Sumika Polymer Compounds (Europe) Ltd – Year ended 31/3/2026
Section 172 (1) statement

Section 172 of the Companies Act 2006 requires a director of a company to act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing this, section 172 requires a director to have regard, amongst other matters, to the:

(a) likely consequences of any decisions in the long-term;
(b) interests of the company's employees;
(c) need to foster the company's business relationships with suppliers, customers and others;
(d) impact of the company's operations on the community and environment;
(e) desirability of the company maintaining a reputation for high standards of business conduct;
(f) need to act fairly between members of the company.

The Company has regular communication with its shareholder via face to face and videoconference meetings as well as reporting performance on a monthly basis. There are also robust approval processes in place which provide our shareholder with the opportunity to provide input, consideration and authorisation for key strategic decisions impacting both the financial prospects of the Company and those relating to sustainability objectives. The board of the Company includes a majority of members elected by the shareholder.

The strength of our business depends upon the expertise, commitment and hard work of our employees and our objective is to retain the best workforce in order to meet the long-term strategy of our business. We engage our workforce regularly in open, transparent communication to highlight our accomplishments, explain future challenges and make key objectives clear so that each person understands how their role contributes to the success of the business.

The companies in which the Company invests, serve global customers and, due to the nature of the products supplied, work closely with them to develop products which meet their specific needs. Many of the customers are long standing, and our subsidiaries engage with them on a regular basis to ensure that the security of their supply chain is supported, their quality standards are met, and technical support is available. To achieve this, the companies in the group depend on the performance and reliability of their suppliers, and they work collaboratively with key suppliers to ensure that they meet their standards.

As long-standing local employers, our subsidiary companies work with their communities to ensure a safe and sustainable environment and support local and national charities through payroll giving schemes and fundraising events. On a wider scale, our companies support and develop products and technologies which advance recycling in our industry, reduce waste and promote the use of sustainable materials.

We set out below some examples of how the directors have had regard to the matters set out in section 172(1)(a)-(f) when discharging their section 172 duties in their decision making.

Development and launch of ThermofilXP product range
The directors approved investment in the development and launch of a new ThermofilXP product range. The new products support customers in reducing production cycle times by 10-12% whilst, at the same time, retaining high-performance properties to underpin product innovation. As well as enabling improved competitiveness for the group's customers, the products also contribute to carbon footprint reduction, thus benefitting all of the stakeholders.

Recycling improvement investment
In addition to the completion of the brand-new recycling facility in France, the directors approved investment in the replacement of equipment designed to process plastic waste at its existing recycling facility in Turkey. The investment enables greater processing capacity and improved safety and environmental protections. It also supports the processing of a wide spectrum of recycled sources to secure supply, optimise costs and support customers in achieving their environmental targets.