁵	Maximum plus 50% share price growth

¹ Value of cash supplement for 2026.

² Taxable value for annual benefits provided in 2025, as disclosed in the single figure.

³ The value for the PSP is based on the face value of annual awards under the proposed policy and base salaries for 2026. The calculation excludes share price growth or dividends during the performance period other than where stated.

⁴ Being 50% of the primary award and 0% of the additional award.

⁵ Comprising a primary award of 200% of salary and an additional award of 50% of salary for the CEO, and 150% and 50% for the CFO.

Proposed new remuneration policy continued

Recruitment policy

Executive Directors

The Committee considers the following principles when agreeing the components of a remuneration package for a new Executive Director:

- Base salary will be set considering the principles set out in the table on page 104 and may be set at a higher or lower level than the previous incumbent. Where a base salary is set to be lower, it may be subject to larger increases in the initial years of appointment. Pension arrangements for any external recruit as an Executive Director will be as set out in the same table. Other benefits will be provided in line with the policy for existing Executive Directors
- The Committee may, on appointing an Executive Director, need to 'buy out' remuneration arrangements or other contractual entitlements forfeited as a result of joining the Company. Any buy-out will consider the terms of the arrangements – for example, form of award, performance conditions and timeframe – being forfeited. The form of any award would be determined at the time and the Committee may, if necessary, make use of LR 9.3.2 of the Listing Rules (for the purpose of buy-out awards only). The overriding principle will be that any replacement buy-out awards will, in the Committee's opinion, be on a broadly like-for-like basis
- The maximum variable pay opportunity on recruitment (excluding buy-outs) is 400% of salary, consistent with the maximums in the policy table on pages 106 to 107
- Performance measures for awards in the first year of appointment may be subject to different performance conditions as determined by the Committee
- If an Executive Director is required to relocate, the Committee may offer additional benefits – either on a one-off or ongoing basis – or vary benefits according to local practice.

Other

For interim positions, a cash supplement may be paid rather than salary – for example, a Non-Executive Director taking on an executive function on a short-term basis.

Where an executive is appointed from within the Company, the normal policy of the Company is that any legacy arrangements would be honoured in line with the original terms and conditions, and that they would be appointed on a new service contract. Similarly, if an Executive Director is appointed following the acquisition or merger with another company, legacy terms and conditions would be honoured.

Non-Executive Directors and Chairs

When appointing a new Non-Executive Director or Chair, remuneration arrangements will be in line with the principles detailed in the table on page 109.

Service contracts

The current contracts in place for Executive Directors are:

Director	Date of contract
M Willome	22 June 2021
L Liu	25 November 2021

There is no unexpired term because the Executive Directors' contracts are on a rolling basis. Save in circumstances justifying summary termination, the notice period for each of the above contracts is one year. Service contracts for new Executive Directors will be limited to 12 months' notice. The Company may, at the Committee's discretion, make a payment in lieu of notice equal to the salary, pension contributions and contractual benefits that would have been paid during any unworked notice period. This payment may be made at the Committee's discretion as a lump sum or monthly instalments, and may be subject to mitigation if the Director finds an alternative position during the notice period.

The Executive Directors are also entitled to 25 working days' holiday, plus public holidays, each calendar year.

All Non-Executive Directors are appointed in writing. Letters of appointment do not include entitlement to participate in the Company's share incentive plans or any other of its employee benefits, and do not currently have a notice period. The Company may add a notice period of no more than three months. The Non-Executive Directors are subject to annual re-election. There is no right to compensation for loss of office if they are not re-elected or if the Company terminates the appointment because the Non-Executive Director has accepted a position with another company without prior Board approval and that the Board reasonably considers this likely to give rise to a material conflict. In the event that a notice period is included in letters of appointment, the Company reserves the right to make a payment in lieu of notice.

Directors' service contracts and letters of appointment are available for inspection at the Company's registered office during normal business hours and will be available at the Annual General Meeting.

Policy on payment for loss of office

The Committee considers a number of factors when determining leaving arrangements for an Executive Director.

- Where either party gives notice of the termination of an Executive Director's employment, the Committee may make a payment in lieu of notice of any unworked notice period. Other than this provision – the obligation to pay accrued but untaken holiday, and those outlined in the table on page 112 regarding bonus and the PSP – service contracts make no provision for pre-defined compensation on termination.

Proposed new remuneration policy continued

- The Committee reserves the right to make any other payments in connection with a Director's cessation of office or employment where the payments are made in good faith in discharge of existing legal obligations, or by way of damages for breach of such an obligation, or by way of a compromise or settlement of any claim arising in connection with the cessation of the Director's office or employment. Any such payment may include, but is not limited to, paying any fees for outplacement assistance and/or the Director's legal or professional advice fees in connection with their cessation of office or employment.
- The Committee may award an annual bonus for leavers in particular circumstances. Any bonus would normally be subject to performance and time pro-rating and would not be made in circumstances of poor performance. Any such bonus may be paid wholly in cash.
- On ceasing employment, the Executive Director will retain any deferred bonus shares, and the deferred period will normally continue to the original release date. For Executive Directors who are appointed to the Board after the date that the current policy came into effect, any deferred shares would normally be forfeited for 'bad leavers'. 'Good leavers' (as defined under the PSP) would be entitled to retain their deferred shares, which would vest on the normal date, unless the Committee determines otherwise.
- The treatment of outstanding PSP awards is governed by the PSP rules, under which Executive Directors may currently hold awards in the form of share options or conditional rights to receive shares. If an individual leaves holding vested PSP awards that are still subject to a holding period, the underlying shares will either be released at the end of the original holding period, or at an earlier date determined by the Committee.

Where an award is made for the purpose of recruitment – for example, a buy-out award – then the leaver provisions would be determined at the time of award, having regard to the circumstances of the recruitment, the terms of awards being bought out and the principles for leavers in the current policy.

In the event of a change of control of the Company, the Committee will determine the extent to which unvested awards will vest after taking into account all relevant factors at the time, including the extent to which any performance conditions have been achieved and the period of time that has elapsed from the award date to the date of the relevant event.

In the event of a demerger, special dividend or other similar event that, in the Committee's opinion, would materially affect the market price of shares, the Committee may allow PSP awards to vest or deferred bonus shares to release on the same basis as for a change of control.

Plan	'Good leaver' categories	Treatment for 'good leavers'	Treatment for 'other leavers'
Performance Share Plan	<ul style="list-style-type: none"> ● Death ● Injury, ill health or disability ● Transfer of employing company or business outside the Group ● Retirement with agreement of the Committee ● Redundancy ● Any other reason as determined by the Committee 	<ul style="list-style-type: none"> ● Awards will vest subject to achieving performance conditions as determined by the Committee and – unless the Committee determines otherwise – will be time pro-rated to reflect the proportion of the vesting period that has passed at the time of leaving. ● The vesting date for such awards will normally be the original vesting date, although the Committee may determine that awards can vest when employment ceases, subject to the assessment of any performance condition. Where unvested awards are subject to an additional holding period, the Committee will determine the extent to which the holding period applies following cessation. ● Awards in the form of options that vest early due to cessation of employment may be exercisable until the earlier of (i) 12 months from the date of vesting, and (ii) the normal expiry of the exercise period. Following this date, unexercised awards will lapse. ● If the participant ceases employment after the normal vesting date, options may be exercisable until the earlier of 12 months from the date of cessation, or the normal expiry of the exercise period. Following this date, unexercised awards will lapse. 	<ul style="list-style-type: none"> ● Unvested awards lapse in full.

Annual report on remuneration

Single figure of remuneration for Executive Directors (audited)

	Year	Base salary £	Benefits £	Other £	Pension £	Total fixed remuneration £	Annual bonus £	Long-term incentives ¹ £	Total variable remuneration £	Total £
Executive Directors										
M Willome	2025	722,741	205,959	–	50,592	979,292	163,159	19,123	182,282	1,161,574
	2024	701,690	201,729	–	49,118	952,537	547,318	39,947 ²	587,265	1,539,802
L Liu	2025	489,240	20,163		34,247	543,650	110,446	9,709	120,155	663,805
	2024	474,990	16,342	205,672	33,249	730,253	370,492	11,397 ²	381,889	1,112,142

¹ For 2025, the values relate to awards granted under the PSP in 2023, which vest on 4 April 2026. More information about the level of vesting is provided in this report. Given these awards have not yet vested, they have been valued based on the average share price for the period 1 October 2025 to 31 December 2025 of 60p, along with any accrued dividends from the date of grant. The number of shares subject to the award was adjusted to reflect the share consolidation and rights issue. This will be restated next year to reflect the actual value at the date of vesting. There was no share price appreciation that affected the value of the awards, so the Committee did not exercise discretion in respect of the share price changes.

² The 2022 PSP award value has been restated to reflect the actual value on vesting on 10 March 2025 and 9 August 2025.

Additional information for single figure remuneration (audited)

Benefits

	Relocation expenses £	Car expenses/ benefit £	Other £	Total £
M Willome	176,604 ¹	24,000	5,355	205,959
L Liu	–	15,000	5,163	20,163

¹ Given M Willome moved from Switzerland to the UK, he receives a monthly relocation allowance of £7,800 for a four-year period. The allowance is grossed up for tax.

Pension entitlements (audited)

Both current Executive Directors receive a cash allowance in lieu of pension contributions of 7% of base salary in line with the pension provision for the wider UK workforce.

Annual report on remuneration continued

Annual bonus (audited)

2025 award

For 2025, the Company operated a bonus plan for the Executive Directors related to the achievement of EBITDA targets, operating cash, SHE targets, and individual strategic and operational goals, weighted as follows:

- EBITDA – 60%
- Operating cash – 20%
- SHE – 10%
- Individual goals – 10%.

The maximum bonus level for M Willome and L Liu was 150% of salary.

Executive Directors	Maximum bonus as a % of salary	Total bonus as a % of maximum	Total bonus £
M Willome	150%	15%	163,159
L Liu	150%	15%	110,446

For M Willome and L Liu, one third of the bonus has been deferred into shares for two years.

The formulaic outturn for the 2025 annual bonus was 35% of maximum. The Committee and management team held detailed discussions about the appropriate level of bonus awards for Executive Directors, taking into account the achievements of the management team in the context of a challenging environment, affordability considerations, stakeholder views and feedback, and the broader shareholder experience. As a result, our Committee applied discretion to reduce the formulaic outturn of 35% of maximum to 15% for the Executive Directors.

More information about the individual elements of the 2025 bonus is as follows:

1. EBITDA (60%)

	Threshold	Target	Maximum	Achieved
Level of award (% of element)	20%	50%	100%	0%
EBITDA ¹	£141.4m	£157.1m	£172.8m	£136.5m

¹ The original targets were adjusted to reflect the sale of William Blythe.

2. Operating Cash (20%)

	Threshold	Target	Maximum	Achieved
Level of award (% of element)	20%	50%	100%	133%
Cash numbers	£67.6m	£75.1m	£82.6m	£109.6m

3. SHE (10%)

Targets with an aggregate weighting of 10% related to improvements in recordable injury and process safety.

	Recordable injury (recordable injury case rate)	Process safety (measured as process safety event rate)
Target	0.20	0.20
Level of award	0% for a rate greater than 0.20 5% for a rate less than 0.20	0% for a rate greater than 0.20 5% for a rate less than 0.20
Rate achieved	0.15	0.25
Award outcome	5%	0%

Annual report on remuneration continued

4. Individual strategic and operational goals (10%)

The Committee considered individual goals and achievements against them with an aggregate weighting of 10%, including:

	Chief Executive Officer	Chief Financial Officer
Target	<ol style="list-style-type: none"> Build on the strategy delivery, with more progress on all five pillars and three enablers. Focus on pillar 2 (portfolio management) Achieve or exceed financial targets through disciplined self-help, and make more progress to plan to deleverage as necessary in absence of any reasonable market recovery Continue to enhance the company transformation, including through tangible innovation and digitalisation projects 	<ol style="list-style-type: none"> Continue to develop and track Group and Finance function cost-reduction and efficiency programmes, including any stranded costs following non-core divestments Continue to develop the Company's financial resources and protect the covenants. Continue to improve cash performance Build on and develop the drive to digital transformation
Level of award	Up to 10%	Up to 10%
	Chief Executive Officer	Chief Financial Officer
Performance against targets	<ol style="list-style-type: none"> Build on strategy delivery, with focus on portfolio management. Achieve financial targets through self-help and plan for deleveraging Successfully sold William Blythe, including environmental liabilities, after a failed process in 2023. Successfully sold Ningbo land to government with net proceeds of £5m, after transferring the production of antioxidants to a third-party toller at lower rates. Progressed Board approval processes for multiple divestment projects. Increased profit margins in line with speciality strategy. 	<ol style="list-style-type: none"> Continue to develop and track cost-reduction and efficiency programmes Initiated Project Peak (cost-reduction programme), focusing on delivering sustainable cost savings, primarily in enabling functions. Established and delivered a comprehensive plan across functions, with a reduction of 250 roles across the full programme, and generated more than £20m in savings at a one-time cost of £9m.

Annual report on remuneration continued

	Chief Executive Officer	Chief Financial Officer
Performance against targets continued	<p>2 Achieve or exceed financial targets through disciplined self-help, and make more progress to plan to deleverage as necessary in the absence of any reasonable market recovery</p> <p>Significant cost reduction achieved through decisive self-help measures.</p> <p>Leverage achieved well within covenant ratio by year end through active and comprehensive cash management.</p> <p>More margin progress year-on-year through strategy delivery and cost management, despite lower revenues as a result of end market demand weakness following tariff changes.</p> <p>3 Deliver company transformation through innovation and digitalisation</p> <p>Continued Synthomer transformation, with clear progress evidenced in product vitality and digitalisation across the organisation.</p> <p>Successful appointment of Chief Human Resources Officer to drive more cultural transformation and capability.</p> <p>CCS leadership team reorganised to bring renewed approach to markets and additional focus on the USA.</p> <p>Good progress with Board Innovation Task Force.</p>	<p>2 Continue to develop financial resources, protect covenants and improve cash performance</p> <p>Implemented daily focus on cash management, with daily reporting, collection targets and tracking.</p> <p>New factoring implemented in Asia for the first half of the year.</p> <p>In the second half, as the end markets continued to deteriorate, implemented a receivables purchasing programme with our largest shareholder, KLK, at the end of the year.</p> <p>3 Drive digital transformation</p> <p>Implemented a range of digital projects with a combination of function-based tools (intercompany matching automation, advanced financial close pilot), together with business-focused tools such as the pricing tool. These initiatives created value through small upfront investments with a short payback period.</p>
Award outcome	10%	10%

Annual report on remuneration continued

Additional information for single figure remuneration (audited)

Long-term incentives – PSP

The primary awards made in 2023 for M Willome and L Liu under the PSP were subject to the following performance metrics:

- Relative TSR performance – 20%
- Absolute underlying earnings per share performance – 30%
- Leverage ratio – 30%
- Carbon reduction (Scope 1 and 2) – 10%
- NPP – 10%.

	Weighting	Threshold	Maximum	Outcome achieved	% vesting (of maximum)
Relative TSR	20%	Median	Upper quartile	Below median	0%
EPS ¹	30%	61.8p	72.1p	-37.2p	0%
Leverage ratio (Group net debt/adjusted EBITDA)	30%	More than 3x	Less than 2x	4.7x	0%
Carbon reduction – in Scope 1 and 2 CO ₂ emissions from the 2019 baseline	10%	20%	30%	32.1%	10%
NPP – by volume over the five-year period to end 2025	10%	14%	21%	23.8%	10%
Total	100%				20%

¹ EPS targets have been restated to reflect the impact of the share consolidation and rights issue on the issued share capital. The original targets were: Threshold 21.7p, Maximum 25.3p.

25% vests for threshold performance. All metrics vest on a straight-line basis between threshold and maximum. In aggregate, 20% of the 2023 primary award vested. The Committee felt the final outcome to be fair and so no discretion was applied.

Additionally, because the share price is currently lower than that of the 2023 grant, the Committee considered that there was no windfall gain.

The primary 2023 award will vest for M Willome and L Liu on 4 April 2026 as follows:

	No. of shares ¹ in original award	No. of shares that lapse	No. of shares that vest	Estimated value of shares that vest ² £
M Willome	159,353	127,482	31,871	19,123
L Liu	80,903	64,722	16,181	9,709

¹ Adjusted for the share consolidation and rights issue.

² As these awards have not yet vested, they have been valued on the basis of the average share price for the period 1 October 2025 to 31 December 2025 of 60p. This will be restated next year to reflect the actual value at vesting.

The additional PSP award had a single metric of relative TSR. The threshold level of upper-quartile performance was not met, so this award will not vest.

	No. of shares ¹ in original award	No. of shares that lapse	No. of shares that vest	Estimated value of shares that vest ² £
M Willome	62,285	62,285	0	0
L Liu	42,162	42,162	0	0

¹ Adjusted for the share consolidation and rights issue.

Overall, the Committee considers that the remuneration policy has operated as it intended during 2025, and that the pay outcomes are fair when considering the efforts and achievement of the management team, and when taking into account the experience of shareholders and other stakeholders. The malus and clawback provisions have not been used in this period.

Annual report on remuneration continued

Single figure of remuneration for Non-Executive Directors (audited)

Non-Executive Director	Year	Base fee £	Committee membership fee £	Committee Chair fee £	Total £
CA Johnstone ¹	2025	–	–	–	–
	2024	244,400	–	–	244,400
The Hon. AG Catto ²	2025	19,998	–	–	19,998
	2024	46,597	–	–	46,597
RC Gualdoni ³	2025	45,734	14,294	–	60,028
	2024	46,597	15,000	–	61,597
Dato' Lee Hau Hian	2025	47,995	–	–	47,995
	2024	46,597	–	–	46,597
HA Van Deursen	2025	47,995	15,000	10,000	72,995
	2024	46,597	15,000	10,000	71,597
I Tyler ⁴	2025	55,263	14,294	9,529	79,086
	2024	56,597	15,000	10,000	81,597
M Flöel	2025	47,995	15,000	–	62,995
	2024	46,597	15,000	–	61,597
U Halder	2025	47,995	–	–	47,995
	2024	15,532	–	–	15,532
P Hill ⁵	2025	251,320	–	–	251,320
	2024	20,532	–	–	20,532
J Ashdown ⁶	2025	24,505	7,500	–	32,005
	2024	–	–	–	–
J Silver ⁷	2025	23,998	7,500	579	32,077
	2024	–	–	–	–
Total	2025	612,798	73,588	20,108	706,494
	2024	570,046	60,000	20,000	650,046

1 Stepped down from the Board on 1 January 2025.

2 Stepped down from the Board on 1 May 2025.

3 Stepped down from the Board on 12 December 2025.

4 Stepped down from the Board on 12 December 2025.

5 Appointed as Chair from 1 January 2025.

6 Appointed to the Board on 1 July 2025. Appointed as Senior Independent Director on 10 December 2025. Member fee includes an additional £10,000 prorated from 12 December 2025 for her role as Senior Independent Director.

7 Appointed to the Board on 1 July 2025. Appointed as Chair of the Audit Committee on 12 December 2025.

Annual report on remuneration continued

Directors' shareholding and share interests (audited)

Director	Interests in Company shares 31 December 2025	Total unfettered interests in shares and vested options 31 December 2025	Deferred annual bonus award	Unvested performance-related options 31 December 2025 ^{1,2}	Share options exercised during 2025	Share ownership requirements (% of salary) ³	Interest in shares at 31 December 2025 (% of salary)
M Willome	316,943	151,718	165,225	2,461,955	28,822	220	26%
L Liu	142,107	65,738	76,369	1,336,281	–	200	17%
Dato' Lee Hau Hian	163,604						
HA Van Deursen	24,000						
M Flöel	0						
U Halder	50,000						
P Hill	50,000						
J Silver	59,229						
J Ashdown	19,920						

1 Unvested performance-related options comprise the awards made under the PSP in 2023, 2024 and 2025. Details of the performance conditions attached to the 2023 awards are set out on page 117, and to 2025 awards on page 120.

2 The 2023 share awards under the PSP have been adjusted to reflect the impact of the share consolidation and rights issue.

3 Until this requirement is met, no sales of shares that vest under long-term incentive plans are permitted other than to satisfy tax liabilities that arise on the exercise of share awards under such plans. The Committee considers that unfettered unexercised vested nil-cost awards are economically equivalent to shares and, as such, that they should count (on a net-of-tax basis) towards compliance with the share ownership guidelines.

There have been no changes in the interests of the Directors in shares between 31 December 2025 and at such time as this report was signed on 30 April 2026.

Annual report on remuneration continued

2025 awards (audited)

The awards made on 20 March 2025 to M Willome and L Liu were as follows:

	Scheme	Basis of award	Number of shares	Face value	Percentage vesting at threshold performance
M Willome	PSP – nil-cost options (primary award)	200% of salary	1,220,846	£1,445,482	25%
	PSP – nil-cost options (additional award)	50% of salary	305,211	£361,371	25%
L Liu	PSP – nil-cost options (primary award)	150% of salary	619,813	£733,860	25%
	PSP – nil-cost options (additional award)	50% of salary	206,604	£244,620	25%

The face value of the awards was calculated using a share price of 118.4p per share, the average share price on the five dealing days before the date of grant.

The 2025 awards under the PSP are subject to the following performance conditions:

Primary award

	Definition	Weighting	Threshold (25% vesting)	Maximum
Relative TSR	Relative TSR performance against the FTSE 250 Index (excluding investment funds and financial services companies) over the three-year period ended 31 December 2027	20%	Median	Upper quartile
EPS	Earnings per share at 31 December 2027	30%	10p	35p
Leverage	Leverage ratio at 31 December 2027	30%	Targets will be disclosed retrospectively because of commercial sensitivity	
Carbon reduction – in Scope 1 and 2 CO ₂ emissions from the 2019 baseline	Reduction in carbon emissions (Scope 1 and 2) from the 2019 baseline by 31 December 2027	10%	40%	45%
New Vitality Index	Gross margin of products launched in the past five years as a proportion of group gross margin (Vitality GM/Total GM)	10%	9%	12%
Total		100%		

All metrics vest on a straight-line basis between threshold and maximum.

Additional award

For the additional award, the sole performance measure is relative TSR performance versus FTSE 250 (excluding investment trusts and financial services companies):

- 25% of this element will vest for upper-quartile performance
- 100% will vest for upper-decile performance
- Vesting on a straight-line basis between these points.

Annual report on remuneration continued

Operation of the Executive Director remuneration policy for 2026

The proposed policy for 2026 will be presented to shareholders at the AGM on 22 June 2026 and, subject to approval, will be implemented as follows:

Base salary	<p>A salary increase was awarded with effect from 1 January 2026 of 2.5% for the CEO and CFO, in line with the average increase for the UK management population awarded in the UK.</p> <p>2026 salaries are:</p> <ul style="list-style-type: none"> ● M Willome: £740,810 ● L Liu: £501,471
Pension and benefits	<p>Pension contributions for Executive Directors are aligned with those of the UK workforce. Executive Directors receive a cash allowance in lieu of pension contributions, a car allowance, and private health insurance. Given M Willome has moved from Switzerland to the UK, the Company also agreed a monthly relocation allowance of £7,800 for a four-year period. The allowance is grossed up for tax.</p> <p>2026 cash allowances in lieu of pension contributions are:</p> <ul style="list-style-type: none"> ● M Willome: 7% of salary ● L Liu: 7% of salary
Annual bonus	<p>For 2026, performance under the annual bonus will be measured on the following basis:</p> <ul style="list-style-type: none"> ● 60% subject to performance against EBITDA targets ● 10% subject to performance against operating cash targets ● 10% subject to performance against strategic financial objectives ● 10% subject to performance measures against key SHE targets ● 10% subject to performance against individual strategic and operational goals. <p>Targets and objectives for 2026 are, by their financial and commercial nature, considered by the Board to be unsuitable for disclosure in advance. However, the Committee will provide information on targets and objectives retrospectively.</p> <p>2026 maximum award opportunity:</p> <ul style="list-style-type: none"> ● M Willome: 150% of salary ● L Liu: 150% of salary

<p>PSP</p>	<p>For primary awards to be made in 2026, it is the Committee's current intention that performance will be measured subject to the following metrics:</p> <ul style="list-style-type: none"> ● Relative TSR ● EPS ● Leverage ● Reduction in carbon ● New Product Vitality. <p>For the additional awards, the sole performance measure will be TSR performance versus FTSE 250 (excluding investment trusts and financial services companies):</p> <ul style="list-style-type: none"> ● 25% of this element will vest for upper-quartile performance ● 100% will vest for upper-decile performance ● Vesting on a straight-line basis between these points. <p>It is the Committee's current intention that the 2026 maximum award opportunities will be:</p> <ul style="list-style-type: none"> ● M Willome: 250% of salary (200% primary award, 50% additional award) ● L Liu: 200% of salary (150% primary award, 50% additional award). <p>As noted in the Chair's introduction, given the continued share price volatility and the debt refinancing process, the Committee determined it was not appropriate to proceed with the 2026 PSP grants at this time. Full details of the award – including final performance metrics, weightings and targets – will be disclosed at the time of grant.</p>
<p>Shareholding guidelines during employment</p>	<p>The CEO and CFO are expected to build interests in shares of at least 220% and 200% of salary, respectively</p>
<p>Chair and Non-Executive Directors</p>	<p>The fees to be paid in 2026 to the Chair and the Non-Executive Directors have been increased by 2.5%, in line with the UK wider workforce from 1 January 2026 to £257,603 and £49,195 respectively.</p>

Annual report on remuneration continued

Payments to past directors (audited)

There were no payments made to past Directors in 2025.

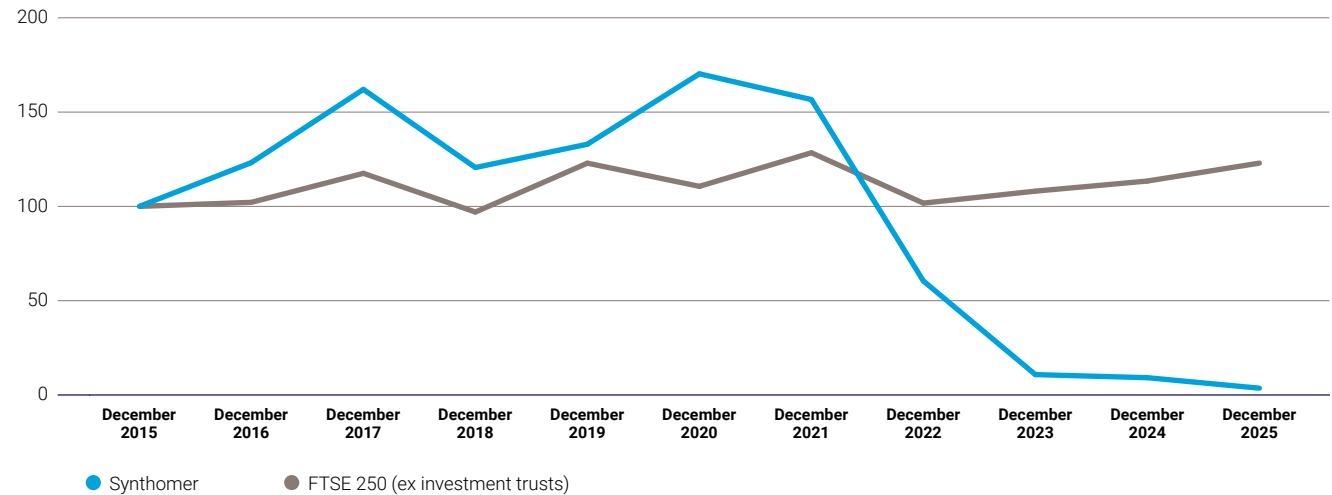
Payments for loss of office (audited)

No payments for loss of office were made during the year.

Performance graph and table

The graph and table below allow comparison of the TSR of the Company and the CEO remuneration outcomes over the past 10 years.

TSR chart



The chart above compares the TSR performance of the Company with that of the FTSE 250 (excluding investment trusts). This is considered to be the most appropriate index against which to make a comparison and was chosen because it represents a broad equity market index of which the Company has historically been a constituent and contains companies of similar complexity.

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
CEO	CG MacLean	CG MacLean	CG MacLean	CG MacLean	CG MacLean	CG MacLean/ M Willome	M Willome	M Willome	M Willome	M Willome
CEO total single figure remuneration (£'000)	1,218	2,516	1,807	890	1,805	2,279	987	1,338	1,551	1,162
Bonus (% of maximum awarded)	100.0	100.0	76.5	20.0	100.0	95.0	10	40	52	15
PSP (% of maximum vesting)	n/a	96.3	86.2	10.0	31.8	64.0	n/a	20	40	20

The CEO total single figure of remuneration includes salary, benefits and pension contributions paid in the year, together with bonuses and long-term incentive awards that vested based on performance in the year.

The 2021 single figure comprises the figure for CG MacLean, which covers the period to 31 October 2021, and the figure for M Willome, which covers the period from 1 November to 31 December 2021.

Annual report on remuneration continued

CEO pay ratio

The following table provides pay ratio data in respect of the CEO's total remuneration compared to employees at the 25th percentile, the median and 75th percentile.

Financial year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2025	Option B	25:1	21:1	15:1
2024	Option B	31:1	24:1	19:1
2023	Option B	32:1	26:1	19:1
2022	Option B	24:1	21:1	16:1
2021	Option B	54:1	44:1	31:1
2020	Option B	37:1	28:1	22:1
2019	Option B	28:1	23:1	16:1

The employees used for the purposes of compiling the table above were identified on a full-time equivalent basis at the pay period during which 5 April 2025 fell. Option B, which involves identifying the employees at the 25th percentile, the median and the 75th percentile from our gender pay gap report, was chosen as the calculation methodology. The selected employees' pay and benefits for the calendar year were then calculated using each element of employee remuneration consistent with the CEO and no element of pay has been omitted. Employees for the purpose of the gender pay gap are employees of Synthomer (UK) Limited (493 relevant employees as at the snapshot date of 5 April 2025). The ratio was determined at 31 December 2025.

Option B is considered the simplest and most accurate way of identifying relevant employees for Synthomer who best represent the data points. Using this methodology, we were able to identify specific employees to make the required comparisons.

The ratio decreased for 2025, because of the low level of incentive payouts.

The definition of pay used included annual salary, car allowances, all other cash allowances, all bonuses and incentive scheme payments for services delivered in the year, and private medical insurance.

The following table provides salary and total remuneration information in respect of the employees at each quartile:

Financial year	Element of pay	25th percentile employee	Median employee	75th percentile employee
2025	Salary	£43k	£51k	£74k
	Total remuneration	£45k	£55k	£79k

Our CEO pay is made up of a higher proportion of incentive pay than that of the majority of our employees. This is likely to introduce more variability in the CEO's total compensation and, so, in his pay ratio. This explains the change in values across the period.

The Board has confirmed that, in its view, the ratios are consistent with the Company's wider policies on employee pay, reward and progression.

Annual report on remuneration continued

Percentage change in remuneration of the Directors and employees

The table below sets out the increase in salary, benefits and annual bonus of the Directors compared with a selected group of employees. The parent company, Synthomer plc, does not have any direct employees, so a comparator group of employees of the Group's main UK trading subsidiary has been used, comprising 257 employees. The Directors consider that this employee population is the most relevant for comparison purposes, considering geographical location and remuneration structure.

Director	2025			2024			2023			2022			2021		
	Salary and fee % increase/ (decrease)	Benefits % increase/ (decrease)	Annual bonus % increase/ (decrease)	Salary and fee % increase	Benefits % increase/ (decrease)	Annual bonus % increase	Salary and fee % increase	Benefits % increase/ (decrease)	Annual bonus % increase	Salary and fee % increase	Benefits % increase/ (decrease)	Annual bonus % increase	Salary and fee % increase	Benefits % increase/ (decrease)	Annual bonus % increase
M Willome ¹	3.0	2.1	(70.2)	4.0	0.2	35.2	3.8	3.6	315	n/a	n/a	n/a	n/a	n/a	n/a
L Liu ²	3.0	29	(70.2)	4.0	3.1	30.4	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CA Johnstone	(100)	n/a	n/a	4.0	n/a	n/a	n/a	n/a	n/a	24.0	n/a	n/a	2.5	n/a	n/a
The Hon. AG Catto	(50.7)	n/a	n/a	4.0	n/a	n/a	n/a	n/a	n/a	3.0	n/a	n/a	5.6	n/a	n/a
RC Gualdoni ¹	(2.6)	n/a	n/a	3.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Dato' Lee Hau Hian	3.0	n/a	n/a	4.0	n/a	n/a	n/a	n/a	n/a	3.0	n/a	n/a	2.8	n/a	n/a
HA Van Deursen	1.9	n/a	n/a	13.8	n/a	n/a	5.3	n/a	n/a	2.2	n/a	n/a	3.6	n/a	n/a
I Tyler ²	3.1	n/a	n/a	14.8	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M Flöel ³	2.3	n/a	n/a	209.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
U Halder ⁴	203	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
P Hill ⁴	1,124	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
J Ashdown ⁵	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
J Silver ⁵	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Average change for employees	5.7	9.7	(85.6)	7.0	21.3	59.9	5.8	42.4	166.7	2.1	19.6	(73.2)	2.6	3.2	36.5

1 M Willome and RC Gualdoni were appointed to the Board in 2021.

2 L Liu and I Tyler were appointed to the Board in 2022, so only had a part-year salary for 2022.

3 M Flöel joined the Board in 2023.

4 U Halder and P Hill joined the Board in September 2024.

5 J Ashdown and J Silver joined the Board in July 2025.

Relative importance of spend on pay

The table below shows the relative importance of the Group's all-employee remuneration expense compared with returns to shareholders by way of dividends.

Financial year	2025 £m	2024 £m	% change
Dividends paid	0	0	0%
Total employee remuneration	232.3	251.5	2.2%

Dividends are the dividends paid in the year. There were no dividends paid in 2024 or 2025. Total employment remuneration is the consolidated salary and bonus cost for all Group employees.

Annual report on remuneration continued

External appointments

Executive Directors are permitted to accept external appointments with the approval of the Board, provided that there is no adverse impact on their role and duties to the Company. Any fees arising from such appointments may be retained by the Executive Directors where the appointment is unrelated to the Group's business.

M Willome has been a non-executive director of Glaston Oyj (Nasdaq Helsinki) since May 2020 and received a Board membership fee of €45,500 in 2025.

M Willome has sat on European subsidiary boards of Indutrade AB since 2013 and received a board membership fee of CHF30,000 in 2025.

L Liu has been a non-executive director of DCC plc since 2021 and received a board membership fee of €93,730 in 2025.

Remuneration Committee

Remuneration Committee membership during 2025:

HA Van Deursen (Chair)

RC Gualdoni

I Tyler

M Flöel

J Ashdown (from July 2025)

J Silver (from July 2025)

Attendance at Committee meetings is set out on page 77.

Key duties of the Committee

During 2025, the Committee was responsible for determining the remuneration of the Executive Committee and for reviewing remuneration elsewhere in the Group, focusing on the Directors' remuneration policy and alignment with the wider workforce.

Advisers

The CEO, Company Secretary and Chief Human Resources Officer are invited to attend Committee meetings to contribute to the Committee's deliberations. However, no individual is involved in discussions, or is part of any decisions, relating to their own remuneration.

The Committee received independent advice from Deloitte LLP (Deloitte), which it appointed as its independent remuneration adviser in April 2013, following a tender process.

During the year, Deloitte provided advice on governance and market trends and other remuneration matters that materially assisted the Committee. The fees paid to Deloitte in respect of this work were charged on a time-and-expenses basis and totalled £75,800 for advice in 2025.

The Committee is comfortable that the Deloitte engagement team providing it with remuneration advice does not have connections with the Company or its Directors that may impair its independence. The Committee reviewed the potential for conflicts of interest and judged that there were appropriate safeguards against such conflicts. Deloitte also provided tax services and supported management with a review of financial and operational performance in part of the Group. The Committee was satisfied that this did not compromise the independence of the advice received.

Deloitte is a founding member of the Remuneration Consultants Group and adheres to its Code of Conduct. Deloitte was appointed directly by the Committee, and the Committee is satisfied that the advice received was objective and independent.

Statement of voting at the Annual General Meeting

The table below sets out the results of the votes on the Directors' remuneration report at the AGM on 1 May 2025 and the Directors' Remuneration Policy on 16 May 2023.

	Votes for		Votes against		Votes withheld
	Number	% of vote	Number	% of vote	Number
2024 Directors' remuneration report	102,104,208	92.32	8,495,899	7.68	8,977,676
2023 Directors' remuneration policy	331,283,004	86.87	50,072,165	13.13	38,250

By order of the Board

Anant Prakash

Company Secretary

30 April 2026

Other regulatory disclosures

The Directors submit their Annual Report and the audited consolidated financial statements for the year ended 31 December 2025. None of the matters required to be disclosed by UK Listing Rule 6.6.1R applies to the Company, except for:

- The amount of capitalised interest – see note 20 to the financial statements
- Details of long-term incentive programmes – see Directors' remuneration report on pages 98 to 126
- Shareholder waiver of dividends – see note 21 to the financial statements.

The Directors' report is covered on pages 67 to 126 as well as in the following sections of the Annual Report:

Item	Location in Annual Report
Statement of Directors' responsibilities	Page 129
Financial risk management	Financial statements – note 21
Present Board membership	Pages 68 to 70
Governance report	Pages 67 to 129
Strategic report (including principal activities)	Pages 2 to 65
Management of risk and viability statement	Pages 44 to 48, 64
Employee engagement	Pages 80 to 81
Directors' remuneration report	Pages 98 to 126
Share capital	Financial statements – note 26
Greenhouse gas emissions	Pages 203 to 206
Sustainability report	Pages 26 to 33

Results and dividends

The loss attributable to shareholders was £157.0m. In 2022 the Board announced the suspension of dividends. The Board has confirmed that dividends will remain suspended at least until the Group's net debt to EBITDA ratio is less than 2.5x.

Acquisitions and divestments

In May 2025 the Company completed the sale of William Blythe Limited in the UK.

Directors

All the Directors will seek election or retire and seek re-election at the forthcoming AGM.

None of the Directors seeking re-election has a service contract except Michael Willome and Lily Liu, who both have service contracts that contain a 12-month notice period.

Director indemnity provisions

Under the Company's Articles of Association, the Directors of the Company have the benefit of a qualifying third-party indemnity provision. This means the Company indemnifies them against certain liabilities, as permitted by Sections 232 and 234 of the Companies Act 2006, and against costs incurred by them in relation to any liability for which they are indemnified. The Company has purchased and maintains insurance against Directors' and Officers' liabilities in relation to the Company.

UK pension funds

The trustees have reviewed the independent investment management of the assets of the Company's UK pension schemes and assured themselves of the

security and controls in place. In particular, it is the trustees' policy not to invest in Synthomer plc shares nor lend money to the Company.

Share capital and control

The Company's Articles of Association set out the rights and obligations attached to the Company's ordinary shares, being the only class of issued share capital, alongside the powers of the Company's Directors. Copies can be obtained from Companies House or downloaded from the Company's website ([Synthomer.com](https://www.synthomer.com)). There are no restrictions on the voting rights attached to the Company's ordinary shares or on the transfer of securities in the Company. No person holds securities in the Company that carry special rights with regard to the control of the Company. The Company is not aware of any agreements between holders of securities that may result in restrictions on the transfer of securities or on voting rights. Unless expressly specified to the contrary in the Company's Articles of Association, those Articles of Association may be amended by special resolution of the Company's shareholders.

Other than in relation to its borrowings, which become repayable on a takeover unless certain conditions are satisfied, the Company is not party to any significant agreements that would come into effect, alter or terminate on a change of control prompted by a takeover bid. The Company does not have agreements with any Director or employee that would provide compensation for loss of office or employment resulting from a takeover.

All the Company's share programmes contain provisions relating to a change of control. Outstanding options and awards would normally vest and become exercisable on a change of control, subject to the satisfaction of any performance conditions at that time.

Other regulatory disclosures continued

Interests disclosed under DTR 5

As at 31 December 2025, the following information had been received by the Company, in accordance with Chapter 5 of the Disclosure Guidance and Transparency Rules (DTRs), from holders of notifiable interests in the Company's issued share capital. It should be noted that these holdings may have changed since they were notified to the Company. Substantial shareholders do not have different voting rights from those of other shareholders.

	Ordinary shares (number)	Percentage of total voting rights*
Kuala Lumpur Kepong Berhad Group	43,986,318	27%
Artemis Investment Management LLP	8,891,815	5.44%
Lombard Odier Asset Management (Europe) Limited	8,195,727	5.01%
Janus Henderson Group plc	8,044,764	4.92%
Greater Manchester Pension Fund	7,881,745	4.82%

* Percentage based on ordinary shares in issue, as at the date the notification was received by the Company.

Between 31 December 2025 and 29 April 2026, being the latest practicable date before publication of this Annual Report, the Company received a notification under DTR 5 from Artemis Investment Management LLP (8,027,401 ordinary shares, 4.91% of total voting rights).

Employment policies and employee involvement

The Group gives every consideration to job applications from disabled people. Employees who become disabled are given every opportunity to continue working for Synthomer under normal terms and conditions with appropriate training, career development and promotion wherever possible. The Group seeks to achieve equal opportunities in employment through recruitment and training policies.

The Group encourages employee involvement in its affairs. The Company regularly engages with employees to make them aware of the financial and economic

factors affecting Group performance. Performance-related bonus programmes operate throughout the Group. Holly Van Deursen is the designated Non-Executive Director responsible for workforce engagement. More information on the Board's employee engagement work can be found on pages 80 and 81. The Group's approach to diversity and inclusion is explained on page 38.

Authority to purchase own shares

At the 2025 Annual General Meeting, shareholders passed a special resolution to authorise the Company, subject to certain conditions, to purchase on the market a maximum of 16,356,762 ordinary shares, at that time representing approximately 10% of the Company's issued share capital. This authority will expire at the conclusion of the 2026 Annual General Meeting. The Directors are seeking the renewal of this authority at the 2026 Annual General Meeting.

Subsidiaries

All the Group's subsidiaries, joint ventures and related undertakings are listed on pages 199 to 201.

Statement as to disclosure of information to auditors

Each Director of the Company confirms that, to the best of their knowledge, the Company's auditors are aware of all relevant audit information. Each Director also confirms that they have taken all necessary steps as a Director to make themselves aware of any relevant audit information and to establish that the information has been shared with the Company's auditors. For these purposes, relevant audit information means information needed by the Company's auditor in connection with preparing its report on pages 131 to 137. This confirmation is given and should be interpreted in accordance with Section 418 of the Companies Act 2006.

Going concern

The Directors have acknowledged the latest guidance on going concern and, in reaching their conclusions have considered the facts and circumstances of the Group as described in more detail on page 64.

After making enquiries and considering reasonably possible changes in trading performance, the Directors are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements of both the Group and Company.

Political donations

No political donations were made in the year (2025: nil).

Independent auditors

A resolution to appoint PricewaterhouseCoopers LLP (PwC) as the Company's auditor will be proposed at the next Annual General Meeting.

Annual General Meeting

The Annual General Meeting will be held at the offices of the Company at 10 Greycoat Place, London SW1P 1SB on 22 June 2026.

By order of the Board

Anant Prakash
Company Secretary

30 April 2026

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report, including the Strategic report, Governance report and financial statements, in accordance with applicable laws and regulations.

Company law requires the Directors to prepare consolidated financial statements for each financial year in accordance with IFRS, as adopted by the UK. The Directors have elected to prepare parent company financial statements in accordance with UK-adopted IAS, comprising FRS 101.

In addition, company law requires that Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period. In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and apply them properly and consistently
- Make judgements and accounting estimates that are reasonable and prudent
- Present information in a manner that is relevant, reliable and comparable
- Provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance
- Assess the Group's and Company's ability to continue as a going concern.

The Directors are responsible for safeguarding the assets of the Group and Company and so for taking reasonable steps to prevent and detect fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions, and to disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website ([Synthomer.com](https://www.synthomer.com)). Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Fair, balanced and understandable

On the advice of the Audit Committee, the Board considers the Annual Report and Accounts, taken as a whole, to be fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group and Company's position, performance, business model and strategy.

Disclosing information to the auditor

In line with Section 418 of the Companies Act 2006, the Directors confirm that, as far as they are each aware, there is no relevant audit information that has not been brought to the attention of the Company's auditor. Each Director has taken all reasonable steps that they ought to have taken in line with their duty as a Director to make themselves aware of any relevant audit information and to make sure that the Company's auditor is aware of that information.

Directors' responsibility statement

The Directors consider that, to the best of each person's knowledge, the:

- Financial statements, taken as a whole, which have been prepared in line with IFRS as adopted by the UK, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and Company
- Strategic report, taken as a whole, includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that they face.

Cautionary statement

The purpose of this report is to provide information to the members of the Company. It contains certain forward-looking statements with respect to the operations, performance and financial condition of the Group. By their nature, these statements involve uncertainty, since future events and circumstances can cause results and developments to differ materially from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of this report, and the Company is under no obligation to update these forward-looking statements. Nothing in this report should be construed as a profit forecast.

Details of the Company's Directors and their roles are listed on pages 68 to 70.

The Directors' report and Strategic report were approved by the Board on 30 April 2026 and signed on its behalf by

Lily Liu
Chief Financial Officer