



**EXPERTS IN FLUID
CONVEYANCE
AND THERMAL
MANAGEMENT**

senior

ANNUAL REPORT & ACCOUNTS 2025

EXPERTS IN FLUID CONVEYANCE AND THERMAL MANAGEMENT

SENIOR PLC IS A SPECIALISED ENGINEERING COMPANY THAT DESIGNS, ENGINEERS AND MANUFACTURES HIGH PERFORMANCE, MISSION CRITICAL COMPONENTS USED IN EXTREME ENVIRONMENTS

MULTI-DECADE EXPERTISE IN ENGINEERING AND MANUFACTURING BELLOWS, DUCTING, HOSES AND EXPANSION JOINTS

OUR FOCUSED EXPERTISE HELPS ENGINEER THE TRANSITION TO A SUSTAINABLE WORLD FOR THE BENEFIT OF ALL OUR STAKEHOLDERS



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Achieving global FCTM leadership

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Meeting market needs with IP-rich, innovative technologies

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Collaboration for mutual success

CEO discusses Senior's growth opportunity

<https://www.investis-live.com/senior-plc/>



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Our governance provides effective oversight and direction

Latest presentations

Can be found at:
<https://www.seniorplc.com/investors/presentations.aspx>



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The right experience and skills to deliver

Our website

All of the latest information on Senior plc:
<https://www.seniorplc.com/>



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2025 HIGHLIGHTS

Financial highlights
Continuing Group

REVENUE

£738.2m

+4%

2025	£738.2m
2024	£707.4m

ADJUSTED OPERATING MARGIN¹

8.6%

+110bps

2025	8.6%
2024	7.5%

ADJUSTED PROFIT BEFORE TAX²

£51.2m

+21%

2025	£51.2m
2024	£42.2m

PROFIT BEFORE TAX

£34.1m

-9%

2025	£34.1m
2024	£37.4m

ADJUSTED EARNINGS PER SHARE³

9.65p

+9%

2025	9.65p
2024	8.86p

BASIC EARNINGS PER SHARE³

6.60p

-18%

2025	6.60p
2024	8.01p

RETURN ON CAPITAL EMPLOYED⁴

13.1%

+140bps

2025	13.1%
2024	11.7%

DIVIDEND PER SHARE

3.00p

+25%

2025	3.00p
2024	2.40p

FREE CASH FLOW⁵

£35.8m

+37%

2025	£35.8m
2024	£26.1m

CASH CONVERSION⁶

90%

+400bps

2025	90%
2024	86%

NET DEBT⁵

£117.3m

-£112.3m

2025	£117.3m
2024	£229.6m

Non-financial highlights

CDP (CLIMATE DISCLOSURE PROJECT)

A

2024 – A Leadership rating
“Implementing best practices”TOTAL SCOPE 1 AND 2 CARBON DIOXIDE EMISSIONS (TONNES CO₂ EQUIVALENT EMITTED)

34,870 tonnes

– 3,368 tonnes

2024 – 38,238 tonnes

LOST TIME INJURY RATE (PER 100 EMPLOYEES)

0.30

2024 – 0.19

WASTE RECYCLED

92.4%

+1.3%

2024 – 91.1%

ETHICS – PERCENTAGE OF EMPLOYEES WHO COMPLETED ANNUAL CODE OF CONDUCT TRAINING

96%

+0%

2024 – 96%

WOMEN IN LEADERSHIP – BOARD OF DIRECTORS

44%

-12%

2024 – 56%

WOMEN IN LEADERSHIP – EXECUTIVE COMMITTEE

38%

+0%

2024 – 38%

Adjusted operating profit and adjusted profit before tax are stated before £1.6m amortisation of intangible assets from acquisitions (2024 – £1.6m), £2.4m site relocation costs (2024 – £3.5m), £5.0m restructuring costs (2024 – £nil) and £7.3m pension benefit clarifications (2024 – £nil). Adjusted profit before tax is also stated before costs associated with corporate undertakings of £0.8m (2024 – £1.4m net income). A reconciliation of adjusted operating profit to operating profit is shown in Note 9.

(1) Adjusted operating margin is the ratio of adjusted operating profit to revenue.

(2) A reconciliation of adjusted profit before tax to profit before tax is shown in Note 9.

(3) A reconciliation of adjusted earnings per share to basic earnings per share is shown in Note 12.

(4) See page 31 for the derivation of return on capital employed.

(5) See Notes 31b and 31c for the derivation of free cash flow and of net debt respectively.

(6) Cash conversion is operating cash flow divided by adjusted operating profit. Operating cash flow is net cash from operating activities after investment in capital expenditure and excludes adjusting items, but before interest and tax.

The following measures are used for the purpose of assessing covenant compliance for the Group's borrowing facilities:

a) EBITDA is adjusted profit before tax and before interest, depreciation, amortisation and profit or loss on sale of property, plant and equipment. It also excludes EBITDA from businesses which have been disposed and includes EBITDA for businesses acquired and it is based on frozen GAAP (pre-IFRS 16). EBITDA for the 12-month period ending December 2025 was £85.7m.

b) Net debt is defined in Note 31, however for covenant purposes it is based on frozen GAAP (pre-IFRS 16) and as required by the covenant definition, it is restated using 12-month average exchange rates.

c) Interest is adjusted finance costs and finance income before net finance income of retirement benefits. It also excludes interest from businesses which have been disposed and it is based on frozen GAAP (pre-IFRS 16).

d) The definition of adjusted items in the Condensed Consolidated Income Statement is included in Note 9.

The US Dollar exchange rate applied in the translation of revenue, profit and cash flow items at average rates for 2025 was \$1.31 (2024 – \$1.28). The US Dollar exchange rate applied to the balance sheet at 31 December 2025 was \$1.34 (31 December 2024 – \$1.25).

Cautionary statement

The Annual Report & Accounts 2025 contains certain forward-looking statements. Such statements are made by the Directors in good faith based on the information available to them at the date of this Report and they should be treated with caution due to the inherent uncertainties underlying any such forward-looking statements.

SENIOR AT A GLANCE

Experts in Fluid Conveyance and Thermal Management

We have a global footprint operating in primary home markets and cost-competitive locations. Our technical expertise and product differentiation in growth markets drive value creation.



Hydromechanical triple bellows assembly used in a commercial aeroengine fuel control system, providing precise linearity between the bellows to control critical fuel metering for optimised engine performance.

Our Purpose

We help engineer the transition to a sustainable world for the benefit of all our stakeholders. We do this by:

Technology expertise

Utilising our technology expertise in Fluid Conveyance and Thermal Management (FCTM) to provide safe and innovative products for demanding applications in some of the most hostile environments.

Customer transition

Enabling our customers, who operate in some of the hardest to decarbonise sectors, to transition to low-carbon and clean energy solutions.

Climate action

Staying at the forefront of climate disclosure and action by ensuring our own operations achieve our Net Zero commitments.

What we do

We serve as a trusted strategic supplier and partner to blue-chip customers, supported by valuable intellectual property and our cost-competitive manufacturing footprint.

- We build long-term trusted relationships with customers
- Our engineering expertise enables us to solve complex challenges presented by our customers
- We develop proprietary IP solutions
- We collaborate with customers on design and engineering
- We leverage our cost-competitive manufacturing footprint
- Our global marketing teams ensure we go to market as one company

How we deliver

Our customers' challenge

Our customers require the mission critical movement of fluids and gases within hazardous environments, where pressure and temperature vary widely.



A strategic FCTM focus

Our FCTM components and systems ensure the safe movement of fluids and gases and effectively handle thermal challenges, often in extreme environments, throughout the life of the platform or asset.



Highly engineered, differentiated products

We design and manufacture the products – bellows, ducting, hoses and expansion joints – required to achieve this process.



Applications across aerospace and flexonics

We serve a wide range of end markets including aerospace & defence, land vehicles, power & energy, medical, and semiconductor equipment.

Autonomous and collaborative approach

Collaboration unlocks synergies across our Group

We design and develop new products which improve efficiency and extend lifespan. Our solutions share common features across various applications, opening up opportunities in diverse markets.

- Civil Aerospace
- Land Vehicle
- Defence
- Power & Energy
- Adjacent Markets
- Industrial

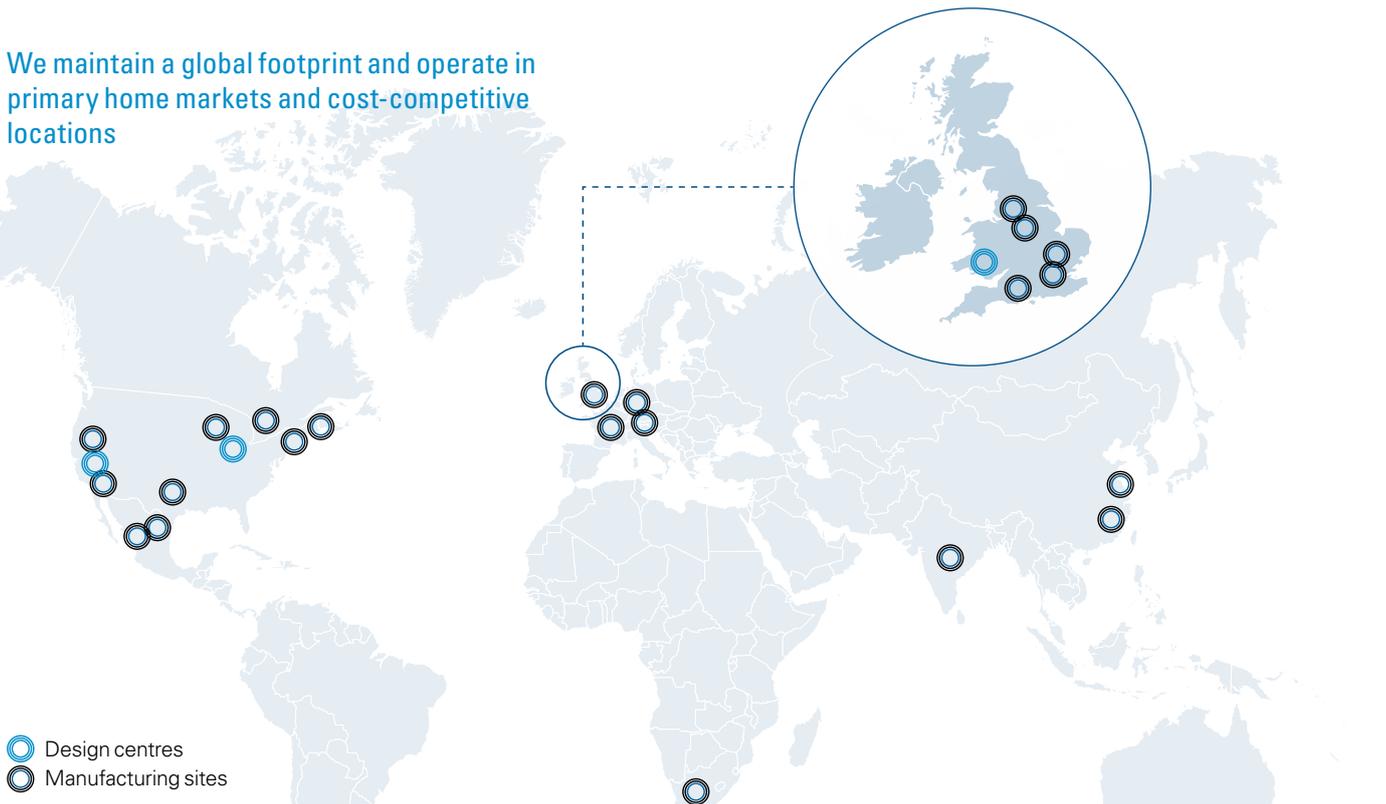
We leverage existing customer relationships to develop cross-divisional opportunities and generate commercial synergies.

➤ [Find out more on our markets on page 14](#)



Where we are

We maintain a global footprint and operate in primary home markets and cost-competitive locations



- Design centres
- Manufacturing sites

Continuing Operations:

North America

USA

California – SA SSP, SA Spencer, SA Steico
 Texas – SF Pathway
 Maine – (part of Pathway)
 Illinois – SF Bartlett
 Wisconsin – SF GA
 Massachusetts – SA Metal Bellows

Canada

SF Canada

Mexico

SA Mexico (part of SSP)
 SF Mexico (part of Bartlett)

Europe

UK – SA Bird Bellows, SA BWT (incorporating SA Thermal Engineering) Senior Innovation Centre, SF Lymington Precision, Rickmansworth HO
Germany – SF Kassel
Czechia – SF Czech
France – SA Calorstat (incorporating SA Ermeto)

Rest of the world

China
 SF Upeca (Tianjin), JV (Wuhan)

India

SF New Delhi

South Africa

SF Cape Town

INVESTMENT PROPOSITION

A differentiated business with strong fundamentals

We are a trusted and collaborative high-value-added engineering, manufacturing and technology company.



Reasons to invest

Differentiated products

Differentiated products supported by design-rich Intellectual Property and technical expertise.

Attractive markets

Strong positions in resilient and attractive markets.

Customer relationships

Deep customer relationships with high barriers to entry.

Operational excellence

Senior Operating System (SOS) driving operational excellence and efficiency.

Global footprint

Established cost competitive global footprint.

Financial strength

Balance sheet strength, enhanced profit and cash generation supports investment and shareholder returns.



Flexible exhaust connector from Senior Innovation Centre

Our enablers

Capital allocation

Capital deployment to enhance returns

Optionality for investment in growth and shareholder returns

Capital allocation: Organic growth	Capital allocation: Dividends	Capital allocation: Leverage
Objective: Outgrow end markets, improve cost efficiency	Objective: Continue progressive dividend policy	Objective: Maintain strong Balance Sheet
How: Invest 2% to 3% of revenue into R&D, Capex/ depreciation of 1.1x	How: Maintain earnings cover of 2.5x to 3.5x	How: Target net debt/ EBITDA of 0.5x to 1.5x

Return of capital
Return excess cash to shareholders

Value accretive bolt-on M&A
Executing disciplined bolt-on M&A to add value to the Group

Value accretive bolt-on M&A

Maintain disciplined approach to portfolio bolt-ons

<p>Focus areas</p> <ul style="list-style-type: none"> ○ Fluid Conveyance and Thermal Management ○ Leadership in attractive end market ○ Highly engineered products for customers ○ Engineering and design expertise (with IP) ○ Owner-managed or FCTM businesses owned by trade or privately 	<p>Synergies</p> <ul style="list-style-type: none"> ○ Leverage global customer relationships to expand and accelerate sales growth ○ Utilise Senior’s operating systems to improve manufacturing capability ○ Leverage Senior’s global footprint and supply chain expertise
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Acquisition of Senior Aerospace Spencer in 2022



Axial swage fittings from Senior Aerospace Spencer



CHAIR'S STATEMENT

Strategic progress to deliver value



Ian King
Chair

WE REMAIN CONFIDENT IN OUR ABILITY TO MAXIMISE VALUE FOR OUR SHAREHOLDERS OVER THE MEDIUM TERM.

Ian King
Chair

2025 marks a pivotal point for Senior characterised by the execution of the Group's strategy. The sale and completion of our Aerostructures business positions Senior as a market-leading Fluid Conveyance and Thermal Management (FCTM) business. Supporting this strategic focus are our medium-term financial targets outlined in early 2025 which highlight the scope of our ambitions. Looking ahead, we are confident that our clear strategy and financial discipline will allow us to deliver medium-term target returns, generate enhanced value for all stakeholders, and strengthen Senior's position.

Overview

The completion of the Aerostructures transaction at the end of December was the culmination of intense activity by the management team and they all did an exceptional job in not only closing the transaction but also in delivering strongly on the retained businesses for 2025.

This year was not impacted heavily by external events: the US Government closure was concerning but lifted in time for regulatory clearance to be gained in time for a December closure of the Aerostructures disposal.

Aerospace sales are ramping both for Airbus and Boeing. Senior's strength is also its diversity of platforms whether large commercial, regional or business jet or military. Activities on defence applications are strong. Action on pricing, increasing volumes and operational efficiencies are all making good progress and contributing to growth in operating margins for Aerospace.

Performance across other strategic markets was strong; of note were the high levels of aftermarket activity within our power & energy market over the whole year, which helped to deliver robust performance in our Flexonics Division.

The land vehicle cycle was largely as expected and we have taken decisive action to minimise costs whilst still

protecting the franchise, maintaining double-digit operating margins in 2025 and protecting future profitability.

Strategy

The strategy is well defined across FCTM and was revalidated during the Group Strategy Board Review at the end of November 2025. The key messages being:

- Good progress on pricing
- Book to bill strong
- Well-equipped operations with strong design and manufacturing capabilities
- Access to growth markets (Aerospace & Defence, Land Vehicles and Power & Energy)
- Growth and increasing exposure for our businesses to attractive end markets.

We have ended the year with a strong balance sheet: the recent disposal and strong free cash flow generation allowed us to pay down external debt. The UK defined benefit Pension Plan buy-in transaction de-risks the balance sheet.

There are no restrictions on our ability to organically grow the business.

Bolt-on acquisitions may be considered if they enhance organic options.

Senior Aerospace Spencer ("Spencer") is an example of how access to Aerospace markets has been expanded and enhanced across highly engineered "standard products".

Spencer is performing very well with tremendous growth and has integrated well within the Group. Collaboration across the Group, particularly with Ermeto in France for European market access, is very proactive and deep. The Board had the opportunity to see the health of the business during its recent visit to Spencer's facility in Valencia, CA.

The Board is confident in the Group's FCTM strategy and our ability to deliver enhanced value for our shareholders.

PROPOSED DIVIDEND

2.15p

Pence per share

GROUP REVENUE,
CONTINUING OPERATIONS

+6%

Year-on-year increase on
a constant currency basis

EMISSIONS

39%

Reduction on Scopes 1 and 2 against our
2018 baseline, ahead of the 2025 target**Our performance and dividend**

In 2025, the Board and the Executive team continued to make good strategic, operational, and financial progress. Senior delivered trading comfortably ahead of previous expectations; with strong performance in Aerospace and improved trading in Flexonics.

Continuing Group revenue increased 6% (on a constant currency basis) to £738.2m. Our adjusted operating profit for the Continuing Group increased to £63.6m which resulted in the Continuing Group's adjusted operating margin increasing by 110 basis points (on a constant currency basis), to 8.6%. Our reported operating profit also increased to £47.3m.

The Group has a healthy balance sheet and period-end net debt to EBITDA of 0.9x, after the completion of the Aerostructures disposal £88.7m and after taking into account a £16.7m net payment for dividends and net purchase of shares, and £13.8m contingent consideration and other costs for the acquisition of Spencer following further strong growth post-acquisition.

The Board has confidence in the Group's performance, financial position and future prospects, and is proposing a final dividend of 2.15 pence per share. This would bring total dividends, paid and proposed for 2025 to 3.00 pence per share, an increase of 25% year-on-year.

The Board will continue to follow a progressive dividend policy reflecting earnings per share, free cash flow generation, market conditions and dividend cover over the medium term.

Our sector-leading sustainability credentials

The Board recognises the importance of a robust sustainability programme. Our commitment to sustainability is integral to our Group's purpose and provides a distinct competitive advantage as the global economy transitions to lower carbon solutions. Sustainability is embedded in our strategy, culture and employee behaviours.

In 2025, we achieved key milestones, including earning a top 'A' score from CDP for climate transparency, reducing Scope 1 and 2 emissions by 39% from our 2018 baseline, and meeting our Near-Term Science-Based Target ahead of schedule.

For 2026, we will build on this foundation by further strengthening our sustainability initiatives and reporting, with continued focus on both financial and environmental/social impacts to ensure long-term value for all stakeholders.

The Sustainability Report on pages 44 to 53 provides more detail on how we are progressing.

Our Board

In 2025, we were delighted to welcome Alpa Amar to Senior's Board as the Group's Chief Finance Officer, and we also were pleased to announce the appointment of Graham Oldroyd as a non-executive Director.

I would like to thank Bindi Foyle who retired in May 2025 for her significant contribution to Senior over 18 years and wish her all the best. In addition, Susan Brennan ended her 9-year tenure as a non-executive Director in April 2025 and we thank her for her insights and support.

I am confident that the Board continues to have the right balance of skills and capabilities to provide effective oversight over the Company's future strategic journey.

Further information can be found in the Governance section of the Report on page 72.

Stakeholder engagement

The Board recognises its responsibility to all of Senior's stakeholder groups including shareholders, employees, customers, suppliers, and the communities in which we operate. Constructive and continuous engagement with these stakeholders is essential to the Group's long-term and sustainable success.

In 2025, the Executive Team and Group Chair continued active dialogue with shareholders. This included a recent investor and analyst visit to the opening of our Innovation Centre, relocated to Oakdale, Wales. The Innovation Centre is a research and development centre and showcased its design and manufacturing capabilities, plus deep customer relationships.

The Group's annual global Employee Engagement Survey yielded participation of 88%, ensuring results and insight are wholly representative. In addition, the Board conducted several visits to operating businesses, participated in leadership events and training, and engages through mentoring professional talent. Mary Waldner, our non-executive Director for employee engagement, and Silvia Schwark, Executive Vice President, HR, continued to lead face-to-face focus groups across the organisation.

The Board engages in active reviews and discussions of customer and supplier relationships, the global landscape, collaboration opportunities, and market movements throughout board meetings and by inviting Division Presidents and the Group HSE & Sustainability Director. Customer feedback continues to shape capital investment priorities and operational improvement initiatives.

Looking forward

Senior is delivering in line with our strategy, upholding our focus on highly engineered, IP-rich, FCTM expertise and capabilities. The completion of the Aerostructures disposal allows the Board and Executive Leadership Team to concentrate on our FTCTM businesses which operate in attractive and structurally resilient markets. Excellent progress both strategically and operationally, led to a strong performance in 2025 which is on track to achieve our medium-term targets, gives us confidence that Senior will continue to deliver value for all our stakeholders.

On behalf of the Board, I would like to thank our employees and all other stakeholders for their continued support and commitment.

Ian King
Chair

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

Strong results, firmly on track to achieve medium-term targets

2025 HAS BEEN A PIVOTAL YEAR FOR SENIOR.

David Squires

Group Chief Executive Officer



DELIVERING ON OUR STRATEGY SUPPORTS PROGRESS TO AMBITIOUS TARGETS

2025 Highlights:

- Successful completion of the sale of the Aerostructures business on 31 December 2025 to position Senior as a leading Fluid Conveyance and Thermal Management company
- Strong financial performance from continuing operations
 - Book-to-bill ratio of 1.09
 - Revenue up 6% and adjusted profit before tax up 24% driven by improved performance in Aerospace
 - Robust performance by division; strong margin growth in Aerospace to 11.4% and increased double-digit margin in Flexonics (including JV) to 12.1%
 - Good progress on ROCE up 140 bps to 13.1%
 - Excellent operating cash flow conversion of 90%, exceeding medium-term target
- Strengthened balance sheet with leverage (net debt to EBITDA) reducing to 0.9x (FY24: 1.8x)
- De-risked the balance sheet during the year with a buy-in transaction for the UK Pension Plan
- Final dividend of 2.15 pence per share proposed, up 30% on the prior year, with a total dividend of 3.00 pence per share, up 25% on 2024
- Attained CDP Climate A list and CDP Supplier Engagement A list: continues to be a differentiator with customers
- 2026 trading in line with expectations, outlook unchanged
- On track to achieve medium-term targets

Delivery of Group Strategy

Senior is successfully executing its strategy to become a market leading Fluid Conveyance and Thermal Management (FCTM) business.

Senior's Investment Proposition

Having completed the sale of its Aerostructures business, Senior is now a global, market leading FCTM business supplying highly engineered products and systems with:

- Differentiated products supported by design-rich Intellectual Property and technical expertise.
- Strong positions in resilient and attractive markets.
- Deep customer relationships with high barriers to entry.
- Senior Operating System (SOS) driving operational excellence and efficiency.
- Established cost competitive global footprint.
- Balance sheet strength, enhanced profit and cash generation supports investment and shareholder returns.

Strategic Growth

Senior will continue to manage actively its portfolio to optimise performance and drive value, including continuing to invest in markets with strong growth potential where its FCTM capabilities can be leveraged. Aerospace remains a key focus, benefiting from long-term growth potential, high barriers to entry and attractive returns. The Group is expanding its highly engineered standard products offering in areas such as flanges, couplings and fittings to be able to better serve the demand backdrop. Senior Aerospace Spencer ("Spencer"), which supplies high pressure hydraulic fittings, once again delivered strong sales growth of 32% year-on-year.

Market Overview

Civil Aerospace (32% of Group)

The civil aerospace sector continued to deliver strong growth during 2025, with air traffic increasing in all regions. According to the International Air Transport Association (“IATA”), the latest data showed that total demand during the year, measured in Revenue Passenger Kms (RPKs), increased by 5% year-on-year. Air traffic is expected to continue to grow as incomes increase, especially in developing markets in Asia. The long-term demand for new commercial aircraft is forecast to grow by 3-4% per annum driven by growth in air traffic and ongoing fleet replacement.

Global business jet activity was up by 5% year-on-year in 2025 according to WingX, due to strong demand in North America. Longer-term trends indicate growth will be driven by global GDP growth and the increasing adoption of fractional ownership. Global deliveries of business jets are anticipated to increase by 3% per annum for the next decade according to Honeywell’s Global Business Aviation Outlook.

This positive market backdrop and growing build rates across civil aerospace supports our expectation that Senior will continue to benefit from good long-term structural growth.

Defence (16% of Group)

Senior’s sales to the Defence sector are primarily focused on US military aircraft platforms including F-35, C-130J and newer platforms such as T-7A Red Hawk.

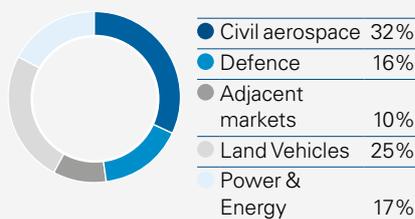
With defence spending in Europe increasing due to heightened geopolitical tension and sovereignty concerns, demand for Senior’s components and systems was robust during 2025.

Geopolitics is driving government spending in Defence which is expected to support Senior’s defence platforms through OEMs and aftermarket.

Adjacent Markets (10% of Group)

Sales from our Aerospace operating businesses into end markets outside of the civil aerospace and defence markets are classified under “Adjacent Markets”, the largest of which is the semiconductor equipment market, which grew by 11% in 2025. This market is forecast to grow by 9% in 2026 (Source: Semi.org).

REVENUE ACROSS CONTINUING OPERATIONS:



Land Vehicle (25% of Group)

Demand in heavy-duty truck markets during 2025 declined in North America, while the off-highway market remained subdued and light vehicle markets experienced mixed conditions.

According to Americas Commercial Transportation (“ACT”) research, North American heavy-duty truck production declined by 24% in 2025 compared to 2024, as OEMs responded to declining demand and high inventories of unsold trucks.

ACT expects production to continue at the current lower rate during the first half of 2026 before the start of an anticipated recovery in the second half of 2026.

Reflecting these challenging market conditions Senior took proactive steps to protect profitability in those businesses most impacted by these trends.

Power & Energy (17% of Group)

Senior’s main markets in Power & Energy are the power generation and downstream Oil & Gas (O&G) sectors.

Activity in the power generation sector is being driven by growth in electricity demand, which is forecast to continue increasing steadily. The IEA are forecasting demand for electricity will grow 3.6% per annum from 2026 – 2030.

In the downstream O&G sector Senior completed the delivery of expansion joints into a new CATOFIN plant in India, while also continuing to provide aftermarket products and services for its installed base of products in other plants. The construction of new downstream infrastructure, and so future opportunities in this market, remains focused on the Middle East and Asia, where cheap feedstock and economic growth respectively are driving investment.

Results Overview – Continuing Operations

Please note that unless stated otherwise, Group references below focus on the continuing operations.

The Group delivered a strong trading performance, with increased revenue and operating profitability in 2025.

Book-to-bill ratio for the period was 1.09, with Aerospace at 1.21, driven by strong demand across most markets. Flexonics book-to-bill at 0.93, reflecting end-market dynamics described above. Book-to-bill was supported by notable contract wins in Aerospace and Flexonics as noted in the divisional reviews.

Group revenue increased by 6% on a constant currency basis in 2025 to £738.2m, with growth in both divisions. Exchange rates had an adverse impact of £9.7m or 1.4% of revenue.

In Aerospace, revenue increased 10.4% year-on-year on a constant currency basis. The increase reflected improved pricing; continued strong growth in Spencer; higher defence volumes; and good growth in sales to adjacent markets such as semiconductor equipment.

FIND OUT MORE ABOUT HOW OUR TRANSITION TO A MARKET LEADER IN FCTM DRIVES OUR FUTURE GROWTH



www.seniorplc.com/ceostatement

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT continued

There was particularly strong progress in Aerospace adjusted operating margin, which increased by 190 bps in the year, to 11.4%. The increase in profitability was driven by higher volumes; improved pricing; increased aftermarket; and the delivery of operational efficiencies resulting from our Senior Operating System lean manufacturing techniques.

Flexonics, excluding the JV, performed better than anticipated with revenue marginally increasing 0.1% compared to prior year, on a constant currency basis. Land vehicle revenues increased 1.6%, as newer contracts moved into series production. Double-digit adjusted operating margins were increased for Flexonics to 11.2% (increased by 20 bps), helped by favourable mix and restructuring initiatives in certain Flexonics operations, and adjusted operating margins of 12.1% when including our China JV which performed very strongly in the year. The Group continued to see robust demand in our downstream oil & gas and nuclear business, which partially offset the expected lower sales in upstream oil & gas and other industrial sectors.

The Group's adjusted operating profit increased by 22% on a constant currency basis to £63.6m (2024: £52.0m). Adjusted operating margin increased by 110 basis points, to 8.6% for the year. The Group's adjusted profit before tax increased by 21% to £51.2m (2024: £42.2m) and adjusted earnings per share was 9.65 pence (2024: 8.86 pence).

Reported operating profit was £47.3m (2024: £46.8m) and this performance is further described in the Other Financial Information section below. Profit before tax was £34.1m (2024: £37.4m) and basic earnings per share was 6.60 pence (2024: 8.01 pence).

After reported loss after tax of £31.5m from discontinued operations, which reflects the loss on disposal of Aerostructures, the reported loss after tax for the continuing and discontinued Group was £4.2m (2024: profit of £25.9m).

During 2025 there was much discussion around tariffs and as mentioned previously the impact on Senior has been limited and manageable.

The Group generated free cash flow of £35.8m in 2025 compared to £26.1m in 2024. Good progress was also made on enhancing ROCE with a 140 bps improvement in 2025 to 13.1% (2024: 11.7%).

The initial cash proceeds from the sale of the Aerostructures business in combination with strong free cash generation have supported deleveraging, with net debt of £73m (pre-IFRS 16) at the end of 2025 (2024: £153m). 2025 leverage ratio is 0.9x net debt to EBITDA (pre-IFRS 16) down from 1.8x at the end of 2024.

Good progress has been made towards the Group's medium-term financial targets announced in March 2025. Group and divisional operating profit margins have all increased with Flexonics division firmly within the double-digit range of 10-12% and when including the JV above the range at 12.1%. Aerospace operating profit margin increased to 11.4% in 2025, firmly on track to the medium-term target. Consequently, Group operating profit margin at 8.6% for the year is also on track to meet the medium-term target.

Cash conversion at 90% in 2025 is above the >85% through the cycle medium-term target financial target. ROCE at 13.1% in the year is also on track to meet our medium-term target.

Further 2025 financial performance is described in the Divisional and Financial Review sections from pages 32 to 43.

Dividends

Reflecting its confidence in the Group's performance, financial position and future prospects, the Board has proposed a final dividend of 2.15 pence per share, representing a 30% increase compared to the prior year (2024: 1.65 pence). This will be paid on 29 May 2026 to shareholders on the register at the close of business on 1 May 2026. Combined with the interim dividend of 0.85 pence per share this give a total dividend for the year of 3.00 pence per share, representing an earnings cover of 3.2x. In the medium term, we will continue to follow a progressive dividend policy reflecting earnings per share, free cash flow generation, market conditions and dividend cover.

Aerostructures Disposal

Senior was pleased to announce on 31 December 2025 that it had completed the sale of its Aerostructures business to Sullivan Street Partners.

The earn out and other customary adjustments will be concluded after the final completion accounts are agreed, which is expected during the the first half 2026.

Share buyback programme

Previously we have stated that, consistent with the Group's capital allocation policy, the upfront net cash proceeds arising from

the Aerostructures transaction of £95.7m would be used to reduce net debt and to undertake a £40m share buyback programme. In view of the Company's ongoing discussions with the potential offerors, announced on 27 February 2026, and mindful of the Company's regulatory obligations, the Board has postponed the start of the £40m buyback programme which had been due to commence following publication of the full year results. The Board will keep this under review and make a further announcement as necessary.

Sustainability

Senior continues to be a leading performer in sustainability disclosure and action among its peer companies. We remain committed to this priority – an approach that is increasingly aligned with our customers' expectations and a key differentiator for Senior, as many now view sustainability performance as a critical criterion in supplier selection.

This year, we continue to make progress towards our greenhouse gas reduction targets by expanding our use of renewable energy and increasing on-site solar generation across our operations.

We have continued to make good progress with our key sustainability metrics and activities. In particular, in 2025 we were awarded by CDP 'A' leadership scores for our disclosure and action on climate change and for Supplier Engagement.

Outlook

Trading in the first two months of 2026 has started well and the Board's expectations are unchanged for 2026.

In Aerospace, growth in civil aircraft build rates and increased demand across its other markets is expected to drive further good progress in 2026 and beyond. Flexonics expectations for 2026 are unchanged, with robust double-digit margins being maintained when including the JV, notwithstanding the softer conditions in certain end markets.

Looking ahead, we are confident of delivering enhanced shareholder value as we execute on our strategy and continue to strengthen our financial performance in line with our medium-term financial targets.

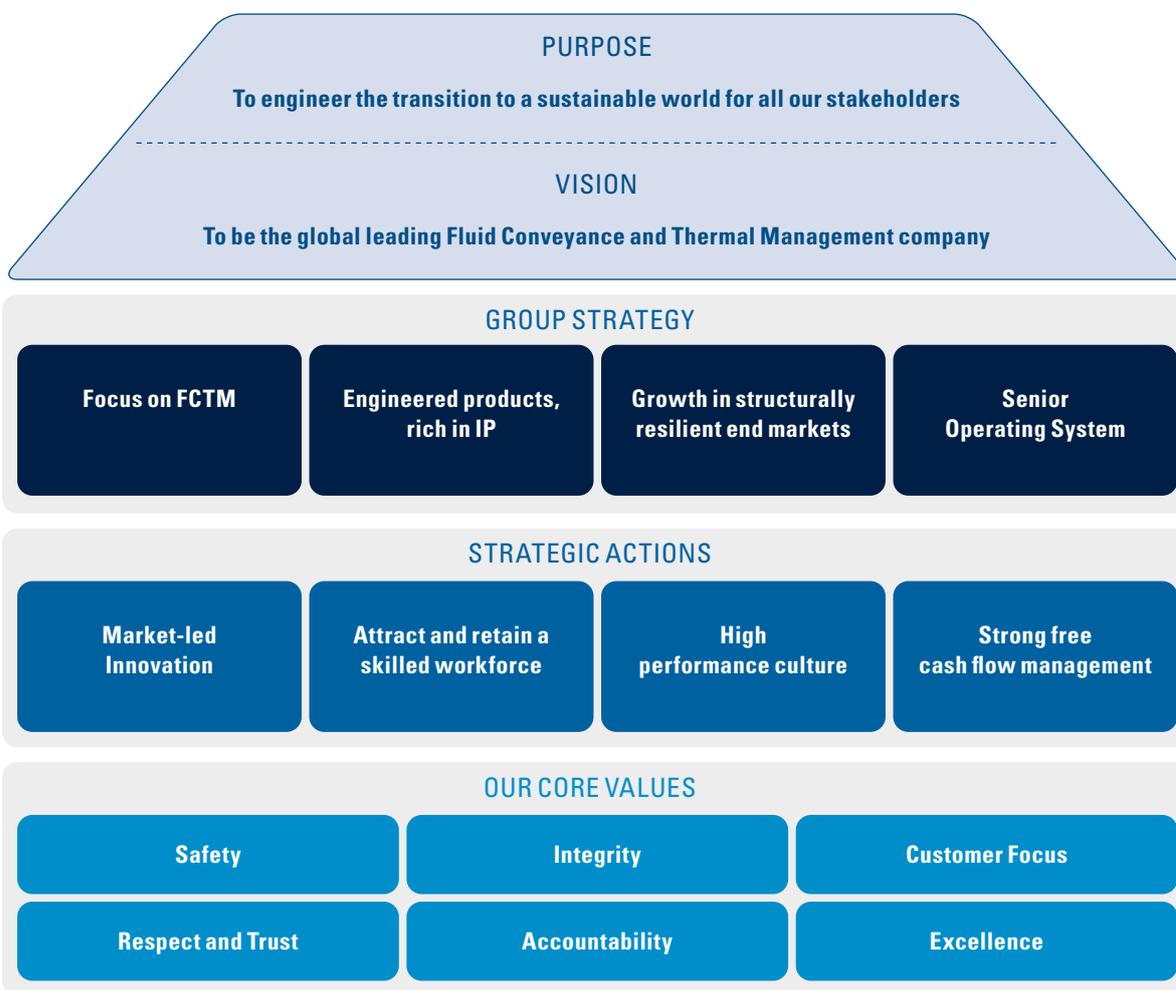
David Squires

Group Chief Executive Officer

OUR STRATEGIC FRAMEWORK

Achieving global FCTM leadership

Delivering sustainable profitable growth



Our priorities

- 1

Autonomous and collaborative business model
- 2

Focus on growth
- 3

Highly engineered products and IP generation
- 4

Considered and effective capital deployment
- 5

High performance model
- 6

Cost competitive country strategy
- 7

Talent and development

BUSINESS MODEL

Our business model aims to create value for all Senior's stakeholders

We use our design expertise, intellectual property, and know-how in Fluid Conveyance and Thermal Management to provide high-value solutions for environments with extreme temperature and pressure conditions where safe, efficient fluid handling and thermal management are crucial.

Our strengths and differentiators

Technology, innovation, and sustainability

Senior specialises in Fluid Conveyance and Thermal Management, developing products that better serve customers and benefit shareholders.

Customer partnerships

We are a valued partner to our clients, trusted to collaborate in supporting their production and development programmes, which in turn helps to inform our innovation investments.

Global footprint

We operate across 10 countries, serving a variety of markets, sharing best practices across the Group. Our global presence allows for close market proximity and cost efficiencies.

People and culture

Our Group upholds integrity and high ethical standards, promotes a safety-first culture, empowers local leadership within a robust control framework, and invests in employee development.

Effective capital deployment

The Company's financial strength promotes investment, innovation, and customer confidence. Our strong balance sheet and careful capital allocation guarantee benefits for shareholders.

➤ [See our Divisional Review on page 32](#)

➤ [See our Financial Review on page 38](#)

The way that we work

Our collaborative and autonomous approach

Senior's Business Model is one of empowering and holding accountable our operating businesses, operating within a clearly defined control framework. Business plans are developed in line with the overall Group strategy. Increasing collaboration amongst operating businesses in the Group is a priority in order to address our customers' needs whilst maintaining an autonomous business structure. Business leaders actively embrace collaboration.





We maximise our growth opportunity

A global leader in Fluid Conveyance and Thermal Management with c.100 year's experience

Senior plc is a specialised engineering company that designs, engineers and manufactures high performance components used in demanding environments

Global specialist in components that manage and control extreme temperature and high-pressure fluids or gases

Multi-decade expertise in high-barrier engineering and manufacturing bellows, ducting, hoses and expansion joints

Products and systems used in aerospace and defence, land vehicles, power & energy and industrial markets



Resilient, competitive and flexible cost structure

A focused Senior well positioned to deliver profitable growth

Our Business Model is straightforward in terms of revenue recognition, with no exposure to long-term contract accounting



The value we deliver for our stakeholders

Our employees

A highly motivated and skilled workforce

- Global Employee Opinion Survey provided rich and representative insights across the Group.

Our customers

Trusted and collaborative design partner

- Close engagement with Aerospace and Flexonics customers has reinforced Senior's position as a trusted supply partner.

Our suppliers

Reliable, ethical and sustainable supply chains

- Collaboration with suppliers manages residual supply chain volatility through lead time management, order flexibility and other cooperative solutions.

Our shareholders

Sustainable growth to deliver enhanced value

- The Board and management gained a clearer understanding of shareholder expectations in relation to strategic decisions.

Our communities

Aim to improve the quality of life in our communities

- Community engagement activities continue to generate positive impact for individuals and groups across the regions in which we operate.

Our environment

Sustainability leader we strive to protect the environment

➤ See Stakeholder Engagement on page 24

MARKET OVERVIEW

Senior operates in resilient and attractive growth markets

Turning global challenges into growth opportunities

By engineering a sustainable future, Senior leverages specialised engineering expertise across multiple markets to turn global challenges, including energy security and decarbonisation, into a unified growth strategy. Our markets rely on highly engineered products for demanding applications, such as ducting systems, control bellows, thermal insulation, and edge welded bellows that must perform reliably in extreme conditions, such as aerospace platforms and nuclear processing infrastructure. Senior supports precise thermal and pressure management across sectors. Examples include thermal management for blood transfusions and MRI scanners, cooling plates for electric vehicle batteries and expansion joints for power generation. Each market is high growth and sustainable, with products that contribute directly to decarbonisation, efficiency, and the energy transition, enabling Senior to harness megatrends and drive market leadership and growth.



Aerospace & defence

Ducting systems, control bellows, thermal insulation and aerospace standard parts for demanding applications on both civil and defence-aerospace platforms.

ADDRESSABLE MARKET

\$6bn p.a.
growth: 3-4% pa

Power & energy

Thermal and pressure management solutions including bellows, dampers, expansion joints, hoses and tubes for demanding applications within the industrial, process industries and power generation sectors.

ADDRESSABLE MARKET

\$3bn p.a.
growth: 2% pa

Land vehicles

Highly-engineered bellows, hoses and tubes for thermal management and emission reduction applications in commercial and off-highway vehicles. Battery cooling plates for trucks and other niche EV applications.

ADDRESSABLE MARKET

\$4bn p.a.
growth: 2% pa

Semiconductor manufacturing

Edge-welded bellows enable the very precise manufacturing of densely-packed wafers produced by semiconductor manufacturers, driven in part by the introduction of AI.

ADDRESSABLE MARKET

\$200m p.a.
growth: 8% pa

Medical devices & equipment

Highly-engineered products for use in the thermal management of blood transfusions and MRI scanners, and bellows for drug delivery and cryogenic tubing used in open heart surgery.

ADDRESSABLE MARKET

\$400m p.a.
growth: 3-6% pa

Harnessing megatrends for market leadership

Our businesses are exposed to five megatrends which drive sustainable growth:

Growth in air travel

Description

Growth in air-passenger traffic is being driven by two main factors: rising GDP per capita in emerging markets, especially in Asia, where the middle class is expanding; and the liberalisation of air travel markets alongside the growth of low-cost carriers. New-generation aircraft further cut unit costs and enable more city pairs. Together, these trends are bringing air travel within reach of increasing numbers of people.

What this means for Senior

Senior's aerospace products are used on a wide range of aerospace platforms so an increase in demand for aircraft drives growth.

Links to Strategy

Priorities 2, 3, 6

Electrification

Description

The trend towards electrification is primarily a consequence of the need to decarbonise and the related energy transition, which has been driven by policy mandates and incentives. Diversity of supply and energy security, coupled with electric technologies that offer greater efficiencies than fossil-fuel alternatives are now also important factors in its adoption. Together, these factors are driving growth in electricity consumption at well above recent historical levels.

What this means for Senior

The drive towards more sustainable mobility creates demand for Senior's thermal management and fluid conveyance products used in aircraft and land vehicles.

Links to Strategy

Priorities 1, 2, 3

Geopolitical tension

Description

Heightened geopolitical tensions are driving governments worldwide to re-arm. In Europe, Russia's invasion of Ukraine, NATO-Russia confrontation fears, and sovereignty concerns have sharply raised defence spending since 2022. Meanwhile, in East Asia, China's rising defence budget is prompting neighbouring countries to respond in kind.

What this means for Senior

Senior's products are incorporated into a wide range of military-aerospace platforms, so growth in defence spending is positive.

Links to Strategy

Priorities 2, 3, 4

Digitalisation

Description

Companies are embracing digital tools such as AI, cloud computing, IoT and mobile applications to increase productivity, improve customer experience, and generate new revenue streams. These trends are being accelerated as technology in this field becomes cheaper and so more accessible. Consequently, it is being adopted widely leading to the requirement for the necessary computer equipment and datacentres which in turn leads to demand for semiconductors and the wafer fabs required to manufacture them.

What this means for Senior

The growth in digital systems and processes drives demand for increased volumes of semiconductors and so the need for semiconductor-manufacturing equipment.

Links to Strategy

Priorities 2, 3, 5

Energy demand

Description

Economic growth in emerging economies with its accompanying expansion of manufacturing and process industries, and urbanisation, with its greater utilisation of buildings and transportation, is the fundamental driver of increasing energy demand. Meanwhile, the increased use of digital technologies, led by AI, cloud computing and related datacentres, is acting as an important source of incremental growth.

What this means for Senior

Greater demand for energy requires more power generation, fossil-fuel and nuclear processing infrastructure and creates a need for our thermal management products.

Links to Strategy

Priorities 1, 2, 3



TECHNOLOGY

Meeting market needs with IP-rich, innovative technologies

TECHNOLOGY AND INNOVATION ARE THE FOUNDATION FOR DELIVERING HIGH-PERFORMANCE SOLUTIONS THAT MEET OUR CUSTOMERS' EVOLVING REQUIREMENTS.

Nigel Major
Executive Vice President, Strategy



Focus on FCTM

Fluid Conveyance (FC) and Thermal Management (TM) are core capabilities of both Aerospace and Flexonics Divisions. We design, develop and supply FCTM solutions from individual component to system level, often operating in extreme temperature and pressure environments. Our products help ensure aircraft safety, petrochemical and power generation plant safety and other mission critical application such as cryogenic medical tools used in open heart surgery.

Two global megatrends are defining our product and technology development. Global warming legislation is driving reduced emissions with the ultimate goal of achieving Net Zero. In combustion engines, this translates to conveying air and gases at increased temperatures, switching to non-fossil fuels and driving down system weight.

The megatrend towards electrification translates to precision battery and power electronics cooling and highly efficient cooling of electricity generating hydrogen fuel cells.

The temperatures of fluids we convey range from cryogenic fuels at -250°C to combustion engine gases approaching 1,000°C, whilst pressures range from strong vacuums (negative pressure) in our vacuum jacketed products to 1,000x atmospheric pressure for high pressure hydrogen gas applications. These environmental extremes, often presenting niche market opportunities, require a variety of design, testing and production capabilities which we are continuously developing in our global locations.

ENGINEERING COLLABORATION

In 2025, we refreshed our Innovation Steering Group, combining Engineering, Marketing and Strategic Leadership. A key Steering Group responsibility is to sponsor processes to allow engineers to collaborate. In 2025, our monthly Global Technology Collaboration Forum hosted external speakers from Safran, Rolls-Royce and the Advanced Manufacturing Research Centre sharing insights on hydrogen propulsion, SAF propulsion developments and AI assisted vision systems. Other Forums shared internal technology developments including AI deployment and high-pressure hydrogen hose certification. The annual Innovation Awards recognise exceptional technology breakthroughs, with business unit collaboration used as a key success criterion. We saw an increase in technology collaboration in 2025, and we are encouraging further collaboration in 2026 across the Group.

Fluid Conveyance

Our FC products perform mission or safety critical roles, conveying liquids, gases or breathable air and must be leak-free and durable in rapidly cycling thermal gradients and pressures.

Our FC applications include hydraulic tubes and separable connectors for civil and military aerospace and diesel engine fuel rails for automotive. In these applications, our products are industry standards-compliant and must also meet specific customer requirements. These standards and customer requirements present high barriers to entry. We have industry leading tube manufacturing capabilities at Senior Aerospace Steico Industries (US), Senior Aerospace Ermeto (France) and Senior Flexonics Czech (Czech Republic), and our fittings businesses are successfully growing aerospace market share through a key collaboration between Senior Aerospace Spencer (US) and Senior Aerospace Ermeto (France).

Our aero engine bleed air systems convey high pressure air at up to 700°C and up to 30 x atmospheric pressure from the engine casing to the aircraft pylon interface. These systems utilise aerospace superalloys to withstand high temperature and pressure-related forces. We specialise in developing flexible joints containing bellows which are validated digitally using simulation software and by physical testing on our test rigs, replicating actual operating conditions. Senior Aerospace SSP (US), Senior Aerospace Bird Bellows (UK) and Senior Aerospace Calorstat (France) are our leading sites in this product type. In 2025 we commenced a key collaboration between Senior Aerospace SSP and Senior Aerospace Bird Bellows to deliver a new bleed air system for the innovative Deutsche D328eco aircraft. This programme will be our first new civil aviation programme to fully utilise our metal additive capability at Senior Aerospace SSP, realising important product optimisation and weight reductions.

By contrast, another example of FC are the customised cockpit and cabin air distribution systems for business, regional and rotorcraft aviation applications designed and manufactured by Senior Aerospace BWT (UK).

CASE STUDY: NEXT GENERATION SINGLE AISLE AERO ENGINE



Mega trend: Growth in air travel

Innovation driving more efficient and cleaner engines

Forecast global aviation passenger growth and future aviation emissions reduction targets are driving aerospace OEM's to demonstrate disruptive technological innovations to be industrialised to meet the launch of next generation aircraft by 2035. The goal for engines is to demonstrate a fuel-burn reduction of 20% over current state-of-the-art engines. Founded on a longstanding engineering relationship, in 2025 we were invited to partner with an engine OEM to develop innovative FCTM products for its next generation single aisle engine. Partnering in this demonstrator programme will allow us to secure external funding from the UK's ATI. This exciting programme will provide breakthrough technology opportunities for Senior to develop innovative fuel pipes and hoses, with separable connectors which provide a fire break and guaranteed containment of potential fuel leaks. This technology enables a reduction in the complexity and weight of other engine structures, yielding an overall engine efficiency benefit. The project will require engineering and manufacturing collaboration between our businesses in the UK, France and Canada and is an important step in our capability to develop aerospace cryogenic hydrogen fuel pipes and hoses.

Additionally, our Innovation Centre will be developing a new lightweight heat exchanger, a first with this customer. In parallel, we will continue our existing FCTM technology projects which are to be tested on the same demonstrator engines. These include a breakthrough pneumatic valve being developed by our Senior Aerospace Metal Bellows business which will yield significant commercial and operational benefits to the customer. Finally, our Senior Aerospace BWT facility is engaged in an innovative ultra-light weight duct which will utilise our 3D knitted preform composite technology. This represents a breakthrough in the application of our composite products at higher temperatures than we have previously experienced. Our involvement in this major next generation engine programme, with demonstrator engines running in 2028, is an excellent example of aligning our technology priorities to deliver value to the customer, helping reduce aviation emissions to benefit the environment and deepen our customer relationships. We will become more IP rich, broaden our global FCTM capabilities and position ourselves strongly for sustained organic growth in our chosen markets.

TECHNOLOGY continued

Delivering filtered, breathable air, silently at the correct pressure and temperature is the comfortable and essential environment that we rely on when travelling by air. These systems comprise ultra-lightweight, non-metallic low-pressure ducts, joints and flexibles and are continuously being improved by introducing new technologies such as our RT2i™ weight-saving 3D knitted preforms and the polymer additive manufacturing processes of FDM and SLS.

Finally, taking FC to a physical extreme, our Senior Flexionics Pathway (US) business designs, supplies and repairs expansion joints up to 6 metres in diameter to convey gases at up to 1100°C and at 80 x atmospheric pressure. These products are safety and mission critical components in a range of large-scale chemical, refinery and power generation plants where thermal expansion and contraction have to be absorbed reliably. Designing for durability utilising high temperature alloys helps to prevent unplanned plant down-time which is extremely costly for our customers. Additionally, in 2025, Senior Flexionics Pathway also began supplying safety critical 3 metre diameter bellows used to convey liquid methane and liquid oxygen for the refuelling of space rockets deploying satellites into earth's orbit.

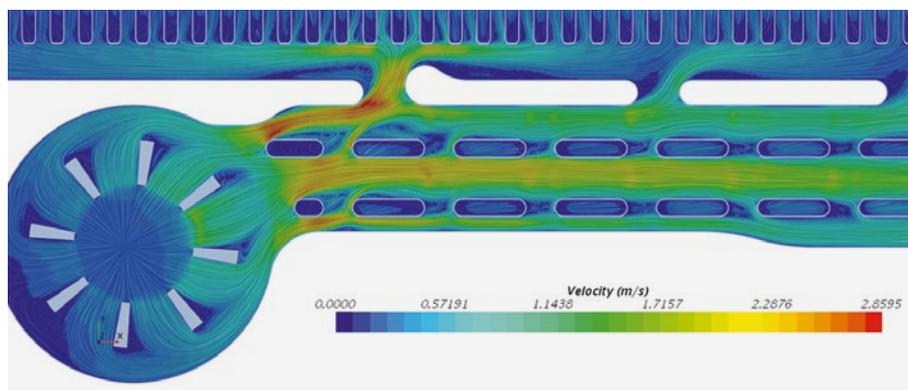
DESIGN SIMULATIONS (CFD & FEA)

Computer simulations which predict stresses in materials (FEA) and fluid velocity and pressures (CFD) are essential for the design of FCTM products. Understanding how our designs respond to thermal expansion and contraction and rapidly cycling fluid pressures and vibrations, is vital to our mission and safety critical products. Our specialised material selection and design of flexible joints incorporating bellows or a flexible hose ensure our products can withstand these dynamic conditions. Our design rules are grounded by physical testing on our comprehensive test rigs located at our major design centres.

Thermal Management

Our Thermal Management solutions often combine with Fluid Conveyance products as part of an overall FCTM system to provide the critical cooling of fluids or devices in dynamic environments. Our off-highway truck and automotive customers require ever increasing performance from our exhaust gas recirculation coolers which are a critical component reducing harmful emissions by cooling the exhaust gas prior to reingestion and combustion.

Our Innovation Centre (UK) and Senior Flexionics Bartlett (US) facilities perform the design and validation of these bespoke to application products which cool exhaust gases to the required temperatures within the demanding package space requirements. Operating in an environment of rapidly cycling thermal gradients and vibrations and complying with tight space envelopes make the design of these products challenging. In addition to the EGR cooler, purpose designed corrugated thin-wall, flexible EGR tubes and bellows reduce vibration between the EGR cooler and the engine ensuring high-temperature durability. Serial production is supported by our business units in India, Cape Town, Czech Republic and China.



Computational Fluid Dynamics (CFD) analysis image showing coolant velocity in a battery cooling plate developed by our Innovation Centre.

EXPLOITING AI

We have deployed AI to enhance and improve the effectiveness of a key manufacturing process of our bellows assemblies. In a new automated welding cell, a vision system not only tracks and automatically maintains perfect alignment and proximity of the weld torch to the weld seam, it also automatically inspects and certifies the completed welds. Our Advanced Technology and Automation Team validated the AI-based approach and gained NADCAP (National Aerospace and Defence Contractors Accreditation Programme) support to include provisions for automated inspection into their latest Audit Criteria updates.

Senior performs millions of welds every year. Fully automating this critical process not only presents a significant cost benefit, it also helps mitigate potential shortfalls of skilled labour availability as we grow our business. Additionally, automation presents the opportunity to reduce variation in the manufacturing process and improve quality assurance to customers. We plan to read across this new capability where possible to our many other businesses performing welding operations.

At much lower temperatures and pressures, in response to the electrification megatrend, we have evolved our TM capabilities to develop battery and power electronics cooling. Commensurately, a variety of manufacturing techniques have been developed including the controlled atmosphere brazing and laser welding of cooling plates and the utilisation of thinner sheet materials allowing improved shapes and profiles to yield higher efficiency cooling. Design, development and series production is undertaken at the Innovation Centre (UK) and Senior Flexionics Bartlett (US). Current applications are a variety of land vehicles including motorcycles, elite supercars, buses and trucks and prototypes have been delivered for a military aerospace application.

Hydrogen propulsion for land vehicles and aviation is presenting some exciting breakthrough TM opportunities, and we are proud to be supporting our customers' transition to Net Zero products.

In 2025, our Innovation Centre designed a new high pressure heat exchanger to cool hydrogen gas at 400 x atmospheric pressure for a hydrogen fuelled heavy truck engine. Extensive CFD (computational fluid dynamics) and FEA (finite element analysis) simulations predicted the need for a bellows to absorb thermal expansion and shaped the heat exchanger design to be sufficiently durable to withstand the extreme internal pressures. Hydrogen gas can be extremely explosive when mixed with air, hence the safety critical nature of our heat exchanger which will be located directly behind the truck's cab underneath the storage tanks.

2025 also brought an agreement with a Dutch-based consortium Conscious Aerospace, leading an international aerospace consortium to develop and supply the entire TM system for its pioneering, zero emission fuel cell powered electric powertrain which will be retrofitted to existing DeHavilland Dash8-300 aircraft. This exciting opportunity will be our first aerospace TM system and will drive innovation to develop our existing ground-based fuel cell TM know-how to a new level. This safety critical TM system will comprise a variety of FC and TM products.

CASE STUDY: CONSCIOUS AEROSPACE



Mega trend: Electrification

Towards zero-emission flights

The Aerospace industry will be one of the most difficult sectors to achieve zero emissions. Whilst SAF offers a route to zero carbon, and will be adopted for medium and long-haul flights, it is not free from harmful emissions. A leading cost effective and scalable solution for emission-free aviation is the use of a hydrogen-electric powertrain.

Senior has 10 years' experience in the hydrogen fuel-cell energy sector, providing thermal management (TM) solutions to dissipate the significant amount of heat generated by the electrochemical reactions taking place inside. Our TM pedigree in this market led to the signing of an agreement in 2025 with HAPPS (Hydrogen Aircraft Powertrain and Storage System) consortium, led by Dutch-based Conscious Aerospace. The goal of the consortium is to deliver a certifiable zero emissions hydrogen fuel cell aircraft powertrain system by the end of 2029. This powertrain is designed to be retrofitted to existing DeHavilland Dash 8-300 aircraft providing zero emissions flights in the 30-seat regional aviation market, currently 500 retrofits are targeted. Beyond 2030, the ambition is to expand the portfolio to new regional aircraft programmes.

Senior's scope is to lead and integrate the entire TM system including design, validation and manufacture. Located mainly in the propulsion unit nacelle, the TM system will include innovative high efficiency heat exchangers, valves, rigid and flexible coolant lines. In addition to the agreed TM work scope there is potential to increase our scope of work to also include hydrogen storage and distribution solutions. Our Innovation Centre in South Wales will lead the programme, taking responsibility for the overall design and validation activities and integrating supporting activities from other Senior businesses and external partners as required.

This project is truly pioneering; it will push boundaries and take our FCTM technical know-how to new levels. It also demonstrates the opportunity for Senior to leverage its Flexionics Division capabilities into the aerospace sector. Consequently, Senior will be in a very strong position to secure incremental TM business with future aerospace adopters of hydrogen-electric or hydrogen combustion propulsion systems. Importantly, from a technology development and IP perspective, the knowledge gained from this project will enable us to grow our scope of TM solutions to our other market sectors.

STRATEGIC PROGRESS

Delivering sustained profitable growth

The seven strategic priorities are key elements of how we work, within the context of our Business Model, to deliver our strategy and drive the creation of stakeholder value. Our progress since these priorities were established is shown and they continue to receive specific attention and focus.



1 Autonomous and collaborative business model

Overview

Senior's Business Model is one of empowering and holding accountable our operating businesses, within a clearly defined control framework. Business plans are developed in line with Group strategy. Increasing collaboration amongst operating businesses is a priority to address our customers' needs whilst maintaining an autonomous business structure. Business leaders throughout Senior are actively embracing collaboration activities.

What we achieved in 2025

In 2025, here are some of the investments Senior in support of the business model:

- Opened a state-of-the-art innovation centre in Oakdale, South Wales, specialising in thermal management solutions, high efficiency heat exchangers and the design of a range of fluid conveyance and emissions control products. Their designs are often developed in conjunction with other businesses, such as Senior Flexionics Czech, Senior Flexionics New Delhi, Senior Flexionics Cape Town and Saltillo, Mexico.
- Working with a major engine manufacturer to develop future propulsion for single aisle aircraft: collaborating across business units.
- Senior Aerospace Spencer (Spencer) working closely with Senior Aerospace Ermeto (Ermeto) to gain accreditation for supplying standards-compliant parts to European aerospace customers. Qualification will open a great market opportunity for both businesses.
- Senior Aerospace SSP (SSP) and Senior Aerospace Bird Bellows (Bird Bellows) have worked on the high-pressure system for a European customer's engine interface system. Design, development, testing and qualification are from SSP, with production hardware supplied by Bird Bellows, and Ermeto and Spencer also in the supply chain.

Next steps

Flexionics businesses will continue working with their Aerospace colleagues to advance Conscious Aerospace's goal of electric-powered flight by 2027/2028. We will also support Spencer's growth through provision of high-precision parts from Senior Flexionics GA. In Europe, Senior Flexionics Kassel is working with Ermeto to gain AS9100 accreditation.

2 Focus on growth

Overview

Senior operates in end markets with structural long-term growth drivers. We aim to outgrow our end markets by focusing on product innovation with key customers and expanding geographically.

Aerospace is growing our highly engineered, standards-compliant parts offering, including fittings, flanges, clamps and couplings. The acquisition of Senior Aerospace Spencer was an important first step in this strategy. Flexonics is helping customers transition to more sustainable solutions in hard-to-decarbonise sectors, and we are gaining an increasingly strong aftermarket position in power and energy markets.

What we achieved in 2025

Aerospace saw significant growth in 2025, which is anticipated to increase as OEM build rates accelerate further. The division works with the major commercial aerospace, business jet and regional jet manufacturers, as well as aero-engine OEMs and Defence suppliers. Senior Aerospace Bird Bellows and Senior Aerospace Calorstat have been successful in the supply of standards-compliant clamps and flanges to commercial aerospace customers and have secured new production contracts commencing 2026.

A world leader in designing industrial process control expansion joints, Pathway is working with customers to design products which operate under the stress of incredible heat, movement and velocity. These expansion joints are custom-designed and must be replaced on a regular cycle.

Next steps

We are working with a major provider of energy storage solutions for Industrial, Defence, Urban Transport and Power markets, to provide thermal management cooling plates, and expanding our reach into the medical device market, where we currently work with three major manufacturers, focused on specialist cryogenic instrumentation and heat exchangers.

We see opportunities in emerging markets too, such as energy generation for datacentres and small modular reactors in the nuclear power generation market.

3 Highly engineered products and IP generation

Overview

Following the divestment of Aerostructures, Senior is focused on delivering IP-rich fluid conveyance and thermal management products. We have several engineering hubs delivering longer-term innovation and new product introduction across the Group. Our Innovation Steering Group oversees technology roadmaps across all businesses, ensuring a coherent development path for innovation.

What we achieved in 2025

We have increased our collaboration with universities and other research organisations, looking at long-term innovation. These projects are typically led by one of our key customers.

Senior runs a series of Innovation Awards annually, where teams compete to demonstrate disruptive new products or significant process improvements. These awards give younger engineers an opportunity to showcase their ideas and win capital investment for their business.

Senior Aerospace Metal Bellows has been successful in capturing growth in the military and commercial engine sectors as well as in the nuclear market, typically redesigning existing technology in seamless edge-welded bellows and accumulators and using AI to develop new products and platforms.

Next steps

We anticipate expanding our role in externally funded R&D projects, and the scope of our Innovation Awards, in 2026. We will also continue the development of a new product with a major European OEM that further improves the efficiency and durability for thermal management and emissions control in land vehicles.

HAVING DIVESTED OUR AEROSTRUCTURES BUSINESSES, THE COMPANY IS ABLE TO DIFFERENTIATE ITSELF MOVING FORWARD THROUGH A STRONG AND DEVELOPING ENGINEERING CAPABILITY.

Nigel Major
EVP, Strategy



Safety-critical accumulator from Senior Aerospace Metal Bellows



4 Considered and effective capital deployment

Overview

Senior is delivering effective capital deployment in the interest of maximising shareholder value. All significant investments and portfolio changes, including M&A and Prune to Grow, are assessed using a rigorous investment appraisal process and are supported by a business case.

We propose to grow the full-year dividend by 25%.

What we achieved in 2025

We maintained our pricing and return on capital discipline when negotiating contracts and assessing investments and issued new medium-term financial targets at the investor event held in March. Key investments made and implemented during the year included the opening of a new, larger, state-of-the-art facility for our product design and development centre in Oakdale which will support new growth in select other manufacturing sites such as Senior Flexonics Cape Town. We also opened a new modern, high-capacity production facility in New Delhi, India, as well as closing a smaller and older facility.

We divested our Aerostructures businesses during 2025 and continued to manage the portfolio, evaluating our operating businesses in terms of strategic fit within the Group.

The Group is highly focused on delivering excellent overall return on capital employed which clearly exceeds the Group's cost of capital.

Next steps

We aim to continue to increase the Group's ROCE and to drive working capital efficiencies at all operations in the medium term.

5 High performance operating model

Overview

Senior strives for excellence through a high-performance operating model, drawing on the many world-class practices from across the Group, of which the key elements are:

- the Senior Operating System (SOS), an operational toolkit incorporating best practice processes such as lean and continuous improvement techniques, supplier management, new product introduction, 5/6S methodology, factory visual management systems, risk and financial management;
- a comprehensive business review process utilising a balanced scorecard incorporating KPIs with a focus on performance, growth, operational excellence and talent development; and
- clear processes for developing strategy, ensuring top-down and bottom-up alignment, considering inorganic investments and managing M&A transactions.

What we achieved in 2025

A considerable amount of SOS training has been delivered, with new standards developed and central repository records enhanced. Training has focused on inventory management in key strategic sites, and Kaizen events have increased both in velocity and quality, with a 40% increase compared to 2024. We have also recruited new coaches in SSP and Metal Bellows in the US, and in Saltillo, Mexico.

Next steps

We aim to continue strengthening the SOS to deliver operational efficiencies, inventory reduction, strategic plan deployment, best practice sharing and Kaizen events. We will continue to increase the number of Kaizen events across all sites and introduce more formal maturity assessment as we monitor continuous improvement success.

6 Cost competitive country strategy

Overview

Senior's global footprint ensures that our operating businesses stay competitive at both a capability and cost level. Key investments have been made in Cape Town, China, the Czech Republic, India and Mexico to help ensure we meet our customers' cost and price challenges whilst enhancing returns on investment. We have established increasingly sophisticated capabilities in these countries, optimising production capacity to align with growing demand and enabling expansion into new markets.

What we achieved in 2025

We have opened a new factory in India, offering more modern facilities and considerably greater capacity, and at the same time exited an older, smaller facility. This is helping us meet higher demand from new business wins.

We have continued the transfer of fluid conveyance products from California to our aerospace facility in Saltillo, Mexico, which is improving the operational efficiency of both sites.

Next steps

We aim to invest further in enabling Senior Flexonics Cape Town to offer a cost-competitive option for aerospace products.

Our cost competitive locations are playing an ever-increasing role in meeting our customers' global requirements while providing attractive returns for shareholders.

7 Talent and development

Overview

Senior's long-term performance depends on the depth and resilience of our talent and organisational capabilities. We have a highly skilled workforce, experienced entrepreneurial business leaders and functional experts.

What we achieved in 2025

We have strengthened our foundations to ensure we have the right skills, leadership and capacity to deliver our strategic priorities.

- We are expanding technical and engineering capability through new training approaches, including AI masterclasses, automation skills programmes and coding for CMC machinery.
- Our welders and craftsmen remain central to our operation, and we are deepening investment in specialised training for these skills to maintain this competitive edge.
- We are enhancing succession planning by strengthening our critical role pipeline, broadening cross-functional mentoring, improving knowledge transfer and building leadership readiness aligned with future strategic demands.
- We continue to mature a culture where employee voice shapes performance, improving engagement locally and across the Group.
- To attract top talent in technology and innovation, we are developing a data-driven candidate engagement approach that strengthens our employer brand and builds future-ready capability.
- We are embedding a global culture of continuous learning and development to build and prepare for emerging business needs.

Next steps

We will intensify our capability assurance strategy, accelerating technology-enabled learning, expanding the adoption of AI, strengthening talent pipelines, and ensuring that leaders have the skills, capacity and readiness to deliver successfully.

WE REGARD TALENT AND CAPABILITY DEVELOPMENT AS A KEY STRATEGIC ACTIVITY TO SUPPORT FUTURE GROWTH.

Silvia Schwark
EVP, Human Resources

STAKEHOLDER ENGAGEMENT

Collaboration for mutual success

Senior's engagement with stakeholders is a continuous process with the full involvement of our Board and Executive Leadership team.

Our stakeholders are people, communities and organisations with an interest or concern in our Purpose, strategy, operations, and actions.

Senior engages with five key groups – our employees, customers, suppliers, shareholders, and communities. By engaging and collaborating with our stakeholders we can ensure our business delivers long-term sustainable value.

Our Business Model lists our stakeholders alongside the environment. We protect the environment through our sustainability framework as outlined in the sustainability section on pages 44 to 53.

BY ENGAGING AND COLLABORATING WITH OUR STAKEHOLDERS WE CAN ENSURE OUR BUSINESS GROWS AND DELIVERS LONG-TERM SUSTAINABLE VALUE.

David Squires
Group Chief Executive Officer

Employees



How we engage

In 2025 we further strengthened our approach to open, consistent and meaningful employee engagement across all operating businesses. Building on the solid practices established in previous years, we focused on enhancing accessibility and deepening leadership involvement in dialogue with teams globally.

A key development this year was the introduction of General Manager webinars and workshops with external engagement experts, which provided leaders with advanced tools to interpret engagement data, improve team conversations and embed stronger engagement practices across sites. Participation in the Global Employee Opinion Survey rose to 88% in 2025, up from 85% in 2024, significantly exceeding industry norms and reflecting both more visible leadership involvement and strengthened communication channels. Business leaders and HR teams continued to hold regular face to face briefings, team meetings, skip level sessions and informal check ins, supported in some operating businesses by employee apps and local communication screens.

The Executive Leadership Team and the Board remained highly active through site visits, focus groups and roadshows, creating opportunities for employees to raise questions, share concerns and understand Group level strategic priorities. These activities further reinforced transparency and strengthened our culture of open dialogue.

Outcome of engagement

This year's Global Employee Opinion Survey provided rich and representative insights across the Group. With 88% participation, the results captured a broad cross section of employee experience and reinforced confidence in the process. The Group engagement score remained at 7.5, consistent with the improvement recorded in 2024 and reflecting a stable and positive engagement environment.

88%

of our employees completed
our Global Employee Opinion Survey

At operating business level, several teams demonstrated significant year-on-year improvement, building on focused leadership effort, stronger communication practices and disciplined follow through on previous action plans. These operating businesses have established internal good practice approaches, offering valuable examples for others across the Group to learn from. Their progress highlights the growing maturity of engagement capability within the organisation, supported by the leadership development activities and strengthened organisational insight introduced during 2025.

Beyond the headline score, we continued to track wider indicators such as wellbeing, values alignment and strengths and focus areas analysis. These dimensions help inform both local and Group level priorities and ensure operating businesses maintain clarity on the drivers that most influence employee motivation and alignment.

Company actions responding to engagement outcomes

Management level actions

Each Operating Business developed refreshed 2025 action plans grounded in both survey data and qualitative insights, with all communicating outcomes to employees and many engaging in focus groups or one to one exploration conversations to deepen understanding. Using survey comments and focus group insights, all leadership teams identified core development areas and actions, including enhanced recognition, facility improvements, strengthened line manager and functional training and more consistent communication rhythms such as regular all hands meetings.

Executive Leadership facilitated progress through the business review cycle, ensuring quality, consistency and alignment with Group expectations. Leadership capability was further strengthened through the webinars and external expert workshops launched in 2025.

The EVP HR continued to support operating businesses through targeted workshops with leadership teams, drawing on feedback from focus groups and review meetings and enabling leaders to clarify actions taken, communicate decisions transparently, ensure resource availability and maintain accountability for progress.

Board level actions

The Board maintained active involvement in employee engagement throughout the year. Non-executive Directors continued their programme of site visits, focus groups and leadership conversations, gaining valuable insight into local culture, workforce sentiment and emerging organisational themes.

The Board reviewed the 2025 survey results and associated action plans, receiving regular updates from the EVP HR and the non-executive Director for Employee Engagement, ensuring engagement insights continued to inform governance, strategic decision-making and people-related priorities across the Group.

Looking ahead to 2026

In 2026 we will expand into enhanced digital communication channels to enable more accessible, timely and transparent information sharing. These channels will complement our face to face and leadership led engagement activities and will be supported by a continued webinar and workshop series for leaders on engagement programme impact, including good practice sharing between Operating Businesses as part of our learning series, while we continue to work towards our goal for all Operating Businesses to perform consistently above the external 50th percentile benchmark.

REFLECTIONS FROM MARY WALDNER

The non-executive Director designated to engage with the Group's employees



As a non-executive Director designated to provide insight on Senior's employees as stakeholders, I have drawn on my leadership background and experience of working in the engineering sector. I strongly believe personal interaction provides robust insight and hence, over the past year, have facilitated 12 in-person focus groups with employees of all levels, five leadership team conversations and conducted plant tours in the UK (Senior Aerospace Bird Bellows), France (Senior Aerospace Ermeto and Senior Aerospace Calorstat) and the USA (Senior Aerospace SSP and Senior Aerospace Steico Industries). My objective has been to strengthen two-way communication between the workforce and the Board, ensuring that employee perspectives and concerns are heard and understood.

A key theme that emerged from the 2025 workforce engagement was a strong appreciation and desire for collaboration, which enables knowledge sharing and supports operational excellence. Employees recognise and welcome ongoing investment in tools, machinery, and quality initiatives, seeing these as essential for maintaining high standards and supporting future growth.

By incorporating these insights into Board deliberations, I have helped ensure the Board's decisions are informed by, and aligned with, the priorities and feedback of our people.

STAKEHOLDER ENGAGEMENT continued

Customers

**How we engage****Customer Engagement Overview**

Senior maintains ongoing, structured engagement with customers at several levels of the organisation, including through dedicated Customer Relationship Managers and Global Marketing Teams in Europe, the UK, and the USA. These teams ensure regular communication and support for our largest customers, enabling us to monitor market dynamics and respond promptly to challenges and opportunities.

We actively seek customer feedback through frequent interactions and monthly reporting on activities and Key Performance Indicators (KPIs). Customer scorecards are monitored across all operating businesses. When performance does not meet expectations, we collaborate with customers to set improvement targets, define implementation schedules, allocate resources, and involve executive leadership as needed.

Senior management, including the CEO, held regular meetings with major customers during 2025 to discuss strategy, operational metrics and market trends, but also, where required, to address commercial terms, supply chain and labour issues. These executive-level discussions are integral to our relationship management and help align mutual objectives and achieve mutual success.

Outcome of engagement

Close engagement with Aerospace and Flexonics customers has reinforced Senior's position as a trusted supply partner, supporting customer production and development programmes – especially in clean energy and technology innovation.

Company actions responding to engagement outcome**Management-level actions**

Collaboration with customers informs our technology and product development strategies, ensuring Senior remains a reliable and innovative supplier.

Board-level actions

The Board receives detailed monthly updates on customer activities and new business opportunities. During site visits, the Board engages in in-depth discussions with management regarding customer performance.

ENGAGING CLOSELY WITH CUSTOMERS AT ALL LEVELS OF OUR ORGANISATION HELPS US UNDERSTAND DETAILED NEEDS AND REQUIREMENTS. WE THANK CUSTOMERS FOR THE FAITH SHOWN IN SENIOR WHEN EXTENDING OR AWARDING NEW CONTRACTS.

Mike Sheppard
Flexonics Division President



➤ See **Contract Wins for Aerospace and Flexonics** in the **Divisional Reviews on pages 32 and 36**

Suppliers



How we engage

We engage with our suppliers in a variety of ways, including during tender and bid processes, scheduled status updates, on-site visits and audits where appropriate. Residual pockets of supply chain constraints persisted during 2025, predominantly in the Aerospace Division, but the Group remained focused on managing lingering supply volatility caused by material shortages and labour disruption through bilateral, collaborative communication and close coordination with suppliers regarding lead times, demand changes, transportation options and other sources of volatility. The Executive Committee continues to closely monitor the health and performance of critical Group suppliers and supports the operating businesses in their engagement with suppliers where necessary.

In line with our Contract Review Policy, which is mandatory for all operating businesses, we continue to communicate the requirements of the Group's Sustainable Sourcing Policy to key suppliers and provide feedback to our suppliers on their performance and, where necessary, will agree improvement action plans.

The Group also completes bi-annual reporting pursuant to The Reporting on Payment Practices and Performance Regulations (2017), demonstrating our commitment to remain a strong financial partner with our suppliers.

Outcome of engagement

During 2025, our collaboration with suppliers to manage residual supply chain volatility through lead time management, order flexibility and other cooperative solutions.

61%

Response rate from our CDP Supply Chain programme

In addition, the Group leveraged its strong supplier relationships to facilitate a smooth and efficient supply chain transition in preparation of the sale of the Aerostructures business.

As part of our supply chain climate engagement programme, we continue to partner with CDP. We engaged with more than 120 key suppliers in 2025, reinforcing our commitment to driving sustainability throughout our value chain. With an increase in engagement of 16% compared with 2024.

Alongside this program we expanded our analysis of carbon reduction commitments among our wider supply chain, we have reviewed over 1000 suppliers. From these we have now revealed, that over 62% by spend have environmental-related targets and 56% by spend have a carbon-related reduction target. To support those still progressing on this journey, we continue to provide a simple carbon target tool aligned with the principles of science-based targets. This tool offers practical guidance to help suppliers define, implement and monitor their carbon reduction goals.

Senior's leadership in supplier engagement has been recognised with CDP's highest leadership status for supplier engagement for three successive years: 2022, 2023 and 2024. Building on this strong foundation, we will continue to advance the programme in 2026, ensuring we drive impactful and collaborative climate action across our supply chain.

Company actions responding to engagement outcome

Management-level actions

Supply chain challenges remained a principle risk to the Group in 2025. While the Aerospace supply chain continued to stabilise to accommodate increasing build rates, constraints persist within certain industries and locations.

WE HAVE ENGAGED OUR KEY SUPPLIERS TO SUPPORT THEIR SUSTAINABILITY JOURNEY AND EASED SUPPLY CHAIN CHALLENGES BY WORKING CLOSELY TOGETHER.

Launie Fleming

Aerospace Division President

Where supply chain challenges persist, these challenges, and actions to address them, continued to be focal points during operating business reviews and Executive Committee meetings throughout the year.

We continued to engage with our largest suppliers on our Scope 3 greenhouse gas emission targets and regular updates are provided to the Board on progress.

Board-level actions

The Board reviews the bi-annual reports for our UK subsidiaries to monitor compliance with negotiated vendor payment terms.

The Group Director of HSE & Sustainability attended two Board meetings in 2024 and provided an in-depth review on the progress in engaging with suppliers in respect of the Group's Scope 3 targets. When necessary, the Group CEO has actively intervened at executive level with critical under-performing suppliers.

➤ [Read more in the Risk & Uncertainties Section on page 56 to 65](#)

➤ [Read more in the Sustainability Section on page 44 to 53](#)

STAKEHOLDER ENGAGEMENT continued

Shareholders



WE ENJOY AN OPEN DIALOGUE WITH OUR SHAREHOLDERS AND GREATLY VALUE THEIR FEEDBACK.

Ian King
Chair

How we engage

In 2025, the Group continued to engage actively with shareholders through the Executive Leadership Team and other Board members, including the Group Chair, using a diverse and range of tailored channels.

The Group Chair attended the full-year and interim results announcements in March and August 2025 and held individual meetings with major shareholders to discuss Group strategy, capital allocation, and Senior's leadership and management.

Key shareholder engagement during the year included:

- Twice-yearly meetings following full-year and interim results, where the Group Chief Executive Officer, Group Chief Financial Officer and the Director of Investor Relations & Corporate Communications met major shareholders face-to-face or virtually to discuss business performance, the strategic focus on Fluid Conveyance and Thermal Management (FCTM), and implications for future portfolio composition, as well as to understand shareholder views and address any concerns.
- Two Trading Updates, in April and November, each followed by a dial-in conference call for analysts and investors and the option of follow-up calls with the CEO, CFO, IR and Chairman making themselves available for follow-up calls with shareholders.
- An investor event for analysts and institutional investors alongside the full-year results, at which Senior set out delivery of its strategy, the outlook for Senior as an FCTM business and our medium-term financial targets for the FCTM business.

- Investors and analysts attended the opening of the Senior Innovation Centre in Wales, showcasing collaboration across the Flexonics division and the development and manufacture of highly engineered, IP-rich FCTM products.
- Three individual investor site visits covered Senior Aerospace Bird Bellows and BWT in the UK and Senior Flexonics Pathway in the US.
- Meetings with investors at the Paris Air Show, where the Director of Investor Relations & Corporate Communications hosted shareholders and analysts at the Group's stand.
- Ongoing use of digital platforms, including press releases and LinkedIn, to update investors on contract wins, sustainability and technological capabilities.
- Continued engagement followed the Ten-Month Trading Update, which covered both continuing activities and the discontinued Aerostructures businesses.
- The Board and management gained a clearer understanding of shareholder expectations in relation to strategic decisions.

Throughout the year, the Group responded to investor and analyst information requests and supported two new investment banks in initiating research coverage of Senior's shares.

The Group also used the April 2025 Annual General Meeting to engage private shareholders, giving them the opportunity to hear directly from the Group Chief Executive Officer, ask questions of the Directors and hear their responses.

Outcome of engagement

- Positive engagement with current and potential shareholders through the Investor Relations function and management.
- Shareholders were kept informed about Group performance, market dynamics and strategy through in-person meetings, site visits and digital channels such as the website and LinkedIn.
- Two investment banks initiated research coverage of Senior's shares.
- The Group maintained open communication with shareholders on key topics including remuneration and targets.

Company actions responding to engagement outcome

Management-level actions

In 2025, shareholder engagement highlighted strong focus on delivery of the Group's strategy, completion of the Aerostructures disposal, overall performance in the current environment and the strategic emphasis on Fluid Conveyance and Thermal Management. In response, the Group continued its Investor Relations programme, including management presentations, in-person meetings, site visits and use of social platforms, enabling investors to gain reassurance on strategy, understand the FCTM focus and appreciate the Group's highly engineered, IP-rich capabilities.

Board-level actions

As part of the reporting cycle, the Board received regular updates on key shareholders, share register movements, share price performance and engagement with investors and analysts. These updates included feedback on investor perceptions and the wider financial-market environment, drawn from shareholders, the Investor Relations function and the Group's corporate brokers, Jefferies and DB Numis, with additional updates on Group and Board-level engagement as appropriate.

The Board discussed these issues with management in its decision-making and took shareholder feedback into account when reaffirming the Group's overall strategy and ongoing strategic focus.

Communities



WE REMAIN COMMITTED TO STRENGTHENING THE SOCIAL FABRIC OF OUR LOCAL ENVIRONMENTS.

Silvia Schwark
Executive Vice President Human Resources

How we engage

Our organisation continues to take its responsibilities toward the communities in which we operate seriously, placing emphasis on nurturing positive, long-term relationships and making meaningful contributions that reflect our Values and purpose. We remain committed to strengthening the social fabric of our local environments by supporting education, skills development, social inclusion, health and wellbeing, and access to essential resources. Through these areas of focus, we aim to create opportunities, contribute to local resilience, and ensure that our operations generate benefits that extend beyond employment alone. This approach forms the foundation for our community engagement activity each year and ensures that our actions align with both local needs and the Group's broader sustainability and people focused objectives.

○ **Inspiring the Next Generation.** Senior Aerospace Bird Bellows, UK continues to inspire future talent by actively engaging with local schools. In 2025, the business sponsored and was actively engaged with an 'Earth'-themed Young Artists competition across 18 primary and secondary schools, introduced pupils to us and the industry, and strengthened outreach through career-fair participation. The initiative led to 12 pupils completing work experiences and boosted apprenticeship interest. Over the last decade, Senior Aerospace Bird Bellows has trained 41 apprentices and its first apprentice, now with 50 years of service, continues to train the next generation.

○ **Developing Skills Through Welding Education.** Senior Flexonics Pathway (SFP) in Texas, USA deepened its commitment to workforce development by supporting semi-annual welding competitions at Texas State University, where more than 300 students participated in the November event. SFP contributed

Certified Welding Inspector services at no cost, provided equipment prizes and extensive SWAG, and has since been invited by two local high schools to engage with their students. Building on this momentum, SFP will host a lunch-and-learn at TSU and is coordinating the addition of TIG welding testing to future competitions.

○ **Advancing inclusion.** Senior Flexonics Czech, contributes to regional development by inspiring young people through factory tours for 9th grade pupils and active participation in the career fairs, helping families make informed educational and career decisions. The company also encourages employees to offer their children the opportunity for hands on practical training. In parallel, by employing 93 people displaced by the war in Ukraine, Senior Flexonics Czech provides stability, dignity and inclusion, enabling individuals to rebuild their lives while enriching the workforce and strengthening social cohesion within the community.

○ **Providing a fresh start.** Senior Flexonics GA in Wisconsin, USA has partnered with the Wisconsin Department of Corrections and Gateway Technical College for eight years now to support individuals preparing for release through the REECC work release programme. Participants complete the Gateway CNC Operator Certificate before progressing to on-the-job CNC training while still incarcerated, gaining skills, confidence and financial stability for reintegration. The partnership has resulted in 35 hires to date, with several becoming long-term contributors, demonstrating the meaningful impact of offering people a fresh start.

○ **Supporting Education for All.** Senior Flexonics New Delhi strengthened access to learning by providing 77 bicycles to students along with 45 benches, a water purification plant, tube lights and fans for the Government Model High School in Hallomajra,

Chandigarh. In India, education is culturally cherished as the surest path to social mobility and family advancement, making these contributions deeply meaningful.

Outcome of engagement

Our community engagement activities continue to generate positive impact for individuals and groups across the regions in which we operate. By prioritising education and exposure to real world learning, we help inspire future career pathways and contribute to building local talent pipelines. Our emphasis on employability and life skills development enables individuals facing barriers – whether social, economic or environmental – to gain confidence, acquire new capabilities, and access opportunities that support their long-term independence. Furthermore, our support for vulnerable groups and charitable causes plays a role in strengthening social cohesion, helping local organisations meet critical needs, and fostering inclusion for those whose circumstances require additional support.

Company actions responding to engagement outcomes

At a management level, our businesses will continue to embed community engagement within their local operations, maintaining committees or working groups that coordinate activity, deepen partnerships with local education providers and community organisations, and identify opportunities for charitable involvement. These actions may include supporting initiatives that benefit families, contributing to programmes that promote health and wellbeing.

At a Board level, oversight of community engagement remains an integral element of responsible business practice, with regular reporting ensuring alignment between local initiatives and the Group's strategic direction. This governance approach reinforces our commitment to maintaining meaningful and consistent involvement in the communities we serve.

KEY PERFORMANCE INDICATORS

Good aerospace and defence growth

The Group highlights five financial and two non-financial metrics to measure progress in implementing its strategy.

Non-financial metrics

⬆️ Increased ⬇️ Decreased ⬆️ Unchanged

Non-Financial Objectives

The Group’s non-financial objectives are:

- To reduce the Lost Time Injury and Illness Rate (per 100 employees) to 0.3 by 2025; and
- To reduce absolute Scope 1 and 2 greenhouse gas (“GHG”) emissions by 30% by 2025, compared with the 2018 baseline year.

Key Performance Indicators

The key performance indicators (“KPIs”) are defined as follows:

- **CO₂ emissions:** An estimate of the Group’s carbon dioxide emissions, expressed in tonnes of CO₂ equivalent (tCO₂e).

Lost Time Injury and Illness Rate:

The number of OSHA (or equivalent) recordable injury and illness cases involving days away from work, per 100 employees.

The Group’s approach to calculating and reporting GHG emissions follows the GHG Protocol. The 2025 reporting includes Scope 2 emissions (associated with electricity consumption) calculated using both the location-based and market-based methods.

Scope 1 and 2 emissions (location-based and market-based, FY25) have been independently verified in accordance with ISAE 3410 (limited assurance).

GHG emissions are calculated using the financial control approach, under which the Group accounts for 100% of emissions from operations over which it has financial control. This includes all wholly owned operations and subsidiaries consolidated for financial reporting purposes.

In 2025, the Group exceeded its SBTi near-term target, delivering a 39% reduction in Scope 1 and 2 emissions compared with the 2018 baseline (exceeding the 30% reduction target).

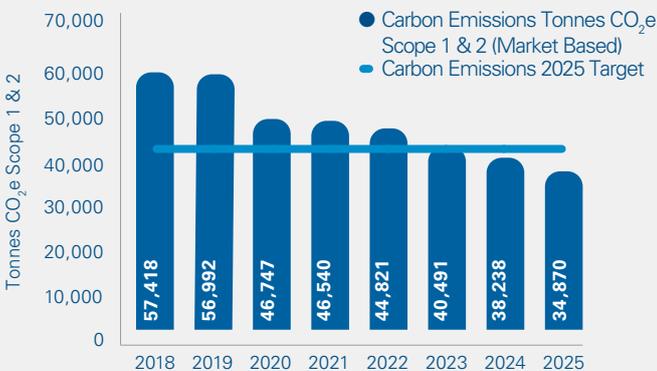
The 2025 Lost Time Injury and Illness Rate was 0.3, meeting 2025 reduction target.

Further details of the Group’s performance are set out on pages 51 to 53. Additional information on the methodology is provided on page 49.

CARBON DIOXIDE EMISSIONS SCOPE 1 AND 2 (MARKET-BASED)
Total tonnes CO₂e



39.3%
from 2018 base year

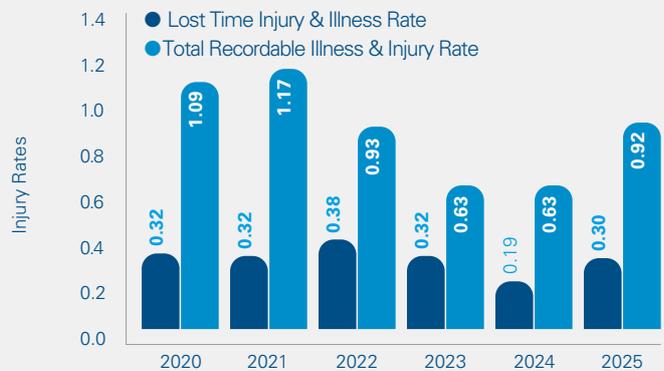


In 2025, our absolute Scope 1 and 2 Greenhouse Gas (“GHG”) emissions reduced from 57,418 tCO₂e (2018) to 34,870 tCO₂e. We have exceeded our SBTi 2025 target with a 39.3% reduction against our 2018 base year.

LOST TIME INJURY ILLNESS RATE
Incidents per 100 employees p. a.



41% reduction
from 2018 base year



Lost Time Injury and Illness Rate increased to 0.32 in 2025 against 0.19 in 2024. We have met our target to decrease Lost Time Injury and Illness Rate to 0.3 by 2025 with a 41% decrease versus a 2018 baseline.

Financial metrics

The continuing Group's financial objectives for 2025, which align with the medium-term financial targets on page 38 were as follows:

- to achieve revenue growth (at constant exchange rates) in excess of the rate of inflation;
- to increase the Group's return on revenue margin each year;
- to increase adjusted earnings per share on an annual basis;
- to generate sufficient cash to enable the Group to fund future growth and to follow a progressive dividend policy; and

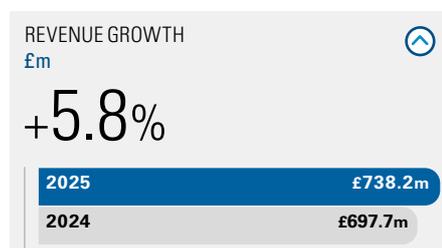
- to maintain an overall return on capital employed in excess of the Group's cost of capital and to target a pre-tax return between 15% and 20% on a post IFRS 16 basis.

The KPIs are determined as follows:

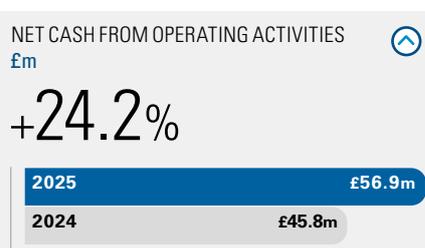
- revenue growth is the rate of growth of Group revenue, at constant exchange rates;
- return on revenue margin is the Group's adjusted operating profit divided by revenue;
- adjusted operating profit is defined in Note 9;
- adjusted earnings per share is defined in Note 12;

⬆️ Increased ⬇️ Decreased ⬆️ Unchanged

- net cash from operating activities is available from the Consolidated Cash Flow Statement; and
- return on capital employed is the continuing Group's adjusted operating profit divided by the average of the continuing capital employed at the start of the period (total equity plus net debt defined in Note 31c adjusted for Aerostructures capital employed of £229.3m) and the end of the period (total equity plus net debt defined in Note 31c).



As discussed in the Group Chief Executive Officer's Statement, the year-on-year increase reflected strong Aerospace growth, while Flexonics delivered a robust set of results. The impact on the Divisions is set out in the Divisional Reviews, on pages 32 to 37.



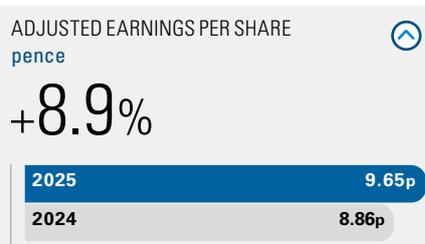
The Group generated net cash from operating activities of £56.9m, which funded gross capital expenditure of £32.6m in 2025. The year-on-year increase was driven by more effective management of working capital and increased operating profit.



The Group's adjusted operating margin of 8.6% increased by 110 basis points on a reported and on a constant currency basis. This reflected the benefits from improved pricing, operational efficiencies, higher Aerospace volumes and favourable mix in Flexonics.



Return on capital employed ("ROCE") increased to 13.1%. The increase in ROCE was mainly a result of increased adjusted operating profit.



The year-on-year increase of 0.79 pence reflects improved profitability partially offset by higher adjusted tax rate. In 2024, the tax rate benefitted from the recognition of a deferred tax asset in respect to historical tax losses.

DIVISIONAL REVIEW

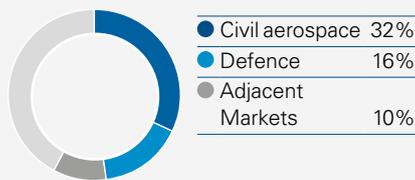
Aerospace

THE DIVISION HAS MADE EXCELLENT STRATEGIC AND OPERATIONAL PROGRESS IN 2025. I'M DELIGHTED THE AEROSTRUCTURES DISPOSAL COMPLETED AND WE ENTER 2026 FULLY FOCUSED ON FCTM.

Launie Fleming
Aerospace Division Chief Executive



AEROSPACE SALES ACROSS THE GROUP



AEROSPACE REVENUES (EXCLUDING ADJACENT MARKETS)



REVENUE
+10.4%

£426.3m

(2024 – £386.1m)

ADJUSTED OPERATING MARGIN
+190 bps

11.4%

(2024 – 9.5%)

ADJUSTED OPERATING PROFIT
+32.5%

£48.5m

(2024 – £36.6m)

SALES IN AEROSPACE
PRORPTION OF THE GROUP

58%

(2024 – 55%)

7 GLOBAL AEROSPACE OPERATIONS

North America	4
United Kingdom	2
Continental Europe	1



Aerospace Division¹

The Aerospace Division represents 58% (2024: 55%) of Group revenue and consists of operations in France, Mexico, the United Kingdom and the USA. The Division's operating results on a constant currency basis are summarised below:

	2025 £m	2024 ¹ £m	Change
Revenue	£426.3m	£386.1m	+10.4%
Adjusted operating profit	£48.5m	£36.6m	+32.5%
Adjusted operating margin	11.4%	9.5%	+190 bps

¹ The Aerospace Divisional review is on a constant currency basis, whereby 2024 results have been translated using 2025 average exchange rates and on an adjusted basis to exclude amortisation of intangible assets from acquisitions, site relocation costs and restructuring costs. Reported operating profit is presented in Note 4. Unless stated otherwise financial metrics within this divisional review are presented on a Continuing and constant currency basis.

Revenue Reconciliation	£m
2024 revenue	386.1
Civil aerospace	18.7
Defence	12.7
Adjacent Markets	8.8
2025 revenue	426.3

Contract wins

The Aerospace Division has been awarded several new or extended contracts this year from the following customers:

- Senior secured a multi-year contract for highly-engineered aerospace standard parts from Airbus, to be manufactured in Europe
- Awarded a 3-year contract award from an industry leading distributor for high pressure hydraulic fittings
- Multi-year contract extension from a major OEM for compressor pumps
- Added scope to existing contract (multiple parts) on a key US defence platform
- Contract extension with improved pricing for proprietary thermal insulation components

CASE STUDY: SENIOR AEROSPACE METAL BELLOWS



Experts in Fluid Conveyance and Thermal Management

Market diversity supporting sustainable growth

Senior Aerospace Metal Bellows (Metal Bellows) is a provider of precision edge welded bellows assemblies and engineered Fluid Conveyance and Thermal Management solutions supporting aerospace, semiconductor, medical, defence, energy, and industrial applications. With a fully integrated manufacturing model spanning design, analysis, welding, machining, testing, and inspection, the operating business delivers high reliability, hermetic components and sub-assemblies for critical systems. Its edge-welded bellows deliver zero leakage, exceptionally high cycle life and stable performance under challenging conditions of high pressures and broad temperature ranges. They are typically used in maintenance-free accumulators and reservoirs, as part of thermal valves and actuators, for dynamic seals, hermetic pumps and to deliver ultra-clean precision motion control.

Metal Bellows is pioneering new approaches to operational efficiency, by utilising advanced tool-free robotic welding, the use of bespoke AI systems for defect detection and quality control, and continual operational excellence in the application of Senior Operating System's methodologies. The strong engineering capability within the business means Metal Bellows can deliver optimised solutions for highly regulated and mission critical markets, offering enhanced performance in the movement of fluids and gases via compressors, pumps, or valves in aerospace and energy applications, in relieving thermal expansion using actuators or compensators in advanced electronics cooling systems and other thermal management systems or in providing leak-free seals for aero-engines, precision actuators for the manufacturing of semiconductors and pump components that can be implanted within the body to dispense drugs.

- Senior also joined the Conscious Aerospace-led Hydrogen Aircraft Powertrain and Storage System ("HAPSS") consortium. It will apply its Fluid Conveyance and Thermal Management expertise to products required to cool the propulsion system of the retro-fitted Dash 8-300 regional aircraft platform.

Markets and Performance

Overall, our Aerospace division continues to make good progress strategically, operationally and financially.

Revenue in the Aerospace Division increased by 10.4% year-on-year on a constant currency basis. The increase reflected improved pricing, continued strong growth at Spencer, higher defence volumes and higher demand from adjacent markets mainly in the semiconductor equipment sector.

Civil aerospace

Civil aerospace OEM production rates are increasing and the division benefited from strong growth in regional jets, from a combination of build rates and price increases.

Commercial deliveries at Airbus and Boeing increased year-on-year with build rates growing. In 2025 net orders for large commercial aircraft for Airbus were 889 and for Boeing 1,175. At the end of 2025 Airbus' commercial aircraft backlog was 8,754 and Boeing's commercial aircraft order backlog stood at 6,130 (representing a backlog for each OEM of over a decade at current build rates).

Airbus delivered 793 aircraft in 2025, 27 more than the 766 deliveries it made in 2024. Airbus had good order intake for the A320-family of aircraft (63% of net orders in 2025). The target production rate for the A320 family of aircraft is a rate of between 70 and 75 aircraft per month by the end of 2027, for the A330 5 per month in 2029 and for the A350 12 per month in 2028. Airbus have stated that its production-rate target for the A220 is 13 aircraft per month in 2028.

DIVISIONAL REVIEW continued

In 2025, Boeing delivered 600 aircraft up from 348 deliveries in 2024. In October 2025, the FAA and Boeing agreed jointly to lift the production cap on the 737 programme from 38 to 42 per month. Meanwhile, the 737-10 has entered the final phase of its certification flight testing. The 787 programme saw production stabilise at seven per month and has begun transitioning production to eight aircraft per month. Certification of the 777-9 aircraft is continuing and the aircraft is now anticipated to enter in service in 2027.

Embraer is aiming to deliver approximately 100 of its commercial jets per annum within the next two years, up from 78 in 2025.

As a result, during the period Senior's sales increased by 8.7% compared to prior year. Spencer continued to grow strongly, up 32% in the year compared to 2024. 7% of civil aerospace sales were from widebody aircraft in the first half of 2025, with the other 93% of sales being from single aisle aircraft and regional and business jets.

Defence

Production of the F-35 continues to be underpinned by robust demand from both the US and international customers, supporting a production rate of 156 aircraft per year. The C-130J is currently being produced at a rate of c.20 aircraft per annum, mainly for international customers, while the T-7A is scheduled to reach operational capability during 2027.

Senior supplies the Eurofighter, Rafale and A400M aircraft programmes. The former two are experiencing strong demand which is expected to result in a doubling of production rates for both programmes by 2030.

Total revenue from the defence sector increased by £12.7m, 11.7%, with a combination of higher sales and higher price, principally on F35 and C-130 programmes, to both OEM and aftermarket customers.

Adjacent markets

Revenue derived from adjacent markets such as space, power & energy, medical and semiconductor equipment, where the Group manufactures products using very similar technology to that used for certain aerospace products, increased 14.1% year-on-year to £71.1m as a result of the improvement in demand from our semiconductor equipment customers.

Operational performance

Our supply chains continue to stabilise as a result of specific actions we and our suppliers have implemented, with a few remaining hotspots being managed accordingly. To protect supply chain continuity, we have selectively in-sourced critical capabilities such as the manufacture of precision parts essential to our bellows based products in Senior Aerospace Metal Bellows; and the supply of hydraulic fittings from Spencer to Senior Aerospace Steico for its fluid conveyance defence products.

Adjusted operating profit

During the period, adjusted operating profit increased by 32.5% to £48.5m (2024: £36.6m) and adjusted operating margin increased by 190 basis points to 11.4% (2024: 9.5%), ahead of our expected rate of progress to our medium-term targets. This increase reflected improved pricing, higher sales and some one-off items as operations pushed to deliver projects in Q4, be they engineering paid for by the customer or other commercial agreements. Reported operating profit for Aerospace in the year was £45.1m (2024:31.2m).

Outlook

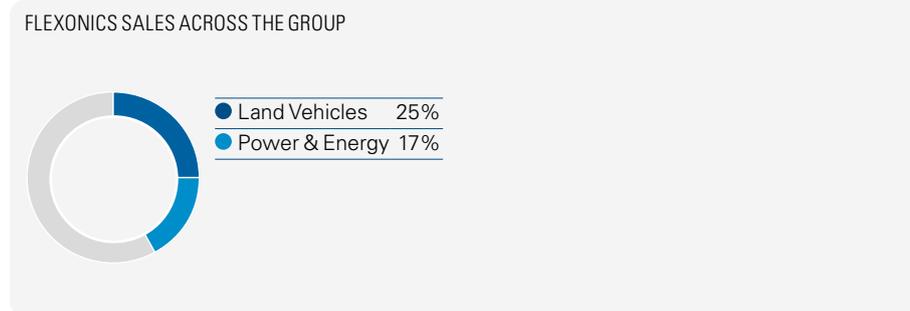
Growth in civil aircraft build rates and increased demand across its other markets is expected to drive further good progress in 2026 and beyond.

Flexonics

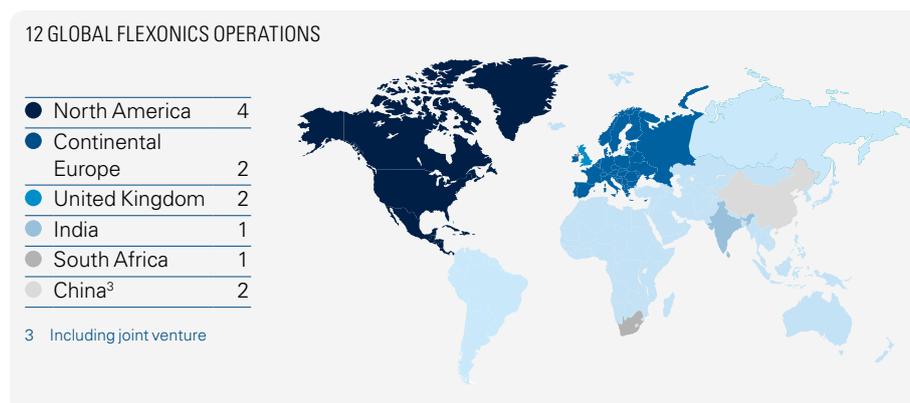
THE DIVISION HAD A STRONG YEAR, GROWING TOP AND BOTTOM LINE DESPITE SOFTNESS IN LAND VEHICLE MARKETS.



Mike Sheppard
Flexonics Division Chief Executive



<p>REVENUE +0.1%</p> <p>£313.4m (2024 – £313.0m)</p>	<p>ADJUSTED OPERATING PROFIT +1.7%</p> <p>£35.0m (2024 – £34.4m)</p>
<p>ADJUSTED OPERATING MARGIN +20 bps</p> <p>11.2% (2024 – 11.0%)</p>	<p>SALES IN FLEXONICS PROPORTION OF THE GROUP</p> <p>42% (2024 – 45%)</p>



Flexonics Division²

The Flexonics Division represents 42% (2024: 45%) of Group revenue and consists of operations in Canada, China, the Czech Republic, Germany, India, South Africa, the United Kingdom and the USA. The Division’s operating results on a constant currency basis are summarised below:

	2025 £m	2024 ² £m	Change
Revenue	£313.4m	£313.0m	+0.1%
Adjusted operating profit	£35.0m	£34.4m	+1.7%
Adjusted operating margin	11.2%	11.0%	+20 bps
Share of JV – operating profit	£3.0m	£1.2m	+150.0%
Adjusted operating margin (incl JV)	12.1%	11.4%	+70 bps

² The Flexonics Divisional review, presented before the share of the joint venture results, is on a constant currency basis, whereby 2024 results have been translated using 2025 average exchange rates and on an adjusted basis to exclude restructuring costs and site relocation costs. Reported operating profit is presented in Note 4. Unless stated otherwise financial metrics within this divisional review are presented on a constant currency basis.

Revenue reconciliation	£m
2024 revenue	313.0
Land vehicle	3.0
Power & energy	(2.6)
2025 revenue	313.4

DIVISIONAL REVIEW continued

Contract Wins

The Flexonics Division has been awarded a number of important contracts this year which include:

- Supply of fluid conveyance assemblies for multiple light vehicle ICE and hybrid engine types to a global supplier for components used across the range of diesel, gasoline and hybrid platforms
- Exhaust gas recirculation coolers on a new engine type (with Euro 7 specification) to be used on multiple vehicle platforms by a leading global manufacturer of heavy-duty trucks
- Supply of fluid conveyance assemblies to a leading European truck OEM for the heavy-duty commercial market
- Supply of non-invasive fluid conveyance medical equipment to a medical device OEM
- Awarded expansion joint contract for the space market (manufactured by a Flexonics business)

Markets and Performance

Flexonics revenue marginally increased 0.1% compared to the prior year, on a constant currency basis. This result reflected the benefit of the launch and ramp up of newer land vehicles programmes enabling the division to outperform end markets in both North America and Europe. We saw strong performance in our important downstream oil & gas and nuclear businesses while our sales to upstream oil and gas customers were lower as we continued to deprioritise the focus on commoditised machined products.

Land vehicles

Stronger than anticipated economic growth in the US has contributed to a recent improvement in freight spot rates, while clarity on the EPA's 2027 NOx regulations has led to the expectation of a small pre-buy during 2026. While Heavy Duty truck production forecasts have been variable, ACT is now forecasting a marginal increase in 2026, with production continuing at the current lower rate during the first half of the year before the start of an anticipated recovery in the second half.

Weak economic fundamentals in Europe led to reduced freight activity and so a reluctance among freight companies to invest in their truck fleets during 2025. S&P data shows that Class 8 vehicle production was down 1% year-on-year. However, low-fleet replacement rates and an ageing truck fleet are anticipated to underpin demand growth going forward. S&P is predicting production growth in 2026 of 6%.

In the off-highway sector, demand for construction and mining-related vehicles was flat year-on-year in North America, while increasing by 6% in Europe and by 12% in China & SE Asia. Industry participants are forecasting that demand in 2026 will be flat year-on-year in North America, up by 0% – 10% in both China and Europe and flat in Asia (excl. China).

European light vehicle production declined by 1% in 2025 as inventories returned to historical levels and production became aligned with underlying demand. Production in North America fell by 1% in 2025 due to the introduction of tariffs and supply-chain disruptions. In India, the other light-vehicle market to which Senior has significant exposure, production in 2025 increased by 7% as demand was boosted by a reduction in consumer taxes and multiple new model launches. S&P is forecasting that production in 2026 will fall by 3% in Europe, by 2% in North America and increase by 8% in India.

Sales to land vehicle markets increased by 1.6%, outperforming end markets, as newer contracts moved into series production. Sales to passenger vehicle markets grew by 30.9% to £59.7m, more than offsetting the market-related reductions in the North American truck and off-highway markets.

Senior's European truck and off-highway sales decreased by 0.7% (£42.0m) in the year, benefiting from the launch and ramp of new programme wins, almost offsetting the declining heavy-duty truck market by 3% in Europe in 2025.

Sales to other truck and off-highway regions increased by £1.1m to £8.2m driven by growth in India.

The China JV predominantly makes products for the domestic land vehicle market. Particularly strong growth in revenues for 2025 of 60%, driven by new contract wins and increased market share, meant Senior's share (49%) of the JV's operating profit more than doubled in 2025.

As anticipated, Senior's sales to the North American truck market decreased by 17.7% to £47.4m, compared to market production decreasing by 25%. Our North American off-highway sales decreased 5.2% to £30.7m.

Power & energy

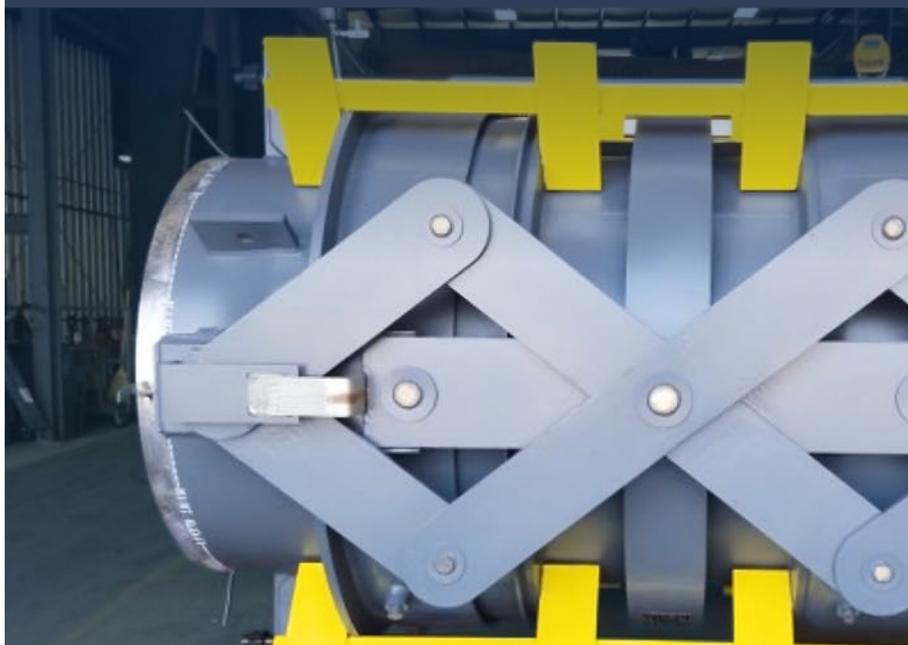
In the Group's power & energy and related business, sales decreased by 2.0% to £125.1m in the year.

Electricity demand is being driven primarily by economic growth, urbanisation and the adoption of digital technologies and EVs. In North America, this trend is resulting in the reactivation and life extension of nuclear power stations and is benefiting Senior, which is one of only a few companies that are licensed to sell into this sector.

Sales to oil and gas customers decreased by £0.9m in the year as we continued to reduce focus on commoditised upstream oil & gas products. Strong growth in our downstream oil and gas business, assisted by the completion of Pathway's expansion joints contract to the Government Authority of India Limited's project, was a key driver of favourable mix and contribution to higher adjusted operating profit margins.

When excluding oil & gas customers sales to other power & energy markets decreased by £1.7m spread across various industrial markets.

CASE STUDY: SENIOR FLEXONICS PATHWAY



Experts in Fluid Conveyance and Thermal Management

Engineering for Extreme Environments

Senior Flexonics Pathway (Pathway) supports global operators with critical requirements for safety and reliability by engineering highly dependable thermal management and fluid handling systems designed to perform in some of the industry's most extreme operating environments. Using advanced expertise in bellows, metal hoses, expansion joints and damper valve systems, Pathway delivers solutions that maintain integrity over long service lives while reducing unplanned downtime.

Across refineries, chemical processing plants and high temperature service environments, Pathway's capability to manufacture large diameter bellows up to 230 inches, ensures customers have the right solution for high pressure and chemically aggressive applications. Expansion joints and hoses supplied to nuclear power plants are built, tested and certified for service life that spans decades.

These capabilities are backed by robust quality programmes, enabling customers to trust Senior for installations where safety, compliance and product lifetime are mission critical.

With decades of legacy installations still performing reliably, and with the scale to respond to emergency and expedited customer needs, Pathway continues to be a partner of choice for petrochemical, nuclear, space, and a vast number of industrial process operators seeking proven engineering performance under pressure.

Adjusted operating profit

Adjusted operating profit for Flexonics excluding JV of £35m increased by £0.6m compared to prior year. The divisional adjusted operating margin increased by 20 bps to 11.2% (2024: 11.0%) benefiting from favourable mix, increased aftermarket and restructuring initiatives. These cost reduction initiatives in certain Flexonics operations were implemented late in 2025 and designed to protect Flexonics profitability given softer conditions in certain end markets. The restructuring cost in 2025 of £5m (an adjusting item) is expected to deliver £4m annualised savings starting in 2026. Reported operating profit for Flexonics excluding JV in the year was £29.4m (2024: £34.6m).

In addition, our joint venture in China performed very strongly in the year, contributing £3.0m (2024: £1.2m) to Group adjusted operating profit.

Outlook

Flexonics expectations for 2026 are unchanged with robust double-digit margins being maintained, when including the JV, notwithstanding the softer conditions in certain end markets.

FINANCIAL REVIEW

Strong adjusted operating profit growth from continuing operations



Alpha Amar
Group Chief Financial Officer

WE HAVE MADE EXCELLENT PROGRESS ON OUR MEDIUM-TERM RETURN ON CAPITAL EMPLOYED TARGETS, AN INCREASE OF 140 BASIS POINTS TO 13.1% IN 2025.

Alpha Amar
Group Chief Financial Officer

Financial Summary – Continuing operations

A summary of the Group's operating results (at reported currency) is set out in the table below on a continuing basis. Further detail on the performance of each Division is set out in the Divisional Review.

	Revenue		Adjusted operating profit ¹		Margin	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 %	2024 %
Aerospace	426.3	391.1	48.5	36.9	11.4	9.4
Flexonics ²	313.4	317.7	35.0	35.1	11.2	11.0
Share of results of Joint venture			3.0	1.3		
Inter-segment sales	(1.5)	(1.4)				
Central costs			(22.9)	(20.3)		
Group total	738.2	707.4	63.6	53.0	8.6	7.5

¹ See table below for reconciliation of adjusted operating profit to reported operating profit.

² Flexonics results are presented before share of results of joint venture.

Adjusted operating profit may be reconciled to the operating profit that is shown in the Consolidated Income Statement as follows:

	2025 £m	2024 £m
Adjusted operating profit	63.6	53.0
Amortisation of intangible assets from acquisitions	(1.6)	(1.6)
Restructuring costs	(5.0)	–
Pension benefit clarifications	(7.3)	–
Site relocation costs	(2.4)	(3.5)
US class action lawsuit	–	(1.1)
Operating profit	47.3	46.8

Medium-Term Financial Targets

Continued successful execution of the Group's strategy will support the delivery of its medium-term financial targets which were announced in March 2025:

- Group adjusted operating margins³: at least double-digit margins
 - Aerospace: at least mid-teens operating margins
 - Flexonics: 10%-12% operating margins
- Cash conversion³ target: greater than 85% through the cycle
- ROCE³: 15-20%

These targets are underpinned by a strong balance sheet, with leverage³ at 0.5x to 1.5x and supported by an expectation of mid-single digit organic growth through the cycle.

³ For definitions on these financial measures see page 1.

Revenue

Group revenue was £738.2m (2024 – £707.4m). Excluding the adverse exchange rate impact of £9.7m, Group revenue increased by £40.5m (5.8%), with strong growth in the Aerospace Division and marginal growth in the Flexonics Division. In 2025, 62% of revenue originated from North America, 16% from the UK, 19% from the Rest of Europe and 3% from the Rest of the World.

Operating profit

Adjusted operating profit increased by £10.6m (20.0%) to £63.6m (2024 – £53.0m). On a constant currency basis, which excludes the adverse exchange rate impact of £1.0m, adjusted operating profit increased by £11.6m (22.3%).

REVENUE

£m

+4%

2025	738.2
2024	707.4

ADJUSTED OPERATING PROFIT

£m

+20%

2025	63.6
2024	53.0

RETURN ON CAPITAL EMPLOYED

%

+140 bps

2025	13.1
2024	11.7

The Group's adjusted operating margin of 8.6% increased by 110 basis points on a constant currency basis, with increases in both Aerospace and Flexonics divisions. Aerospace adjusted operating profit benefited from price increases, better mix and higher volumes throughout the year, as well as a commercial settlement in connection with an insurance claim in the first half and increased commercial activity closer to the year end. In Flexonics a favourable product mix and strong performance in the joint venture in China more than offset the impact of lower North America heavy-duty truck volumes.

As set out in Note 9, adjusted operating profit and adjusted profit before tax are stated before £5.0m restructuring costs (2024 – £nil), £7.3m pension benefit clarification costs (2024 – £nil), £1.6m amortisation of intangible assets from acquisitions (2024 – £1.6m) and £2.4m site relocation costs (2024 – £3.5m). Reported operating profit was £47.3m (2024 – £46.8m).

Restructuring

In 2025, the Group implemented a group-wide restructuring programme, mainly affecting North American and European Flexonics businesses, due to softer market conditions in the North American heavy-duty truck market. The Group took decisive action in the second half of the year to protect margins and scale the businesses appropriately.

The restructuring costs of £5.0m (2024 – £nil), of which £1.5m was cash outflow in 2025, involved headcount reductions (£2.9m) and impairments to property, plant and equipment (£0.4m) and inventory (£1.7m) in certain specific programmes where the Group will no longer participate and there is no alternative use. These costs have been presented as an adjusted item as they are not reflective of in-year performance.

The programme is expected to generate annualised savings of around £4m, helping to offset the anticipated reduced demand.

Retirement benefit schemes

The Group operates a number of pension plans in the UK, North America and Europe. These include both defined contribution arrangements and defined benefit arrangements. The Senior plc Pension Plan ("the UK Plan"), which is a funded scheme in the UK and closed to future accrual at the end of 6 April 2014, has the largest pension obligation in the Group and Company. In addition, the Group operates one defined benefit plan in the US and a small number of unfunded post-retirement plans, including a closed healthcare scheme in the USA.

In September 2025, the Trustee of the UK Plan entered into a bulk annuity contract ("buy-in") with an insurer, M&G, covering all scheme members. The policy is treated as a plan asset and substantially matches the benefits payable, which has helped the Group de-risk the balance sheet in respect of any future volatility related to the pension assets and liabilities. The legal obligation remains with the Plan Trustee. The buy-in transaction has been accounted for as an asset loss through Other Comprehensive Income, rather than settlement accounting through the Income Statement. Progression and conclusion on several workstreams with the Trustee are required. As part of the due diligence work undertaken for the buy-in, some clarifications were identified relating to the administration of certain historical plan benefits. The Group incurred a charge of £7.3m in 2025 representing the estimated effect of applying these clarifications on the UK Plan at the year end. The charge has been presented as an adjusting item as it is not reflective of underlying in-year performance. For further detail on the financial impact of the buy-in, see Note 33.

FINANCIAL REVIEW continued

The retirement benefit surplus in respect of the UK Plan decreased by £20.2m to £23.3m (31 December 2024 – £43.5m) due to £29.6m loss on assets and benefit clarification costs primarily related to the buy-in transaction explained above and £1.3m running costs partly offset by £10.7m of other net actuarial gains and interest income. The latest triennial actuarial valuation of the UK Plan as at 5 April 2025 showed a surplus of £23.3m (5 April 2022 – £24.5m). On 19 December 2025, the Company appointed ndapt Trustee Limited (“ndapt”) to replace Senior Trustee Limited as the sole professional trustee of the UK Plan, following an assessment of the governance structure and the workstream requirements following the buy-in.

Retirement benefit deficits in respect of the US and other territories decreased by £0.5m to £6.3m (31 December 2024 – £6.8m). The estimated cash contributions expected to be paid during 2026 in the US funded plans is £0.4m (£0.4m was paid in 2025).

Site relocation costs

Site relocation costs of £2.4m (2024 – £3.5m) include £1.5m (2024 – £3.0m) related to the transfer of some manufacturing from Senior Aerospace SSP's facility in California, US, to its cost competitive facility in Mexico. The Group also incurred £0.8m costs (2024- £0.5m) related to the transfer of our Innovation Centre in Oakdale, UK (previously Senior Flexonics Crumlin) to a nearby higher-tech facility to better support its scale, design, development, test and qualification capabilities.

Finance costs and income

Gross finance costs, net of Spencer consideration fair value change, were £21.5m (2024- £17.4m) and finance income was £8.6m (2024- £8.8m).

Net finance costs, net of finance income and before Spencer consideration fair value change, increased to £12.4m (2024- £10.8m).

Net finance costs comprise IFRS 16 interest charge on lease liabilities of £2.2m (2024 – £1.8m), net finance income on retirement benefits of £2.1m (2024- £2.0m) and net interest charge of £12.3m (2024- £11.0m). This increase was driven by higher underlying interest rates and higher average borrowings in 2025 versus the prior period.

Profit before tax

Adjusted profit before tax increased by 21% to £51.2m (2024 – £42.2m) reflecting higher adjusted operating profits partly offset by higher net interest costs.

Reported profit before tax decreased by £3m to £34.1m (2024 – £37.4m) reflecting higher net interest costs and the prior year benefit of Spencer consideration fair value change. The reconciling items between adjusted and reported profit before tax are shown in Note 9.

Tax charge/credit

The adjusted tax rate for the period was 22.1% (2024- 13.0%), being a tax charge of £11.3m (2024- £5.5m) on adjusted profit before tax of £51.2m (2024- £42.2m). The adjusted tax rate benefits from enhanced deductions for R&D expenditure in the USA as well as the geographical mix of taxable profits.

The reported tax rate was 19.9%, being a tax charge of £6.8m on reported profit before tax of £34.1m. This included £4.5m tax credit against items excluded from adjusted profit before tax, of which £0.4m related to amortisation of intangible assets from acquisitions, £0.7m related to site relocation costs, £0.3m related to corporate undertakings, £1.3m related to restructuring costs and £1.8m related to pension benefit clarification costs.

In 2024, the reported tax rate was 11.2%, being a tax charge of £4.2m on reported profit before tax of £37.4m. This included £1.3m tax credit against items excluded from adjusted profit before tax, of which £0.4m credit related to amortisation of intangible assets from acquisitions, £1.0m related to site relocation costs, £0.3m related to US class action lawsuit partly offset by £0.4m debit related to corporate undertakings.

Cash tax paid was £7.5m (2024- £7.4m) and is stated net of tax refunds received of £nil (2024- £1.2m) in respect of UK R&D expenditure credit payments and tax paid in prior periods.

**THE GROUP'S ADJUSTED
PROFIT BEFORE TAX WAS
£51.2M, AN INCREASE OF 21%
ON A REPORTED BASIS.**

Alpna Amar
Group Chief Financial Officer

OPERATING CASH CONVERSION

%

+400 bps

2025	90.0
2024	86.0

FREE CASH FLOW

£m

+37%

2025	35.8
2024	26.1

FUNDING HEADROOM

£m

+£62m

2025	221
2024	159

Earnings per share

The weighted average number of shares, for the purposes of calculating undiluted earnings per share, decreased to 413.4 million (2024 – 414.3 million).

The decrease principally arose from shares being released from the employee benefit trust to satisfy vesting of certain share-based payments. The adjusted earnings per share was 9.65 pence (2024 – 8.86 pence). Basic earnings per share was 6.60 pence (2024 – 8.01 pence). See Note 12 for details of the basis of these calculations.

Return on capital employed ("ROCE")

ROCE, a key performance indicator for the Group as defined on page 31, increased by 140 basis points to 13.1% (2024 – 11.7%). The increase in ROCE was mainly as a result of increased adjusted operating profit.

Research and design

The Group's expenditure on research and design was £15.7m during 2025 (2024 – £15.4m) representing 2.1% of revenue (2024 – 2.2%). Expenditure was incurred on funded and unfunded work, which primarily relates to designing and engineering products in accordance with individual customer specifications and investigating specific manufacturing processes for their production. The Group also incurs costs on general manufacturing improvement processes which are similarly expensed. Unfunded costs in the year have been expensed, consistent with the prior year, as they did not meet the strict criteria required for capitalisation.

Exchange rates

A proportion of the Group's operating profit in 2025 was generated outside the UK and consequently, foreign exchange rates, principally the US Dollar against Sterling, can affect the Group's results.

The 2025 average exchange rate for the US Dollar applied in the translation of income statement and cash flow items was \$1.31 (2024 – \$1.28). The exchange rate for the US Dollar applied to the translation of Balance Sheet items at 31 December 2025 was \$1.34 (31 December 2024 – \$1.25).

Using 2025 average exchange rates would have decreased 2024 revenue by £9.7m and decreased 2024 adjusted operating profit by £1.0m. A 10 cents movement in the £:\$ exchange rate is estimated to affect forecast full-year revenue on average by £32m, adjusted operating profit by £4m and net debt by £8m.

Free Cash flow

Free cash flow generated from continuing operations, as set out in the table below, was £35.8m (2024- £26.1m). The Group had a working capital outflow of £7.9m (2024- £8.6m) with timing of receivable collections. Working capital represented 13.5% of revenue (31 December 2024: 14.0%).

Gross capital expenditure was £32.6m (2024: £29.6m) which equates to 1.5 times (2024- 1.4 times) depreciation excluding the impact of IFRS16. We continue to invest in our asset base to support organic growth across the business. For example, in the first half, we invested in vertical integration within our Bartlett plant, USA and supported the site relocation of our plant in Oakdale, UK. For the full year 2026, capital expenditure is expected to be 1.3 times depreciation.

FINANCIAL REVIEW continued

	2025 £m	2024 £m
Operating profit	47.3	46.8
Amortisation of intangible assets from acquisitions	1.6	1.6
Site relocation costs	2.4	3.5
US class action lawsuit	–	1.1
Pension benefit clarifications	7.3	–
Restructuring costs	5.0	–
Adjusted operating profit	63.6	53.0
Depreciation (including amortisation of software)	28.7	27.3
Working capital and provisions movement, net of restructuring items	(7.9)	(8.6)
Pension contributions	(0.8)	(0.8)
Pension service and running costs	1.6	1.6
Other items ¹	4.5	2.5
Capital expenditure	(32.6)	(29.6)
Sale of property, plant and equipment	0.3	–
Operating cash flow	57.4	45.4
Interest paid, net	(14.1)	(11.9)
Income tax paid, net	(7.5)	(7.4)
Free cash flow	35.8	26.1
Site relocation costs paid	(2.4)	(1.6)
Restructuring costs paid	(1.5)	(0.5)
Corporate undertakings ²	(13.8)	(11.5)
Dividends paid	(10.3)	(10.1)
Dividends from Joint Venture	1.0	3.0
Purchase of shares held by EBT net of repayments	(7.4)	(4.9)
Net cash flow Continuing Operations ³	1.4	0.5
Free cash flow Discontinued Operations	(3.1)	(8.8)
Net proceeds and disposal costs Discontinued Operations	88.7	(1.5)
Net cash flow Discontinued Operations	85.6	(10.3)
IFRS 16 and other net debt Discontinued Operations	33.5	–
Effect of foreign exchange rate changes	7.6	(3.1)
IFRS 16 non-cash additions and modifications including acquisition	(15.8)	(12.9)
Change in net debt	112.3	(25.8)
Opening net debt	(229.6)	(203.8)
Closing net debt	(117.3)	(229.6)

1 Other items comprises £4.7m share-based payment charges (2024 – £4.0m), £(3.0m) profit on share of joint venture (2024 – £(1.3m)), £3.0m working capital and provision currency movements (2024 – £(0.2m)) and £(0.2m) profit on sale of fixed assets (2024 – £nil).

2 Corporate undertakings comprise Spencer acquisition items including £13.0m contingent consideration payment and £0.8m of other acquisition related costs paid during 2025.

3 Net cash flow, a non-statutory item enhancing the understanding of movements in net debt, is free cash flow (defined in note 31c) after corporate activity such as acquisitions, restructuring, disposal activities, financing and transactions with shareholders.

Financial Summary – Discontinued operations

The Group completed the sale of its Aerostructures business on 31 December 2025 to Sullivan Street Partners, a UK-based mid-market private equity investor, for total estimated consideration of £116.8m, comprising initial proceeds of £95.7m and estimated customary adjustments and fair value contingent consideration receivable of £21.1m. Net assets disposed were £147.3m (£210.0m working capital and other assets net of held for sale depreciation stoppage, £27.2m goodwill, partly offset by £35.3m finance lease liabilities and £54.6m recycling of historical foreign currency net gains) and disposal costs were £11.7m, which resulted in a full year net loss before tax of £42.2m. The full financial impact of the sale is subject to finalisation of several customary adjustments, such as working capital adjustments as well as confirmation of the earnout. See Note 35 for further details on the financial impact of the sale of Aerostructures in 2025.

Revenue in Aerostructures grew by 15% in 2025 from £272.4m to £312.5m and reported operating profit improved by 195% to £6.2m (2024- £6.5m loss). After accounting for the £42.2m loss on disposal (2024- £nil) and £3.0m net interest costs, reported loss before tax was £39.0m (2024- £9.6m loss). Free cash outflow for the period was £3.1m (2024- £8.8m), reflecting increased levels of working capital as trading increased in the period as well as investment in capital.

Net debt (Continuing and discontinued operations)

Net debt which includes IFRS 16 lease liabilities decreased by £112.3m to £117.3m at 31 December 2025 (31 December 2024 – £229.6m). As noted in the cash flow summary on the previous page, the Group generated net cash flow of £87m, before £7.6m favourable foreign currency movements and £15.8m non-cash changes in lease liabilities due to additions and modifications and £33.5m related to the disposal of Aerostructures lease liabilities and other net debt.

The Continuing Group generated net cash flow of £1.4m and Aerostructures was £3.1m outflow before £88.7m inflow related to net proceeds received and disposal costs. The Continuing Group paid £13.8m in respect of the Spencer acquisition consideration and other related costs, £2.4m in site relocation costs, £1.5m restructuring costs, £10.3m in dividends and purchased £7.4m in shares for the employee benefit trust. In addition, the Group received a £1.0m dividend from its joint venture in China.

Net debt excluding IFRS 16 lease liabilities of £44m (31 December 2024 – £76.2m) decreased by £80.1m to £73.3m at 31 December 2025 (31 December 2024 – £153.4m).

Funding and Liquidity

At 31 December 2025, the Group held committed borrowing facilities of £293.8m, comprising five private placement loans, two rolling credit facilities and a Term Loan facility. The Group had headroom of £220.5m under these committed facilities.

In February 2025, new private placement notes of \$40m (£32m) were issued and drawn down, carrying an interest rate of 5.46% and are due for repayment in February 2029. In June 2025, the Group extended the maturity of its \$50m US Revolving Credit Facility (“RCF”) to June 2027. On 24 July 2025, a Term Loan Facility of £30m was issued for a period of 6 months, at a variable interest rate.

This facility was issued as a short-term committed facility increasing headroom until the disposal of the Aerostructures business on 31st December 2025. The facility has been repaid in full on 23 January 2026. In October 2025, the \$60m private placement notes were fully repaid.

The weighted average maturity of the Group’s committed facilities was 2.1 years at 31 December 2025.

Net debt (defined in Note 31c) was £117.3m, including £44.0m of capitalised leases. The Group’s lending covenants under its borrowing facilities exclude the impact of these leases. There are two covenants for committed borrowing facilities, which are tested at June and December: the Group’s net debt to EBITDA (defined in the Notes to the Financial Headlines) must not exceed 3.0x and interest cover and the ratio of EBITDA to interest must be higher than 3.5x. At 31 December 2025, the Group’s net debt to EBITDA was 0.9x and interest cover was 7.0x, both comfortably within covenant limits. For all testing periods within the Going Concern Period (defined in Note 2), there is sufficient headroom to remain within the covenant limits and the Group’s committed borrowing facilities, even in a severe but plausible downside scenario.

Alpna Amar
Group Chief Financial Officer

SUSTAINABILITY REVIEW

Continued sustainability leadership

WE EXCEEDED OUR 2025 NEAR-TERM SBTI TARGET WITH A 39% REDUCTION IN SCOPE 1 AND 2 EMISSIONS, ACHIEVED CDP 'A' RATINGS FOR OUR CLIMATE DISCLOSURES AND CONTINUED TO STRENGTHEN OUR SAFETY CULTURE.

Mark Roden
Group Director of HSE & Sustainability



Sustainability at Senior

At Senior, sustainability is not a separate initiative it is woven into the fabric of our operations, decision-making, and value creation. Our integrated approach ensures that responsible practices guide how we innovate, manufacture, and grow.

Climate action is central to our sustainability ambition and underpins our business strategy, particularly in the development and production of IP-rich fluid conveyance and thermal

management solutions that enable efficiency and decarbonisation across industries.

We hold ourselves accountable for the environmental and social impacts of our activities. By aligning with global standards and responding to stakeholder expectations, we are building a more resilient business- one that supports a just transition and creates enduring value for all.

We are contributing to the following UN Sustainable Development Goals:

- 3 GOOD HEALTH AND WELL-BEING** We manufacture precision medical components and are a trusted partner in life-critical applications
- 6 CLEAN WATER AND SANITATION** All facilities provide safe drinking water and adequate sanitation for both staff and visitors.
- 7 AFFORDABLE AND CLEAN ENERGY** We continue to progress our agenda to maximise the use of clean energy in our facilities.
- 8 DECENT WORK AND ECONOMIC GROWTH** We provide high-quality employment opportunities with strong growth potential for the communities in which we operate.
- 11 SUSTAINABLE CITIES AND COMMUNITIES** We provide products which reduce vehicle emissions helping our cities to improve air quality.
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION** We constantly monitor our processes to reduce waste and maximise efficiency.
- 13 CLIMATE ACTION** Our climate programs continue to deliver meaningful reductions in our operational carbon emissions.

With 24,000+ organisations reporting to CDP, we're delighted to earn an A score for the fourth consecutive year.



ENVIRONMENT

Continuing to make measurable progress toward our ambitious environmental targets

Scope 1 and 2 emissions reduction against our 2018 baseline

39%

Recycling rate

92.4%

[Read more about our progress in Environment in Sustainability on pages 46 to 49](#)

SOCIAL

Fostering a global safety culture that begins with senior leadership

Percentage of women on the Senior plc Board

44%

Total Lost Time Injury and Illness Rate

0.30

[Read more about our progress in Social in Sustainability on pages 50 to 53](#)

GOVERNANCE

Our Purpose articulates our commitment to long-term value creation for our stakeholders

Percentage of employees who completed annual Code of Conduct training

96%

Accreditation for all Senior legacy businesses

ISO 14001

[Read more about our progress in Governance in Sustainability on pages 54 to 55](#)

Senior’s material sustainability topics

In 2024, the Group applied the Double Materiality Assessment process to assess sustainability-related risks, impacts and opportunities. These were identified through reviews of internal documents, industry bodies, regulators, investor ratings, customers, peers and sector reports. Senior also consulted internal and external stakeholders to understand which topics they viewed as potentially material, creating a short list of quantifiable topics. Each short listed topic was assessed on an inherent basis,

using the time horizons aligned to the Corporate Sustainability Reporting Directive (CSRD) reporting framework. Impact materiality was evaluated using European Sustainability Reporting Standards (ESRS) and European Financial Reporting Advisory Group (EFRAG) guidance on scale, scope and remediability. Financial materiality considered potential effects on revenue, profit, cost of capital and asset values. The risks, impacts and opportunities (IROs) shown in the table below, are relevant to all of the Group’s market sectors.

Key

- + Positive impact
- Negative impact
- ⊗ Financial risk
- Financial opportunity
- S Short-term (1 year)
- M Medium-term (1-5 years)
- L Long-term (>5 years)

Topic and Sub-topic	IRO	Upstream	Own operations	Downstream	Time Horizon	Further information
		IRO definition				
Environment						
R&D and product innovation	+	Switching to low-emission technology cuts GHG emissions, reducing climate harm			M L	Pages 16-19, 67
Product design	+	Expansion of low-emission products helps hard-to-decarbonise sectors adopt clean energy, reducing climate harm			M L	Pages 16-19
Climate change mitigation	-	GHG emissions from operations, supply chain and product use contribute to climate harm			M L	Pages 46-49
	+	Committing to Net Zero GHG emissions across the supply chain by 2040 limits climate impact			L	Pages 46-49
	⊗	Shift to low-emission products and activism against certain sectors may lower demand for some Senior products			M L	Pages 16-19, 67-69
	●	Changing customer preferences may raise demand for low-carbon products			M L	Pages 16-19
Responsible material sourcing and efficiency	-	Potential harm to environment through resource use			S M L	Page 55
Social						
Product performance, quality and safety	-			Potential harm from product component failure	S M L	Page 55
	⊗			Potential reputational and legal risks from failure to meet product standards	S M L	Page 55
Employment – own workforce	+		Fair and transparent work environment benefits employees		S M L	Pages 51-53
	-		Potential harm to employees due to failure to support health and wellbeing		S M L	Page 50
	⊗		Skill shortages may disrupt operations and lower product quality		S M L	Pages 51-53, 64
Workers – supply chain	-	Potential harm to workers in the supply chain			S M L	Pages 55, 62
Governance						
Data protection / cyber security	⊗	Failure to protect data can result in lost trust and legal action			S M L	Pages 55, 62
	-	Potential negative impact from data breaches on suppliers, employees and customers’ privacy			S M L	Page 55
Supply chain management	⊗	Potential disruption and reputation risk			S M L	Page 55, 62
Anti-bribery and corruption	⊗		Potential reputation and litigation risks		S M L	Page 55

SUSTAINABILITY REVIEW continued

Environment

ENVIRONMENTAL HIGHLIGHTS

- 39% reduction in Greenhouse Gas Emissions (GHG emissions) against a 2018 base year
- CDP A rating for climate disclosure and action and supplier engagement
- 92.4 % waste recycling (increase of 1.3% from 2024)
- 60 % sourcing of renewable electricity (increase from 52% in 2024).

39%
reduction in Scope 1 and 2 emissions

8%
increase in sourcing of renewable electricity

We continue to deliver strong, measurable progress toward our ambitious environmental goals. Our continued investment in sustainable manufacturing is accelerating our journey toward carbon neutrality and creating meaningful benefits for our customers, employees, communities, and wider stakeholders.

We take a proactive, science-based approach to tackling climate change, with our commitment to achieve Net Zero emissions by 2040 fully aligned with the Paris Agreement. Our targets, independently approved by the Science Based Targets initiative (SBTi), provides a robust, credible foundation that ensures our actions are both impactful and aligned with global climate science.

Energy management is a key driver of our success. By improving efficiency, expanding low-carbon energy use, and implementing smarter energy practices across our operations, we are reinforcing our leadership in climate action and actively contributing to a more sustainable future.

Our approach to climate transition planning



Economy-wide transition

Our Fluid Conveyance and Thermal Management technology allows us to support our customers with high-value solutions in the medium and long term as they transition to sustainable technologies.



Decarbonising Senior

Senior commits to reach Net Zero GHG emissions across the value chain by 2040 from a 2018 base year.



Climate-related risks and opportunities

Climate change has been identified as one of the Group's principal risks since 2019. Further details of climate-related impacts, risks and opportunities can be found on page 45.

Economy-wide transition

Senior is positioned at the heart of the global shift to low-carbon technologies. Our advanced fluid conveyance and thermal management systems enable customers to accelerate their transition to cleaner, more efficient platforms. These high-value solutions support both medium, and long-term decarbonisation across multiple sectors, reinforcing Senior’s role as a trusted partner in the evolution of sustainable technologies.

Decarbonising Senior

We are equally committed to transforming our own operations. Senior has pledged to achieve Net Zero GHG emissions across our entire value chain by 2040, using 2018 as our baseline year. This ambition is backed by science-based targets, real progress, and a clear decarbonisation roadmap that prioritises energy efficiency, renewable energy, and supplier engagement.

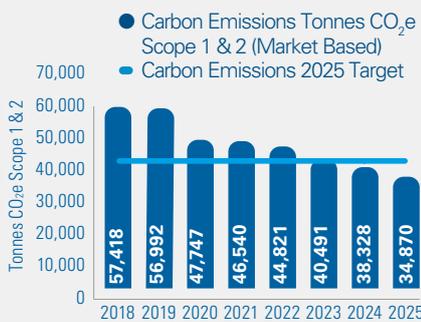
Progress towards our certified Science-Based Targets

CARBON DIOXIDE EMISSIONS SCOPE 1 AND 2 (MARKET-BASED)

Total tonnes CO₂e

39.3%

from 2018 base year



In 2025, our absolute Scope 1 and 2 Greenhouse Gas (“GHG”) emissions reduced from 57,418 tCO₂e (2018) to 34,870 tCO₂e. We have exceeded our SBTi 2025 target with a 39.3% reduction against our 2018 base year.

We remain firmly committed to reducing our operational emissions and are delivering this through a structured carbon reduction programme centred on:

- Improving energy efficiency across all facilities and processes
- Expanding on-site renewable generation through solar photovoltaic installations
- Increasing procurement of low-carbon and renewable electricity wherever market conditions allow

These actions are delivering tangible progress toward our climate objectives and reinforcing our contribution to the global transition to a low-carbon economy.

In 2025, our businesses continued to prioritise reducing Greenhouse gas emissions, extending the generation of on-site solar capacity, and upgrading plant and equipment with more energy-efficient technologies.

CASE STUDY: SENIOR FLEXONICS CAPE TOWN SOLAR PV PROJECT



Enhancing Operational Resilience Through Renewable Energy

In 2025, Senior Flexonics Cape Town undertook a Solar PV installation project. The initiative was driven by the need to reduce reliance on the national grid electricity, to lower operating costs and to minimise the environmental impact of emissions.

The solar installation is expected to reduce GHG emissions by Senior Flexonics Cape Town by approximately 70,000 kg per year, while also providing the operating

business with a far more stable power supply and decreasing its dependence on generators during occasional power failures in the City of Cape Town.

This project illustrates how financial planning is applied to address climate-related risks and capitalise on opportunities within our operational regions, leading to improved energy reliability and strengthened business continuity.

SUSTAINABILITY REVIEW continued
ENVIRONMENT continued

Progress on Near-Term Science-Based Targets

Scope 1 and 2

We achieved our 2025 Near-Term Science-Based Target for Scope 1 and 2 emissions a year early in 2024, in 2025 we surpassed this with a 39% reduction compared to our 2018 Base Year.

In summary across 2025:

- Achieved a 9% reduction in total Scope 1 and 2 emissions (market-based) in 2025 compared to 2024.
- Achieved a 39% reduction in Scope 1 and 2 emissions against our 2018 baseline.
- Increased the sourcing of renewable electricity to 60% in 2025, up from 52% in 2024.

Scope 3

Scope 3 emissions are generated from activities outside of Senior's direct control, yet they make up a significant proportion of our overall carbon footprint. Because these emissions occur across our value chain and extend well beyond the boundaries of Scope 1 and 2, they remain a central focus within our decarbonisation strategy.

Purchased goods and capital goods contribute the largest share of our Scope 3 profile, which makes strong supplier engagement essential. Reducing these emissions depends on active collaboration, transparent reporting and a shared commitment to climate action.

Since 2021, we have partnered with CDP to strengthen our engagement with suppliers, promoting best practices and building capability across the value chain. This long-standing collaboration is supporting progress toward our SBTi-approved Scope 3 supplier engagement targets and reflects our ambition to deliver meaningful, lasting emission reductions beyond our own operations.

Through our climate engagement programme, we continued our partnership with CDP in 2025, engaging more than 120 key suppliers, with a response increase of 16% compared with 2024. This demonstrates growing momentum across our supply base. To further support

smaller suppliers and those new to greenhouse gas accounting, we provide a simplified climate information request template, helping them build confidence and capability in reporting.

The information gathered through these engagements is used to calculate our Scope 3 emissions from purchased goods and capital goods. This refined methodology represents a significant improvement on previous spend-based calculations, delivering more accurate and actionable insights.

Senior has committed that 82% of its suppliers by spend (covering purchased goods, services and capital goods) will have SBTi in place by 2025. This SBTi target recognises supplier engagement as best practice in Scope 3 categories where direct control is limited.

Using data from our CDP engagement, direct supplier requests and information from more than 1,000 suppliers, we have analysed the extent to which environmental and carbon-related targets are embedded across our supply chain. This analysis shows that:

- **Around 56%** of suppliers by spend have environmental-related targets in place
- **Around 43%** of suppliers by spend have specific carbon-reduction targets

To support suppliers that are still developing their approach, we continue to provide a simple carbon-target tool aligned with science-based principles. This practical tool helps suppliers define, implement and monitor credible carbon-reduction goals.

Our current SBTi engagement commitment expires at the end of 2025 and will be replaced by rebased Net-Zero and Near-Term targets. While it is likely that future Scope 3 targets may shift toward absolute reductions rather than engagement-based goals, our supplier engagement programme will continue. The data, insights and collaboration it enables are essential to our long-term decarbonisation strategy and our commitment to supporting the sustainability journey of our supply chain.

Our progress in supplier engagement has also been recognised externally: **CDP awarded Senior a Supplier Engagement Leadership award**, reflecting the strength, transparency and impact of our approach.

In 2025, we were pleased to again achieve an A rating from CDP for Climate Disclosure and Action, marking our fourth consecutive year at the highest level. With more than 24,000 organisations reporting to CDP, we are honoured to be among the select few recognised with an A score. This continued achievement underscores our leadership in transparent climate reporting and highlights the strength and consistency of our approach within our peer group.



Energy efficiency actions

In 2025, we continued to advance energy efficiency across our global operations, delivering environmental improvements. Key initiatives included upgrading building insulation, enhancing heating, ventilation, and air conditioning (HVAC) systems, and expanding LED lighting installations.

We also focused on improving energy efficiency in production processes, implementing machine and equipment upgrades, optimising compressed air systems, and introducing heat recovery initiatives. These actions are helping us reduce energy consumption while supporting operational performance.

Eleven Senior operating businesses (nine from continuing operations) have now adopted advanced energy monitoring software, providing detailed insights into gas, electricity, and water usage. These systems allow plants to track consumption by service category, benchmark against baselines, and assess cost impacts through interactive dashboards. They also enable rapid detection of anomalies, supporting prompt investigations and corrective actions.

Through these ongoing initiatives, we are not only improving energy efficiency but also embedding a culture of continuous environmental improvement across our operations.

Waste

In 2025 we continued our focus on reducing waste in our operations. Examining our production processes carefully and continuing to assess options to recycle and reuse our waste products.

This has resulted in an increase in recycling rate to 92.4% from 91.1 % in 2024.

Eleven of our operational sites achieved zero waste to landfill in 2025.

For information on hazardous waste, please see: www.seniorplc.com/sustainability

Water

In 2025, our total water consumption rose to 256 megalitres, up from 240 megalitres in 2024, reflecting increased production activity and the growing demand for our products.

While higher production drives water use, we remain committed to minimising the environmental impact of our operations through smarter water management. In particular, we are prioritising water efficiency in regions facing significant water stress.

Looking ahead to 2026, we will focus on targeted initiatives to reduce water consumption in high-risk areas, ensuring our operations continue to grow sustainably while protecting vital water resources. These efforts demonstrate our commitment to responsible resource management and leadership in water stewardship across our global operations.

In compliance with Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 – Streamlined Energy and Carbon Reporting (SECR)

	1st Jan 2025 to 31st Dec 2025			1st Jan 2024 to 31st Dec 2024		
	UK and Offshore	Global excluding UK and Offshore	Total	UK and Offshore	Global excluding UK and Offshore	Total
Scope 1: Combustion of fuel and operation of facilities	1,075	7,877	8,952	1,140	6,805	7,945
Scope 2 (location based) Electricity, heat and steam purchased for own use	2,302	42,734	45,036	2,381	42,975	45,356
Scope 2 (market based) Electricity	0	25,918	25,918	0	30,293	30,293
Total gross Scope 1 and 2 (location based) emissions/tCO ₂ e	3,377	50,530	53,907	3,521	49,780	53,301
Energy consumed in MWh to calculate above emissions	17,453	134,613	152,066	16,872	129,121	145,993
Scope 3: Business travel, waste, water	145	1,812	1,957	283	2,382	2,665
Total Gross emissions/tCO ₂ e (Scope 2 location based)	3,522	52,342	55,864	3,804	52,162	55,966
Intensity measure/tonnes CO ₂ emitted per £m of revenue	22	59	53	23	63	57
Water usage (in megalitres)	26	230	256	25	215	240
Percentage of waste recycled or recovered	100%	92%	92%	100%	91%	91%

Methodology

The Group calculates and reports GHG emissions in line with the GHG Protocol. Three data sources are used: UK Government GHG Conversion Factors (DEFRA full set for advanced users, 2025), US EPA eGRID emission factors for US electricity (2025), and IEA emission factors (2025 edition). Scope 2 emissions are reported using both location- and market-based methods. Market-based utility emission rates were collected between December 2025 and January 2026 as the best available data for the reporting year. As these factors are periodically updated, they represent our best estimate at the time of reporting.

Each Senior business reports environmental performance monthly through the Group's financial reporting process. Scope 1 and 2 emissions (location- and market-based, FY25) are independently assured in accordance with the International Standard on Assurance Engagements ISAE 3410 (limited assurance).

The Group applies the financial control approach, accounting for 100% of emissions from operations it controls, covering all wholly owned operations and subsidiaries for financial reporting purposes.

Limited Scope 3 emissions are shown above. Full, externally assured Scope 3 disclosures for 2025 will be published on our website and in our CDP Climate Change submission.

Total waste includes hazardous and non-hazardous solid, sludge and liquid materials (including wastewater since 2019) sent off-site for disposal, treatment, recycling or reuse. By-products or scrap reused in production, and wastes managed by third-party contractors, are excluded. DEFRA conversion factors are applied globally to estimate waste-related carbon emissions. We obtain limited assurance over the recycling rate in accordance with International Standard on Assurance Engagements 3000 (Revised).

SUSTAINABILITY REVIEW continued

Social

SOCIAL HIGHLIGHTS

- Continued to strengthen our safety culture with our global “Safety is in Your Hands” campaign
- Completion of our supervisor behavioural safety in-person workshops
- Senior’s engagement programme stayed strong in 2025, emphasising recognition, communication and workplace improvements
- Capability development and digital readiness became a focus point with Senior’s AI Thinktank and Masterclasses delivered empowering leaders

7.5
Employee engagement index

0.30
lost time illness and injury and illness rate per 100 employees

Senior operates a comprehensive, Group-wide Environment, Health and Safety (EHS) Management Framework, which incorporates robust risk evaluation processes and operational controls across all facilities. The framework is subject to annual audits conducted by ISO-trained personnel, providing independent assurance of its effectiveness. Seven of our operating businesses have already transitioned from OHSAS 18001 to ISO 45001, reflecting our ongoing alignment with leading international standards. Employees across the Group receive regular environment, health and safety training tailored to their specific roles, work areas and responsibilities.

In 2025, there were no work-related fatalities involving employees or contractors across the Senior Group, and no major (serious or life-changing) injuries were recorded. This performance reflects the strength of our safety systems and the ongoing commitment of our people.

While we continued to operate at world-class injury rate levels, both Total Recordable Injury and Illness Rates and Lost Time Injury Rates increased in 2025 compared to 2024. In response, and as part of our commitment to continuous improvement, we implemented two major global safety initiatives in addition to our routine auditing and support activities.

The first initiative focused on strengthening leadership capability at supervisory level, equipping supervisors with enhanced behavioural safety skills to better anticipate risk and intervene before injuries occur. The second initiative targeted hand safety, the most common injury type within Senior due to the nature of manufacturing components with sharp metallic edges prior to finishing. The Group-wide “Safety Is in Your Hands” programme was launched in the third quarter of 2025 and will continue into 2026.

These targeted actions have already contributed to a positive trend in safety performance during the second half of 2025. Building on this momentum, we remain firmly focused on our goal of continuous improvement and on further strengthening our health and safety culture across all operations.



In 2025, we worked to improve hand-injury prevention by launching our “Safety is in your Hands” campaign, strengthening daily behaviours, improving safety conversations, and increasing vigilance when handling material and tools across our operating businesses.

Health and safety

The health, safety and wellbeing of our employees and contractors remain a fundamental priority for Senior. Our commitment to achieving world-class health and safety standards is embedded across the Group and is recognised as a core responsibility at every level of the organisation.

We actively encourage all employees to take personal ownership of safety by identifying and reporting unsafe work practices or potentially hazardous situations. In 2025, this proactive culture resulted in approximately 18,000 near-miss reports, providing valuable insight into risks before harm occurs. Good practices and key learnings are routinely shared across the Group through regional meetings and our intranet, reinforcing a strong culture of continuous improvement.

Senior plc’s social sustainability agenda in 2025 continued to build on the strong foundations established in previous years, deepening our commitment to inclusion, capability development, culture, wellbeing and community engagement. Our people centred approach remained core to our business model, supported by initiatives aligned to our Values of Safety, Integrity, Customer Focus, Respect & Trust, Accountability and Excellence. These values guided us in creating an environment where colleagues feel safe, supported and empowered to contribute to our Purpose of helping ‘engineer the transition to a sustainable world for the benefit of all our stakeholders’.

We remained firmly committed to equal opportunities, fairness, work life balance and eliminating discrimination for all employees and applicants. Senior’s leaders strive to cultivate a workplace in which everyone can thrive, reach their full potential and contribute meaningfully to our long-term success. We recognise the value of diverse perspectives and encourage individuals to speak openly, engage respectfully and embrace different viewpoints. Our people policies, processes and behaviours reinforce these expectations across talent acquisition, development, succession and progression.

Inclusion

In 2025, Senior continued to embed inclusive practices across recruitment, development, leadership behaviour and everyday decision-making, reinforcing our commitment to being an equal opportunities employer. Our Human Rights Policy and Code of Conduct—translated into our designated languages—set clear expectations for respectful behaviour, fairness and dignity at work. All employees again completed annual Code of Conduct training, strengthening awareness of rights and responsibilities and supporting a culture grounded in ethical conduct.

Our Preventing Harassment and Promoting Respect training reinforced expectations for inclusive and professional behaviour, promoting psychological safety and supporting a strong speak up environment across all operating businesses. We maintain zero tolerance for discrimination, harassment or bullying of colleagues or third parties.

WE RECOGNISE THE CONTRIBUTIONS OF OUR PEOPLE, WHOSE COMMITMENT AND CONTINUOUS LEARNING DRIVES IMPROVEMENT AND LONG-TERM SUCCESS.

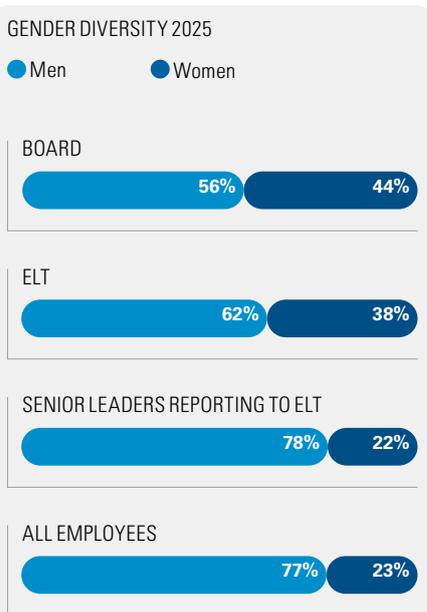
Silvia Schwark
Executive Vice President Human Resources



Inclusive communication and engagement remained a hallmark of our decentralised operating model. Operating businesses continued to use mechanisms such as round table discussions, focus groups and skip level meetings to ensure diverse perspectives are heard. Local initiatives such as the Kudos Wall at Senior Aerospace Metal Bellows (see case study) and the Employee App launched at Senior Aerospace BWT (BWT) and Senior Flexonics Czech further strengthened dialogue, transparency and accessibility.

Feedback from across the Group highlighted inclusive team dynamics, open communication channels and consistent application of inclusive work practices.

The table below shows the Group’s Board of Directors, Executive Leadership Team (ELT) and operational senior management in 2025 by gender.



Training & Development

Training and capability development continued to be a priority in 2025, supporting Senior’s autonomous and collaborative operating model. Operating businesses carry out their own training needs analysis and development planning, drawing also on local and Group programmes and on Group’s eLearning platform, which provides a rich suite of courses for both individuals and businesses. This ensured consistent access to technical, on the job and skills based learning across the Group.

Group level activity focused on preparing for future capability shifts. The AI thinktank delivered a masterclass for General Managers, Senior Leaders and the ISIT community to strengthen digital readiness. People manager development remained a major emphasis, with Senior Flexonics New Delhi establishing a dedicated training room for onboarding and manager capability building, and Senior Aerospace SSP, California launching a comprehensive supervisor development programme to upskill frontline leaders. We will continue to broaden our efforts in this area.

Technical skill development was advanced locally, supported by a structured skill matrix in several businesses, including Senior Aerospace Thermal Engineering. Across 2025, Senior expanded structured development programmes such as engagement training for General Managers, supervisors and HR leaders, technical upskilling and multiskilling across China, Europe and North America, and the Owning My Impact leadership programme. Strong apprenticeship schemes in the UK and partnerships with colleges in the US and Europe further strengthened early career pipelines.

SUSTAINABILITY REVIEW continued
SOCIAL continued

Our culture

In 2025, Senior continued to strengthen a culture grounded in decentralised empowerment, values based leadership and continuous improvement, reflecting the principles of The Senior Way. Our culture is defined by openness, respect and trust, and people take pride in teamwork and in supporting one another across all operating businesses. A significant proportion of learning continued to occur on the job, reinforced by a strong culture of knowledge sharing and practical support in building technical capability.

Employee engagement remained stable at an index score of 7.5, supported by a strong 88% participation rate, demonstrating continued commitment from colleagues across the Group. Insights from the Global Employee Opinion Survey, along with newly introduced external manufacturing benchmarks, enabled leaders to shape focused improvement actions. The evolution from a survey approach to a broader engagement programme, including leader webinars on building engagement and good practice sharing, further strengthened local ownership of cultural outcomes.

Local communication remained central to our culture. Operating businesses reinforced transparency through townhalls, all hands sessions and regular Gemba walks. Examples include Senior Aerospace Thermal Engineering's "yellow brick road," a visual, shopfloor based communication system driving engagement and clarity, and Senior Aerospace BWT's continuous improvement process using "yellow tickets" to capture and act on employee ideas with rapid feedback.

These practices exemplify Senior's belief that culture is a shared responsibility and a driver of collaboration, performance and pride across the Group. In addition to local channels, employees also have access to Senior's confidential NAVEX Speak Up system, providing a secure route to raise concerns directly with Group when local culture may, in rare cases, make speaking up more difficult.

Projects in 2025

In 2025, operating businesses advanced a range of improvement projects aligned to our engagement survey insights, which highlighted the need for strengthened communication, improved workplace environments and enhanced collaboration across teams. These projects reinforce our Values based culture and support our commitment to enabling colleagues to work effectively in modern, safe and motivating environments.

A key focus area was upgrading physical workspaces to better support flexible, activity based working. Senior Flexonics Kassel launched its new multi space office concept, designed to help employees select the most appropriate setting for each task and adapt to increasingly complex and dynamic work demands. In Oakdale, Wales, we opened a new Innovation Centre, providing a state of the art environment for co-working, brainstorming, and customer interaction; Senior Aerospace Spencer (US), Senior Aerospace Mexico and Senior Aerospace Thermal Engineering (UK) invested in refreshed canteens, break areas and communal spaces, directly addressing employee feedback on workplace facilities.

Businesses also strengthened local participation and transparency through initiatives designed to build pride and understanding of day to day operations. Examples include Senior Aerospace Metal Bellows' internal project fair, where employees presented their projects to peers, and Senior Aerospace BWT's

CASE STUDY: SENIOR AEROSPACE METAL BELLOWS CELEBRATES STAR BEHAVIOURS



Employee Engagement Action Plan impact:
Building Inclusion through Everyday Appreciation

At Senior Aerospace Metal Bellows, inclusion and everyday appreciation shaped the thinking behind the launch of the Kudos programme in April. The initiative reinforces the STAR behaviours – Support, Teamwork, Accountability and Respect – through real time recognition displayed visibly on the Kudos Wall. Each nomination adds a star featuring the nominee, nominator and recognised behaviour, creating a continuous, site wide celebration of positive actions. With around 70 stars appearing each month, employees regularly gather to see new nominations, generating visible excitement and reinforcing cross department support. The programme has delivered better impact than expected and strengthened teamwork, increased upward and cross functional feedback and built pride across the shop floor.

guided factory tours, which helped colleagues better understand end to end processes, interdependencies and the impact of their work.

Together, these projects reflect Senior's focus on listening to employees, acting on feedback and creating environments where people feel informed, connected and proud of their contribution.

Employee wellbeing

Employee wellbeing remained an important pillar of Senior's sustainability strategy in 2025, supporting colleagues' physical, mental and social health across our global operations. The Global Employee Opinion Survey included dedicated wellbeing questions, and the overall score improved to 7.7, reflecting strong engagement with wellbeing activities and resources available across the Group.

Operating businesses delivered a wide range of initiatives tailored to their local needs. Senior Flexonics New Delhi and Senior Flexonics Bartlett (US) hosted Health and Wellbeing Days featuring local health providers, external speakers and on site clinics, including flu vaccinations and blood donation opportunities. Senior Aerospace Bird Bellows (UK) continued its focus on sleep health awareness, while multiple sites delivered mental health campaigns, wellness sessions and broader wellbeing resources accessible to colleagues. Menopause awareness, pension effectiveness and preventive health education were also integrated into local programmes.

Financial wellbeing remained an important area of support. In the UK, employees continued to access our financial wellbeing service, and several sites invited external benefits partners directly into their facilities to answer employee questions and provide personalised guidance.

We also continued to emphasise occupational health through ergonomics and safe working practices under our Health & Safety frameworks. Social wellbeing was strengthened through team building activities, sports events and family days held at locations such as Senior Aerospace Metal Bellows and Senior Aerospace Spencer, supporting connection and community across teams.

Communities

In 2025, Senior's operating businesses continued to play an active role in supporting the communities in which we work, reflecting our Purpose of engineering a sustainable world and our commitment to building positive local impact. Activities were rooted in education, skills development, social inclusion and broader community wellbeing, with each business tailoring its contributions to local needs.

Fundraising and charitable engagement remained strong across the Group. Examples included the Senior Aerospace Metal Bellows' 5k charity run, McMillan Coffee Mornings across UK sites, elderly support programmes and Comic Relief fundraising at Senior Aerospace Bird Bellows. In France, Senior Aerospace Ermeto continued to run its secondary school girls' mentoring programme, helping encourage young women to explore technical and engineering careers.

Our businesses also strengthened early career development through internships in Senior Flexonics Czech and Senior Aerospace Metal Bellows, alongside 10 apprenticeships in the UK, supporting local talent pipelines and workforce readiness. Many sites hosted open days for families, schools and colleges, as well as local cultural and social activities that reinforced community connection and visibility.

Leaders across operations continued to serve on boards of Commerce in both Germany and the UK, strengthening relationships with regional stakeholders. Additional contributions included facility-related collaborations, financial literacy sessions, volunteering to support vulnerable groups and inclusion focused activities. These initiatives collectively advanced our social purpose and deepened our engagement with the communities that support our business.

Looking ahead to 2026

In 2026, we will continue building on the strong foundations our teams have created, deepening collaboration and enhancing transparency across our operating businesses. We will run our next Group wide engagement survey in May 2026, using the results to evaluate progress, celebrate what is working well and shape further targeted actions that reinforce our Values based culture. At the same time, we will maintain robust monitoring, governance and compliance processes to ensure we uphold our Values, adhere to the highest ethical standards, and remain vigilant in identifying and addressing emerging risks across the organisation.



Senior Aerospace Bird Bellows' (SABB) apprenticeship programme enables successful certification, developing proud apprentices whose growing talent strengthens SABB and supports wider community development.

SUSTAINABILITY REVIEW continued

Governance

GOVERNANCE HIGHLIGHTS

- Continued with the annual Code of Conduct training across all functions, reinforcing ethics, integrity and compliance standards
- Strengthened Group-wide cyber security through focused phishing awareness training
- Continued enhanced intermediary checks, ensuring stronger oversight and responsible business conduct

96%
annual Code of Conduct completion rate

Senior’s Purpose – “We help engineer the transition to a sustainable world for the benefit of all our stakeholders” – articulates our commitment to long-term value creation for our stakeholders.

Effective governance of sustainability-related matters is fundamental to ensuring that decision-making consistently supports the Company’s Purpose. The Executive Leadership Team is responsible for managing sustainability-related matters. Oversight is provided by the Board of Directors, who receive regular updates on sustainability performance and initiatives during scheduled Board meetings.

The Senior plc Code of Conduct – Ethical Foundation

The Senior plc Code of Conduct (the Code), available on the Company’s website and intranet, guides employees and business partners in making the right choices when conducting day-to-day business. It:

- clearly sets out the behaviour expected of all employees and business partners;
- provides practical guidelines to help employees to apply Senior’s Values; and
- enables everyone to raise concerns or ask a question if in doubt.

Bringing the Code to life

- The Code includes work-related scenarios and Q&As to help employees relate to the Code and their roles in the working environment.
- The Code applies to all employees, whether performing their day-to-day duties or representing Senior.

2025 Global Code of Conduct Training

Module	Focus area
Promoting Safety and Security at Work	Workplace safety, hazard identification, risk assessment, incident reporting and procedures to maintain a secure working environment.
International Trade Compliance	Global trade laws, regulations, sanctions, compliance requirements and procedures for importing and exporting goods and services
Phishing	Types of phishing, potential targets, methods to identify phishing attempts, and strategies to minimise associated risks.

How we promote and ensure compliance

- Printed copies of the Code, available in all languages applicable to the Group employees, are provided to all employees.
- Annual Code of Conduct training is mandatory for all employees.
- Senior Leadership Team reinforce the Code and ethical standards during regular visits to the Group’s operating businesses.
- Internal audits and the annual Control Self-Assessment test compliance with material elements of the Code, compliance training completion and visibility of the Group’s whistleblowing procedures.
- Code-related risks are assessed at both operating business and Group levels as part of the Group’s risk management framework.
- All violations or complaints are investigated and remedied as needed. Fraud issues are reviewed by the Audit Committee, including root-cause analysis, mitigating actions and internal control improvements.

Data protection

The Company and relevant Group operations maintain processes to ensure personal data is securely managed and accessed only for legitimate business purposes in line with applicable laws. As the Company is not a public authority and does not conduct large-scale processing of special categories of data or criminal-offence data, it is not required to appoint a data protection officer.

The Group’s Acceptable Use Policy provides guidance on the proper use of IT and operational technology, outlining controls to mitigate risks such as data loss, system disruption and malware. The Company is registered with the Information Commissioner’s Office.

Cyber security

Information on how we manage cyber security risk can be found on page 62.

The executive responsibility for both Information Technology (IT) and Information Security (IS) is held by a single individual; this approach ensures clear accountability and more robust risk management. Information security risk assessments are regularly conducted across the Group.

Risks identified by subject matter experts are reviewed with applicable risk owners and steps agreed to mitigate. In 2025, we continued with employees’ awareness programmes to help spot phishing emails.

Anti-bribery and corruption

Senior maintains a zero-tolerance approach to bribery and corruption and complies with all applicable laws, including the UK Bribery Act 2010 and the US Foreign Corrupt Practices Act. This framework is supported by the following four policies:

Agents Policy

The Group manages risks linked to third-party intermediaries through due diligence, ongoing monitoring and compliance checks. Agent and adviser appointments must be reported to the Group Company Secretary twice yearly and are reviewed by the Audit Committee.

Gifts and Hospitality Policy

This Policy restricts the giving and the receiving of gifts or hospitality that may create conflicts of interest. Employees must declare items over £200 (or lower where required). Internal audits and annual controls assessments monitor compliance.

Fraud Policy

Fraud represents financial, operational and reputational risks. The Group’s Fraud Policy sets out fraud-management principles and responsibilities. The Audit Committee reviews incidents and ensures adequate controls are maintained and strengthened where necessary.

Whistle-blowing Policy

The Whistle-blowing Policy enables confidential and anonymous reporting of suspected unethical or illegal conduct. Senior prohibits retaliation against individuals reporting in good faith.

Supply chain management

The Sustainable Sourcing Policy defines environmental, ethical and social standards for key suppliers, based on spend and risk factors such as country of origin or nature of goods/services. Suppliers must be screened in line with Group policies, trade compliance and sanctions rules.

Senior complies with all applicable international trade laws and embeds this commitment through its Code of Conduct, Contract Review Policy and export compliance programmes.

The Human Rights Policy sets expectations for employees, customers and suppliers. Senior supports the Universal Declaration of Human Rights and monitors supplier standards on welfare and employment conditions. Senior does not restrict employees’ ability to join trade unions.

Product safety

Product quality is a core priority across all operating businesses, each holding ISO 9001 accreditation and additional aerospace/automotive approvals where required. Senior managers in each business unit hold ultimate responsibility for product quality and safety.

Products undergo service and safety risk assessments, and employees receive regular training. All businesses maintain incident investigation processes, corrective action procedures and quality testing programmes. Product and service objectives are set to meet customer expectations, and external audits are carried out where required by standards.



RISKS AND UNCERTAINTIES

Protecting our business, supporting our strategy

THE SALE OF AEROSTRUCTURES WAS A KEY STEP TOWARD A MORE RESILIENT ORGANISATION THROUGH ENHANCED MARKET DIVERSIFICATION, RESOURCE DEPLOYMENT AND FINANCIAL PERFORMANCE.

Amy Legenza

Group Director of Risk and Assurance



RISK AND ASSURANCE AREAS OF FOCUS

- Completed 19 internal assurance audits and assessments, including nine broad scope internal controls audits, nine information security assessments and three trade compliance “deep dive” assessments; the 2026 plan includes an additional 19 internal audits and assessments across the Group
- Conducted thematic assurance reviews covering third party network access and reliance on critical single source suppliers
- Deployed a Group-wide cyber security risk assessment encompassing over 200 critical controls, generating detailed, prioritised action plans to reduce cyber risk
- Enhanced the Group’s fraud risk assessment procedures to incorporate assessment of outward fraud (fraud committed by an associated party for the benefit of a company) in response to the enactment of the Failure to Prevent Fraud Offence under the UK Economic Crime and Corporate Transparency Act

Selling the AeroStructures business has strengthened the Group’s overall risk profile by reducing reliance on large Aerospace OEMs, which lowers demand and supply chain volatility risks, improving diversification of end markets and allowing the Group to focus its resources on higher-margin, IP-rich strategic priorities. While the shift in market diversification has increased Flexonics and defence markets’ share of the business, potentially exposing the Group to more cyclical and geopolitical influences, the Group is confident it is well positioned to leverage the broad advantages the sale provides to enhance stakeholder value.

Our Risk and Assurance Framework

Identifying and effectively managing risks is essential to the achievement of the Group’s strategic priorities, supporting the Group’s Purpose and sustainability initiatives and maintaining resilience in our dynamic business environment.

The Group’s Business Model is described on pages 12 and 13, our strategic priorities are on pages 20 to 23, our Purpose is described on page 2 and Sustainability starts on page 44.

The Board is responsible for the Group’s integrated risk and assurance framework, ensuring that the Group’s risk process and systems of internal control are robust, continuously monitored and evolve to address changing business conditions and threats. The Board also provides direction and sets the tone on the importance of risk management. Responsibility for the monitoring and review of the effectiveness of the Group’s risk and assurance framework has been delegated by the Board to the Audit Committee. The risk process is reviewed and agreed annually with the Audit Committee. The Director of Risk and Assurance delivers a comprehensive report on risk, assurance and compliance activities at most Audit Committee meetings and presents to the Board twice a year.

Our Risk Management Process

The Group embeds risk management within its existing business processes across all levels within the Group. Risk tolerance is reflected throughout our control framework by way of the Group's Delegation of Authority, Code of Conduct and internal controls system. The Group's principal risk register is derived from a catalogue of approximately 50 identified risks encompassing strategic, financial, operational, environmental and other risks. This catalogue of identified risks serves as the foundation for comprehensive risk assessments completed by every operating business and by the Executive Leadership Team as part of the annual strategic planning process.

The risk assessments also consider emerging risks, which are risks that have greater uncertainty attached to them in terms of likelihood, timing and velocity and are detected through internal activities and external sources. Emerging risks are monitored and formally added to our identified risk catalogue when these risks become measurable and impactful.

The Group also conducts functional risk assessments, targeting areas such as fraud, cyber security, facilitation of tax evasion and sustainability, which encompasses environmental, social and governance elements. The risk assessment specific to sustainability follows a double materiality assessment approach which incorporates feedback from internal and external stakeholders and considers the financial impacts of sustainability topics on the Group as well as the impacts from the Group on people and the planet. The sustainability double materiality risk assessment process considers multiple time horizons and applies scenario analysis to the most material climate-related transition and physical risks. Sustainability-related risks are also considered as part of the overall Group risk assessment completed during the annual strategic planning process and rank within the Group's principal risks.

During the risk assessment process, all risks in the identified risk catalogue are evaluated against our Purpose, strategy and Values to understand their likelihood and impact of occurrence, with those risks deemed as significant forming our register of principal risks. Once the principal risks have been identified, mitigating controls and relevant policies are documented, with additional mitigating actions developed and closely monitored where appropriate.

The operating business risk registers are refreshed regularly and reviewed by Divisional Management and the Executive Leadership Team. The Executive Leadership Team conducts its risk assessment twice a year and principal risks are discussed at Executive Leadership Team meetings. All principal risks are assessed for our financial viability scenarios to see if they could have a material financial impact individually or if they materialised together.

The Board performs robust, semi-annual assessments of the principal and emerging risks facing the Group. In addition, the Board regularly assesses outputs from the integrated risk and assurance framework and takes comfort from the "three lines of defence" risk assurance model. The first line represents operational management who own and manage risk on a day-to-day basis through effective internal controls. The Group Executive Leadership Team and Divisional Management monitor and oversee these activities, representing governance and compliance as the second line.

Independent Assurance

The third line is the independent assurance over these activities provided by internal and other external assurance. The internal assurance programme includes a combination of broad scope internal audits, evaluating financial, information technology and security, human resources, governance and other controls, plus limited scope thematic reviews designed to provide assurance over targeted risk areas. Internal audits are conducted either in person or virtually, with all Group businesses audited on a multi-year rotational schedule based on a variety of factors, including site-specific risks, prior audit results and changes within local management. Thematic reviews are deployed across the entirety or a cross section of the Group dependent on the risk being targeted. In addition, all Group businesses must complete a comprehensive annual Controls Self-Assessment, allowing the Group to identify and address gaps in compliance with the Group's governance policies and internal control standards. Divisional Management, the Executive Leadership Team and the Audit Committee monitor the completion progress of improvement actions resulting from internal audits, thematic reviews and the Controls Self-Assessment.

The key elements of the Senior risk management process are shown on the following page.

PROVISION 29 UPDATE

To support the material controls effectiveness declaration in the Group's 2026 Annual Report and Accounts as required per Provision 29 of the updated UK Corporate Governance Code, the Group has developed a comprehensive material controls framework and assurance plan to demonstrate effective mitigation of the Group's principal and other key risks. The material controls framework builds on the Group's existing internal control standards and Group policies, encompassing material controls across financial, operational, governance, reporting and other risk areas. The assurance plan incorporates a variety of existing and enhanced internal and external assurance processes, including the Group's risk-based internal audit programme, a streamlined annual Controls Self-Assessment, qualified external assurance, where appropriate, and additional functional control testing. The material controls framework and assurance plan are designed to be adaptable and responsive to changes in the Group's risk and control environment.

2025 Principal Risk Assessment Results

During 2025, the Group carried out assessments of the principal risks and uncertainties that could threaten the Group's Business Model or achievement of its strategic priorities. The risk assessments included consideration of emerging risks, which for 2025 included potential risks related to further escalation of geopolitical tensions, impacts on the Group's culture as talent recruitment and retention strategies evolve to meet the future employee expectations and relationships with critical suppliers where the Group is continuing to build competitive capabilities. As a result of the risk assessments, the Group's principal risks remain unchanged since our 2024 Annual Report and Accounts.

RISKS AND UNCERTAINTIES continued

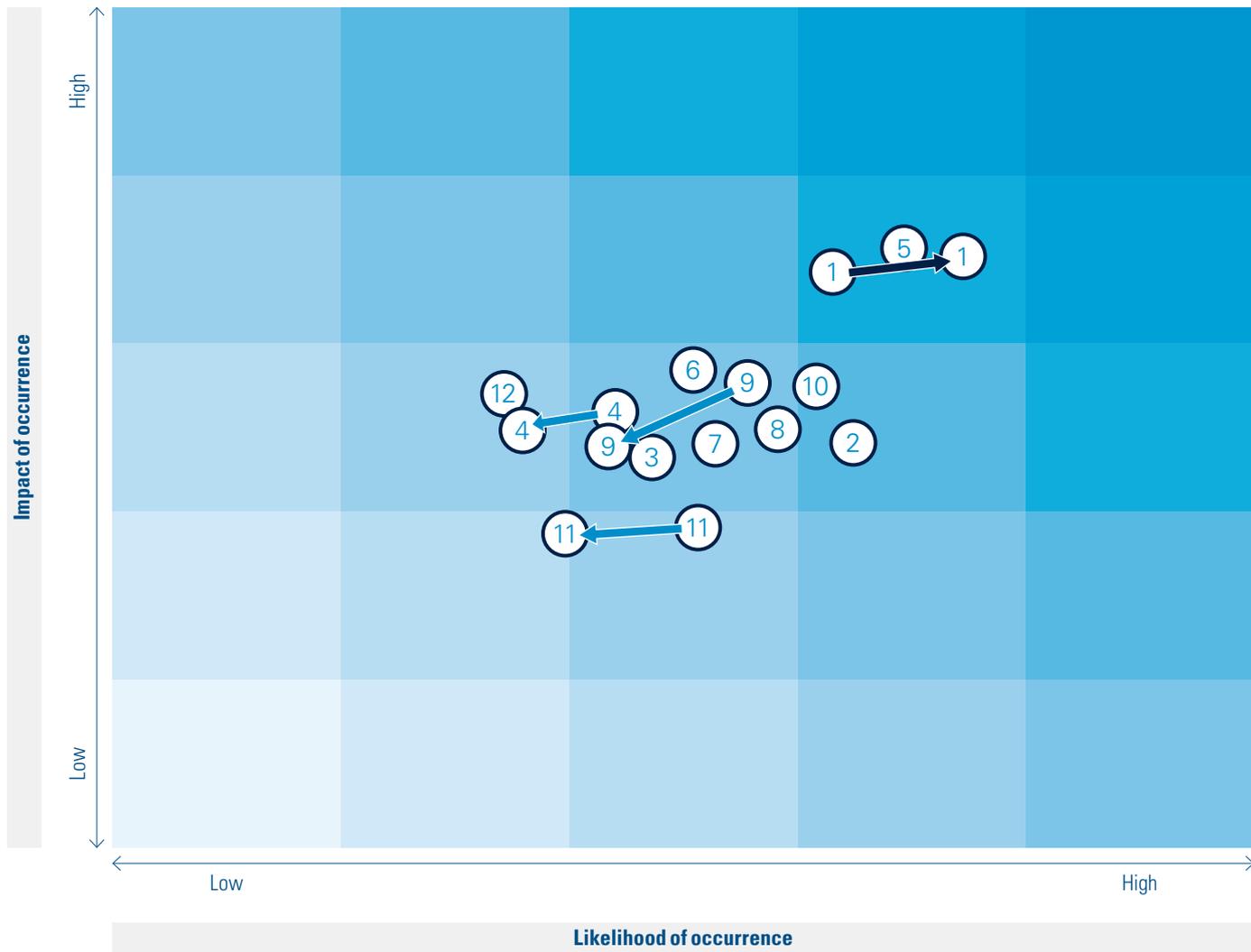
Key responsibilities within the risk management strategy



Senior’s risk management process



Risk heat map (Residual risk after mitigations)



Risk definitions

Strategic

- ① Geopolitical and economic impact
- ② Climate change
- ③ Innovation and technological change
- ④ Implementation of strategy

Operational

- ⑤ Cyber/information security
- ⑥ Supply chain challenges
- ⑦ Programme management
- ⑧ Price-down pressures
- ⑨ Customer disruption

People and Culture

- ⑩ Talent and skills

Financial

- ⑪ Financing and liquidity

Compliance

- ⑫ Corporate governance breach

RISKS AND UNCERTAINTIES continued

Principal Group risks

The principal potential risks and uncertainties, together with actions that are being taken to mitigate each risk, are shown below.

- Increased residual risk
- Decreased residual risk
- Residual risk unchanged

Areas of strategic priorities

- 1 Business model
- 2 Focus on growth
- 3 High performance operating model
- 4 Competitive cost countries
- 5 Capital deployment
- 6 Talent and development
- 7 Engineered Products

Key Performance Indicators

- A Revenue Growth
- B Return on Revenue Margin
- C Adjusted Earnings per Share
- D Net Cash from Operating Activities
- E Return on Capital Employed
- F Carbon Dioxide Emissions
- G Lost Time Injury Illness Rate

All of the Group's principal risks are factored into the severe but plausible downside scenario applied in the Group's viability assessment as described on page 70.

STRATEGIC
Geopolitical and economic impact

Movement

Link to strategy

Link to KPIs

Principal Risk

International trade, including export revenues, availability and cost of materials and the ability to employ foreign nationals. Increases in consumer product costs resulting from trade relations factors could impact demand for those products. Shifts in political regimes and government spending programmes can lead to higher taxation and have an impact on earnings.

There is a risk that there will be a global economic downturn, impacting some or all of the sectors within which the Group operates.

How we manage it

Divisional Management and the Executive Leadership Team closely monitor economic and geopolitical trends that may impact the operating businesses through regular business reviews. Contingency planning is undertaken to minimise operational disruption and financial impacts where necessary.

The Group employs tax, treasury and trade compliance specialists who maintain the Group's trade-related compliance programmes and continually monitor the impacts of evolving trade relations from regulatory, supply chain, people and financial perspectives.

The Group responds to potential margin impacts resulting from trade relations factors through leveraging contractual protection measures, actively engaging in impact mitigation dialogue with suppliers and customers and utilising applicable tariff and tax relief programmes, where available.

The Board ensures that it is kept informed of significant trade developments in order to assess the impact on the Group and take action as appropriate.

The Group's Treasury Committee closely monitors potential changes to international tax and treasury regulations and tariff programmes to understand the likely impacts on the Group.

Focus in 2025

As expected, 2025 presented a volatile geopolitical landscape, marked by an increase in protectionist political policies deployed primarily through the imposition of higher tariff, duty and other fee-based programmes. Through employment of our ongoing mitigation activities, including further enhancement of our trade compliance teams, recovery of additional tariff costs from customers where appropriate and utilising opportunities to transition supply sources to more favourable locations, the direct impact on the Group in 2025 from tariffs and other trade relations factors was limited and manageable. We continue to closely monitor all tariff, tax and trade relations actions that present the greatest possibility of adverse impacts on the Group, particularly the ongoing fluctuation of tariff activities between the US, Canada, Mexico, EU and China and the expiration of the current United States-Mexico-Canada Agreement (USMCA) in the summer of 2026.

STRATEGIC
Climate change

Movement

Link to strategy

Link to KPIs

Principal Risk

There is a risk that climate change and/or the measures taken to address it may have an adverse impact on the Group. Climate change may result in extreme weather events that may impact our ability, or that of a supplier, to meet our customers' requirements.

Our customers' products may evolve to require new technology, such as electrification. This also presents an opportunity for the Group to be involved in replacement technologies.

Increasing legislation aimed at accelerating decarbonisation may increase our operating costs. It may also change consumer behaviours impacting on our end markets. For example, consumers may fly less often.

How we manage it

To mitigate the impact of catastrophic events, such as an extreme weather event, each site has a scenario-based Business Continuity Plan which is tested on an annual basis. The Group also has insurance which helps to protect profits in such situations.

The Group continues to invest in and develop solutions relevant to changing end markets. Examples include battery cooling, waste heat recovery, heat sink in hybrid car technologies, hoses and ducts for the conveyance of hydrogen fuel and additive manufacturing solutions for aerospace.

Climate change risks and opportunities are regularly assessed by a multi-disciplinary team as part of the Group's sustainability-related double materiality risk assessment. Additional information regarding this assessment can be found starting on page 69.

The Group's existing SBTi-approved emissions reductions targets covering GHG emissions from the Group's operating businesses are consistent with reductions required to limit climate warming to 1.5°C and are aligned with Net Zero as Near-Term and Overall Targets. SBTi approved the following targets. Additional information about these targets can be found on page 69.

A non-financial performance target related to Scope 1 and 2 carbon emissions reductions has been included in the Senior Management annual bonus targets since 2024.

The Group Corporate Framework includes a Sustainable Sourcing Policy mandating key suppliers adhere to the Group's Sustainable Sourcing Standards, which include environmental management requirements such as Near-Term Scope 1 and Scope 2 GHG emission targets and pollution, waste and wastewater management systems. Over 40% of our key suppliers (by spend) already have carbon reduction targets and we continue to work with remaining suppliers.

Focus in 2025

Information regarding TCFD and Sustainability, including progress against near-term science-based targets, our CDP ratings and awards, supplier engagement and how the Group is leveraging our technology and product development to drive progress towards Net Zero can be found starting on page 46.

In 2025, the Group once again achieved the highest "A" rating from CDP for climate action and disclosure. This significant accomplishment underscores the strength, maturity, and credibility of our climate strategy, as well as the quality and transparency of our disclosures.

We have also successfully met our existing Near-Term science-based carbon reduction target, delivering a reduction in Scope 1 and 2 emissions of 39%, exceeding the 30% reduction target. This achievement demonstrates the effectiveness of our decarbonisation programme and our continued progress on the pathway to Net Zero.

As a result of the sale of the Aerostructures business at the end of 2025, the Group's science-based emissions reductions targets will be reassessed and submitted to SBTi for approval in 2026.

STRATEGIC
Innovation and
technological change

Movement

[Link to strategy](#)

[Link to KPIs](#)



Principal Risk

The Group must innovate in order to continue to win new business and achieve profitable growth. There is a risk that the Group does not continue to innovate and implement technological change, resulting in its technology and/or products becoming uncompetitive, less desirable or obsolete.

New technologies may have an impact on the Group's markets, for example electric vehicles and hydrogen aircraft.

How we manage it

The Group develops products to support the move to low-carbon technologies and sustainability in the land vehicle, industrial and aerospace markets.

The Group has identified specific technology themes and focus areas that inform the product life cycle and technology development roadmaps across both the Aerospace and Flexonics Divisions. The Group has an Innovation Steering Group which meets regularly to discuss innovation and technological changes across our businesses and markets.

The Group invests in several enabling technologies which underpin our product development activity across all market sectors, including Additive Manufacturing ("AM"), process automation and machine learning and digital simulations. Our Advanced Additive Manufacturing Centre ("AAMC") has obtained certification by NADCAP for stringent process controls, joining a very small community of aerospace companies which have achieved this certification. The AAMC team are re-engineering existing product designs via AM to deliver significant weight savings and performance enhancements. Automation and machine learning are being developed to perform automated inspections for common Group processes such as welding of thin materials. Digital simulations are used to optimise product designs and manufacturing process techniques to accelerate and derisk new product introduction.

Global Marketing Teams for each technology focus area coordinate development activities across various operating businesses to ensure that latest customer requirements and industry trends are addressed.

The Senior Operating System delivers best practice tools for innovation and product development across the Group.

The Technology section, starting on page 16, details the Group's technology themes and product development case studies.

Focus in 2025

In 2025, the Group maintained focus on five specific Technology Focus areas – Hydrogen, Electrification, Heat Exchanger development, Additive Manufacturing and Digitisation. We continue to invest in new product development and emerging technologies within these focus areas, including significant progress on:

- independent certification by TUV SUD of high-pressure hoses for hydrogen production and distribution, clean energy and semiconductor markets;
- delivery of vacuum jacketed hoses and ducts with flex-joints for the conveyance of liquid and gaseous hydrogen fuel to aerospace OEMs;
- development of a breakthrough maintenance-free pneumatic valve for next generation aero engines, operating in very high pressure and temperature environments;
- delivery of our first additively manufactured prototype fluid conveyance products to an engine OEM yielding very significant weight savings;
- opening our Innovation Centre in South Wales, UK including the commissioning of a new EV battery chill-plate manufacturing line;
- award of a design and development contract for the thermal management system for a hydrogen fuel cell powered electric propulsion regional aircraft; and
- broader adoption of artificial intelligence ("AI") within the Group, including a project to automate defect detection of welds in precision fluid conveyance components and the launch of a cross-functional AI ThinkTank to support the adoption of AI across the Group in a secure, ethical and targeted manner.

Senior Aerospace Bird Bellows was a key partner in a zero-emissions aviation project which won the 2025 Aerospace Technology Institution's Shaping the Future Award.

We also continued our successful Innovation Competition, which invites our operating businesses to submit innovation projects focused on process technology, new products or environmental cost savings for judging and recognition. Three teams were presented Gold Awards for innovative process automation, a breakthrough high pressure tube connector and a multi-site international collaboration for a vacuum jacketed hydrogen fuel hose. These projects support the drive for sustainability for the Group and its customers.

STRATEGIC
Implementation
of strategy

Movement

[Link to strategy](#)

[Link to KPIs](#)



Principal Risk

An inability to implement the Group's strategy and/or effectively manage the Group's portfolio could have a significant impact on the Group's ability to generate long-term value for shareholders.

Ambiguity surrounding the Group's strategy and strategic priorities may result in investors failing to recognise the value of the Group's investment case.

How we manage it

The Group regularly reviews its strategy and portfolio to maximise long-term shareholder value. Where appropriate, divestments are considered.

The Group has a well-documented M&A framework that includes proven research analysis, a committee that evaluates opportunities against a wide variety of strategic, financial, operational and cultural criteria, transaction engagement and management, due diligence processes and post-acquisition integration procedures. The processes within the framework are designed to be efficiently executed by an experienced cross-functional team.

A comprehensive process for efficiently completing strategic divestments has been successfully deployed with past divestments.

Post-acquisition/divestment reviews are conducted, as appropriate, to demonstrate accountability to the Board and analyse lessons learned.

Additional information about projects that support expansion of our current businesses and products can be found starting on page 16.

The Group has an adaptable response framework to ensure sufficient focus remains on the Group's core strategic priorities during critical operational, strategic and financial challenges.

Focus in 2025

The Executive Leadership Team and Board carried out their annual assessments of our strategic objectives, end markets, capabilities and technologies and determined that the Group is well positioned to deliver its strategy and continue engineering the transition to a sustainable world.

The Group also continues to focus on:

- refining our portfolio with a focus on creating a higher margin business with more IP rich, engineered design content across our product range;
- investment in new technology and product development in our core markets with an emphasis on fluid conveyance, thermal management and expansion of our additive manufacturing capabilities;
- supporting our customers' transition towards a lower-carbon future by developing innovative new product offerings while continuing to deliver better designed, lighter and more efficient conventional products;
- expanding our presence in markets with attractive, structurally resilient growth potential through leveraging our expertise in our traditional core markets; and
- liquidity and effective cash management, with a focus on lower capital intensity, to support sustained profitable growth.

Furthermore, the sale of the Aerostructures business at the end of 2025 marked a critical strategic milestone in positioning the Group as a market leading Fluid Conveyance and Thermal Management Business.

RISKS AND UNCERTAINTIES continued

OPERATIONAL Cyber/information security

Movement

Link to strategy

Link to KPIs



Principal Risk

The risk that the Group is subjected to external threats from malware, hackers or other malicious actors, potentially causing critical or sensitive data to be lost, corrupted, made inaccessible, or accessed by unauthorised users, resulting in the potential for business disruption and financial and/or reputational loss.

The cyber threat landscape is continually evolving, with threat actors developing, implementing and incorporating new methods and tools, including artificial intelligence ("AI"), to identify and exploit gaps in Information Security ("IS") defences. Alternate work arrangements, such as remote working or hybrid schedules, and persistent network access granted to third parties for support, maintenance and other business purposes and can also increase IS risks.

How we manage it

The Group has a rolling three-year strategic roadmap focused on continual improvement in people, process and technology. The roadmap accounts for the dynamic nature of the cyber threat landscape and builds on our layered security defence model consisting of preventative, detective and responsive technical controls.

IS risk is closely monitored by the Board via regular updates from the Group IS team and the Director of Risk and Assurance.

A multi-year rotational IS assurance review programme is in place to assess and enhance compliance with established IS controls, policies and procedures. Key IS controls are also confirmed via the annual Controls Self-Assessment.

Vulnerability metrics have been developed and are actively reviewed by Divisional Management and the Executive Leadership Team.

The Group has a risk management framework specific to Information Technology ("IT")/IS.

With our decentralised Business Model, each operating business deploys a suite of protection and monitoring services, including endpoint detection and response, vulnerability management and cyber threat intelligence. These are fully monitored by our centralised Group IS team to ensure consistency, continuity and rapid remediation.

The Group regularly tests its cyber security defences using independent third-party agencies to assess the maturity of our cyber security position and ensure that our ability to detect, report and respond to security incidents stays aligned with the evolving threat environment.

Technology-led security controls are supported by a clear and documented series of policies, standards and playbooks.

The Group holds independent accreditation against external security frameworks, including accreditation under the National Cyber Security Centre's (NCSC) Cyber Essentials scheme for UK-based operating businesses and Trusted Information Security Assessment eXchange (TISAX), where applicable.

Employees receive annual awareness training on cyber-related issues and the Group maintains a cyber-awareness campaign to alert employees to cyber threats. Additional technical skills training and certification programmes are in place for IT/IS teams.

A near miss and incident reporting process is deployed across the Group to alert IT/IS teams of immediate cyber threats.

Focus in 2025

The Group remains committed to maintaining a strong and responsive cyber security environment, including full compliance to our IT/IS policies and diligent monitoring of the IS landscape. 2025 actions included:

- renewed our ongoing partnership with our strategic Managed Service Security Provider (MSSP) who provide critical security incident detection, reporting and response capabilities;
- enhanced our internal cyber threat intelligence capability by recruiting an additional Group IS team member to work in partnership with our MSSP and operating businesses;
- deployed a new Group-wide cyber risk assessment encompassing over 200 critical controls, generating detailed and prioritised action plans to reduce cyber risk;
- enhanced staff training to help prevent cyber security incidents, including running regular simulations against the most common types of attacks used by cyber criminals; and
- hosted a three-day Group-wide IT/IS Conference for managers and heads of IT/IS to foster collaboration across the Group on key IT/IS topics and projects.

OPERATIONAL Supply chain challenges

Movement

Link to strategy

Link to KPIs



Principal Risk

Suppliers may be unable or unwilling to respond to increases or decreases in demand due to operational and other issues such as quality concerns, labour disruption or trade relations factors. This may impact our ability to supply our customers, operate efficiently and/or optimise inventory held.

Critical materials or components may become temporarily or permanently unavailable, leading to an inability to meet production commitments.

Supply chain disruption can lead to higher volatility in delivery schedules as customers adjust demand to protect their production capabilities. This may challenge the Group's ability to meet customer schedule, quality and cost requirements, resulting in potential delays, penalties and cost overruns.

In extreme cases some suppliers may face financial difficulties and go out of business.

How we manage it

The Group closely monitors the resources required to deliver customer demand and the resilience of our supply chain. Where supply chain challenges occur, we work closely with customers and suppliers to resolve those issues, including reducing over-reliance on individual suppliers, where possible.

The Group has deployed the Senior Operating System to provide operating businesses with a toolkit to optimise the use of lean and continuous improvement techniques, supplier management and other operational best practice processes.

Significant supply chain risks are discussed in comprehensive Quarterly Business Reviews to ensure the risks are being effectively addressed.

Operating businesses are required to maintain strong internal controls over supplier management from new supplier selection to performance monitoring and management of existing suppliers.

Our core Values (see page 11) emphasise operating with integrity and respect, which allows the Group to cultivate strong, long-term relationships with critical suppliers.

Focus in 2025

Our supply chain saw further stabilisation during 2025 as the general Aerospace supply chain adjusts to accommodate increasing build rates but pockets of disruption persist in certain markets and industries, such as forging and specialty metals suppliers and outside processors. Incoming material and component shortages and quality issues, transportation interference and delays stemming from the need to identify and qualify alternate sources due to labour disruption, financial difficulties and geopolitical impacts in key suppliers are prolonging long delivery lead times and operational disruption in affected programmes. The Group has effectively mitigated the impacts of residual supply chain challenges by maintaining the supply chain resilience initiatives previously deployed, including:

- maintaining close and frequent communication with customers regarding delivery schedules, issues with directed supply sources, the need to qualify additional supply sources, options for alternate materials or components and potential incremental costs to mitigate supply chain disruptions;
- working with suppliers to manage lead times and maximise the benefits from long-term supply agreements, where applicable;
- holding appropriate levels of safety stock, where necessary, to ensure a consistent flow of materials and/or components for production;
- leveraging supplier relationships across the Group to identify alternate supply sources and opportunities to streamline or consolidate supply requirements;
- assessing opportunities for vertical integration where there are common sources of supply chain disruption, allowing for more control over our critical supply streams; and
- applying the Senior Operating System and our engineering expertise to generate innovative solutions to supply chain challenges.

Several of the Group's supply chain disruptions in recent years have been the result of operational challenges within critical, directed suppliers for large Aerospace OEMs within the Aerostructures business. As a result of the completed sale of the Aerostructures business, the Group's supply chain risk is expected to further ease as our exposure to large Aerospace OEM directed source requirements is reduced.

OPERATIONAL Programme management

Movement

[Link to strategy](#)

[Link to KPIs](#)



Principal Risk

The ability to introduce new products in line with customer requirements and to respond appropriately to increases or decreases in demand thereafter is key to achieving the Group's strategic objectives.

There is a risk that the Group is unable to respond quickly enough to changes in demand, potentially resulting in excess inventory and/or an inability to meet schedule and cost requirements resulting in delays, penalties, cost overruns or asset write-downs.

Supply chain disruptions, higher material costs, rising energy prices and labour shortages could result in a reduction of earnings from existing programmes if the Group is unable to secure mitigating price adjustments from customers. Higher production costs resulting from inflationary pressures can also reduce our ability to remain cost competitive.

Changes across a variety of production requirements, such as fluctuations in material supplies, volatility in customer ordering and employee retention and training, may challenge the Group's ability to maintain programme quality specifications, leading to the potential for higher costs to maintain and/or demonstrate compliance with quality requirements or greater risk of product defects.

How we manage it

The Group is experienced in bidding and launching new products. Formal New Product Introduction ("NPI") processes, such as Advanced Product Quality Planning ("APQP") are in use across our operating businesses.

There is a Group Contract Review Policy which is mandatory for all operating businesses and requires comprehensive financial modelling and sensitivity analysis of contractual terms and assumptions.

The Senior Operating System maintains a strong focus on lean manufacturing, continuous improvement, labour efficiency and cost reduction initiatives.

NPI programmes are subject to regular review by Divisional and Group management to ensure that schedule, cost or quality issues are identified and dealt with promptly.

The Group monitors market and customer data so that we can be prepared to respond to changing market dynamics.

A variety of tools are deployed throughout the Group to prevent, detect and manage quality issues, including supplier audits, comprehensive quality management systems, internal quality audits, Gemba walks and documented root cause analysis.

Focus in 2025

Inflationary pressures remained relatively stable in 2025 despite initial concerns over the impact tariffs may have on production costs. Other programme management challenges persisted during 2025, driven by lingering pockets of supply chain constraints and labour availability issues, customer quality specification changes and demand variability caused by increasing Aerospace build rates, geopolitical impacts and cyclical fluctuations. However, the Group was able to offset the impacts from many of these challenges through effective deployment of mitigation strategies, including:

- spotlighting key programme management issues in Quarterly Business Reviews and Executive Leadership Team meetings to ensure issues receive adequate resourcing and action;
- continuing to work with our customers to ensure that, wherever possible, orders within firm windows can be delivered;
- working with our suppliers and managing inventory to balance inventory levels where there are delays in firm orders and/or ensure adequate supply to meet production demands;
- continuing to engage with customers to secure price increases, delay contractual price decreases and/or pass through higher production costs to mitigate the impact on Group margins where inflationary pressures persist or programme specifications have changed;
- qualifying additional supply sources or options for alternate materials or components to mitigate supply chain disruptions;
- implementing flexible labour resource plans to adapt to variations in demand and production schedules; and
- driving labour and overhead cost reductions through efficiency and technology improvements, such as automation and AI, where possible.

With the sale of the Aerostructures business, future programme management risk should reduce as a result of the Group's lower exposure to programme disruption from large Aerospace OEMs.

OPERATIONAL Price-down pressures

Movement

[Link to strategy](#)

[Link to KPIs](#)



Principal Risk

Customer pricing pressure is an ongoing challenge within our industries, driven by the expectations of airlines, land vehicle operators and governments seeking to purchase more competitively priced products in the future. This may put some pressure on the Group's future operating margins.

How we manage it

The Group works closely with its customers to find innovative ways to produce products at a lower cost, thus helping customers meet pricing challenges.

The Group is able to consider bundles of products that in total help meet customer pricing challenges.

Where appropriate, the Group will actively pass work to some of its cost competitive facilities, such as Mexico, the Czech Republic, South Africa, India and China, with a view to helping satisfy customer challenges.

There is a Group Contract Review Policy which is mandatory for all operating businesses and requires comprehensive financial modelling and sensitivity analysis of contractual terms and assumptions.

Focus in 2025

In 2025, we continued to see a resumption in price reduction and contractual price-down requests, particularly in certain Flexonics sectors, as customers attempt to leverage the stabilisation of global supply chains and mitigate the impacts of tariffs and lingering inflationary pressures. In response, the Group relies on:

- our pragmatic and adaptable pricing response framework, enabling the Group to secure favourable re-pricing in key contracts, where necessary;
- strong partnerships with our customers, with an emphasis on supporting their priorities within the contractual terms of existing agreements;
- balancing supplier capabilities and customer demand to manage material, component and outside processing costs, including approval of alternate supply sources where appropriate;
- leveraging our robust engineering capability and Group-wide collaboration opportunities to expand the Group's IP-rich product portfolio in cost agnostic markets; and
- driving labour and overhead cost reductions through cost containment initiatives, efficiency improvements and technology enhancements where possible.

The sale of the Aerostructures business will result in the Flexonics Division accounting for a higher proportion of the Group, potentially increasing risk from price-down pressures as the Flexonics markets are more exposed to lower-cost global competition which drives price-down pressure. Conversely, future pricing pressure risk should reduce from the Group's ability to command higher product pricing by focusing its product portfolio on high quality, differentiated products with higher competitive barriers based on the Group's broad range of IP and strong design expertise. The Group should also benefit from less exposure to large Aerospace OEMs, who leverage their buying power and market position to drive down supplier pricing, further reducing the Group's future price-down pressure risks.

RISKS AND UNCERTAINTIES continued

OPERATIONAL

Customer disruption

Movement

[Link to strategy](#)[Link to KPIs](#)**Principal Risk**

Supply chain constraints, labour shortages, cyber incidents and other operational disruptions may leave customers unable to meet current sales commitments and/or respond to increases in market demands. As a result, there is a risk that customers do not honour firm order schedules, delay programme ramp-up and/or postpone new programmes.

How we manage it

The Group has fostered long-lasting and cooperative relationships across its customer base.

In furtherance to its strategic priorities, the Group actively seeks to grow the business through diversification of its customer base and new product innovation.

The Group closely monitors market trends and developments through in-house market research analysis.

Significant customer demand risks and opportunities are assessed in comprehensive Quarterly Business Reviews.

There is a Group Contract Review Policy which is mandatory for all operating businesses and requires comprehensive financial modelling and sensitivity analysis of contractual terms and assumptions.

Focus in 2025

Demand from key aerospace customers continued to stabilise in 2025, driven by increasing build rates, higher defence spending and easing customer operational constraints, while the Flexonics Division's diverse customers, markets and products provided resiliency against cyclical demand fluctuations, operational challenges and geopolitical forces which affected key Flexonics customers during the year. The Group continues to closely monitor the impacts on customer demand resulting from tariffs and ongoing customer supply chain and other operational disturbances.

In 2025, the Group continued to focus on:

- collaborating with our customers to understand their demand variability and potential schedule changes in order to agree acceptable build schedules and other solutions to mitigate the impacts of sales demand fluctuations on the Group;
- pursuing new opportunities in adjacent markets, such as space, medical, power and energy and semiconductor, to further diversify the Group's demand profile;
- diligently managing supply chain challenges to meet our product delivery objectives in support of customer operations;
- adapting staffing levels in response to programme fluctuations while maintaining a focus on planning for anticipated long-term labour and skills requirements; and
- continuing to identify overhead reductions through cost containment initiatives and efficiency improvements where possible.

With the completed sale of the Aerostructures business, the Group's end market and customer profiles will reflect a greater proportion of Group undertakings in Flexonics markets and customers and less exposure to build-to-print work with large Aerospace OEMs. The potential impacts on customer demand risk for the Group are mixed as higher exposure to the cyclical nature of certain Flexonics end markets and geopolitical influences on defence markets weighs against an improvement in the general diversification of the Group's customer and product composition and a higher concentration of engineered products within the Aerospace Division. The Group will continue to focus on broadening the diversity of its design-rich, differentiated fluid conveyance and thermal management product offerings across an expanded base of customers and end markets to counter the potential impacts of cyclical demand fluctuations.

PEOPLE AND CULTURE

Talent and skills

Movement

[Link to strategy](#)[Link to KPIs](#)**Principal Risk**

There is a risk that the Group is unable to attract sufficient skills and talent and/or is unable to retain the skills and talent it has in order to meet production demand and/or business, product and/or technology development growth. Margins may be impacted by higher compensation necessary to retain critical talent and/or attract new capability.

A portion of the Group's workforce may reach retirement age at the same time, creating a gap in skills and labour availability.

The Group may have insufficient talent to respond to all strategic priorities.

How we manage it

Employee retention, recruitment and resource plans are regularly discussed within the operating businesses, Divisional Management and the Executive Leadership Team through site leadership meetings, Quarterly Business Reviews and the annual strategic planning process.

The Group Executive Vice President HR hosts focus groups across several operating businesses to solicit constructive feedback from employees and foster open communication.

Operating businesses partner with technical colleges, universities and apprenticeship schemes to create talent pipeline programmes.

A Group-wide succession planning exercise is conducted annually to identify successors and interim cover for key roles and ensure appropriate development plans are in place to support employees in meeting their career goals.

The Nominations Committee reviews management development and succession plans twice a year, with a particular focus on critical roles and key talent.

The Group operates internal leadership development and mentoring programmes for nominated talent.

The Group conducts an annual Global Employee Engagement Programme to inform development and implementation of localised action plans in response to employee feedback and further enhance our reputation as a company people want to work for. A non-financial performance target related to Employee Engagement has been included in the Senior Management annual bonus targets since 2024. More information on employee engagement can be found on page 52.

The Perform performance system is utilised across the Group to facilitate objective setting and performance and behaviour assessment.

The Group Executive Vice President HR regularly provides people and culture feedback to the Board.

Focus in 2025

In general, the labour market softened in 2025 in most regions as concerns over changing trade policies and slowing economic growth led to a decline in job openings and higher unemployment rates. As a result, labour availability and wage inflation continued to migrate back towards pre-COVID levels but persistent challenges remain within certain geographic locations within the US, UK and Europe and specific roles, such as production and design engineers, skilled welders and machinists. In addition, fluctuations in customer demand are driving the need to balance reducing labour where customer demand has softened against the ability to readily restaff when demand from affected customers accelerates. We continued to closely monitor and manage staffing levels, recruitment and retention challenges and other relevant employment trends across the Group. Actions in 2025 included:

- enhancement of employee benefit offerings to ensure the Group offers competitive healthcare and wellbeing packages;
- implementation of a new Group-wide recruitment system; and
- additional training for site, Division and Group leadership on employee engagement, including an interactive session at the Group 2025 Leadership Workshop.

With the sale of the Aerostructures business in 2025, Aerospace Division and Group resources will be responsible for a reduced operating footprint, placing the Group in a better position to utilise internal resources in support of key strategic activities in 2026 and beyond.

FINANCIAL Financing and liquidity

Movement



Link to strategy



Link to KPIs



Principal Risk

The Group could have insufficient financial resources to fund its growth strategy or meet its financial obligations as they fall due or insufficient liquidity to meet financing covenants.

Foreign exchange movements could have a material impact on the Group's financial performance, both on the balance sheet (translation risk) and income statement (transaction risk).

Inflationary pressures may result in higher interest rates, which could impact the Group's earnings.

How we manage it

The Group's overall treasury risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group enters forward foreign exchange contracts to hedge the transactional exchange risk arising on operations' trading activities in foreign currencies; however, it does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Group does not hedge translation risk but aims to match the foreign currency of its net debt in similar proportions to its generation of foreign currency EBITDA, where practical and economic, in order to provide a natural hedge against the Group's principal lending covenant.

The Group monitors liquidity risks monthly and ensures sufficient headroom in its committed borrowing facilities to meet financial obligations across the Group as they fall due.

A global notional cash pooling solution is utilised to manage working capital funding in the operations and minimise central borrowings.

A significant portion of the Group's external debt is at fixed rates of interest, which mitigates the effect of higher benchmark interest rates that can result from inflationary pressures.

Compliance with financial policies, exposure limits and headroom/liquidity limits are reviewed by the Group's Treasury Committee on a regular basis.

The Group's Treasury Policy is updated and approved by the Board regularly.

The Group's viability assessment process considers a base case and risk case scenario, which considers the principal risks and uncertainties.

Focus in 2025

Financing and liquidity initiatives remain vital to mitigating the impacts of residual supply chain challenges, inflation, tariffs and customer disruption. As a result of the sale of the Aerostructures business, the Group expects financing and liquidity risk to reduce with lower net debt from the sale proceeds and elimination of related lease liabilities and strengthen future operating cash flow through lower capex spending and working capital requirements.

Actions taken in 2025 included:

- issuing new, four-year tenor \$40m US Private Placement loan notes as a partial refinancing of long-term US Private Placement loan notes maturing in 2025 of £27m (January 2025) and \$60m (October 2025);
- extending our \$50m US revolving credit facility into 2027;
- entering a £30m short-dated Term Loan in July 2025 to ensure sufficient liquidity prior to the sale of the Aerostructures business, which was repaid in January 2026;
- de-risked the balance sheet during the year with a buy-in transaction for the closed UK defined benefit Pension Plan;
- continuation of the working capital management project with a particular focus on inventory management challenges in the Aerospace Division, caused by increasing customer demand and residual supply chain disruptions;
- strict compliance with transactional foreign exchange hedging policy to mitigate income statement volatility from currency movements; and
- the Group's Treasury Policy was updated and approved by the Board in September 2025.

COMPLIANCE Corporate governance breach

Movement



Link to strategy



Link to KPIs



Principal Risk

Corporate governance legislation (such as the UK Bribery Act and the US Foreign Corrupt Practices Act), regulations and guidance (such as the UK Corporate Governance Code and global health and safety regulations) and corporate reporting requirements are increasingly complex and onerous. A serious breach of these rules and regulations could have a significant impact on the Group's reputation, lead to a loss of confidence on the part of investors, customers or other stakeholders, result in financial penalties or fines and ultimately have a material adverse impact on the Group's enterprise value.

How we manage it

The Group has a well-established set of governance policies and procedures covering all key areas (our Corporate Framework), including a Group Code of Conduct, Human Rights Policy, anti-bribery procedures, Fraud Policy, health, safety and environmental policies, an Agents Policy and various policies and procedures over the review and reporting of risk management and internal control activities.

Governance and regulatory compliance updates are provided to the Board and the Executive Leadership Team at appropriate intervals, and to key Division and operational management.

All employees are required to complete annual Code of Conduct training.

All EU sites have received training on the General Data Protection Regulations and employees in other locations have received training as appropriate to their roles.

Focus in 2025

Employees and the Board received annual refresher training on our Code of Conduct during 2025. The completion rates typically hover around 94%, allowing for new starters who have not yet completed their training immediately on joining. The course included content related to trade compliance, health and safety and cyber security.

Additional training was conducted for appropriate employee groups on other topics including anti-bribery, insider threats and controlled classified information.

In response to the enactment of the Failure to Prevent Fraud Offence under the UK Economic Crime and Corporate Transparency Act, the Group expanded its annual fraud risk assessment to include an assessment of outward fraud and strengthened relevant language in its standard supplier terms and conditions.

The Group made significant progress on its response to Provision 29 of the updated UK Corporate Governance Code through development of a comprehensive material controls framework and assurance plan designed to demonstrate effective mitigation of the Group's principal and other key risks across a broad scope of topics, including financial, operational, governance, reporting and other risk areas.

The Group Agents Policy and Gifts and Hospitality Policy were refreshed during 2025.

The Group's 2025 internal audit programme and Controls Self-Assessment were completed as planned, providing a level of assurance that the Group's Code of Conduct, controls, policies and procedures are being followed.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (“TCFD”)

Improving our climate resilience

TCFD compliance statement – Senior’s climate-related disclosures for the year ended 31 December 2025 are consistent with the TCFD recommendations and recommended disclosures (set out in Section C of the 2021 TCFD Annex “Guidance for All Sectors”) and comply with the requirements of the UK Listing Rule 6.6.6R(8).

Governance

Oversight of climate-related risks and opportunities

The Board of Directors provides oversight of climate-related matters, with the Group Chief Executive Officer holding overall responsibility for climate-related risks and opportunities. The Group Director of HSE & Sustainability, who is responsible for sustainability performance, disclosures and climate actions, supports the Group Chief Executive Officer.

Assessing and managing climate-related risks and opportunities

Responsibility for identifying, assessing and managing climate-related risks and opportunities lies with the Group Executive Leadership Team.

Key activities in 2025

Oversight

During the year, the Board received reports on sustainability and climate-related matters at every scheduled meeting. These updates included the Group’s progress on non-financial sustainability metrics, such as waste recycling, water usage and reduction of carbon emissions, as well as progress in external climate disclosures to CDP.

The Board was briefed on the Group’s response to the Carbon Border Adjustment Mechanism and on training provided to operating businesses in this regard. In addition, work continued with SBTi to understand the actions and timelines required to report on Senior’s approved targets, setting a new Near-Term target and re-basing the previously approved Net Zero target.

During the year, the Group Director of HSE & Sustainability attended two Board meetings to present updates on the Group’s progress in reducing its Scope 1 and 2 emissions and the engagement initiatives with suppliers in respect of Scope 3 emissions. The Board also received reports on the increasing number of operating businesses using renewable and low-carbon energy sources, including both existing facilities and those rolled out in 2025. In addition, an update was provided on the development of a Carbon Setting Tool, to be distributed to the Group’s suppliers, as part of the new Sustainable Sourcing Policy to ensure consistent data collection across the supply chain.

During 2025, the Audit Committee reviewed the Company’s TCFD disclosures included in the Company’s 2024 Annual Report & Accounts, and the external assurance over GHG emissions and waste recycling rate.

The Remuneration Committee – reviewed progress of the 2025 bonus potential determined by a target related to absolute reductions in Scope 1 and 2 emissions and discussed potential targets for the 2026 annual bonus plan.

As part of Senior’s annual Board Strategy meeting, specific consideration was given to the evolving market conditions and climate-driven revenue opportunities. The Board considered potential impacts of climate-related factors on the Group’s end markets. For example, transition to clean energy was expected to steadily accelerate across Europe as EV charging networks continued to expand, creating opportunities for both Heavy-Duty and Medium-Duty Electric Vehicles (EVs). The Power & Energy market was expected to see electricity demand double by 2050, with the need for power generation capacity driven by such factors as urbanisation and industrialisation in the developing world, datacentres and the adoption of EVs and battery storage requirements. In the semiconductor market, strong growth was expected because of increased demand for various electronic devices. This growth, in turn, requires increased renewable energy production, and this is a market where Senior has a meaningful presence. Rising demand for AI requires accelerated production of “leading edge” semiconductor chips, which themselves require ever-greater manufacturing precision, driving increased need for Senior’s bellows, dampers, heat exchangers and manifolds.

A thorough understanding of market conditions and emerging trends, particularly in respect of climate-related opportunities, provides valuable insights for the Board to critically evaluate and challenge the Company’s strategy and its portfolio of products.

Management

Management of climate-related risks and opportunities is integrated into the Group’s operational framework. The Group Director of HSE & Sustainability is responsible for the data collection and performance monitoring of the Group’s Scope 1, 2 and 3 Greenhouse gas (GHG) emissions, waste recycling and water consumption key performance indicators as well as overall environmental performance and compliance. This role also carries responsibility for carbon management and the development of the Group’s energy efficiency initiatives.

Presidents of the Aerospace and the Flexonics Divisions have overall responsibility for implementing energy efficiency programmes, decarbonisation and adaptation actions by the operating businesses; they also ensure that their Divisions meet the Group’s carbon reduction targets and supplier engagement responsibilities. The Presidents of the Divisions also monitor shifts in customer demands and ensure that the Group’s future programmes support the transition to low-carbon and sustainable products.

The HSE Committee, appointed by the Executive Leadership Team and chaired by the Group Chief Executive Officer, oversees all health, safety and environmental matters across the Group. It also monitors the Group’s progress on its environmental targets, including Scope 1, 2 and 3 emissions. Its membership includes the Presidents of the Aerospace and Flexonics Divisions, the Group Company Secretary and the Group HSE & Sustainability Director. The Committee met three times in 2025. The Committee’s Terms of Reference can be found on the Company’s website.

Senior’s climate-related governance framework



Strategy

Climate-related risks and opportunities identified over the short, medium and long term

In 2024, climate-related risks, impacts and opportunities were assessed at a Group level using the double materiality approach aligned to the Corporate Sustainability Reporting Directive (CSRD). This approach considers both financial and impact materiality. The Group’s climate-related risks, impacts and opportunities are detailed on page 45.

Impact of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning

Products and services

Senior’s product portfolio supports both mitigating risks and creating opportunities associated with decarbonisation of transport and energy systems. For example, we are developing our double-walled ducting systems further, to make significant improvements to the efficiency of aeroengines. Our thermal management systems and fluid conveyance products improve how powertrains and batteries are kept at the right temperature, making electric and low-carbon vehicles more efficient. This opens up opportunities

in the growing markets for electric and hybrid vehicles. Our hydraulic and fuel system components, already capable of working with sustainable aviation fuel, can be adapted for alternative fuels, such as hydrogen, helping to lower emissions over the life of the vehicle as manufacturers switch fuel types. In addition, Senior’s durable, high quality components mean less unscheduled maintenance and parts need replacing, which reduce the total emissions over the asset’s lifetime and helps keep vehicles operating efficiently for longer.

Operations and supply chain

Renewable and low-carbon energy procurement plays an important role in reducing the Group’s operational carbon footprint. In 2025, around 60% of electricity was sourced from renewable and low-carbon energy, marking an increase of 15% compared to 2024. Four of Senior’s operations businesses have installed on-site Solar PV systems, with the most recent installation at Senior Flexonics Cape Town nearing completion, as highlighted in the case study on page 47. In addition to strengthening the Group’s commitments to sustainability, these initiatives enhance energy resilience across the Group.

Energy efficiency actions are also vital in managing GHG emissions and reducing operational costs. This year, we saw a reduction of 39% in the Group’s Scope 1 and 2 emissions against a 2018 base year. We continued focusing on energy-efficient initiatives, such as upgrading building insulation, enhancing heating, ventilation and air conditioning (HVAC) systems, and expanding LED lighting installations.

Operational resilience planning is a critical component in addressing the physical risks of climate change. Each site within the Group has a scenario-based Business Continuity Plan which is tested annually; this is complemented by insurance coverage to mitigate potential financial impacts. The previous WWF Water Risk Filter assessment indicated that certain Group’s operating businesses are located in areas of potential water scarcity. To date, no operational interruptions have occurred; however, we recognise that localised water shortages could potentially disrupt operations and interrupt supply of products to our customers. We remain committed to identifying and implementing measures to reduce water consumption across the operating businesses located in the regions of potential water scarcity.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (“TCFD”) continued

In 2025, we continued to actively work with our suppliers and implemented a range of initiatives aimed at reducing our Scope 3 emissions. For example, as part of our Sustainable Sourcing Policy, we have developed a Carbon Setting Tool which allows our suppliers to use natural gas and electricity consumption to calculate Scope 1 and 2 GHG emissions and then to set a reduction target in line with current Net Zero requirements. This tool gives suppliers real-life guidance on how to lower their emissions and helps them take practical measures to operate more sustainably.

Investment in research and development

Climate change is a fundamental element of the Group’s business strategy. Senior’s products and services help its customers reduce carbon emissions in Aerospace, from industrial process plants and from land vehicles. When we consider R&D spend and expansion, we assess sustainability of our products in terms of supporting our customers’ aims to reduce energy consumption and carbon. For example, the development of new thermal management technology (e.g. components for fuel cells, advanced heat exchanger solutions, the use of laser welding for battery cooling plates)

presents an opportunity for Senior to become a leader in the specialised applications of off-highway vehicles, large trucks and aerospace, where reduced weight and optimum working temperature are critically important.

Acquisitions or divestments

Optimising our portfolio is fundamental to our strategy. When evaluating potential companies for acquisition, we thoroughly review each company’s ESG performance. If the process advances to formal due diligence, we undertake a comprehensive ESG review, which may involve external experts. We also assess the strategic compatibility by considering the long-term prospects of the company’s products, ensuring they contribute to Senior’s commitment to advancing decarbonisation in challenging sectors, such as Aerospace, Land Vehicles and Oil & Gas.

Access to capital

Senior’s sustainability strategy and leadership, including its support for customers and suppliers, is important for our stakeholders and it is a consideration in terms of access to capital for equity investors, debt investors and lenders. This is expected to become more important in time as Senior makes strides towards Net Zero and as our markets transition to a low-carbon future.

Financial planning process

The Group’s operating businesses have continued to prioritise internal efficiencies, particularly in reducing Scope 1 and 2 emissions, as described on pages 48 and 49. We closely monitor product demand shifts due to low-carbon transition, adapting financial planning to market changes and investing in emerging technologies where opportunities arise. Climate change considerations also inform our approach to asset insurance and employee safety in areas subject to severe weather.

Resilience of the organisation’s strategy with reference to three climate-related scenarios, including a 2°C or lower scenario

In 2021, we conducted a climate scenario analysis to assess the potential impact of climate change on the Group’s operations. We used three climate scenarios developed by the Bank of England, as they align with TCFD recommendations to test business resilience under different climate pathways, including a “2°C or lower” scenario. These scenarios model outcomes over a 30-year period to 2050 – consistent with the Paris Agreement and national Net Zero targets. Further information on the assumptions and parameters used in the scenarios can be found on the Company’s website. The 2021 scenarios were updated in 2024, when the Group conducted a full Double Materiality Assessment.

Scenario	Assumption	Key potential impacts	Opportunities
Scenario 1 (<2°C) Early policy action: smooth transition	<ul style="list-style-type: none"> – Decisive global carbon action starts in 2021 – Gradual tightening of carbon policies – Global warming is limited to 1.8°C by 2050 – Limited physical risks. 	Accelerating policy action and shifting consumer and investor expectations drive rapid decarbonisation. Senior needs to align its investment decisions with its SBTi targets, respond to growing demand for low-emission products and remain consistent with its public commitments.	The ability to maximise returns on new investments in the long term, once transition has occurred and markets have stabilised.
Scenario 2 (<2°C) Late policy action: disruptive transition	<ul style="list-style-type: none"> – 10-year delay in climate policy action to reduce global emissions – From 2031, rapid and significant measures sharply reduce emissions – Global warming is limited to 1.8°C by 2050 – Limited physical risks. 	Rapid policy shift in 2031 after a period of limited action. Senior needs to ensure it acts early to avoid long-term disruption as economies accelerate emissions cuts.	Early investment will help Senior prepare for the economic shifts after 2030. Opportunities may materialise over the long term, due to the late policy action and the abrupt transition to a low-carbon economy.
Scenario 3 (>3°C) No policy action: business as usual	<ul style="list-style-type: none"> – Minimal policy intervention – Global warming reaches 3.3°C by 2050 – High physical risks. 	Limited climate policy leads to rising greenhouse gas emissions. Increased exposure to heatwaves, tropical cyclones and droughts may disrupt Senior’s sites and supply chain. With weaker policy support and limited investment, new low-carbon technologies develop more slowly, making the transition costlier and harder to achieve.	The Group’s continued investments and its ability to diversify business activities can help Senior be more resilient to changes in the markets and adapt to the impacts of climate change.

Resilience statement

In 2025, we continued work on reinforcing the Group's resilience to transitional risks arising under scenarios 1 and 2. We have extended on-site generation of energy and increased procurement of renewable energy, which may help reduce the Group's reliance on carbon-based energy sources and reduce its exposure to potential regulatory costs. Our Long-Term Net Zero targets, aligned to 1.5°C for all Scopes, and the steps we are taking to decarbonise our operating businesses, are also expected to strengthen the Group's ability to withstand transitional risks. We continued our efforts on engaging with suppliers on Scope 3 emissions – the analysis performed in 2025 showed that around 56% of suppliers by spend have environmental-related targets in place, and around 43% – specific carbon-reduction targets. This ensures the Group's exposure to future costs and regulatory risks is reduced; it also helps create a stronger and more resilient supply chain that is aligned to Senior's sustainability goals.

The Group's focus on innovation and strong relationships with customers means we are well positioned to maximise opportunities offered by smooth and disruptive transition scenarios. We are proactively assessing the way climate change affects market demand for our products as part of our annual strategic meetings.

In addition to managing transitional risks, the Group is also building resilience against high physical risks associated with scenario 3. The Group's business continuity plans, which integrate adaptive measures to potential site-level vulnerabilities, help ensure that our operating businesses are able to maintain their functions, minimise operational disruptions and ensure long-term stability.

Risk management

The organisation's processes for identifying, assessing and managing climate-related risks

We identify, assess and manage the Group's risks using the risk management process shown on page 58. The Group has modelled its risk management process on the Committee of Sponsoring Organisations of the Treadway Commission ("COSO") integrated enterprise risk management framework, tailored to reflect Senior's culture and Values. The process includes identification of relevant risks, risk scoring, development and assignment of response actions, monitoring the effectiveness of key mitigating controls and reporting of the risk and assurance environment to the Executive Leadership Team, the Audit Committee and the Board.

In 2024, the Group applied the Double Materiality Assessment process to identify its sustainability risks, impacts and opportunities (including climate-related), as described on page 45.

Mitigating action plans, including a detailed description of the response action, assigned to the members of the Executive Leadership Team and other senior members of staff, are developed for all material climate-related risks. Action plan progress is tracked to ensure timely implementation. The overall effectiveness of the risk control environment is closely monitored through assurance and audit activities to assess if critical risks are being mitigated within the Group's risk tolerance.

Integration of processes for identifying, assessing, and managing climate-related risks into the organisation's overall risk management framework

Climate-related risks and impacts form part of the Group's risk register and will be subject to an annual review by the Executive Leadership Team and the Board.

Metric and targets

Metrics used to assess climate-related risks and opportunities

Targets used to manage climate-related risks and opportunities and performance against targets

The table below presents targets and metrics selected to measure our climate-related risks and opportunities. These metrics are relevant to Senior, as they enable us to track progress towards our sustainability objectives and assess the effectiveness of our initiatives to reduce environmental impact. Our targets are aligned to the Paris Agreement and the UK's Net Zero Strategy, reflecting our commitment to reducing the GHG emissions generated by Senior's operational activities and addressing indirect emissions across our entire value chain.

Our Near-Term Scope 1, 2 and 3 targets were verified by SBTi in 2021. In 2023, the SBTi approved our Long-Term Net Zero climate targets for Scope 1, 2 and 3 emissions. The targets, to be achieved by 2040, aligned to 1.5°C for all Scopes. Targets will be updated in 2026 to reflect the disposal of the Aerostructures.

In 2025, the Remuneration Committee aligned remuneration for the executive Directors and senior management to non-financial performance metrics and agreed that 10% of the 2025 bonus potential would be determined by a target related to absolute reduction in Scope 1 and 2 emissions over the one-year performance period. The set target is consistent with the Group's SBTi-validated target of a 30% reduction in these emissions by 2025 (from a 2018 base year).

Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas emissions

The details of our Scope 1, 2 and 3 emissions, in compliance with SECR, can be found on page 49.

Climate-related target	Target year	Base year	Progress in 2025	Metric
Reduce absolute Scope 1 and 2 GHG emissions by 30%	2025	2018	39% decrease (2024 – 33.4% decrease)	Tonnes CO ₂ e
For Scope 3 GHG emissions, 82% of suppliers by spend to have climate science-based targets	2025	2018	43% (2024 – not determined)	% of suppliers with specific carbon-reduction targets
Reduce absolute Scope 1, 2 and 3 emissions by 90%	2040	2018	Reporting to start in 2026	Tonnes CO ₂ e
Achieve a recycling rate of 95%	2025		92.4% (2024 – 91.1%)	% of waste recycled

VIABILITY STATEMENT

Following a robust assessment, the Directors have concluded that the Group and Parent Company have sufficient funds to operate for the foreseeable future (evaluated to 31 December 2028), even in a severe but plausible downside scenario.

The Board has considered a three-year period, which reflects the normal mid-term planning cycle, provides sufficient clarity on business prospects and adequately covers customer lead times for new and expansion investment. A severe but plausible downside scenario is considered over this period.

Overall, the Board's expectations for the Group for 2026 are unchanged. In Aerospace, growth in civil aircraft build rates and increased demand across our other markets is expected to drive further good progress in 2026 and beyond. Flexonics expectations for 2026 are unchanged with robust double-digit margins being maintained notwithstanding the softer conditions in certain end markets.

The base case projections of the viability assessment are based on the Group's Budget for 2026 and the Group's Strategy for 2027 and 2028. In the civil aerospace sector, air traffic is expected to continue to grow as incomes increase, especially in developing markets in Asia. The long-term demand for new commercial aircraft is forecast to grow by 3-4% per annum driven by growth in air traffic and ongoing fleet replacement. In the Group's other key markets, Senior's sales to the Defence sector are primarily focused on US military aircraft platforms such as the F-35 (underpinned by robust demand), C-130J and newer platforms such as T-7A.

In Flexonics, according to Americas Commercial Transportation ("ACT") research, North American heavy-duty truck production declined by 24% in 2025 compared to 2024, as OEMs responded to declining demand and high inventories of unsold trucks. ACT expects production to continue at the current lower rate during the first half of 2026 before the start of an anticipated recovery in the second half of 2026. Low-fleet replacement rates and an ageing truck fleet are anticipated to underpin demand growth going forward. S&P is predicting production growth in 2026 of 6%. In the off-highway sector, forecasted demand in 2026 will be flat

year-on-year in North America, up by 0% – 10% in both China and Europe and flat in Asia (excl. China). In light-vehicle production, S&P is forecasting that production in 2026 will fall by 3% in Europe, by 2% in North America and increase by 8% in India. In Senior's other Flexonics markets, activity in the power generation sector is driven by growth in electricity demand. The IEA are forecasting demand for electricity will grow 3.6% per annum from 2026 – 2030. In the downstream O&G sector, construction of new downstream infrastructure remains focused on the Middle East and Asia, where cheap feedstock and economic growth respectively are driving investment.

In determining a severe but plausible downside scenario, the base case projections are flexed to reflect the weighted probability and cumulative estimated effects of all the Group's principal risks and uncertainties, as disclosed on pages 56 to 65. This scenario reflects the combined probabilistic effect of all principal risks, rather than individual scenarios for each risk, according to impact and likelihood of occurrence and include mitigations where appropriate to maintain liquidity. These effects drive key metrics in revenue growth, operating profit margin and borrowing rates. The top 5 principal risks with the highest estimated effect on key metrics include Climate Change, Cyber/Information Security, Programme management, Implementation of Strategy, Geopolitical and Economic impact. The remaining risks have relatively equal weighting in the scenario with Financing and Liquidity having the lowest estimated effect.

To address the impacts under the severe but plausible downside, the Board has considered mitigating actions within the Group's direct control including cash conservation through management of capital expenditure and working capital together and limiting non-critical discretionary spend.

On 27 February 2026, the Company announced that it had received several proposals from potential offerors for the entire issued share capital of the Company. Given that there is no certainty that any offer for the Company will be made or as to the terms of any offer, the assessment of viability has been performed on the assumption that no change of control takes place during the viability assessment period.

Committed facilities and debt covenants

At 31 December 2025, the Group held committed borrowing facilities of

£293.8m, comprising five private placement loans, two rolling credit facilities and a Term Loan facility. The Group had headroom of £220.5m under these committed facilities. On 24 July 2025, a Term Loan Facility of £30m was issued for a period of 6 months, at a variable interest rate. This facility has been repaid in full on 23 January 2026. The weighted average maturity of the Group's committed facilities was 2.1 years. Management do not anticipate significant impediments to the refinancing of the revolving credit facilities required within the viability period.

There are two covenants for committed borrowing facilities, which are tested at June and December: the Group's net debt to EBITDA (defined in the Notes to the Financial Headlines) must not exceed 3.0x and interest cover and the ratio of EBITDA to interest must be higher than 3.5x. At 31 December 2025, the Group's net debt to EBITDA was 0.9x and interest cover was 7.0x, both comfortably within covenant limits.

Board's conclusion

Modelling the base case and severe but plausible downside scenario with mitigations indicate that the Group is in compliance with all debt covenants at all measurement dates out to 31 December 2028. There is sufficient liquidity headroom throughout the period given the committed facilities available. Accordingly, the Directors conclude that the Group and Parent Company have sufficient funds to operate in the period out to 31 December 2028, even in a severe but plausible downside scenario.

Going concern

As a consequence of the rigorous assessment of the forecasts underpinning the viability statement, the Directors have, at the time of approving these Financial Statements, a reasonable expectation that the Group and Parent Company have adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these Financial Statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing these these Financial Statements. See page 135 for further information.

Approval

The Strategic Report from pages 1 to 71 was approved by the Board of Directors on 27 February and signed on its behalf by

David Squires

Group Chief Executive Officer

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

In compliance with the Non-Financial Reporting requirement set out in Sections 414CA and 414CB of the Companies Act 2006, the table below illustrates where our stakeholders can find information in respect of non-financial matters.

Non-financial information	Section of the report	Pages
Business Model	Business Model	12
Principal Risks	Risks and Uncertainties	56
Non-Financial KPIs	Key Performance Indicators	30
Climate-Related Financial Disclosures	Task Force on Climate-Related Financial Disclosures (TCFD)	66

Non-financial information	Policies	Related principal risk	Due diligence and outcomes	Pages
Environmental matters	Health, Safety and Environmental Policy – sets out Senior’s commitment to creating a safe and healthy work environment free of occupational injuries, ill-health and environmental incidents.	Climate Change	– Sustainability – Environment – Streamlined Energy and Carbon Reporting	46 49
		Employees	– Sustainability – Governance – Internal Controls and Risk Management	54 98
	Code of Conduct – provides a clear framework outlining the expected behaviour and ethical standards for Senior’s employees.	Corporate Governance Breach		
	Whistle-blowing Policy – encourages employees to report suspected or observed wrongdoing and unethical behaviour within the workplace, and provides contact details of an independent, third-party whistle-blowing service.			
	Perform – Senior’s performance and development system is designed to manage and enhance the performance of its employees.	Talent and Skills	– Sustainability – Social	51
	Learn – Senior’s global learning management platform is designed to deliver and track training courses, promoting continuous learning and development among employees.			
	Environmental Health & Safety Management Framework comprising: Senior’s Safety Standards – define the minimum health and safety requirements for all Group operating businesses. Senior’s Health & Safety Essential Behaviours – the behaviour model helping its employees understand the behaviours they “should” and “should not” display to strengthen the Company’s health and safety culture. Senior’s Golden Rules – safety principles and guidelines designed to prevent accidents and protect wellbeing of employees, contractors, suppliers and visitors whilst on Senior’s premises.			
Respect for human rights	Human Rights Policy – sets out standards Senior expects from its employees, customers and suppliers regarding human rights. Modern Slavery Act Statement – outlines the Company’s actions to assess potential modern slavery risks and processes to minimise any risk of slavery or human trafficking.	Corporate Governance Breach	– Internal Controls and Risk Management	98
Anti-corruption and anti-bribery	Agents Policy – applies to business dealings with agents contracted to represent and act on behalf of Senior in any sales capacity. Gifts and Hospitality Policy – restricts the receiving and giving of gifts and hospitality from, and to, third parties. Whistle-blowing Policy Fraud Policy	Corporate Governance Breach	– Internal Controls and Risk Management	98
Social matters	Diversity and Inclusion Executive Commitment – dedication and involvement of Senior’s leaders in promoting diversity and inclusion, creating the environment where individuals from diverse backgrounds feel valued and respected and have equal opportunities for success.	Talent and Skills	Sustainability – Social	51

➤ For more information please visit: www.seniorplc.com

GOVERNANCE HIGHLIGHTS

Our governance provides effective oversight and direction



Investing in our people and culture

Meeting the Group's employees, observing working practices and reviewing engagement results enabled the Board to assess the Group culture and agree focus areas for the year ahead.

[Read more on page 80](#)



Section 172 driving better decision-making

Board decisions are informed by stakeholder insight and consideration of long-term impacts, ensuring outcomes are balanced, responsible and deliver lasting value across the Group.

[Read more on page 82](#)



Comprehensive induction programme

Delivered structured onboarding for new Directors, while continuing onboarding of the existing Directors to strengthen integration and contributions to the Board.

[Read more on page 90](#)



Board performance

Conducted an internal Board performance review, which confirmed effective Board composition, strong strategic oversight and constructive challenge.

[Read more on page 91](#)



CHAIR'S GOVERNANCE LETTER

Senior's governance supports sustainable growth

THE DIVESTMENT OF THE AEROSTRUCTURES BUSINESS HAS BEEN COMPLETED AS PLANNED. OUR RETAINED FCTM BUSINESSES ARE FOCUSED AND PERFORMING STRONGLY WITH HIGH QUALITY FUTURE OPPORTUNITIES.

Ian King
Chair



Dear Shareholder,

On behalf of the Board, I am pleased to present the Senior plc Corporate Governance Report for the year ended 31 December 2025. This year marked a significant strategic decision – the divestment of the Aerostructures business to focus on becoming a Fluid Conveyance and Thermal Management (FCTM) business. During the year, the Board worked closely with the executive team, assessing the implications of the divestment and providing oversight, challenge and guidance. We believe this decision will lay a solid foundation for a strong, focused and more competitive business over the long term.

Alongside this, the Board approved a £40m share buyback programme following the divestment and set new financial targets to guide future performance, reflecting our disciplined capital allocation and confidence in the Company's financial resilience. In light of the possible offer for the Company, announced on 27 February 2026, Senior will not currently be commencing the £40m share buyback programme.

Board changes

We were pleased to welcome Alpna Amar as Group Chief Financial Officer. Since joining, Alpna has visited operations across the Group, gaining insights into opportunities and challenges and contributing fresh perspectives to Board discussions. We were also pleased to appoint Graham Oldroyd as a non-executive Director on 28 May 2025. His engineering and private equity experience strengthens and complements the Board.

Stakeholder engagement

The Board maintained strong focus on engaging with stakeholders. An Investor Event early in the year offered an opportunity to explain our strategy and new financial targets. Later in the year, investors and analysts visited our new Innovation Centre in Oakdale, South Wales, showcasing Senior's engineering

capabilities and commitment to innovation. We continued our Global Employee Engagement Survey, achieving 88% participation rate and maintaining an engagement index of 7.5. Our designated non-executive Director for employee engagement, Mary Waldner, led focus groups and visited operations in the UK, France and the USA, enabling direct dialogue with employees. Whole Board visits to the UK and US sites, alongside regular meetings with the Executive Leadership Team, provided valuable insight into the operating environment and leadership capability. Additional site visits by Zoe Clements in Canada, the USA and the UK further deepened Board engagement.

Priority areas for 2026

In 2026, the Board will continue improving the effectiveness of Board materials, focus on growth opportunities, and maintain emphasis on executive succession and gender diversity, particularly in operational roles. Strengthening employee experience will remain a priority.

2026 Annual General Meeting (AGM)

The Company's 2026 AGM will take place on 8 May 2026 at 59/61 High Street, Rickmansworth, Hertfordshire, WD3 1RH. We invite you to attend and meet the Board and our leadership team.

I would like to thank my fellow Directors, the executive team and all employees for their contribution and commitment throughout what has been a busy and an important year. I would also like to thank our shareholders for their continued trust and support as we deliver our strategy.

Ian King
Chair

27 February 2026

Statement of compliance with the Corporate Governance Code

Senior plc is subject to the UK Corporate Governance Code 2024 (the Code). The Code is published by the Financial Reporting Council and available at www.frc.org.uk. The Company has been compliant with the Code throughout the financial year under review.

Further information on how the Company has applied the Principles and complied with the Provisions of the Code can be found on the following pages:

Board Leadership and Company Purpose	79 – 83
Division of Responsibilities	84 – 85
Composition, Succession and Evaluation	86 – 91
Audit, Risk and Internal Control	92 – 99
Remuneration	100 – 116

BOARD OF DIRECTORS

- A Audit Committee
- R Remuneration Committee
- N Nominations Committee

Ian King
Chair and Chair of the
Nominations Committee



Date appointed to the Board
2017

Independent
Yes, on appointment

Qualifications
Fellow of the Chartered Institute of Management Accountants

Skills, experience and contribution
Ian leads the Board in defining the strategy of the Group and driving the Company's Vision to produce sustainable growth in operating profit, cash flow and shareholder value. Ian has relevant direct experience in Aerospace, a key element of Senior's strategy. Throughout a longstanding career, Ian has held many senior management and directorship roles, including finance, executive management, customer support and strategic planning.

Current external appointments

- A non-executive director of Schroders plc
- The lead non-executive director of the Department for Transport
- A non-executive director of High Speed Two (HS2) Limited
- A senior adviser at Gleacher Shacklock LLP.

Previous roles

- Chief Executive of Alenia Marconi
- Group Strategy and Planning Director of BAE Systems
- Chief Executive of BAE Systems
- Senior independent director of Rotork plc.

Barbara Jeremiah
Senior Independent
Non-executive Director, Chair
of the Remuneration Committee



Date appointed to the Board
2022

Independent
Yes

Qualifications
BA in Political Sciences and a qualified lawyer

Skills, experience and contribution
Barbara's extensive experience in a number of Senior's key markets as an executive and a non-executive director complements that of the existing members of the Board. Barbara is a US citizen and has good working experience in North American markets.

Current external appointments

- Chair of The Weir Group plc
- Senior Independent Director of Johnson Matthey Plc.

Previous roles

- Executive Vice President, Corporate Development and Chairman's Counsel of Alcoa Inc
- Chairwoman of Boart Longyear Limited
- Non-executive director of Premier Oil plc and Russel Metals Inc
- A non-executive director and Remuneration Committee Chair of Aggreko plc.

Alpna Amar
Group Chief
Financial Officer



Date appointed to the Board
2025

Independent
No

Qualifications
BSc (Hons) in Economics and Politics, Chartered Accountant

Skills, experience and contribution
Alpna has extensive corporate, operational and commercial finance, strategy, M&A and investor relations experience, in both corporate and consulting positions. She also brings a wealth of experience in Senior's end markets and a strong track record of helping to enhance shareholder value.

Current external appointments

- A non-executive director of Chemring Group PLC.

Previous roles

- Corporate Development Director of Kier Group plc
- Senior investor relations and corporate development roles at TI Fluid Systems plc and International Automotive Components Group, SA.

Zoe Clements
Non-executive Director



Date appointed to the Board
2024

Independent
Yes

Qualifications

BSc (Econ) in Econometrics and Mathematical Economics, a Fellow of the Institute of Chartered Accountants

Skills, experience and contribution

Zoe is an investment, private equity and finance professional with over 15 years of board experience, and over 25 years of executive experience, notably in a private equity context. Zoe's direct experience in complex investment and finance roles across a variety of industries complements the current Board.

Current external appointments

- A non-executive director of Pantheon International Plc
- A non-executive director of JPMorgan Emerging Markets Investment Trust plc
- A Trustee of the Money and Mental Health Policy Institute
- A Non-Executive Adviser of Travers Smith LLP
- A Board Member of the Audit Committee Chairs' Independent Forum.

Previous roles

- A Member of the Social Investment Advisory Committee of the Growth Impact Fund. Zoe stepped down from this role in February 2026.
- A range of consumer, retail, leisure, healthcare and professional services boards as a non-executive Director.

Graham Oldroyd
Non-executive Director



Date appointed to the Board
2025

Independent
Yes

Qualifications

MA Hons. in Engineering
MBA INSEAD Business School
Chartered Engineer, Fellow of the Institution of Mechanical Engineers, Member of the Chartered Institute for Securities & Investment, Honorary Fellow, INSEAD Business School

Skills, experience and contribution

Graham has a strong engineering background complemented by public company and broad private equity experience, particularly in industrial and manufacturing sectors. Graham's track record in transforming international mid-market industrial businesses and creating long-term shareholder value enable him to make valuable contributions to Board discussions.

Current external appointments

- A non-executive director of Videndum plc
- The Chairman of The Global Smaller Companies Trust PLC
- A member of the Supervisory Board of MCF Corporate Finance GmbH and Chairman of MCF Ltd.

Previous roles

- Chairman at Ideal Standard International NV
- A non-executive director of PHS Group Investments Ltd, Nobina AB and Henderson Alternative Strategies Trust plc
- A partner and Head of Manufacturing and Industrial Investment at Bridgepoint Capital.

Rajiv Sharma
Non-executive Director



Date appointed to the Board
2019

Independent
Yes

Qualifications

BTech in Mechanical Engineering and MBA, Marketing & Strategy

Skills, experience and contribution

Rajiv has significant experience in blue-chip global industrial companies. His work experience includes commercial, manufacturing, supply chain, M&A, strategy development, digital and general management across the Americas, Europe and Asia. During his career, he has grown businesses, done turnarounds and built world class teams. Investing in talent and technology has been a key enabler to business success. His experience includes developing and executing winning strategies for long-term success.

Current external appointments

- The Chief Executive Officer of Archroma Singapore Pte. Ltd.
- A non-executive director of Raymond Lifestyle Limited.

Previous roles

- The Chief Executive Officer of Coats Group plc
- Various senior roles in Shell, GE, Honeywell.

David Squires
Group Chief
Executive Officer



Date appointed to the Board
2015

Independent
No

Qualifications

BA in Business Management Studies, a Fellow of the Chartered Institute of Purchasing and Supply and Fellow of the Royal Aeronautical Society

Skills, experience and contribution

David has a long-established career in engineering and manufacturing businesses. He brings extensive knowledge of the aerospace industry, other industrial markets and broad international experience, as well as understanding of supply chain and business development to the Board. David has been the guiding force in driving the Group's Vision and operating in a safe and ethical manner. David chairs the Group's Executive Leadership Team. He is also the Chair of the Health, Safety & Environment Committee.

Current external appointments

- A non-executive director of Mpac Group plc

Previous roles

- The Chief Operating Officer of Cobham plc
- Various roles in Eaton Corporation, GEC-Marconi/BAE Systems, Hughes Aircraft Company (now Raytheon) and Shell.

BOARD OF DIRECTORS continued

Joe Vorih

Non-executive Director

**Date appointed to the Board**

2024

Independent

Yes

Qualifications

BS and MS in Mechanical Engineering and MBA

Skills, experience and contribution

Joe brings broad international engineering expertise in the automotive, aerospace and industrial sectors where Senior operates. His experience in integrating businesses and managing businesses through transition and lean transformation – in both public and private equity environments – enable him to make valuable contributions to the Board.

Current external appointments

- The Group Chief Executive Officer of Genuit plc.
- A partner in Rocky Neck Partners, LLC.

Previous roles

- The President of HBK, a division of and key platform business within Spectris plc
- Various roles in Clarcor Corporation, Stanadyne Corporation and Danaher Corporation
- A Board Director of Muth Mirror Systems.

Mary Waldner

Non-executive Director, Chair of the Audit Committee and Director designated to engage with the Group's employees

**Date appointed to the Board**

2021

Independent

Yes

Qualifications

MA (Hons) in Physics and a Fellow of the Chartered Institute of Management Accountants

Skills, experience and contribution

Mary's background and experience in finance and in the engineering sector complements the current Board membership and is invaluable in Senior's continued development.

Current external appointments

- The Chief Financial Officer of Lloyd's Register.

Previous roles

- A non-executive director and Chair of the Audit and Risk Committee of Oxford Instruments plc
- The Group Finance Director of Ultra Electronics Holdings plc
- The Director of Group Finance at QinetiQ Group plc
- Group Financial Controller of 3i Group plc
- A number of senior roles within the aerospace and automotive sectors at British Airways and General Motors.

Andrew Bodenham

Group Company Secretary

**Date appointed Group Secretary**

2002

Andrew was appointed Group Company Secretary in 2002. He acts as Secretary to the Senior plc Board and its Committees; he is also a member of the Group's Executive Leadership Team and of the Treasury Committee. Prior to joining Senior, Andrew had gained experience working for businesses in the technology/software, manufacturing, insurance and aviation services sectors.

THE BOARD AND ITS COMMITTEES HAVE THE APPROPRIATE COMBINATION OF SKILLS, EXPERIENCE AND KNOWLEDGE TO ENABLE THEM TO PERFORM THEIR DUTIES EFFECTIVELY.

Ian King
Chair

OUR EXECUTIVE
LEADERSHIP TEAMThe right
experience
and skills
to deliver

The Executive Leadership Team, led by the Group Chief Executive Officer, has the right blend of skills and experience to deliver the implementation of the Group's strategy.

The team's collective strengths include:

- Strategic leadership
- Financial management
- Operational excellence
- Technological innovation
- Risk management
- Human capital development

David Squires
Group Chief Executive

David brings aerospace and industrial expertise, international experience and supply chain insight. David leads the Executive Leadership Team and chairs the HSE Committee. See detailed biography on page 75.

**Alpna Amar**
Group Chief Financial Officer

Alpna brings broad experience across finance, strategy, M&A and investor relations. Alpna brings deep insight into Senior's markets and a proven track record of enhancing shareholder value. See detailed biography on page 74.

**Andrew Bodenham**
Group Company Secretary

See biography on page 76.

**Launie Fleming**
President, Aerospace Division

A US citizen, Launie has extensive experience working for the Group. Launie joined the Executive Committee upon his appointment as Chief Executive of Aerospace Fluid Systems in September 2008. In October 2020, Launie was appointed Chief Executive of the Aerospace Division, formed by the consolidation of the Aerospace Fluid Systems division and Aerospace Structures division. Prior to these divisional roles, Launie was the Chief Executive of Senior Aerospace SSP.

**Amy Legenza**
Director of Risk and Assurance

A US citizen, Amy became the Director of Risk and Assurance in November 2021 and was appointed to the Executive Leadership Team on 1 January 2023. Amy previously served as the Group's Head of Risk & Compliance. A Certified Public Accountant, Amy joined the Group in 2008 and has broad experience in senior finance and accounting roles.

**Nigel Major**
Executive Vice President Strategy

Nigel Major joined Senior in April 2024 as Executive Vice President Strategy, responsible for strategy, M&A, and technology leadership across the Group. Before joining Senior, Nigel was Group Director, Mergers and Acquisitions at QinetiQ Group plc. Prior to that, he was Chief Strategy and Technology Officer at Laird plc. His earlier roles included both developing and implementing strategy, leading M&A activities, and leading technology development. Nigel has an MA in Maths from Cambridge University and a PhD in Artificial Intelligence from Nottingham University; he worked as a research Fellow in Nottingham and Le Mans, France.

**Silvia Schwark**
Executive Vice President Human Resources

Silvia joined Senior as the Group Human Resources Director on 3 March 2025. Silvia is a Fellow of the Chartered Institute of Personnel and Development; she has a wealth of experience in leading the people function in a range of global engineering and manufacturing organisations. Silvia's prior roles include the Chief People Officer at XP Power plc and other senior HR leadership roles at Mars Inc, Tate & Lyle plc and Vesuvius plc.

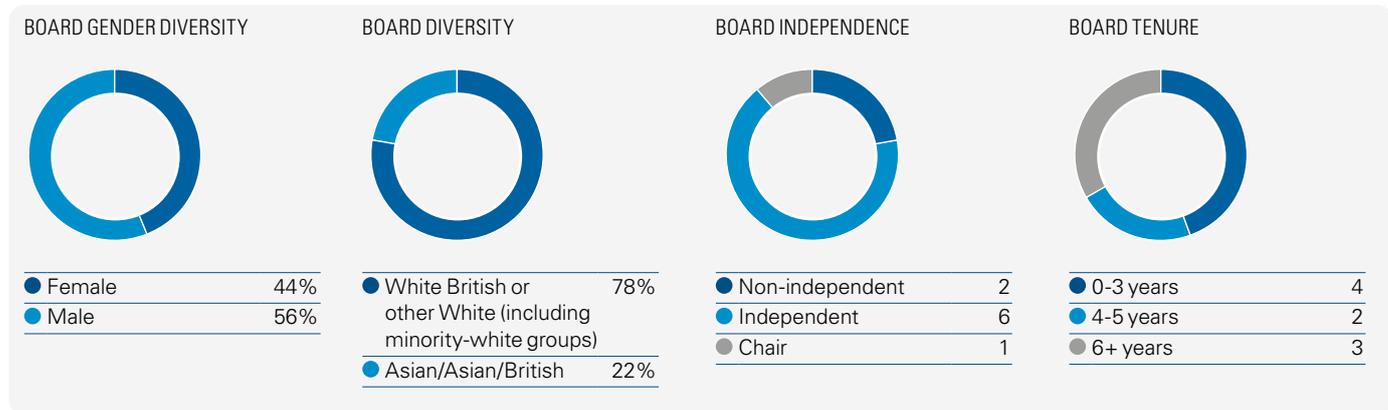
**Mike Sheppard**
President, Flexonics Division

A US citizen, Mike has worked for the Group for over 30 years. A qualified engineer, Mike's previous positions within the Group included operational roles at the two largest Flexonics businesses, Senior Flexonics Pathway and Bartlett.



BOARD AT A GLANCE

Board diversity and structure



Board and Committee membership as at 31 December 2025 and meeting attendance in 2025

The membership and attendance record of the full Board meetings and its full Committee meetings during 2025 are shown in the table below:

	Main Board	Audit Committee	Nominations Committee	Remuneration Committee
Chair	Ian King	Mary Waldner	Ian King	Barbara Jeremiah
Ian King	12/12	–	6/6	4/4
Barbara Jeremiah	12/12	4/4	6/6	4/4
Alpna Amar	10/10	–	–	–
Susan Brennan ¹	4/4	1/1	2/2	1/1
Zoe Clements ²	12/12	3/4	6/6	4/4
Bindi Foyle ³	4/4	–	–	–
Graham Oldroyd ⁴	8/8	3/3	4/4	3/3
Rajiv Sharma	11/12	4/4	6/6	4/4
David Squires	12/12	–	–	–
Joe Vorih	10/12	4/4	6/6	4/4
Mary Waldner	12/12	4/4	6/6	4/4
Total number of meetings	12	4	6	4

¹ Susan Brennan stepped down from the Board on 25 April 2025.

² In advance of her appointment, Zoe Clements notified the Board she would be unable to attend one Audit Committee meeting due to prior commitments.

³ Bindi Foyle retired from Senior plc on 16 May 2025.

⁴ Graham Oldroyd joined the Board on 28 May 2025.

Board and Executive Committee gender and ethnicity metrics as at 31 December 2025

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (Group CEO, Group FD, SID, Chair)	Number in Executive Committee	% of Executive Committee
Gender representation					
Men	5	56%	2	5	62%
Women	4	44%	2	3	38%
Not specified	–	–	–	–	–
Ethnicity					
White British or other White (including minority-white groups)	7	78%	3	7	87%
Mixed/Multiple ethnic groups	–	–	–	–	–
Asian/Asian British	2	22%	1	1	13%
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group, including Arab	–	–	–	–	–
Not specified	–	–	–	–	–

BOARD LEADERSHIP AND COMPANY PURPOSE

Role of the Board

Throughout 2025, the Senior plc Board provided effective and forward-looking leadership during a pivotal period in Company's history. It played an important role in shaping and approving the Group's Fluid Conveyance and Thermal Management strategy (FCTM), ensuring its alignment to core strengths of the Group and long-term growth opportunities.

During the year, the Board maintained close oversight of the Group's financial and operational performance by reviewing management reports. These reports provided regular updates on the Group's end market conditions, investor engagement initiatives, sustainability and employee matters as well as financial results. This robust governance enabled the Board to challenge the management in a constructive manner, evaluate alternative strategies and ensure that decisions were made in the best interests of all stakeholders.

In 2025, the Board maintained robust oversight of cyber security, regularly reviewing incident reports and vulnerability management updates. In addition, the Board monitored external incidents affecting the Group's key partners and ensured no exposure of Company systems. Strategic decisions included extending the managed security partnership with an external provider and onboarding all operating businesses to the cyber security risk management platform.

The Board ensures that the Company has the necessary resources to achieve its strategic objectives. During 2025, as part of the Board Strategy, the Board reviewed the Company's human resources and the talent pipeline required to deliver the FCTM strategy. In addition, it received updates from the EVP HR on such matters as policies and practices aimed at employee development, recruitment and retention. The Board regularly monitored financial resource allocation, with an in-depth review having taken place during the Board Budget meeting.

To measure performance against strategic objectives, the Board receives and reviews the Group KPI Scorecard, covering such matters as safety and ethics, growth and market opportunities, operational excellence, supply chain management, organisational capabilities and financial performance. By reviewing these KPIs at every scheduled Board meeting, the Board was able to identify areas requiring further improvement.

Company's Purpose, Values and Strategy

The Board is responsible for setting the Company's Purpose. Our Purpose, which is described on page 2, was refreshed in 2023, and the Board considers that it is still relevant to the Group's FCTM strategy. By focusing on high-value FCTM technologies, Senior continues to support its customers across aerospace and defence, land vehicle and power & energy markets in delivering products that enable energy efficiency and emissions reduction.

Strategic oversight

During the 2025 Board Strategy meeting, the Board reviewed the Group's technology priorities, focusing on low-carbon propulsion, energy storage, advanced manufacturing processes, artificial intelligence and digital automation. Notable innovations and key customer programmes were also discussed, along with ongoing collaborations with industry partners and academic institutions. This allowed the Board to receive assurance that Senior remained at the forefront of technological advancement and continued to meet the evolving market needs. The strategy to become a Fluid Conveyance and Thermal Management business was also reviewed in detail. The Board discussed key actions required to achieve this, such as focusing on engineered products and tapping into trends such as increased aircraft demand and vehicle electrification. Ambitious financial targets and investment in sustainability were highlighted as central to this vision. The Board discussed people and organisation initiatives, including increased training investment, talent development, succession planning and the adoption of digital HR platforms, aimed at fostering an innovative workforce aligned with Senior's sustainable engineering mission.

The Board also considered Senior's operational excellence hub, including achievements in process improvement and capacity gains. Strategic discussions give the Board a clear view of the possible outcomes from Senior's future strategic direction. They help the Board assess and challenge, among other things, how the Group responds to changes in the markets, invests in its people, manages risks and stays competitive.

Further details on our business model can be found on pages 12 and 13.

Governance activities in 2025

In 2025, the Board made a number of strategic decisions to advance Senior's long-term strategic objectives. Examples of some of these key decisions and their outcomes are described below.

In 2025, the Board approved new medium-term financial targets, supporting Senior's strategic move to FCTM business following the planned divestment of Aerostructures. The new targets reflect the Group's focus on higher margins and returns on capital, resilient end markets, and robust cash generation. The Board will oversee the delivery of performance against targets and report progress in 2026.

During the year, the Board supported the recommendation by the Board of Trustees of the Senior plc Pension Plan (the Plan), for which Senior plc acts as the sponsoring employer, to proceed with an insurance buy-in contract. The Plan is a defined benefit pension plan that is closed to future accruals. The decision followed a thorough review of market conditions, surplus levels within the scheme and the long-term risks associated with the Plan. The transaction is expected to significantly reduce the Plan's exposure to investment and longevity risks.

Further details of key Board decisions taken during the year, as well as a comprehensive description of how the Board applied its s.172 duties, can be found on page 82.

BOARD LEADERSHIP AND COMPANY PURPOSE continued



**Ian King (Chair) and Silvia Schwark
(Executive Vice President HR)**

Fostering a purpose-driven culture

The Board has a responsibility to assess and monitor culture and to ensure that it supports Senior's Purpose, Values and strategy. As part of this oversight, Ian King held discussions with Silvia Schwark to hear her observations of the culture environment across Senior's operating businesses.

Q How would you assess Senior's culture, and to what extent do you believe we are living up to it in practice?

Senior's culture is grounded in a strong purpose to engineer a sustainable future for all stakeholders, underpinned by our core Values. They are embedded in our governance, performance management and employee engagement programme, and are reflected in tangible outcomes – notably a strong engagement index, safety performance and open channels for employee communication and feedback.

We are encouraged by the progress made in embedding our culture across global operations and remain focused on continuous improvement and strengthening.

Q&A

Q Culture needs constant care and attention to maintain resonance – what are the key things you focus on to keep Senior's culture strong?

Through our sustained leadership enablement focus, active employee engagement and clear, consistent communication at Senior, we continue to nurture a strong and resilient culture. Group-wide leadership and capability development programmes reinforce shared values and expectations, while regular engagement surveys and open feedback channels ensure employee voice remains central. By embedding cultural principles into everyday processes and maintaining a strong focus on safety, inclusion and accountability, the Group seeks to ensure its culture remains aligned with strategy and supports long-term sustainable performance.

Culture oversight

Our governance framework supports and promotes a culture of integrity, trust and accountability. Directors must avoid conflicts of interest; they should demonstrate zero tolerance for fraud, bribery and corruption. Directors are expected to promote a culture of open communication, where employees can raise their concerns without a fear of retaliation.

Our Code of Conduct communicates the standards of behaviour and core Values to all employees, this is further reinforced by comprehensive Group-wide policies and procedures. The Board employs both qualitative and quantitative methods to monitor the Company's culture and to ensure it remains aligned with its Purpose, Values and strategy. In 2025, two of the Board meetings were held at our operating businesses, and this allowed the non-executive Directors to speak directly with employees, observe working practices and safety behaviours. Some non-executive Directors are also involved in mentoring employees from different Group sites and functions, and this engagement provides additional visibility over how culture works on the ground. Throughout the year, Mary Waldner, the designated non-executive Director for employee engagement, conducted numerous focus groups, leadership conversations and site visits across the UK, France and the USA. Supported by Silvia Schwark, Mary led a dedicated session at one of our Board meetings to brief the Board on the insights gathered from their extensive discussions with employees across multiple sites. In addition, the Board reviewed the results of the 2025 Global Employee Engagement survey and agreed on specific areas for improvements for 2026. Quantitative oversight over culture includes regular reviews of health and safety statistics, training completion rates and diversity metrics throughout the Group, review of the whistleblowing cases and internal audit highlights.

Information on workforce policies and practices related to training and development, performance management and employee wellbeing can be found on pages 51 to 53.

Stakeholder engagement

Throughout the year, the Company's management and the Board continued effective engagement with its stakeholders. Regular engagement initiatives with Senior's stakeholders provide the Directors with valuable insights into their expectations and concerns. These insights help the Directors better understand the likely impact of certain decisions or strategic options on various stakeholders. The Board considers various factors when assessing the effectiveness of its engagement mechanisms with the Group's stakeholders. Participation rates in employee engagement activities, employee satisfaction rates and nature of feedback received from shareholders, nature and frequency of whistle-blowing reports are some examples that the Board uses to measure the effectiveness. The Board remained confident in the effectiveness of the Group's engagement mechanisms and will continue its commitment to sustaining and adapting, where necessary, its approach.

A summary of the engagement activities and the explanation of how stakeholder insights informed Board discussions and decision-making, can be found in the Stakeholder Engagement section on pages 24 and 29. The Chair provided regular updates to the Board on his engagement with investors throughout the year, highlighting key themes raised by shareholders. As a result, the Board has a clear understanding of the shareholders' view and can consider them in future decisions.

Whistle-blowing arrangements

The Group's process for Whistle-blowing arrangements is detailed on page 55 and can also be found on our website.

Throughout the year, the Group Company Secretary regularly reported on all whistle-blowing cases to the Board of Directors as part of the standing agenda item at each scheduled Board meeting. The EVP HR reviewed and summarised the total number of cases, analysing them for any emerging patterns or trends, and included these insights in every Group Chief Executive Officer's report to the Board. The Director of Risk and Assurance provided whistle-blowing case information in her report to the Audit Committee.

Section 172 (1) statement

The Board uses various steps to integrate the requirements of Section 172 into its decision-making process.

○ **Board training:** all Board Directors receive training on their legal duties, including those under Section 172.

○ **Terms of reference:** Section 172 considerations are integrated into the schedule of Matters Reserved for the Board and the Terms of Reference of all Board Committees.

○ **Board meeting papers:** all Board meeting packs start with a cover letter explicitly stating Directors' obligations under Section 172.

s.172 duties	Board Activities in the Year
Long-term consequences of decisions	<ul style="list-style-type: none"> – approved divestment of Aerostructures to focus on FCTM strategy; – set new medium-term financial targets and monitored delivery; – approved insurance buy-in for pension plan risk reduction; and – reviewed and challenged business model and strategy.
Interests of employees	<ul style="list-style-type: none"> – reviewed the Global Employee Engagement Survey and agreed actions; – designated NED-led workforce engagement (focus groups, site visits); – received regular HR updates on talent, succession and wellbeing; and – monitored health & safety, diversity and whistle-blowing trends.
Fostering relationships with suppliers, customers, others	<ul style="list-style-type: none"> – hosted an Investor Event and stakeholder site visits; and – supported cross-functional stakeholder engagement initiatives.
Impact on community and environment	<ul style="list-style-type: none"> – reviewed environmental performance metrics; and – monitored progress against Net Zero targets.
Fairness between members (shareholders)	<ul style="list-style-type: none"> – approved the £40m share buyback programme¹; – engaged with shareholders at the AGM and targeted meetings; – balanced capital returns with investment and dividend policy; and – disclosed rationale for major decisions affecting shareholders.
High standards of business conduct	<ul style="list-style-type: none"> – maintained full compliance with the 2024 UK Corporate Governance Code; – regularly reviewed Conflicts of Interest Register; – oversaw whistle-blowing arrangements and case trends; – oversaw the external audit tender process; and – reviewed internal controls, risk management and compliance updates.

¹ In light of the possible offer for the Company, announced on 27 February 2026, Senior will not currently be commencing the £40m share buyback programme.

BOARD LEADERSHIP AND COMPANY PURPOSE continued

Key Board decisions in 2025

Key decision	Stakeholder considerations	Company reputation and high standards of business conduct	Likely long-term consequences of the decision	Outcome
<p>Divestment of the Aerostructures businesses</p> <p>In 2025, the Board made a strategic decision to enter the binding agreement to sell the Aerostructures businesses to Sullivan Street Partners.</p>	<p>Employees – employees moving to the new owner may benefit from focused investment but face transition uncertainty. Remaining employees may gain strategic focus and investment, though short-term disruption is possible.</p> <p>Suppliers – the suppliers to the Aerostructures businesses may see new opportunities and some uncertainties during the transition. Suppliers to the rest of the Group may benefit from improved focus and resilience.</p> <p>Customers – the Aerostructures customers may benefit from dedicated investment, but face transition uncertainty. Other Group customers may benefit from reinvestment and financial strength, though separation process may temporarily increase workload.</p> <p>Shareholders – the divestment offered an opportunity to strengthen operating margins, streamline Senior's business model, enable debt reduction, reinvestment and share buyback, improving financial resilience.</p>	<p>The divestment process was carried out in a manner that ensured transparency, strong governance and oversight by the Board, with due diligence on the purchaser and assurance that all contractual, regulatory and ethical obligations would be upheld. Throughout the process, the Company maintained open and clear communication with stakeholders, fair treatment of transferring employees and ensuring robust governance over the transition and post-completion integration.</p>	<p>Overall, the decision is expected to position Senior as a differentiated business focused on its core strengths – Fluid Conveyance and Thermal Management. In the longer term, this sharper focus is expected to increase the Group's competitive advantage and enhance its technological differentiation. From a financial perspective, the divestment is expected to improve the Group's long-term resilience and overall performance.</p>	<p>Throughout the divestment process, the Board ensured that any potential negative impacts arising during the short-term transition period were mitigated by the management. In 2026, the Board will maintain its oversight to ensure that the longer-term opportunities offered by the FCTM business are fully realised.</p>
<p>Share buyback programme</p> <p>In 2025, the Board approved a £40 million share buyback programme, to be funded by the sale of its Aerostructures businesses. In light of the possible offer for the Company, announced on 27 February 2026, Senior will not currently be commencing the £40m share buyback programme.</p>	<p>A key part of the Board's decision-making process was a detailed financial analysis, which provided assurance that the Company had substantial financial resources and appropriate distributable reserves to fund the programme. The Board reviewed the potential implications for employees and concluded that the share buyback would be perceived by employees as a sign of the Company's financial strength and long-term stability. Customer and supplier relationships were also considered, with the Board remaining satisfied that the programme would not compromise the Company's contractual commitments with these stakeholders, or reduce other resources allocated to capital expenditure requests. Shareholder interests were also carefully balanced in the context of enhanced earnings per share, available financial resources for future potential M&A activities and the Company's ability to maintain dividend payments.</p>	<p>The Board considered how the programme would be perceived by the market, regulators and other stakeholders and concluded that it would reinforce the Company's credibility and demonstrate disciplined capital management.</p>	<p>The Board considered the long-term consequences of the share buyback programme, which was expected to reduce the number of shares in circulation, supporting earnings per share and, potentially, the share price. It was concluded that the programme represented an efficient allocation of surplus capital while preserving resources for future strategic initiatives.</p>	<p>As the programme has not been completed at the time of the report, it is not possible to assess its outcome. The Board, however, ensured that the programme was clearly communicated, structured appropriately and executed responsibly in accordance with the Company's governance framework.</p>

SENIOR INNOVATION CENTRE DELIVERING GROWTH AND SHARED VALUE

In our 2024 Annual Report, we explained the Board's decision to approve relocation of Senior Flexonics Crumlin design centre to a new facility nearby In Oakdale, South Wales to support growth and better showcase its design capabilities. When making this decision, the Board gave careful consideration to the matters set out in Section 172 (1)(a) to (f) of the Companies Act 2006 – including the long-term consequences of the decision, the interests of our employees, relationships with suppliers and customers, and the effect on the community and the environment.

The new, state-of-the-art Senior Innovation Centre (Innovation Centre), which opened on 16 October 2025, was funded by investment from Senior plc, as well as funding from the Welsh Government via its Economy Futures Fund and financial support from Caerphilly Council to facilitate change of use of the site.

Its focus is on the design, development, testing and manufacturing of fluid conveyance and thermal management products for use in conventional internal combustion engine, hybrid and electrified powertrain applications as well as for adjacent markets such as commercial aerospace, rail, stationary power and hydrogen power.

The completion of the Innovation Centre has made a positive difference across the Group and our stakeholders:

Local community and the environment – the launch of the Innovation Centre demonstrates commitment to building the high-skilled workforce that the local area needs for the future, creating opportunities for local people to develop cutting-edge skills and supporting transition to a Net Zero economy.



The Innovation Centre runs exclusively on electricity from a Net Zero tariff. This enables the Innovation Centre to develop and produce parts with a zero-carbon impact. Significant upgrades were made during the refurbishment process, including the installation of energy-efficient cladding, roofing and windows, as well as a modern heating and ventilation system designed to reduce electricity consumption. These features collectively minimise the building's environmental footprint.

Our employees – the Innovation Centre is expected to create 11 new jobs, which, in addition to the transfer of employees from the existing operating business, will result in a total of 50 highly-skilled jobs at the new site.

Engagement with the operating business's employees played an important role throughout the relocation process. The initial phase involved gathering employees' feedback through the Global Employee Opinion Survey, the results of which highlighted the need for a new site as a key priority for both employee wellbeing and the ability to effectively showcase the operating business's capabilities to visiting customers. Building on this input, a cross-functional team was established that worked with the architect to ensure the design of the new building reflected the practical requirements and the aspirations of employees.

Our customers – the Innovation Centre has brought together cutting-edge manufacturing and design capabilities under one roof. It is designed to meet the shift in customer demands, helping them transition to low-carbon and clean energy solutions. Product development undertaken at the Centre has increased collaboration amongst our operating businesses, which means we are better placed to address the needs of our global customers.

Our shareholders and long-term consequences of the decision – the Innovation Centre will support the products and technologies of today, while also innovating for the markets of tomorrow. This ensures that positive outcomes extend well beyond the short term – helping us adapt to evolving customer needs and working side-by-side with our customers to develop products fit for future. The investment in the new facility is fully aligned with our FCTM strategic direction and strengthens our focus on IP-rich and high-value products, contributing to long-term value creation for shareholders and other stakeholders.

Together, these outcomes show that the Board's decision, made with full consideration of our Section 172 duties, has the potential to create lasting value for our stakeholders and support future growth.

DIVISION OF RESPONSIBILITIES

Board roles and responsibilities

Role	Director	Key responsibilities
Company Chair and Chair of the Nominations Committee	Ian King	<p>a) Leadership of the Board, setting the Board's agenda, the style and tone of Board discussions and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues;</p> <p>(b) supporting the Group Chief Executive Officer in the development of strategy and, more broadly, to offer guidance to the Group Chief Executive Officer;</p> <p>(c) promoting a culture of openness and debate by facilitating the effective contribution of non-executive Directors, and ensuring constructive relations between non-executive Directors and executive management;</p> <p>(d) ensuring that the Directors receive relevant, reliable, timely and clear information;</p> <p>(e) ensuring, in conjunction with the Group Chief Executive Officer, effective communication with shareholders; and</p> <p>(f) ensuring that the performance of the Board, its main Committees and individual Directors are formally evaluated on an annual basis.</p>
Group Chief Executive Officer	David Squires	Leadership of the Company, managing the Group's business, developing and implementing the strategy and policies approved by the Board.
Group Chief Financial Officer	Alpna Amar	To manage the Group's financial affairs and to contribute to the management of the Group's business, and the implementation of the strategy and policies approved by the Board.
Senior Independent non-executive Director, Chair of the Remuneration Committee	Barbara Jeremiah	To support the Chair and to act as an intermediary for other non-executive Directors, if necessary. To chair the Remuneration Committee.
Independent non-executive Director, Chair of the Audit Committee and Director designated to engage with the Group's employees	Mary Waldner	To challenge the executive Directors and monitor the delivery of the strategy within the risk and control framework set by the Board. To chair the Audit Committee and focus its agenda on its key matters: quality of financial reporting and controls, financial accounting, corporate reporting and effective internal controls. Mary is also a Director designated to engage with the Group's employees.
Independent Non-Executive Directors	Graham Oldroyd, Rajiv Sharma, Joe Vorih and Zoe Clements	To challenge the executive Directors and monitor the delivery of the strategy within the risk and control framework set by the Board.
Group Company Secretary	Andrew Bodenham	To provide advice to the Directors on all corporate governance matters and ensure the Company complies with legal and regulatory matters and good practice. Andrew acts as Secretary to the Senior plc Board and its Committees.

Senior's Board is led by Ian King, the non-executive Chair, who was independent upon appointment as Chair of the Company in 2018. Throughout the year, the Chair provided strong leadership to the Board, setting direction for Board discussions and maintaining clear focus on the Group's strategic priorities. During Board meetings, the Chair promoted a culture of openness and constructive debate by actively inviting all Directors to share their views and challenge assumptions. Outside formal meetings, the Chair promoted openness by holding informal discussions, visits to the Group's operating businesses and private sessions with non-executive Directors, all of which provided alternative channels to share insights.

The Chair maintained strong and constructive working relationships with both executive and non-executive Directors through regular engagement outside formal Board meetings. With Alpna Amar and Graham Oldroyd joining the Board in 2025, the Chair held several one-to-one discussions with both Directors to establish open communication from the outset; during the Board meetings the Chair ensured that both Alpna and Graham felt comfortable in contributing to Board discussions. To enable the members of the Board and its Committees to discharge their duties effectively, the Chair ensures that relevant and reliable information is provided to all Directors in a timely manner in advance of meetings.

As at 31 December 2025, the Board comprises the Chair, six independent non-executive Directors and two executive Directors. The Directors are confident that an effective Board is in place, with a clear division of responsibilities between the running of the Board and the running of the Group's operating businesses, as explained in the table opposite. This governance structure ensured independent judgement in Board's decision-making.

The Board regularly reviews time commitments of its non-executive Directors to ensure they can dedicate sufficient time to the fulfilment of their roles with the Company.

As part of the appointment process for Graham Oldroyd, the Board assessed his external roles and remained satisfied that Graham’s existing commitments would allow him to contribute actively and effectively to Senior’s Board. Throughout the year, the Board reviewed the Conflicts of Interest Register, which provided an overview of Directors’ current directorships and other commitments, on several occasions. The Board undertakes its annual performance review which, among other matters, considers the performance of Board Directors, including their participation in and contribution to Board meetings.

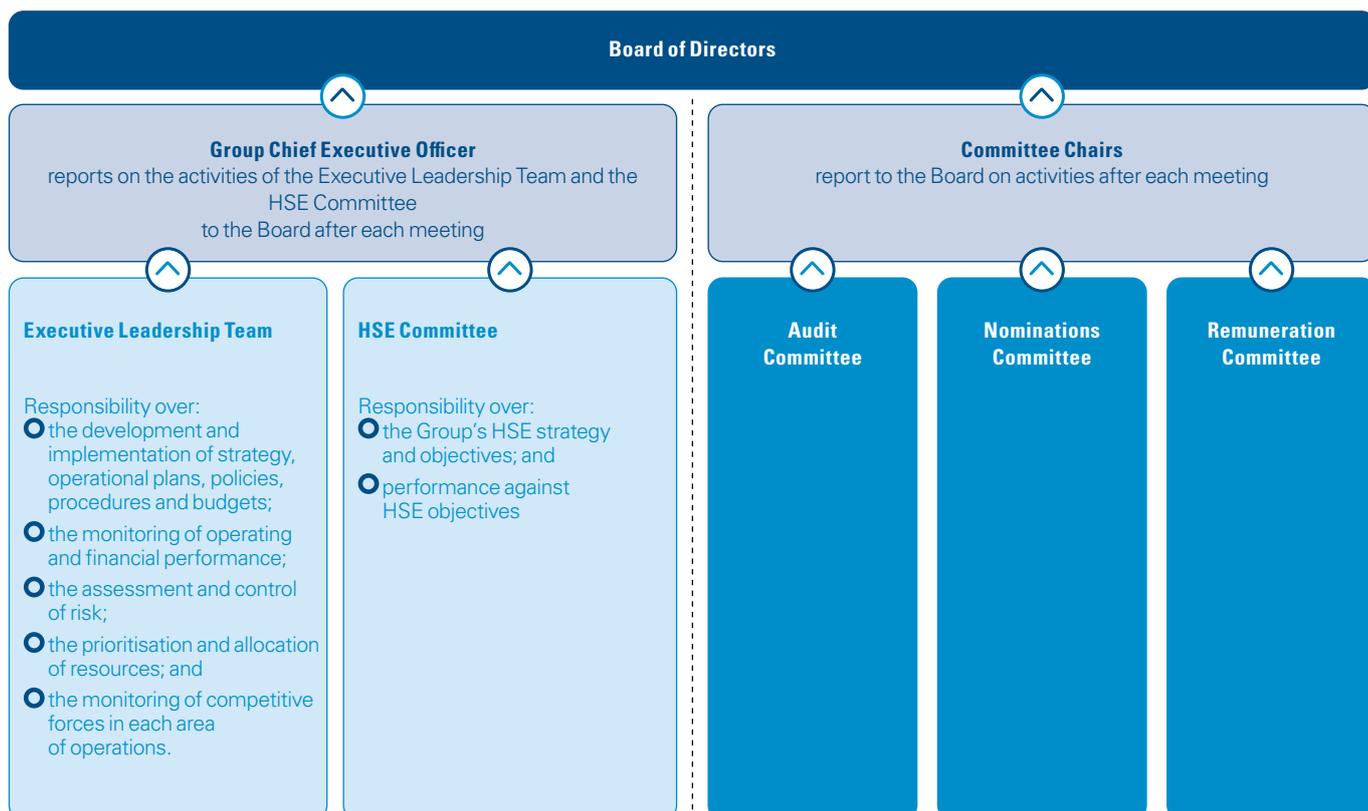
During the year, the Board ensured that any external appointments taken by the executive Directors were considered and approved by the Board. Prior to David Squires taking up the role of a non-executive director of Mpac Group plc, the Board reviewed such factors as time commitment that David Squires would be expected to dedicate to the new role and how it would affect his ability to discharge his role at Senior. Potential conflicts of interest were also considered.

Following this assessment, the Board remained satisfied that David would continue to have sufficient time and capacity to meet his responsibilities with Senior; it was further acknowledged that David’s experience of working with other companies added value to his contribution to Senior.

The Group Company Secretary supports the Board to ensure that it has in place appropriate policies, processes, time and resources to enable it to operate efficiently and effectively. Matters reserved for the Board and the terms of reference for Board committees clearly define responsibilities and form an effective framework for oversight. Directors were provided with timely, relevant and accurate information in advance of meetings and had access to specialist advice or external expertise. In addition, Directors visited the Group’s operating businesses, which allowed them to gain better technical understanding of the business environment. There is a procedure by which all Directors can obtain independent professional advice at the Company’s expense in furtherance of their duties, if required, and they have been made aware of this.

Barbara Jeremiah was appointed the Senior Independent non-executive Director following the conclusion of the Company’s 2023 AGM. In 2025, Barbara met privately with non-executive Directors to review the Chair’s performance and discuss any issues requiring attention. The feedback from these discussions was shared with the Chair.

Our governance structure



COMPOSITION, SUCCESSION AND EVALUATION NOMINATIONS COMMITTEE REPORT

Building a resilient and future-ready Board

THE COMMITTEE MAINTAINED A STRONG FOCUS ON BOARD COMPOSITION AND SUCCESSION PLANNING.

Ian King
Chair of the Nominations Committee



COMMITTEE MEMBERSHIP

The Committee met six times during the year under review. Details of meeting attendance can be found on page 78.

Member	Appointment date
Ian King (Committee Chair)	13 November 2017
Susan Brennan¹	1 January 2016
Zoe Clements	1 September 2024
Barbara Jeremiah	1 January 2022
Graham Oldroyd	28 May 2025
Rajiv Sharma	1 January 2019
Joe Vorih	1 January 2024
Mary Waldner	1 December 2021

¹ Susan Brennan stepped down from the Board following the conclusion of the 2025 AGM.

The Group Company Secretary acts as Secretary to the Committee. Senior members of management and advisers are invited to attend meetings, as appropriate. Two members constitute a quorum for the Nominations Committee. The Committee Chair attends the Company's AGM and is available to address any questions from shareholders regarding the matters within the Committee's responsibilities.

KEY HIGHLIGHTS

- Oversaw the transition to a new Chief Financial Officer ("CFO") and new non-executive Director
- Strengthened the leadership pipeline
- Conducted an internal board effectiveness review
- Supported ongoing development of governance practices

Dear Shareholder,

On behalf of the Board, I am pleased to present the Nominations Committee Report for the year ended 31 December 2025.

Appointments to the Board

During the year, the Committee maintained a strong focus on Board composition and effectiveness as well as executive and senior management succession planning. On 6 November 2024, we announced the appointment of Alpa Amar, who joined the Board on 1 April 2025 and became the Group CFO on 16 May 2025. The effective transition of the Group CFO was a key activity for the Committee during the year.

As set out in last year's Annual Report, having completed her third three-year term as a non-executive Director, Susan Brennan stepped down from the Board on 25 April 2025. The Committee regularly reviews the composition of the Board and its Committees with respect to the requisite skills, knowledge and experience. Following a review, the Committee considered its requirements for an additional non-executive director. The Committee went through a shortlist of potential candidates, before selecting the preferred candidate to meet with other members of the Board. The search for a new non-executive Director, resulted in the appointment of Graham Oldroyd on 28 May 2025. Graham Oldroyd is a member of the Audit, Nominations and Remuneration Committees.

Induction process

An internal induction programme on the Group's operations and its strategic and business plans is provided for newly appointed directors. Directors are invited to meet key members of the wider management team at the earliest opportunity, and site visits are arranged to facilitate their understanding of the Group. As part of Graham's induction programme, he visited a number of the Group's operating businesses. Graham also attended the November Board meeting, at which the Board undertook its annual review of strategy and five-year plan. Graham's induction programme will continue in 2026.

In addition, the induction process for Joe Vorih and Zoe Clements continued throughout 2025.

Succession planning

The Committee maintained emphasis on the executive leadership, welcoming Silvia Schwark as the new EVP HR on 3 March 2025. Succession planning remained a central focus for the Committee throughout the year. Drawing on a comprehensive review led by Silvia Schwark, the Committee enhanced its review process by adopting a more holistic, cross-Group perspective, with a particular focus on engineering talent and general management capability.

Board and senior management diversity

The Committee assessed the Group's progress against senior management diversity targets, supporting and constructively challenging the management on the initiatives in place to promote and strengthen diversity across the Group. At the time of writing this report, the Board had 44% female representation and two ethnically diverse directors. We confirm that the Company has met the targets stipulated in the UK Listing Rule 6.6.6R (9) as at 31 December 2025.

An internally facilitated Board performance review was undertaken during the year, which confirmed effective Board composition, appropriate skills balance and highlighted clear areas for continued improvement. Further information can be found on page 91.

Priority areas for 2026

As we move into 2026, the Committee will continue to review the composition of the Board and its Committees and assess emerging skill needs, ensuring that the Board remains effective and able to adapt to change. The Committee will continue to maintain focus on Group-wide succession planning and support the executive leadership team in developing internal talent as well as continuing to monitor diversity within senior management. An externally facilitated Board performance review will be undertaken in 2026.

This report was reviewed and approved by the Nominations Committee and signed on its behalf by:

Ian King

Chair of the Nominations Committee
27 February 2026

Appointments to the Board and its Committees

The Company's Nominations Committee is responsible for reviewing the structure, size and composition of the Board – including skills, knowledge, experience and diversity – and recommending any changes it considers appropriate to the Board. The Committee ensures that plans are in place for orderly succession to both the Board and senior management positions; it also oversees the development of a diverse pipeline for succession, considering future business needs, skills and expertise required.

The Committee keeps under review the leadership needs of the organisation (both executive and non-executive) to ensure the Company remains capable of competing effectively.

The Company applies a rigorous, formal and transparent approach to its Board appointments, guided by the principles of the Board Diversity and Inclusion Policy, while retaining flexibility to consider the specific needs and context of each appointment. New appointments are made on merit, taking account of the specific skills and experience, independence and knowledge needed to ensure a rounded Board, with diverse and inclusive Board and Committee composition.

In 2025, the Board assessed its composition in the context of the Company's focused Fluid Conveyance and Thermal Management strategic direction and determined that its composition could be strengthened in certain skills. Drawing on the pool of candidates considered for a prior non-executive Director recruitment process facilitated by Sam Allen Associates Ltd, the Committee identified Graham Oldroyd as a candidate whose background and expertise would add valuable contributions to the Board. Graham has a strong engineering background complemented by public company and broad private equity experience, particularly in industrial and manufacturing sectors. He has a track record in international mid-market industrial businesses and creating long-term shareholder value. In May 2025, Graham Oldroyd was appointed to the Board as a non-executive Director.

Sam Allen Associates is a member of the Standard Voluntary Code of Conduct for Executive Search Firms. The firm has no connection to the Company or any individual Directors.

Succession planning

Over the past three years, the Group has continued to strengthen its approach to leadership development and succession, ensuring a robust pipeline of purposeful, capable leaders across the Group. In addition to succession successes at Board and Executive levels, the Group continued to advance talent and succession planning throughout all levels of the organisation. This was supported by the introduction of functional overviews, which clarify critical roles, competencies and career pathways across the Group.

At Board and executive levels, succession planning has been successful in delivering smooth transitions, with a non-executive Director, the Group CFO and EVP HR as new appointees fully supported through structured onboarding programmes to integrate effectively and maintain strategic continuity.

Complementing formal succession frameworks, Senior has implemented a mentoring programme connecting the Board and executive leadership with emerging engineering talent, providing guidance, exposure, and development opportunities to the next generation of technical leaders.

The Owning My Impact leadership programme further strengthens senior leaders by equipping them to collaborate effectively, influence across the Group and build enduring internal networks that support strategic delivery. In addition, the 2025 senior leadership event provided a forum to reinforce Senior's Purpose, foster collaboration, encourage forward-looking thinking, and test emerging leaders through structured challenges and participation opportunities.

Collectively, these initiatives create a cohesive and integrated leadership ecosystem, designed to embed the Group's Values, cultivate high-performing, accountable leaders and expose talented individuals to progressively complex responsibilities.

By combining formal succession planning, mentoring, network-building, and immersive development experiences, Senior executives ensure that leadership capability is not only preserved at the top but actively nurtured throughout the organisation, reinforcing a culture of collaboration, purpose and long-term sustainable performance.

COMPOSITION, SUCCESSION AND EVALUATION continued
 NOMINATIONS COMMITTEE REPORT continued

The Committee remained satisfied with the evolution and progression of the succession planning process and was supportive of the initiatives to prepare talented employees for future leadership roles.

Skills, experience and knowledge of the Board and its Committees

The Directors believe that the Board and its Committees have the appropriate combination of skills, experience and knowledge to enable them to perform their duties effectively.

We recognise the importance of providing regular training to the Board Directors – this ensures they are well-equipped with the skills and competencies to fulfil their role effectively as the business and operating landscapes evolve. Throughout 2025, the Board received statutory and regulatory updates at most scheduled Board meeting. In addition, all Board Directors completed the 2025 Global Code of Conduct training.

A range of skills, experiences and knowledge that Directors collectively possess

Skill area	Skills mapped to strategic priorities	Description/relevance	
Corporate Governance & Fiduciary Oversight	1, 2, 4, 7	Knowledge of UK Corporate Governance Code, the UK Listing Rules, Companies Act 2006	● ● ● ● ● ● ● ● ● ●
Executive Leadership in Industrial and Manufacturing	2, 3, 5, 6	Proven experience as a CEO or equivalent executive leader within industrial, engineering or manufacturing sectors.	● ● ● ● ● ● ● ●
Finance, Audit & Risk Management	2, 4, 5	Understanding financial statements, audit, capital structure and M&A	● ● ● ● ● ● ● ● ● ●
International Business	1, 2, 6	Experience of operating in and understanding overseas markets and regulations	● ● ● ● ● ● ● ● ● ●
HR, Culture & Remuneration	1, 5, 7	Executive remuneration, performance, management and workforce engagement	● ● ● ● ● ● ● ● ● ●
Strategic Planning	1, 2, 3, 4, 5	Ability to contribute to long-term strategic direction and business model transformation	● ● ● ● ● ● ● ● ● ●
Technology & Innovation	2, 3, 5	Understanding of how R&D and Senior’s technology align with customer needs in aerospace and energy-transition markets.	● ● ● ● ● ● ● ● ● ●
Capital Deployment	2, 4, 5	Experience in evaluating, negotiating and integrating acquisitions or divestitures.	● ● ● ● ● ● ● ● ● ●
ESG & Sustainability	1, 2, 3, 7	Reflects Senior’s commitment to achieve Net Zero by 2040, innovation in hard-to-decarbonise sectors	● ● ● ● ● ● ● ● ● ●

Strategic priorities

- 1 Autonomous and collaborative business model
- 2 Focus on growth
- 3 Highly-engineered products and IP generation
- 4 Considered and effective capital deployment
- 5 High performance operating model
- 6 Cost competitive country strategy
- 7 Talent and development

- Competent/working knowledge
- Deep expertise

Board diversity and inclusion

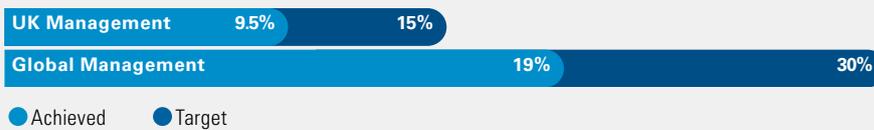
The Board Diversity and Inclusion Policy provides a framework for the Nominations Committee and the Board when evaluating the composition of the Board and its Committees and recommending appointments of new Directors. The Policy is aligned with the Company’s strategic objectives, recognising that a diverse Board enhances the quality of strategic discussions and decision-making by incorporating a broad range of perspectives and experiences. This diversity enables the Company to maintain its agility, adapt to change more quickly, take advantage of emerging opportunities and find innovative approaches to address any challenges.

The objectives of the Policy in force for the year ended 31 December 2025 include:

- Gender diversity**
≥ 40% women on Board¹
- Ethnic diversity**
≥ 2 minority ethnic directors
- Code-compliant firms**
Executive search firms²
- Widen pool**
Candidates from diverse backgrounds

1 including at least one female director in a senior Board position (Chair, CEO, Senior Independent Director or Chief Financial Officer);
 2 executive recruitment firms that have signed up to the Voluntary Code of Conduct for Executive Search Firms

THE PARKER REVIEW – PROGRESS OVERVIEW



As at 31 December 2025, the Board has met all of the objectives set by the Policy. In addition, we confirm that the Company has met the targets stipulated in the UK Listing Rule 6.6.6R (9) as at 31 December 2025. The numerical data on the ethnic background and the gender identity of the individuals on the Board of the Company and in its Executive Leadership Team as at 31 December 2025 is set out on page 51.

There have been no changes to the Board since 31 December 2025. Data used for the purpose of making the disclosures was collected through the Company’s diversity monitoring forms completed by the individuals on the Board of the Company and in its Executive Leadership Team. The information on the gender balance of those in senior management and their direct reports can be found on page 51.

Annual election and re-election of Directors

The Nominations Committee and the Board consider all non-executive Directors to be fully independent and free from any conflicts of interests, which are disclosed and reviewed regularly. Details of the Directors’ external statutory appointments can be found in their biographies on pages 74 to 76. The Board believes that the Directors’ experience of working with other companies adds value to their contribution to the Company’s Board and Committee meetings. Membership of the Board and its Committees is kept under regular review and refreshed when appropriate, taking into account the Directors’ lengths of service and their ability to devote sufficient time to Company matters.

In 2025, all Directors contributed positively to the running of the Company, and the Board confirms that they will all continue to support the Company’s long-term success.

In compliance with the Corporate Governance Code, all Directors, with the exception of Graham Oldroyd, will offer themselves for re-election at the 2026 AGM. Graham Oldroyd, who was appointed to the Board in May 2025, will stand for election at the AGM to be held in May 2026. The resolutions to be put to shareholders at the 2026 AGM can be found in the Notice of Annual General Meeting, which is available on the Company’s website.

Board induction and development

All Directors receive induction upon joining the Board and are encouraged to update their knowledge and skills on a frequent basis. The induction process typically includes the following key elements:

- introduction to the Company’s business;
- governance structure;
- legal compliance and Group policies;
- information on Group strategy;
- financial information;
- meetings with the Chair and non-executive Directors;
- meetings with the executive Directors and members of the Executive Leadership Team; and
- site visits.

COMPOSITION, SUCCESSION AND EVALUATION continued
NOMINATIONS COMMITTEE REPORT continued

Q&A

We invited Zoe Clements and Joe Vorih, who both joined the Board in 2024, to share their reflections on the first full year as non-executive Directors of Senior plc.

Supportive, engaging inductions

Q How did you find the induction process and your early interactions with the Board? How effective was the induction process at connecting you to the right people, operating sites and information?

Zoe Clements – The induction was comprehensive and engaging. I met key executives at Senior’s corporate office and visited key sites, which gave me a clear understanding of the Group and its operations. Early interactions with the Board were open and constructive, with consistent communication of the Company’s objectives and values throughout.

Joe Vorih – Joining Senior was a positive experience. The induction was well-structured, covering business topics and challenges facing the Group. Despite Senior’s global footprint making site visits logistically complex, I managed to visit most core locations during the first year. I was impressed by the leadership, thoughtful business presentations and the hands-on exposure to Senior’s products and its production teams.

Q How easy or challenging has it been for you to contribute fully to the Board’s discussions?

Zoe Clements – The Board, led by the experienced Chair, supported my integration into the Board discussions. Senior’s boardroom environment is open and welcoming to fresh perspectives and challenging questions from new non-executive Directors. This supportive approach enabled me to contribute fully and confidently as I built my understanding of Senior’s business over time.

Joe Vorih – With my background in automotive, aerospace and lean manufacturing, and as an American executive leading another UK FTSE 250 business, I hoped to come up to speed quickly during an exciting period for Senior. A warm, talented and welcoming executive and non-executive team made the transition far smoother than I expected.

Q What have you found most rewarding about your first year as a non-executive Director with Senior?

Joe Vorih – For me, seeing that I was able to have a positive impact on our pace of both strategic repositioning and the re-invigoration of the Senior Operating System was important. I was also able to be a mentor to one of our outstanding young female executives – a very rewarding experience indeed!

Zoe Clements – Supporting a focused, committed and values-driven team has been genuinely rewarding. I’ve enjoyed making meaningful contributions, bringing new perspectives, and taking part in the mentoring programme. Being involved with such an effective, committed and engaged Board has reinforced how fulfilling it is to offer different experience while working alongside colleagues who are equally dedicated.

Board performance review

2024 Board performance review findings and the progress made in 2025

The Nominations Committee would continue its focus on Executive succession and look to drive further improvements in the Group's gender diversity, particularly within the operational management teams.

The Nominations Committee continued oversight over succession planning and the Group's diversity initiatives. The Committee monitored the recalibration of talent assessment processes, ensuring gender diversity and leadership potential were prioritised. It reviewed the implementation of personal development plans for high-potential individuals and evaluated progress in addressing mobility and diversity challenges, particularly in senior roles.

Having defined the FCTM strategy in 2024, the Board would continue to discuss and stress test the strategy, and oversee the implementation of the strategy and operational improvements.

In 2025, the Board regularly reviewed the FCTM strategy as part of the Board Strategy session and regular Board meetings. Continuous improvement initiatives and cross-functional collaboration also remained a priority.

Increase the amount of time the Board spends considering market developments affecting the Group, including customer activity and supply chain issues.

In 2025, the Board spent more time during its Strategy meeting looking at what was happening in the Group's end markets, how customers were responding to the trends and how the supply chain was performing. This ensured that strategic decisions were consistently informed by the latest market intelligence.

Following the succession of the Group CFO and EVP HR, ensure that their inductions are effective, that they build strong relationships with the respective Chairs of the Audit and Remuneration Committees, and that they drive further improvements in organisation efficiencies.

The new Group CFO and the EVP HR completed thorough induction sessions, including orientation sessions and meetings with key people across the Group. As part of their onboarding, they held regular meetings with the Chairs of the Audit and Remuneration Committees, building strong working relationships. Both leaders have identified opportunities that could enhance operational efficiencies. In the coming year, the Group would focus further on exploring and implementing such initiatives.

How the 2025 Board performance review has been conducted

The 2025 Board performance review was carried out internally through the use of online questionnaires, with all Board Directors and the Company Secretary participating in the process. The scope of the questionnaires covered the Board as well as the Audit, Remuneration and Nominations Committees. The questionnaires focused on such topics as the quality and timeliness of information, strategic prioritisation and adaptability of the governance framework to Senior's evolving requirements. Questions also addressed matters related to Board composition, succession planning, oversight of strategy, financial performance and risk management.

The outcomes and actions taken

The responses indicated that the Board was effective in prioritising key agenda items, onboarding of new Directors and fostering a culture of openness and constructive challenge. The findings also indicated that the Board's composition and skills mix were well-suited to address future challenges, especially following Senior's transition to a focused Fluid Conveyance and Thermal Management business. The Board's oversight of major strategic processes in 2025 was viewed as thorough, and by maintaining a strong focus on strategic matters and governance in 2026, the Board would be well-placed to build on its high performance and seize opportunities.

The Board agreed the following focus areas for 2026:

- Allocate more Board time to explore potential growth opportunities and to undertake stakeholder reviews, placing greater focus on both customers and the supply chain.
- The Committee to maintain its emphasis on Executive succession planning, help integrate new executives, and continue to improve the Group's gender diversity, especially within operational management teams.
- Keep strengthening the employee value proposition and encourage broader engagement from the Board, building on the current strong foundation.
- Continue improving Board meetings practice by allocating more agenda time and providing sufficient focus time to review Board meeting packs.

AUDIT, RISK AND INTERNAL CONTROL

AUDIT COMMITTEE REPORT

Maintaining accuracy and reliability for optimum decision making

WE CONTINUOUSLY ENHANCE THE GROUP'S FINANCIAL REPORTING AND STRENGTHEN OUR INTERNAL CONTROL PROCEDURES

Mary Waldner
Chair of the Audit Committee



COMMITTEE MEMBERSHIP

Member	Appointment date
Mary Waldner (Committee Chair)	1 December 2021
Susan Brennan¹	1 January 2016
Zoe Clements	1 September 2024
Barbara Jeremiah	1 January 2022
Graham Oldroyd	28 May 2025
Rajiv Sharma	1 January 2019
Joe Vorih	1 January 2024

¹ Susan Brennan stepped down from the Board following the conclusion of the 2025 AGM.

KEY HIGHLIGHTS

- Conducted the process for selecting the External Auditor
- Reviewed the accounting judgments associated with the disposal of Aerostructures
- Reviewed the work undertaken to prepare for the requirements of Provision 29 of the Code

Dear Shareholder,

On behalf of the Board, I am pleased to present the Audit Committee's report for the year ended 31 December 2025. The report outlines how the Committee discharged its responsibilities in providing oversight over the integrity of the Group's financial reporting, appropriate risk management and internal control framework, the effectiveness and independence of the external and internal auditors.

The most significant activity undertaken by the Committee during the year was the external audit tender. Following a thorough, competitive process – assessing audit quality, sector expertise, global delivery capabilities, technological and data proficiency and overall value for money – the Board, on the Committee's recommendation, confirmed that the re-appointment of the Group's incumbent auditor, KPMG LLP (KPMG), would be put to shareholders at the 2026 AGM. The Committee is confident that KPMG continues to provide the right combination of quality, insight and efficiency required to meet Senior's needs. Anna Jones will succeed Mike Barradell as Lead Audit Partner in the first half of 2027. We thank all firms that participated in the tender process.

During the year, the Audit Committee considered the findings of the Financial Reporting Council's limited scope review of the Company's Annual Report and Accounts for the year ended 31 December 2024. The FRC did not take any further action in relation to the review and did not require a substantive response. A small number of disclosure-related recommendations were made, which have been considered and addressed in preparing the 2025 Annual Report and Accounts.

Throughout the year, the Committee maintained close oversight of the work undertaken by the Director of Risk and Assurance in relation to the identification of the Group's material controls, a critical component of our preparations for the Board's formal declaration of the effectiveness of internal controls as at 31 December 2026, in accordance with the requirements of the 2024 UK Corporate Governance Code (the Code). In 2025, the Audit Committee updated its Terms of Reference to explicitly reflect its responsibility to support the Board in preparing its annual declaration on the effectiveness of the Group's material internal controls, in accordance with Provision 29 of the Code.

Throughout the year, the Audit Committee continued its review of significant judgments and estimates relating to key accounting matters for the half-year and full-year financial reporting periods, including those relating to the disposal of Aerostructures. The Committee considered management's accounting presentations, judgmental issues and related reports, challenging assumptions and ensuring that the financial statements reflect an appropriate and balanced view of the Group's position.

The Committee also maintained ongoing oversight of fraud risk, information and cyber security, regularly reviewing controls and policies to ensure effective protection against emerging threats.

Looking ahead, the Committee will continue its focus on further developing and embedding the Group's material controls framework.

I will be available at the upcoming AGM to answer any questions you might have regarding the work of the Audit Committee.

Mary Waldner
Chair of the Audit Committee
27 February 2026

External audit tender

During the year, the Company carried out a formal tender process to appoint its External Auditor. Led by the Audit Committee, the process was designed to ensure transparency, rigour and alignment with best practice.

In accordance with the Statutory Audit Regulation and Directive and the UK SATCAR – under which Public Interest Entities must tender their audit at least every ten years and rotate auditors after 20 years – the Company was required to tender for the 2027 audit, following KPMG's initial appointment in 2017.

Preparatory work started in July 2024 by developing a timetable, reviewing the "Audit Committee and the External Audit Tender: Minimum Standards" and other best practice guidance. In September 2024, the Audit Committee evaluated potential firms on the initial long list, considering geographic coverage, scale and audit quality, including insights from the Financial Reporting Council's (FRC) Audit Quality Review reports and trends across Tier 1 firms. Independence considerations, including existing and potential non-audit services, were also reviewed. Following this assessment, the Committee approved a shortlist and invited two firms to tender.

The tender process involved broad stakeholder engagement. The Board were the primary decision makers, while the Selection Panel comprised the Audit Committee. The Steering Committee comprised the Audit Committee Chair, the Group CFO and the Group Financial Controller. Other Senior finance and risk management leaders contributed, and operational leaders, divisional teams and investors were consulted, where appropriate. Both shortlisted firms participated in on-site engagement days in the US and Europe, and their RFPs were received on time and met all requirements, with no material contractual issues identified.

External Audit Tender Scoring criteria

The Audit Committee's scoring matrix included the following dimensions:

1. Quality and Team Capability

External and internal quality reviews, independence monitoring, partner experience, team qualifications, technical competence and geographical coverage.

2. Understanding of the Business

Depth of industry knowledge and risk awareness.

3. Team Culture and Relationships

Gravitas, communication style, chemistry with management and flexibility.

4. Approach and Transition

Tailoring of proposals, use of technology and transition planning.

5. Proactivity and Insights

Evidence of proactive service, value-added insights and efficiency improvements.

AUDIT, RISK AND INTERNAL CONTROL continued

AUDIT COMMITTEE REPORT continued

Final presentations were held on 3 July 2025, attended by the Chair of the Audit Committee, the Chair of the Board, executive Directors and senior Finance leaders. Each firm was assessed using the agreed RFP scorecard, based on the selection criteria agreed earlier. The Selection Panel also reviewed the latest FRC annual inspection results for Tier 1 firms, which confirmed that both participants had maintained their quality scores.

Following this evaluation, a recommendation was made to the Board on 31 July 2025. Although both firms were credible, KPMG was considered the stronger overall candidate and was recommended as the preferred External Auditor.

Composition of the Audit Committee

The Audit Committee has been established by the Board and consists entirely of independent non-executive Directors. The Chair of the Board is not a member of the Audit Committee. At least one member of the Committee possesses recent and relevant financial experience; collectively, the members of the Audit Committee have significant commercial and financial experience at a senior management level. For details of the qualifications of members of the Audit Committee, please refer to the Board of Directors' biographies shown on pages 74 to 76.

The Committee comprises no fewer than three members, all of whom are independent of any business connection with the Group. One member of the Audit Committee, Barbara Jeremiah, was appointed a non-executive director of Johnson Matthey Plc with effect from 1 July 2023. Johnson Matthey Plc, a related party of the Group, has been renting excess car parking space from one of the Group's operating businesses on a rolling monthly basis. The lease contract was in place prior to the acquisition of Thermal Engineering in 2013 by the Group and Barbara has had no involvement in the contract; further details can be found on page 185. No member of the Audit Committee has any connection with the Company's External Auditor, KPMG.

Two members constitute a quorum for the Audit Committee. The Group Company Secretary acts as Secretary to the Audit Committee. The Audit Committee typically invites the non-executive Chair, Group Chief Executive Officer, Group Chief Financial Officer, Group Financial Controller, the Group's Director of Tax & Strategic Finance, the Group's Director of Risk and Assurance and senior representatives of the external audit firm to attend its meetings, although it reserves the right to request any of these individuals to withdraw from any meeting. The Audit Committee is required to report its findings to the Board, identifying any matters where it considers that action or improvement is needed, and to make recommendations as to the steps taken. Appointments to the Audit Committee are up to three years and may be extended by a maximum of two additional three-year periods, subject to continued independence. Details of the attendance at Audit Committee meetings during the year are shown on page 78.

Audit Committee's Terms of Reference

The Audit Committee's Terms of Reference, which can be found on the Company's website, are reviewed annually to take into account current views on good practice and any updates to the UK Corporate Governance Code. Key responsibilities of the Audit Committee include:

- monitoring of the integrity of financial and narrative reporting;
- monitoring of the Company's risk management and internal control framework;
- reviewing the adequacy and security of the Company's speaking-up arrangements, procedures for detecting fraud and prevention of bribery; and
- monitoring and reviewing the effectiveness and independence of the internal and external audit functions.

Specific areas referred to the External Auditor

In 2025, the Audit Committee has not asked the Auditor to explicitly review any specific areas because the significant risks and other focus areas considered by the Auditor were aligned with the risks considered by the Audit Committee. The Audit Committee was satisfied with the results of the Auditor's results and findings.

Presentation of results

The Board has a policy to separately disclose items it considers are outside the normal course of management oversight and control on a day-to-day basis and are not reflective of in-year trading performance. Indicative criteria such as the period to which the item relates and external driven factors that are outside of the control of the Group in combination with the magnitude and consistency of application are also considered.

The Audit Committee assessed the presentation to ensure a fair and balanced treatment of what is and is not included as an adjusting item, considered related guidance issued by the FRC and the European Securities and Markets Authority ("ESMA"), and the need to ensure any alternative performance measures are presented with equal prominence to reported figures and on a consistent basis year-on-year.

The Audit Committee discussed the presentation of adjusted items with the External Auditor, and concurred with management's view that the presentation of items excluded from and included in adjusted results, combined with wider disclosures throughout the Annual Report, provides useful information to aid the understanding of the performance of the Group.

Activities of the Audit Committee

The Audit Committee met on 25 February 2025 to consider the 2024 year-end report and during the subsequent 12 months conducted the following business on the four scheduled meeting dates, as indicated below:

29 May 2025	30 July 2025
<ul style="list-style-type: none"> – Discussed the external audit plan and strategy proposed by KPMG for the 2025 audit. 	<ul style="list-style-type: none"> – Reviewed the accounting presentation and judgmental issues, for the half-year ended 30 June 2025.
<ul style="list-style-type: none"> – Reviewed and approved the terms of the proposed letter of engagement addressed to the External Auditor. 	<ul style="list-style-type: none"> – Reviewed, challenged and agreed the basis for going concern to be adopted for the 2025 Interim Results.
<ul style="list-style-type: none"> – Reviewed and approved KPMG's interim 2025 audit fee. 	<ul style="list-style-type: none"> – Reviewed the Tax Memorandum for the half-year ended 30 June 2025.
<ul style="list-style-type: none"> – Reviewed KPMG's confirmation of its independence and objectivity. 	<ul style="list-style-type: none"> – Reviewed and accepted KPMG's Report to the Audit Committee on the half-year review for the six months ended 30 June 2025.
	<ul style="list-style-type: none"> – Reviewed and approved the terms of the management representation letter addressed to the External Auditor.
	<ul style="list-style-type: none"> – Reviewed KPMG's confirmation of its independence and objectivity.
	<ul style="list-style-type: none"> – Approved the 2025 Audit Plan and Strategy Report.
	<ul style="list-style-type: none"> – Reviewed approach to inventory at one of the Group's operating businesses.
	<ul style="list-style-type: none"> – Discussed the Group's draft Announcement of the 2025 Interim Results together with the draft slides for the analysts' presentation.
	<ul style="list-style-type: none"> – Received and considered reports presented by the Director of Risk and Assurance including internal audit and risk management activities.
	<ul style="list-style-type: none"> – Reviewed governance agency recommendations on the Company's Annual Report & Accounts 2024.
	<ul style="list-style-type: none"> – As part of the External Audit tender, reviewed the FRC Audit Firm Inspection Results for KPMG
	<ul style="list-style-type: none"> – Recommended the re-appointment of KPMG as the Group's External Auditor
24 September 2025	24 February 2026
<ul style="list-style-type: none"> – Reviewed the significant risks that are considered by the Audit Committee, agreeing that the risk regarding disposal accounting is applicable upon disposal of Aerostructures. 	<ul style="list-style-type: none"> – Reviewed the accounting presentation and judgmental issues, including accounting for the disposal of Aerostructures, going concern and the viability assessment for the year ended 31 December 2025. As part of this assessment, considered the impact of having received several proposals from potential offerors for the Company.
<ul style="list-style-type: none"> – Received and considered a report presented by the Director of Risk and Assurance. 	<ul style="list-style-type: none"> – Reviewed, challenged and agreed the going concern basis to be adopted for the 2025 Accounts, considering a 12 month lookout period and viability assessment including consideration of compliance with debt covenants at all measurement dates out to 31 December 2028.
<ul style="list-style-type: none"> – Reviewed the results of the bi-annual agents and advisers' status report. 	<ul style="list-style-type: none"> – Reviewed the Tax Memorandum for the year ended 31 December 2025.
<ul style="list-style-type: none"> – Reviewed and approved updates to the Terms of Reference of the Audit Committee. 	<ul style="list-style-type: none"> – Reviewed and accepted KPMG's Report to the Audit Committee on the audit of the Financial Statements for the year ended 31 December 2025.
<ul style="list-style-type: none"> – Approved the Policy for the Provision of Non-Audit Services by the External Auditor and the Policy on the Employment of Former Employees of the Company's External Auditor. 	<ul style="list-style-type: none"> – Reviewed KPMG's confirmation of its independence and objectivity.
<ul style="list-style-type: none"> – Approved the Group's Whistle-Blowing Policy. 	<ul style="list-style-type: none"> – Reviewed and approved the terms of the management representation letter addressed to the External Auditor.
<ul style="list-style-type: none"> – Reviewed the effectiveness of the external audit process. 	<ul style="list-style-type: none"> – Discussed the Group's draft Announcement of the 2025 Final Results together with the draft slides for the analysts' presentation.
<ul style="list-style-type: none"> – Reviewed the effectiveness and quality of the 2024 external audit. 	<ul style="list-style-type: none"> – Reviewed and approved the statements included in the Annual Report & Accounts 2025 concerning internal control, risk management, including the assessment of principal risks and emerging risks, TCFD and the Viability Statement.
	<ul style="list-style-type: none"> – Reviewed the effectiveness of the Group's risk management and internal control systems and disclosures made in the Annual Report & Accounts 2025.
	<ul style="list-style-type: none"> – Approved the Audit Committee Report for 2025.
	<ul style="list-style-type: none"> – Reviewed the draft Annual Report & Accounts 2025 and reviewed the Company's statement on the draft Annual Report & Accounts prior to endorsement by the Board, that, taken as a whole, the draft Annual Report & Accounts is fair, balanced and understandable and provides the information necessary to assess the Group's position and performance, Business Model and strategy.
	<ul style="list-style-type: none"> – Reviewed the Notice of Meeting for the 2026 AGM and the Proxy Form for the 2026 AGM.
	<ul style="list-style-type: none"> – Received and considered a report presented by the Director of Risk and Assurance.
	<ul style="list-style-type: none"> – Reviewed and approved the Internal Audit Charter.
	<ul style="list-style-type: none"> – Assessed the effectiveness of the internal audit function.
	<ul style="list-style-type: none"> – Reviewed the results of the bi-annual agents and advisers' status report.
	<ul style="list-style-type: none"> – Reviewed the work undertaken to prepare for the requirements of Provision 29 of the Code.

AUDIT, RISK AND INTERNAL CONTROL continued
AUDIT COMMITTEE REPORT continued

The Audit Committee held a private meeting with the External Auditor and a private meeting with the Group's Director of Risk and Assurance on 30 July 2025 and 24 February 2026 respectively, without executive management being present. In addition, the Chair of the Audit Committee held separate meetings with each of these during the course of the year.

In addition to the four scheduled meetings summarised above, three additional Audit Committee meetings were held during the year. Two meetings were held in April and November 2025 to approve the draft Trading Update, subject to final confirmation by the Disclosure Committee; a further meeting was held in November 2025 to conclude the Group's approach to inventory at one of the Group's operating businesses.

Significant risks considered by the Audit Committee

The table below summarises the significant risks considered by the Audit Committee, including significant judgments and estimates:

Significant risks considered by the Audit Committee	How the risk was addressed by the Audit Committee
<p>Legal claim and other provisions</p> <p>Provisions are held where management considers there is an obligation, payment is probable and the amount payable can be reliably estimated. Provisions held by the Group include but are not limited to those held against legal claims and contractual matters and product warranties.</p> <p>There is a risk that other provisions overstate or understate the associated liability.</p>	<p>The Audit Committee considered the basis upon which management had made its accounting judgments to determine the level of legal claim and warranty provisions. The Audit Committee carefully considered the assumptions applied and provided appropriate challenge. These were further discussed with the External Auditor. The Audit Committee believes there are no reportable issues arising from this significant risk.</p>
<p>UK pension plan buy-in accounting</p> <p>In respect of the insurance buy-in of the Senior plc UK pension plan during the year, Management has determined that the transaction does not constitute a settlement under IAS 19, with the loss arising being recognised in Other Comprehensive Income.</p>	<p>The Audit Committee considered the legal obligation to pay benefits, which remains with the Plan Trustee and also noted that no formal decision to progress to buy-out can be made without additional actions and until the Company and Trustee agree on several key areas, including the due diligence process on clarification of certain Plan benefits and use of residual surplus. The Audit Committee believes there are no reportable issues arising from this significant risk.</p>

Other judgments and estimates

The Audit Committee considered other areas of focus where judgments and estimates have a significant effect on the amounts recognised in the 2025 Financial Statements. These areas of focus and how they were addressed by the Audit Committee are described below:

Other focus areas considered by the Audit Committee	How these were addressed by the Audit Committee
<p>Other key judgments and estimates</p> <p>These include, but are not limited to, judgments and estimates in areas not covered by significant risks such as going concern and viability, goodwill impairment assessment, retirement benefits (excluding the UK Plan buy-in), leases and income taxes (including uncertain provisions) and inventory net realisable value.</p>	<p>The Audit Committee reviewed the accounting presentation and judgmental issues paper, including a funding and liquidity report, for the related reporting period from the Group Financial Controller. In addition, the Audit Committee received a tax memorandum paper for the related reporting period from the Group's Head of Tax & Strategic Finance.</p> <p>In its review of these presentation papers, the Audit Committee challenged management on the critical accounting judgments, and the key sources of estimation and uncertainty that were taken in the preparation of the Financial Statements, and concluded that they were appropriate.</p> <p>The Audit Committee believes there are no further reportable issues arising from these other key judgments and estimates.</p>
<p>Disposal accounting</p> <p>In respect of the disposal of Aerostructures in 2025, Management has made judgments that have an effect on the recognition and presentation of amounts in the financial statements.</p> <p>– Discontinued operations classification and assessment of control: Management has determined that Aerostructures constitute a separate component of the Group under IFRS 5 and, as such, the disposal is presented as discontinued operations. In addition, the Group no longer has control over Aerostructures as of 31 December 2025, resulting in full derecognition of the related assets and liabilities from the Consolidated Balance Sheet.</p> <p>– Estimates: The estimated loss on sale recorded in the year ended 31 December 2025 is a potential source of estimation uncertainty (see Note 35), which is subject to estimated disposal costs incurred and customary completion adjustments on working capital, debt and finalisation of contingent consideration receivable.</p>	<p>The Audit Committee considered the basis upon which management had made its accounting judgments to determine the classification of Aerostructures as discontinued. The Audit Committee carefully considered the estimates made and assumptions applied and provided appropriate challenge. These were further discussed with the External Auditor. The Audit Committee believes there are no reportable issues arising from this significant risk.</p>

Independence of the External Auditor and policy on the provision of non-audit services

The Audit Committee is responsible for reviewing and monitoring the External Auditor’s independence. To fulfil this responsibility, the Audit Committee reviewed an annual letter of independence issued by the External Auditor confirming their independence and compliance with the FRC Ethical Standard and detailing safeguards to maintain independence, including limiting the scope and value of non-audit services provided by the External Auditor.

The Company maintains a Policy for the provision of non-audit services by the External Auditor (the “Policy”), which is aimed at mitigating any risks threatening, or appearing to threaten, the External Auditor’s independence and objectivity arising through the provision of non-audit services. The Policy, which is in line with recommendations set out in the FRC’s Guidance on Audit Committees (2016), was reviewed and approved in 2025.

The Policy differentiates between:

- permitted non-audit services, for which the Audit Committee has pre-approved the use of the External Auditor subject to the below limits:

Value	Approval required prior to engagement of the External Auditor
up to £25,000	Group Chief Financial Officer
£25,000 – £50,000	Chair of the Group Audit Committee (or delegate)
£50,000 and above	Group Audit Committee

and

- prohibited non-audit services.

When reviewing requests for permitted non-audit services, the Audit Committee assesses:

- whether provision of such services impairs the External Auditor’s independence or objectivity and any safeguards in place to eliminate or reduce such threats;
- the nature of non-audit services;

- whether the skills and experience make the External Auditor the most suitable supplier of the non-audit service;
- the fee to be incurred for non-audit services, both for individual non-audit services and in aggregate, related to the Group audit fee; and
- the criteria which govern the compensation of the individuals performing the audit.

In addition, the Ethical Standard requires an assessment of whether it is probable that an objective, reasonable and informed third party would conclude independence is not compromised. The approval of the Audit Committee must be obtained before the External Auditor is engaged to provide any non-audit services and these services are limited to activities which feature on the approved Permitted Non-Audit Services list. The total fees for non-audit services shall be limited to no more than 70% of the average of the statutory audit fee for the Company, of its controlled undertakings and of the consolidated Financial Statements paid to the External Auditor in the last three consecutive financial years.

In 2025, the permitted services undertaken by KPMG are set out in the table below. The Audit Committee considered that it was beneficial for the Company to retain KPMG for a small amount of permitted non-audit work and audit-related services, because of the firm’s knowledge of the Group and our requirements that the Interim review be performed by the External Auditor. The Audit Committee continues to closely monitor the nature and level of such permitted non-audit work.

Fees	2025	2024
Interim review	£0.07m	£0.07m
Permissible tax audit required in India, assessment of tax incentives in Thailand and certification of expenses in UK and France	£0.01m	£0.01m
Total audit-related services	£0.08m	£0.08m
Non-audit related services	£nil	£nil

KPMG have not performed any non-audit services during the year ended 31 December 2025 or subsequently which are prohibited by the FRC Ethical Standard.

Assessment of external audit quality and effectiveness

The Audit Committee reviewed the effectiveness of the External Auditor and the external audit process, including an assessment of the quality of the audit, at its September 2025 meeting.

In 2025, the assessment of the effectiveness of the external audit process was again performed by assessing a range of key areas through a formal questionnaire that was individually distributed to all the members of the Audit Committee and some Directors. The questionnaire considered the following aspects:

- calibre of the external audit team and the audit partner;
- the robustness of the external audit process and degree of challenge to matters of significant audit risk and areas of management subjectivity;
- the degree of professional scepticism applied by the External Auditor;
- quality of the audit and audit planning approach;
- role of the management;
- communication and formal reporting by the External Auditor to the Audit Committee;
- the External Auditor’s support of the work of the Audit Committee;
- insights and adding value;
- audit fees; and
- independence and objectivity.

Senior management received answers and comments from all questionnaires and consolidated them into a report. The Audit Committee used this report to facilitate a debate at its September 2025 meeting and to assist in assessing the level of external audit effectiveness.

In the first half of 2025, FRC performed an AQR inspection on KPMG’s audit of the year ending 31 December 2024. Their work comprised audit areas including disposal groups, warranty provision, revenue recognition and management override. The Audit Committee noted that a “limited improvements required” rating was given and were satisfied that there were no key findings and that only minor other findings were noted.

AUDIT, RISK AND INTERNAL CONTROL continued

AUDIT COMMITTEE REPORT continued

Examples of the Auditor's professional scepticism and challenge of management's assumptions, as noted by the Committee, include:

Management override of controls

– the External Auditor challenged management on key estimates and judgments, paying particular attention to changes and management's rationale for those changes. Overall, the External Auditor considered that the key judgments made by management appeared reasonable and supportable.

Disposal accounting and disclosure

– the External Auditor challenged the assumptions and disclosure related to the fair value of the contingent consideration, recalculated the loss on the disposal and concurred that they were in line with the contract.

UK defined benefit pension plan buy-in accounting and valuation of obligation

– challenged the judgement over buy-in versus settlement accounting and concurred with the buy-in approach. Also performed benchmarking on key valuation assumptions on the defined benefit obligation by comparing to independent market expectations.

Feedback about the effectiveness of the external audit process from the local management teams was also considered by the Audit Committee. The Audit Committee concluded that the External Auditor had challenged the thinking of the Company and of the Audit Committee on a number of significant issues and had maintained its independence. Following completion of the assessment process outlined above, the Audit Committee concluded that it was satisfied with the effectiveness of the External Auditor.

Policy on tendering

In order to maintain auditor independence and comply with FRC, EU guidance and the provisions of the CMA Order 2014 on audit tendering, the Group undertook a formal tender of its external audit during 2025. Further details on the process can be found on page 93.

The Audit Committee fully evaluates auditor performance and independence annually but does not favour mandatory five-year rotation.

During the year, the Audit Committee considered the findings of the FRC's limited scope review of the Company's Annual Report and Accounts for the year ended 31 December 2024. It is pleasing that the FRC did not take any further action in relation to these Accounts and did not require a substantive response to their findings. They raised certain minor disclosure recommendations that have been considered and addressed while preparing this Annual Report and Accounts in relation.

Internal control and risk management

The Board has ultimate accountability for the Group's risk management process. Details of the Group's approach to risk management and its Risk and Assurance Framework can be found on page 58.

The Audit Committee oversees the Company's internal financial controls and risk management systems. Throughout the year, the Group Director of Risk and Assurance regularly provided the Committee with detailed reports on internal audit activities conducted across the Group's operating businesses.

These reports assessed both financial and non-financial controls, highlighting operational effectiveness and identifying areas for improvement where necessary.

To further strengthen the internal control environment, the Chair and non-executive Directors are encouraged to independently visit the Group's operating sites. Such visits enabled the Directors to meet the local management teams and employees and also undertake site tours to review matters including production methods, health and safety and the status of internal audit findings. These visits are viewed by the Audit Committee as making a positive contribution to the internal control framework.

During the year, Zoe Clements undertook unaccompanied visits to Senior Flexonics Pathway, Senior Aerospace Steico Industries, Senior Aerospace SSP and Senior Aerospace Spencer, which have enabled her to provide practical insights to the Committee on how well processes were working at site-levels.

During 2025, there were no significant changes to the Group's Enterprise Risk Management process aside from expanding the Group's annual fraud risk assessment to include fraud risks relevant to the facilitation of fraud. The Executive Leadership Team continued to evaluate emerging risks alongside principal risks. The Audit Committee received comprehensive updates on risk, assurance and compliance matters throughout the year. In addition, supplementary risk assessments were completed in areas such as fraud and the facilitation of tax evasion. The results of these assessments were reported to the Board as part of the annual review of the Group's risk management processes.

In preparation for the enhanced reporting obligations under Provision 29 of the UK Corporate Governance Code 2024, the Audit Committee received updates on the steps taken by the Company to review its existing internal control and assurance framework. The Committee will continue to provide effective oversight to the Group's internal control system to ensure compliance with the forthcoming regulatory change. Additional information regarding the Group's preparations under Provision 29 can be found on page 57.

Internal audit

The Audit Committee is responsible for monitoring and reviewing the effectiveness of the Company's internal audit function, which is headed by the Director of Risk and Assurance, with the support of the Internal Audit Manager. Throughout the year, the Committee received regular updates of completed internal audits, tracking outstanding audit actions and ensuring that progress was made. Fraud monitoring remained a priority, with proactive training and incident reviews supporting the Group's efforts in continuous fraud risk management.

As part of assessing the effectiveness of the internal audit function, the Audit Committee held two private sessions with the Director of Risk and Assurance without the executive Directors being present. The Committee remained satisfied that the internal audit plan was well aligned to the principal risks of the Company and was effective in evaluating the operation of internal controls.

During its meeting on 30 July 2025 and 24 February 2026, the Audit Committee concluded that the Internal Audit function had operated with adequate resources and access to personnel, data and documents necessary to effectively conduct its Internal Audit plan; it also maintained its organisational independence.

Conclusion

As a result of its work during the year, the Audit Committee has concluded that it has acted fully in accordance with its Terms of Reference. At its meeting held on 24 February 2026, the Audit Committee considered each section of the draft Annual Report & Accounts 2025, and the document as a whole, as proposed by the Company; it reached a conclusion and advised the Board that it considered the draft Annual Report & Accounts 2025 to be fair, balanced and understandable and that it provided the information necessary for shareholders to assess the Group's position and performance, Business Model and strategy. As the Chair of the Audit Committee, I will continue, where appropriate, to be available to engage with shareholders on the scope of the external audit and other significant matters related to the Audit Committee's areas of responsibility and I will be available at the 2026 AGM to answer any shareholders' questions about the work of the Audit Committee.

Approval

This Report was reviewed and approved by the Audit Committee and signed on its behalf by:

Mary Waldner
Chair of the Audit Committee
27 February 2026

REMUNERATION

REMUNERATION COMMITTEE REPORT

Aligning our performance metrics with the business strategy

WE ENSURE THAT REMUNERATION REFLECTS THE RESULTS ACHIEVED AND INCENTIVISES AND REWARDS OUR LEADERSHIP FOR DELIVERING SUSTAINABLE VALUE TO OUR SHAREHOLDERS AND WIDER STAKEHOLDERS.

Barbara Jeremiah

Chair of the Remuneration Committee



COMMITTEE MEMBERSHIP

Member	Appointment date
Barbara Jeremiah (Chair)	1 January 2022
Susan Brennan¹	1 January 2016
Zoe Clements	1 September 2024
Ian King	13 November 2017
Graham Oldroyd	28 May 2025
Rajiv Sharma	1 January 2019
Joe Vorih	1 January 2024
Mary Waldner	1 December 2021

¹ Susan Brennan retired from the Board following the conclusion of the AGM held in April 2025.

KEY HIGHLIGHTS

- During the year, we operated under the Remuneration Policy approved by shareholders at the 2024 AGM
- Bonus outcomes of 93% of maximum reflected strong financial and operational performance against the stretching targets set
- The 2023 LTIP will vest at 31% of maximum as a result of TSR performance close to the upper quintile over the three year period
- Remuneration arrangements for the CFO succession during 2025 were determined in accordance with our Remuneration Policy
- Salary increases for 2026 will align with the UK employee average of 3%.
- We intend to engage major shareholders on our Remuneration Policy review during 2026, ahead of renewal at the AGM in 2027

Dear Shareholder,

I am pleased to present the Report of the Remuneration Committee for the financial year ended 31 December 2025. This statement provides an overview of the Committee's key decisions as we implemented the Policy for this year and the year ahead. The Report will be subject to an advisory vote at our forthcoming AGM.

The link between strategy and remuneration

Senior's Purpose is "We help engineer the transition to a sustainable world for the benefit of all our stakeholders" and its Vision is to be a trusted and collaborative high value-added engineering and manufacturing company producing sustainable growth in operating profit, free cash flow and shareholder value.

Our approach to executive remuneration continues to support this Vision, with our bonus plans incentivising earnings growth, free cash flow and sustainability, and our long-term plans rewarding the creation of shareholder value, earnings growth and return on capital. We regularly consider the alignment of our performance metrics with the business strategy and over time have evolved our approach to reflect changes in strategic focus and the views of shareholders.

The incentive framework is set out in our Remuneration Policy, a summary of which is set out on pages 103 to 105 of this report. The Policy was approved by shareholders at the 2024 AGM, and we continue to receive strong support for our approach to remuneration with c.98% of shareholders voting in favour of the Directors' Remuneration Report for 2024. I would like to thank shareholders for their continued input and support.

Senior's performance during 2025

In 2025, we delivered a strong trading performance, with Group revenue and Adjusted Operating Profit from continuing operations increasing by 4.4% and 20.0% respectively, exceeding our initial expectations. Aerospace growth was driven by increasing production rates of commercial aircraft, higher defence spending and improved pricing. In Flexonics, aftermarket demand for our nuclear and downstream oil & gas products remained robust, and we continued to outperform land vehicle markets throughout the year. We are well positioned to maintain this momentum heading into 2026 and are on track to deliver our medium-term financial targets.

Strong performance was reflected in returns to our shareholders, with the full year dividend increasing by 25% to 3.0p and the share price rising by c.20% over the year.

On 31 December, we were pleased to complete the sale of our Aerostructures business to Sullivan Street Partners, enabling our strategic transition into a high quality, Fluid Conveyance and Thermal Management (FCTM) business.

Implementation of the Policy for 2026

Basic salaries for David Squires and Alpna Amar will increase by 3%, with effect from 1 January 2026, in line with the average increase for employees across our UK operations.

Pension contributions for the Directors will remain at 15% of basic salary, aligned with the contribution rate available to the majority of the UK workforce.

In line with the Policy, the executive Directors will have the opportunity to earn up to 150% of basic salary as an annual bonus for 2026. The performance measures will remain unchanged from 2025. A total of 80% of the bonus will remain subject to challenging financial targets linked to adjusted EPS and free cash flow. The remaining 20% will be based on two equally weighted quantitative strategic non-financial measures: absolute reductions in Scope 1 and Scope 2 emissions and progress in Senior's employee engagement score. Any bonus payment will be subject to the appropriate deferral arrangements and the standard malus and clawback provisions set out in our Policy.

Our intention is for David Squires and Alpna Amar to be granted LTIP awards in 2026 at a level of 200% and 175% of basic salary, respectively. The performance metrics will be unchanged, with the retention of the existing mix of ROCE, relative TSR and adjusted EPS, each with a one-third weighting. These metrics provide for a combined focus on absolute financial performance, returns to shareholders and efficient use of capital, all of which are critically important to the business and to investors.

The TSR element will continue to be based on Senior's performance relative to the FTSE 350 (excluding companies in the Financial Services, Oil, Gas & Coal, Mining and Real Estate sectors). The adjusted EPS and ROCE elements will be based on performance to the end of the 2028 financial year, and are considered suitably challenging for the

continuing business, recognising our long-standing belief that maximum vesting should require material outperformance of expectations.

Full details on the targets are set out on page 107. Any awards which vest will be subject to the usual Committee assessment of overall performance over the LTIP period as well as a two-year post-vesting holding period. Malus and clawback provisions will apply.

Following the disposal of our Aerostructures business at the end of the financial year, the Committee will consider whether any adjustments are required to the EPS and ROCE performance targets applicable to the 2024 and 2025 LTIP awards (vesting in 2027 and 2028 respectively). Any adjustment to targets will be disclosed and explained in next year's report.

Executive Directors' remuneration for 2025

The executive Directors were eligible for an annual bonus of up to 150% of basic salary, payable subject to the achievement of stretching targets linked to key performance metrics. 80% of the maximum bonus was based on adjusted EPS and free cash flow. Reflecting the strong performance described above, the adjusted EPS performance and the free cash flow performance both exceeded the upper end of the respective target ranges resulting in full pay-out for those metrics. The remaining 20% of the bonus was based on two key non-financial measures which link closely to sustainability and wider ESG matters. As described in the Sustainability Report, we continued our exceptional performance in this area, achieving a significant reduction in our Scope 1 and 2 emissions resulting in full pay-out. We made progress on our employee engagement, with the score resulting in a pay-out between threshold and target. Full details of the targets and outcomes are set out on page 108. Overall, bonuses were therefore achieved at a level of 93.3% of the maximum, leading to an outcome of 140% of basic salary for both Directors. One third of the bonus outcome will be delivered in deferred shares.

The 2023 LTIP award was based on performance over the three years to 31 December 2025, using three equally weighted performance metrics: Return on Capital Employed ("ROCE"), adjusted EPS and relative Total Shareholder Return ("TSR"). Reflecting external headwinds during this three-year performance period, ROCE and adjusted EPS outturns were below the relevant minimum thresholds.

However, TSR performance of 59% was just below the upper quintile resulting in a vesting of 94.4% of maximum for the TSR element. Overall, the award will vest at 31% of maximum and will be subject to a two-year post-vesting holding period. Further details are set out on page 109.

In reviewing these outcomes, the Remuneration Committee considered the wider performance of the business and the contributions of the management team to the achievements of the business during the relevant periods, concluding that both the bonus and the LTIP outcomes were an appropriate and fair result for all stakeholders.

Executive Director succession

During the year, Bindi Foyle retired from the Board and was succeeded in the role of Group Chief Financial Officer by Alpna Amar. The Committee determined the remuneration arrangements for both in line with our Remuneration Policy.

Bindi retired from the Board on 16 May 2025 after 19 years with the Group. In view of her exceptional long-term contribution, the Committee determined that Bindi would be treated as a 'good leaver' in respect of her incentive awards. She remained eligible for an annual bonus award for 2025, on a pro-rata basis and assessed against the original targets as described above. The bonus was paid in cash following the year end. Her unvested deferred share awards will vest on the original vesting dates. Her unvested LTIP awards will similarly vest on the original vesting dates, subject to the performance outcomes and reduced pro-rata for time. The post-employment shareholding requirement will apply for two years. Full details of these arrangements are disclosed on page 110.

Alpna Amar was appointed to the Board on 17 May 2025. As described in last year's report, Alpna's salary was set at £400,000 on appointment and she was eligible for a 2025 annual bonus of 150% of basic salary (pro-rated to reflect the portion of the year worked) and a 2025 LTIP award of 175% of basic salary. To compensate for the forfeiture of equity awards from her previous employment, Alpna was granted replacement share awards, in line with the recruitment provisions in our Remuneration Policy. Full details of these replacement awards are set out on page 109.

REMUNERATION continued
REMUNERATION COMMITTEE REPORT continued

Wider workforce remuneration

The Committee continues to pay close attention to remuneration policies and practices across the wider workforce and takes these into account when agreeing the shape and level of the executive Directors' remuneration. In September, the Committee discussed the outcome of a comprehensive review of pay and benefits across the global workforce. In parallel, Mary Waldner, the designated Non Executive Director responsible for employee engagement, met with employees from across the Group to discuss a broad range of topics, including remuneration.

Annual bonus plans are cascaded widely across the group, based on a similar framework which applies to senior executives. Participation in the LTIP extends to around 40 senior executives within the business, all of whom are subject to the same performance conditions as the executive Directors. Equity awards in the form of restricted shares are granted to select individuals who are considered to have significant potential or who hold key professional skills. All-employee share plan arrangements are offered to employees across our global locations to encourage broader participation in share ownership and to strengthen alignment with the interests of the Group and its shareholders.

Looking ahead to 2026

At the AGM on 2 May 2026, shareholders will be asked to vote on the Annual Remuneration Report. I trust that the decisions the Committee has taken will have your support.

Our Remuneration Policy will next be subject to a shareholder vote at the 2027 AGM. The Committee intends to review our Policy during 2026 to ensure it can continue to secure and reward our executive leadership to deliver the strategy for our shareholders in a formative period ahead for Senior. We remain committed to an ongoing dialogue with our shareholders and I look forward to discussing our proposals with many of you during the year ahead.

Barbara Jeremiah

Chair of the Remuneration Committee
27 February 2026

2025 REMUNERATION REPORT AT A GLANCE

Our Executive Directors' remuneration closely aligns with the company's performance. Our policy recognises the complexities of managing a large-scale operation like Senior.

Senior's performance is evident in the results of the 2025 annual bonus and LTIP, as shown below. Full details of performance against the individual objectives for the annual bonus plan are available on page 108.

SUMMARY OF EXECUTIVE REMUNERATION FRAMEWORK

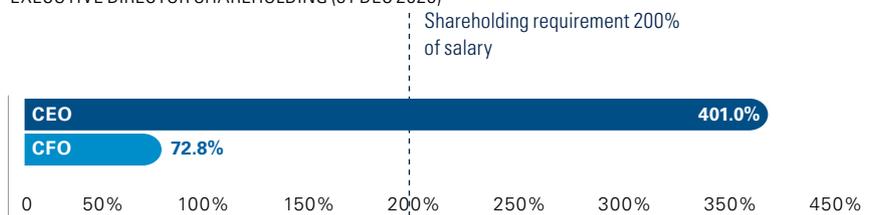
Salary	CEO: £630k CFO: £400k	Increase of 3% for CEO in line with employee average
Pension	15% of salary	In line with employee average
Bonus	150% of salary	One third is payable in shares, deferred for three years
LTIP	CEO: 200% of salary CFO: 175% of salary	3 year performance period > 2 year holding period >
Shareholding guidelines	200% of salary	

PERFORMANCE HIGHLIGHTS AND INCENTIVE OUTCOMES

	Bonus %	Threshold	Target	Maximum	Outcome
EPS	48%	7.26p	8.08p	8.88p	100%
				10.16p >	
FCF	32%	£20.0m	£24.7m	£30.0m	100%
				£32.7m >	
CO ₂	10%	37,280T	36,900T	36,600T	100%
				34,870T >	
Employee engagement	10%	7.3	7.6	7.7	33.3%
		7.5 >			
Total Bonus outcome (% of max)					93.3%

	LTIP %	Threshold	Target	Maximum	Outcome
EPS	33%	11.77p		18.50p	0%
				10.16p >	
ROCE	33%	12.5%		17.0%	0%
				9.92% >	
TSR	33%	Median		Upper quintile	94%
				78th percentile >	
Total LTIP vesting (% of max)					31%

EXECUTIVE DIRECTOR SHAREHOLDING (31 DEC 2025)



DIRECTORS' REMUNERATION POLICY

Directors' Remuneration Policy

At the Annual General Meeting held on 26 April 2024, shareholders approved the Directors' Remuneration Policy which became effective as at that date. An extract of the Remuneration Policy table from the Remuneration Policy is reproduced below for information only.

The full Remuneration Policy is contained on pages 111 to 117 of the 2023 Annual Report which is available at: www.seniorplc.com/investors/reports.aspx.

Policy table for executive Directors

Element	Purpose and link to strategy	Operation	Maximum	Performance assessment
Salary	<ul style="list-style-type: none"> Reflects the performance of the executive Director, his or her skills and experience over time and the responsibilities of the role Provides an appropriate level of basic fixed pay avoiding excessive risk arising from over-reliance on variable income 	<ul style="list-style-type: none"> Will normally be reviewed annually with effect from 1 January Benchmarked periodically against companies with similar characteristics and sector companies Normally positioned within a range around the mid-market level taking into account the experience and performance in the role of the individual, complexity of the role, market competitiveness and the impact of salary increases on total remuneration 	<ul style="list-style-type: none"> Other than to reflect change in the size and complexity of the role/ Company, the Committee will have regard to the basic salary percentage increases taking place across the Company more generally when determining salary increases for the executive Directors No maximum salary cap 	<ul style="list-style-type: none"> Individual performance in the role and Group performance are among the factors taken into consideration when awarding increases
Bonus	<ul style="list-style-type: none"> Incentivises annual delivery of corporate financial and non-financial goals Delivery of a proportion of bonus in deferred shares provides alignment with shareholders and assists with retention 	<ul style="list-style-type: none"> Up to 100% of salary paid in cash with up to a further 50% of salary paid as a conditional award of deferred shares Maximum bonus only payable for achieving demanding targets Deferred shares are released three years after award but are subject to forfeiture by a "bad leaver" Executives are entitled to receive the value of dividend payments that would have otherwise been paid in respect of vested deferred shares All bonus payments are at the discretion of the Committee Different performance conditions may be set when recruiting an executive Director The Committee may review the performance conditions from time to time The Committee has the discretion in certain circumstances to grant and/or settle an award in cash. In practice, this will only be used in exceptional circumstances for executive Directors The Committee has the discretion to adjust bonus targets or outcomes if deemed appropriate, where the bonus outcome feels perverse. In practice, this will only be used in exceptional circumstances for executive Directors 	<ul style="list-style-type: none"> Overall maximum of 150% of salary 	<ul style="list-style-type: none"> The Committee determines appropriate performance targets and weightings at the start of each year Details of the performance targets will normally be disclosed in the following Annual Report on Remuneration for reasons of commercial sensitivity The Committee may include non-financial metrics up to 25% of the overall award Performance below threshold results in zero payment. Payment rises from 0% to 100% of the maximum opportunity for levels of performance between the threshold and maximum targets For financial targets, typically, threshold is around 90% of target, and on-target performance delivers approximately 50% of the maximum opportunity Subject to clawback at the Committee's discretion over cash bonus outcomes and unvested deferred shares in the event of situations such as material misstatement, gross misconduct, serious reputational damage or corporate failure and, if required, over any unvested LTIP awards

REMUNERATION continued
DIRECTORS' REMUNERATION POLICY continued

Element	Purpose and link to strategy	Operation	Maximum	Performance assessment
Long-Term Incentive Plan (LTIP)	<ul style="list-style-type: none"> – Incentivises sustained performance over the longer term – The use of longer-term performance targets and delivery of awards in shares rewards the achievement of the Company's strategic goals and increases in shareholder value 	<ul style="list-style-type: none"> – Annual grants of performance shares which vest subject to performance (normally measured over three years) and continued service – Executives are entitled to receive the value of dividend payments that would have otherwise accrued during the three-year vesting period in respect of vested LTIP awards – All awards are subject to the discretions contained in the plan rules – The Committee may review the performance conditions from time to time – The Committee has the discretion in certain circumstances to grant and/or settle an award in cash. In practice, this will only be used in exceptional circumstances for executive Directors – A two-year post-vesting holding period applies to LTIP awards (excluding those shares required to be sold to pay tax on vesting), creating a five-year period between the grant of the awards and their final release 	<ul style="list-style-type: none"> – 200% of salary 	<ul style="list-style-type: none"> – The Committee determines performance conditions and weightings at the start of each year depending on the strategic priorities of the business at that time – In respect of each performance element, performance below the threshold target results in zero vesting. Vesting of each performance element starts at the 25% threshold and rises to 100% for maximum level of performance – Subject to malus during the period prior to vesting and to clawback during the period of three years following the date of vesting, at the Committee's discretion, in circumstances such as material misstatement, gross misconduct, fraud, dishonesty, serious reputational damage or corporate failure
All-employee share schemes	<ul style="list-style-type: none"> – Employees, including executive Directors, are encouraged to become shareholders through the operation of the Sharesave Plan, the HMRC-approved all-employee share plan 	<ul style="list-style-type: none"> – The Sharesave Plan has standard terms under which participants can normally enter a savings contract in return for which they are granted options to acquire shares at the market value of the shares at the start of the performance period – The rules for this plan were first approved by shareholders at the 2006 AGM and the updated rules were approved at the 2016 AGM 	<ul style="list-style-type: none"> – Employees can normally elect for a three-year savings contract under standard terms and within HMRC limits – The option price for Sharesave awards can be set at a discount of up to 20% of the market value of the shares at the start of the savings contract, although to date no awards granted under the Sharesave Plan have been set at a discount 	<ul style="list-style-type: none"> – N/A

Element	Purpose and link to strategy	Operation	Maximum	Performance assessment
Pension	<ul style="list-style-type: none"> Provides competitive retirement benefits for the Group's employees 	<ul style="list-style-type: none"> The executive Directors may participate in the Senior plc Group Flexible Retirement Plan ("Senior GFRP"), a contract-based, money purchase pension plan and/or receive cash allowances Bonuses are not included in calculating retirement benefits Executive Directors receive a pension contribution in line with that available to the majority of employees in the relevant jurisdiction The pension contributions or pension allowance for executive Directors were aligned with the majority of the UK workforce by the end of 2022 	<ul style="list-style-type: none"> The pension contributions or allowances for executive Directors of 15% of salary align with the pension contribution available to the majority of the UK workforce 	<ul style="list-style-type: none"> N/A
Other benefits	<ul style="list-style-type: none"> Provides a competitive package of benefits that assists with recruitment and retention 	<ul style="list-style-type: none"> Benefits include provision of a fully expensed car or car allowance, private medical insurance, life insurance and income protection, tax equalisation and relocation benefits Any reasonable business-related expenses (including tax thereon) can be reimbursed 	<ul style="list-style-type: none"> The value of benefits is based on the cost to the Company and is not predetermined There is no monetary cap on other benefits 	<ul style="list-style-type: none"> N/A
Shareholding guidelines	<ul style="list-style-type: none"> Aligns executive Directors' interests with those of other shareholders in the Company 	<ul style="list-style-type: none"> Executive Directors to retain at least 50% of the shares that vest under the LTIP and Deferred Bonus Award, after allowing for tax liabilities, until a shareholding equivalent in value to 200% of base salary is built up Post-employment shareholding requirements apply, for all LTIP awards granted from 2021 onwards and any shares that vest from deferred bonus from the 2021 bonus scheme onwards, for a period of two years following cessation of employment at the lower of (1) 100% of the in-employment shareholding guideline in place prior to cessation and (2) the actual shareholding held at the time of cessation 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A

REMUNERATION continued
DIRECTORS' REMUNERATION POLICY continued

Policy table for non-executive Directors

Element	Purpose and link to strategy	Operation	Maximum	Performance assessment
Non-executive Directors and Chair of the Board fees	– Takes account of recognised practice and set at a level that is sufficient to attract and retain high calibre non-executive Directors	<ul style="list-style-type: none"> – The Chair of the Board is paid a single fee for all their responsibilities as determined by the Remuneration Committee. The non-executive Directors are paid a basic fee. The Senior Independent Director, the Chairs of the Audit and Remuneration Committees, and the Director with responsibility for employee engagement receive additional fees to reflect their extra responsibilities – When reviewing fee levels, account is taken of market movements in non-executive Director fees, Board Committee responsibilities, ongoing time commitments and the general economic environment – Fee increases, if applicable, are normally effective from 1 January – The Chair of the Board and non-executive Directors do not participate in any pension, bonus, share incentive or other share option plans – The remuneration of the non-executive Directors is determined by the Board of Directors. The non-executive Directors do not participate in any discussion or decisions relating to their own remuneration – Any reasonable business-related expenses (including tax thereon) can be reimbursed 	– Other than when a non-executive Director changes role or where benchmarking indicates fees require realignment, fee increases will not normally exceed the general level of increases for the Group's employees	– N/A

Service contracts and letters of appointment

The service agreements of the executive Directors are not fixed term and are terminable by either the Company or the Director on 12 months' notice.

The Chair of the Board and non-executive Directors do not have service agreements but the terms of their appointment, including the time commitment expected, are recorded in letters of appointment. The Chair's appointment may be terminated on providing 12 months' notice by either party. The appointments of the other non-executive Directors may be terminated by the Company or non-executive Director on providing one month's notice.

Name	Date original term commenced	Date current term commenced	Expected expiry date of current term
Ian King	Joined the Board November 2017 and became Chair of Board in April 2018	–	–
Zoe Clements	September 2024	September 2024	August 2027
Barbara Jeremiah	January 2022	January 2025	December 2027
Graham Oldroyd	May 2025	May 2025	May 2028
Rajiv Sharma	January 2019	January 2025	December 2027
Joe Vorih	January 2024	1 January 2024	December 2026
Mary Waldner	December 2021	December 2024	November 2027

2025 REMUNERATION REPORT: ANNUAL REPORT ON REMUNERATION

2026 remuneration (non-audited information)

Salaries

For 2026, basic salaries of the Group Chief Executive Officer and Group Chief Financial Officer were increased by 3%, in line with average increase applied to the wider UK workforce.

	2026 £	2025 £	Percentage change
David Squires	649,000	630,000	3.0%
Alpna Amar	412,000	400,000	3.0%

Annual bonus

The maximum bonus opportunity for the executive Directors remains 150% of basic salary, in line with the Policy. The KPIs remain unchanged from the prior year, namely, Free Cash Flow, Adjusted EPS, absolute reductions in Scope 1 and Scope 2 emissions, and improvements to Senior's employee engagement survey score. The individual weightings of the KPIs for the executive Directors for the annual bonus are set out below.

	Weighting (% of max)
Free cash flow target	32%
Adjusted EPS target	48%
Reductions in Scope 1 and Scope 2 emissions	10%
Improvements to Senior's employee engagement survey score in 2026	10%
Totals	100%

The actual targets are currently considered commercially sensitive because of the information that this provides to the Company's competitors. Disclosure of the 2026 targets will be in the 2026 Annual Report.

Any bonus payment will be subject to the usual deferral arrangements and the standard malus and clawback provisions set out in our Policy.

LTIP awards

It is intended that, in 2026, David Squires and Alpna Amar will be granted LTIP awards at a level of 200% and 175% of basic salary, respectively.

Adjusted EPS, TSR and ROCE metrics will be retained as the performance measures with an equal weighting of one third each. The Remuneration Committee sets stretching targets which are consistent with the strategic priorities of the business and which, if achieved, would represent a strong level of performance. The EPS component requires c.15% compound annual growth for maximum vesting and the ROCE range is consistent with our medium term guidance of 15-20%. TSR performance will be measured against the FTSE 350 (excluding companies in the Financial Services, Oil, Gas & Coal, Mining and Real Estate sectors) with maximum vesting requiring upper quartile performance. Vested awards will continue to be subject to a two-year holding period.

	Weighting	Threshold (25% vesting)	Maximum (100% vesting)
Return on Capital Employed	1/3rd	15.0%	17.5%
Total shareholder return ranking	1/3rd	Median	Upper quartile or higher
Adjusted earnings per share in 2028 ¹	1/3rd	10.5%	14.8%

¹ Vesting is on a straight-line basis between Threshold and 66.67% vesting, and between 66.67% vesting and Maximum.

Non-Executive Director fees

The 2026 base fee for the non-executive Directors was increased by 3.3% in line with the average increases applied to the wider workforce.

	2026 £	2025 £	Percentage change
Chair of Board	229,000	222,500	2.9%
Non-executive Directors base fee	63,500	61,500	3.3%
Chair of Audit Committee	11,000	11,000	0.0%
Chair of Remuneration Committee	11,000	11,000	0.0%
Senior Independent Director	11,000	11,000	0.0%
Director with responsibility for employee engagement	7,500	6,500	15.4%

No additional fees are payable for Committee membership.

REMUNERATION continued

2025 REMUNERATION REPORT: ANNUAL REPORT ON REMUNERATION continued

Single total figure of remuneration (audited information)

The following table shows a single total figure of remuneration in respect of qualifying service for the 2025 financial year for each Director, together with comparative figures for 2024.

	Salaries and fees £000s		Taxable benefits and allowances ¹ £000s		Bonus ² £000s		Long-term incentives ³ £000s		Buy-out awards ⁴		Pension benefits including cash in lieu of pension ⁷ £000s		Total fixed remuneration £000s	Total variable remuneration £000s	Total ⁶ £000s	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2025	2025	2024
Executives																
David Squires	630	615	31	29	882	185	464	139	–	–	95	92	756	1,346	2,102	1,060
Alpna Amar ⁵	300	–	20	–	420	–	–	–	512	–	45	–	365	932	1,297	–
Bindi Foyle ⁵	168	420	9	23	235	126	229	94	–	–	24	63	201	464	665	726
Total remuneration	1,098	1,035	60	52	1,537	311	693	233	512	–	164	155	1,322	2,742	4,064	1,786
Non-executives																
Ian King	223	218	4	3	–	–	–	–	–	–	–	–	227	–	227	221
Susan Brennan	20	60	1	1	–	–	–	–	–	–	–	–	21	–	21	61
Zoe Clements ⁵	62	20	1	–	–	–	–	–	–	–	–	–	63	–	63	20
Barbara Jeremiah	84	82	3	1	–	–	–	–	–	–	–	–	87	–	87	83
Graham Oldroyd ⁵	37	–	–	–	–	–	–	–	–	–	–	–	37	–	37	–
Rajiv Sharma	62	60	2	1	–	–	–	–	–	–	–	–	64	–	64	61
Joe Vorih ⁵	62	60	1	1	–	–	–	–	–	–	–	–	63	–	63	61
Mary Waldner	79	78	1	–	–	–	–	–	–	–	–	–	80	–	80	78
Total remuneration	629	578	13	7	–	–	–	–	–	–	–	–	642	–	642	585

- (1) Taxable benefits for executive Directors include the provision of a fully expensed company car or car allowance and private medical insurance. Taxable benefits for non-executive Directors are travel expenses.
- (2) For David Squires and Alpna Amar, the deferred bonus was paid two-thirds in cash and one-third in Senior shares. For Bindi Foyle, the amount was paid in cash (see further details on page 110).
- (3) For David Squires, the 2025 column refers to 2023 LTIP Award of which 31.46% will vest in March 2026. Further details on the performance conditions can be found on page 109. The estimated value of shares to vest includes an amount for the dividend equivalent shares and was calculated using the average of daily closing market value of the shares over the last three months of 2025 of 189.0p. 16.9% of the value of the LTIP awards is attributable to share price appreciation, as the share price has increased from 157.0p at the time of grant. The 2024 column has been re-stated to reflect the value of the awards on the date of vesting using a share price of 162.21p.
- (4) Represents the vesting of the 2022 buy-out replacement award made to Alpna Amar to compensate for forfeited awards from her previous employer which vested during the year. The value shown reflects the number of shares that vested (282,703) valued at the share price on the date of vesting (£1.81), and including 3,349 dividend equivalent shares. Further detail of Alpna's buy-out awards is set out on page 109.
- (5) Alpna Amar was appointed to the Board on 1 April 2025, and her 2025 remuneration is the amount paid from that date. Graham Oldroyd was appointed to the Board on 28 May 2025 and his 2025 fee is the amount paid from that date. Joe Vorih and Zoe Clements were appointed to the Board on 1 January 2024 and 1 September 2024 respectively, and their 2024 fees are the amounts paid from those respective dates. Bindi Foyle retired from the Board on 16 May 2025, and her 2025 remuneration to that date.
- (6) The aggregate amount of remuneration paid to or receivable by Directors in respect of qualifying services as per paragraph 9 of SI 2008/40 Schedule 5 was £3,332,678 (2024 – £2,139,407). Excluded from this amount was £744,525 (2024: £1,400,692) paid in respect of long-term incentive schemes, £163,920 (2024: £155,250) paid as company contributions to pension schemes on behalf of three (2024: two) of the directors, and £nil (2024: £nil) in respect of gains on the exercise of share options granted.
- (7) Refers to pension benefits, being 15% of the respective base salaries, in line with the Remuneration Policy

Performance against performance targets for annual bonus (audited information)

Bonuses are earned by reference to the financial year and paid in March following the end of the financial year. The bonuses for the executive Directors were determined by adjusted EPS, free cash flow, CO₂ emissions reductions, and Employee engagement performance. A summary of the measures, weightings and performance achieved is provided in the table below:

	2025						
	Threshold	Target	Maximum	Actual achieved ²	Maximum bonus achievable	Percentage of maximum achieved	Bonus payable (% of 2025 salary)
Free cash flow targets	£20m	£24.7m	£30.0m	£32.7m	48%	100%	48%
Adjusted EPS targets ¹	7.26p	8.08p	8.88p	10.06p	72%	100%	72%
CO ₂ emissions reduction	37,280t	36,900t	36,600t	34,870t	15%	100%	15%
Employee engagement	7.3	7.6	7.7	7.5	15%	33.3%	5%
Totals					150%	93.3%	140%

¹ The adjusted EPS target is calculated on a constant currency basis.

² The targets were set, and performance was measured, by reference to Group performance including Aerostructures, which was part of the Group for the full financial year.

In reviewing the bonus outcome, the Remuneration Committee considered the wider performance of the business during the year and the contributions of the management team to the successful implementation of the strategy for the year. The Committee concluded that the outcome was an appropriate and fair outcome for all stakeholders.

Performance against performance conditions for LTIP vesting (audited information)

The 2023 LTIP award was based on performance over the three years to 31 December 2025. The performance conditions were partially achieved and therefore 31.46% of the 2023 LTIP awards are to vest as shown in the table below.

Performance condition	Target (25% vesting)	Maximum (100% vesting)	Actual	Percentage of total award achieved
Total shareholder return percentile ranking (1/3rd of Award)	50th	80th	78th	94.4%
Adjusted earnings per share for the final financial year of the performance period (1/3rd of Award)	11.77p	18.50p	10.16p	0%
Return on Capital Employed for the final financial year of the performance period (1/3rd of Award)	12.5%	17.0%	9.92%	0%

The targets were set, and performance was measured, by reference to Group performance including Aerostructures, which was part of the Group for the full performance period.

LTIP awards granted during the financial year (audited information)

Directors	Scheme	Basis of award	Face value £000s (1)	Number of shares	Percentage vesting at threshold performance	Performance period end date
David Squires	LTIP	200% of salary	1,260	782,608	25%	31 December 2027
Alpna Amar	LTIP	175% of salary	700	501,432	25%	31 December 2027

1 The face value of the awards is calculated using the closing share price on the day before the date of grant of £1.61 per share

Buy-out awards (audited information)

As reported in last year's report, to compensate Alpna for the forfeiture of equity awards from her previous employment, the Committee agreed to grant replacement awards which would remain subject to performance conditions where appropriate and would mirror the value and the vesting/release schedule of the forfeited share awards, in line with the recruitment provisions in our Remuneration Policy.

These awards were reported at the point of grant in April and are summarised below:

Award	Basis of award	Face value £000s (1)	Number of shares	Percentage vesting at threshold performance	Performance period end date
2022 replacement award	This award was based on the disclosed performance outcome of the equivalent forfeited award in Alpna's previous employer.	424	303,774	Based on the disclosed outcome at Alpna's previous employer, this award vested during the year at 92.0% of maximum and is included in the single figure table on page 108.	
2023 replacement award	The terms of this share award shall mirror the rules and performance conditions attaching to the 2024 Senior LTIP award made to other Senior executives	278	199,030	25%	31 December 2026

1 The face value of the awards is calculated using the closing Kier Group share price of £1.40 per share on Alpna Amar's last day of employment with Kier.

REMUNERATION continued

2025 REMUNERATION REPORT: ANNUAL REPORT ON REMUNERATION continued

Payments for loss of office (audited information)

Bindi Foyle retired from the Board and from the position of Group Financial Director on 16 May 2025. The Remuneration Committee determined her remuneration arrangements in accordance with the Remuneration Policy.

Bindi received her contractual salary, pension allowance and benefits up to the date of cessation of employment, with the company-funded private health insurance cover expiring on 31 May 2025.

Bindi remained eligible for an annual bonus award in respect of 2025, with the maximum opportunity reduced pro-rata for the period of employment during the year. The bonus was based on the original targets for the full financial year, with the outcome explained on page 108 and the value received set out in the single figure of remuneration table on page 108. The bonus was paid fully in cash.

In view of Bindi's retirement after 19 years with Senior, the Remuneration Committee determined that Bindi would be treated as a 'good leaver' in respect of her unvested share awards. Her deferred bonus awards will vest on the original vesting dates. Her 2023 and 2024 LTIP awards will vest on the original vesting dates, subject to the performance outcome and reduced on a time pro-rata basis. The post-employment shareholding requirements (described on page 105) will apply.

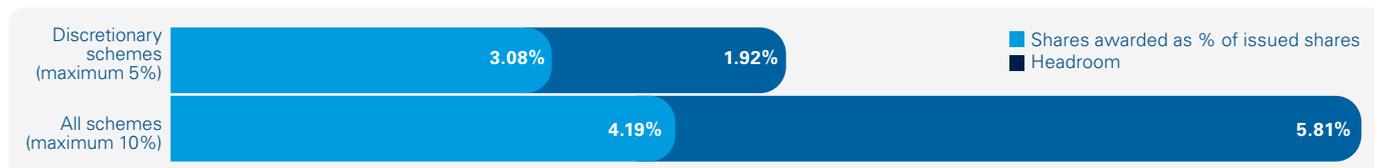
No other payments will be made in respect of Bindi's retirement.

Fees received for outside appointments

The Board supports executive Directors taking up appointments outside the Company to broaden their knowledge and experience. Each executive Director is permitted to accept one non-executive appointment from which they may retain any fee. Any external appointment must not conflict with a Director's commitments to Senior plc. Details of the outside appointments held by the executive Directors are set out below:

Directors	Outside appointment
David Squires	Mpac Group plc
Alpna Amar	Chemring Group PLC
Bindi Foyle	Avon Technologies plc

Shareholder dilution



The Company complies with the dilution guidelines contained within The Investment Association Principles of Executive Remuneration.

During 2025, all share awards were satisfied using market-purchased shares. The Remuneration Committee monitors the flow rates of the Company's share plans, in particular before new share awards are made, to ensure the flow rates remain within the Investment Association dilution guidelines.

Statement of Directors' shareholding and share interests (audited information)

The Remuneration Committee encourages Directors to own shares in the Company and, in support of this policy, it expects executive Directors to retain at least 50% of the shares that vest under the LTIP awards and the deferred share element of the bonus, after allowing for tax liabilities, until a shareholding equivalent in value to 200% of base salary is built up.

The table below shows how each Director complies with this requirement. Shares are valued using the Company's closing share price on 31 December 2025 of 194.8p (31 December 2024 – 159.6p).

Executive Directors	Number of shares required to be held (equivalent to 200% of basic salary at 31 December 2025)	Number of shares held (including unvested deferred shares net of tax) at 31 December 2025	Share ownership requirements met	Unvested awards, subject to performance conditions	Unvested awards, not subject to performance conditions	
					Sharesave	Total deferred share award
David Squires	646,817	1,296,906	Yes	2,278,553	10,088	304,217
Alpna Amar	410,678	149,510	No	700,462	12,508	–

¹ The minimum threshold was exceeded for one of the three performance conditions attached to David Squires' 2023 LTIP award over 747,770 shares (included within his LTIP award figures above) and therefore 235,298 shares of this award (together with dividend equivalent shares) shall vest in March 2026.

The interests of Directors have remained unchanged between the date of the review and the date of the signing of the Annual Report & Accounts 2025.

	Number of shares owned outright (including connected persons) at 31 December 2024	Shares vested during 2025	Shares retained from 2025 vested shares	Shares purchased during 2025	Number of shares owned outright (including connected persons) at 31 December 2025 (or date of stepping down)
Executive Directors					
David Squires	989,406	276,582	146,265	0	1,135,671
Alpna Amar	–	282,703	149,510	0	149,510
Non-executive Directors					
Ian King	914,297	–	–	75,000	989,297
Zoe Clements	–	–	–	15,000	15,000
Barbara Jeremiah	25,000	–	–	–	25,000
Graham Oldroyd	–	–	–	52,500	52,500
Rajiv Sharma	15,000	–	–	–	15,000
Joe Vorih	7,500	–	–	–	7,500
Mary Waldner	10,000	–	–	10,000	20,000

REMUNERATION continued

2025 REMUNERATION REPORT: ANNUAL REPORT ON REMUNERATION continued

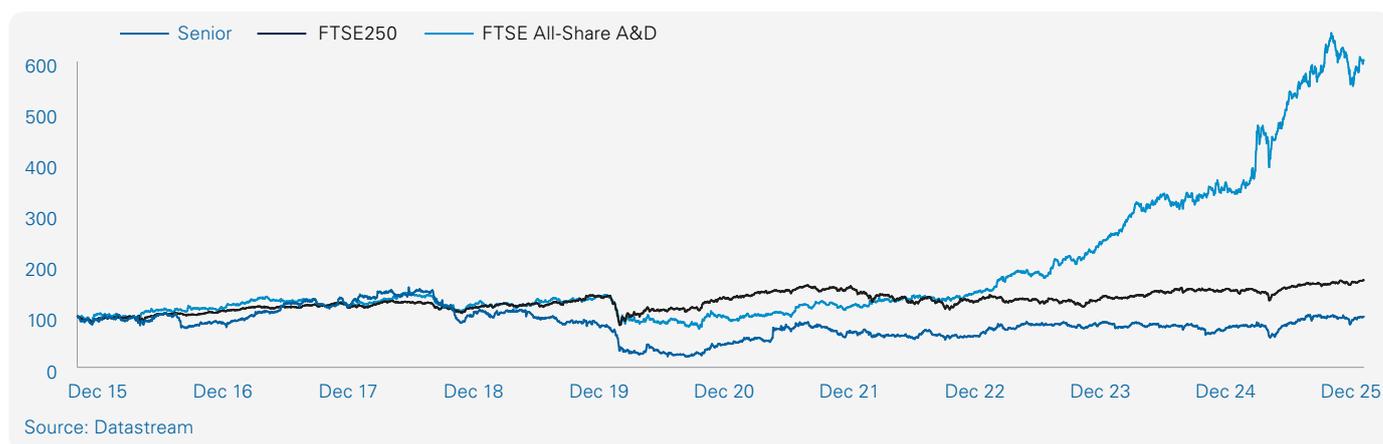
Included within the Executive Directors' holdings are 325,000 shares that David Squires purchased.

Bindi Foyle and Susan Brennan stepped down from the Board during the year; their shareholdings at the date of stepping down were 558,919 shares and 5,900 shares respectively.

Performance graph

Senior plc total shareholder return

The following TSR graph compares the total shareholder return of the Company's shares against the FTSE All-Share, Aerospace & Defence index, and the FTSE 250 index over a 10-year period (where dividends are included gross of tax). This graph allows a comparison to be made against organisations facing broadly similar economic and market conditions as the Company.



Remuneration of Group Chief Executive Officer

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
CEO single figure of total remuneration (£000s)	790	1,009	1,107	1,203	917	1,350	1,388	2,136	1,060	2,102
Annual variable element award rates against maximum opportunity (%)	31	79	75	58	40	100	100	85.4	20	93.3
Long-term incentive vesting rates against maximum opportunity (%)	0	0	0	28	0	0	0	66.7	12	31.5%

Relationship between executive Director and employee pay

The Remuneration Policy for the executive Directors is designed taking into account the policy for employees across the Group as a whole. There are some differences in the structure of the Remuneration Policy for the executive Directors and other senior employees, which the Remuneration Committee believes are necessary to reflect the different levels of responsibility of employees across the Company and reflect different market norms for different roles. The key differences in remuneration policy between the executive Directors and employees across the Group are the increased emphasis on performance-related pay and the inclusion of a share-based long-term incentive plan for executive Directors.

The majority of senior managers are eligible to participate in annual bonus arrangements with challenging targets tied to the performance of their operating business, Division and the Group's performance.

Long-term incentives are provided to the most senior executives and those anticipated as having the greatest potential to influence performance levels within the Company. A lower aggregate incentive quantum operates below the senior executive level, with levels driven by the impact of the role and market comparatives.

Awards under the Restricted Share Award Plan, a deferred share award plan without performance conditions, are a retention tool and are made to selected individuals who do not typically benefit from other long-term incentives but are considered to have significant potential or are key contributors.

In order to encourage wider employee share ownership, the Company operates a Sharesave Plan in which employees in the UK, North America and continental Europe, including executive Directors, may participate.

The pension contributions of the executive Directors (15% of base salary) aligns with the pension contribution available to the majority of the UK workforce.

How employees' pay is taken into account when setting executive Director remuneration

The Committee also reviews the salaries of senior corporate, divisional and operational managers and therefore is fully cognisant of pay levels in the Group when determining the pay of the executive Directors.

In addition, the Committee's policy is that salary increases for the executive Directors and senior executives should not normally be greater than the general level of increases awarded to other senior managers in Europe and North America, other than when an executive changes role or when it is necessary in order to ensure levels of remuneration remain market competitive.

We continue to be vigilant regarding rates of pay and the cost of living, ensuring we are paying people fairly for the work they do, and benchmarking pay rates in local markets, making adjustments if appropriate and focusing higher relative salary increases on operations employees.

The Company consulted with UK employee representatives in 2025 regarding executive Director remuneration.

Percentage change in remuneration of Directors

The table below shows how the percentage changes in Directors' salary, benefits and bonus between 2020 and 2021, 2021 and 2022, 2022 and 2023, 2023 and 2024, and between 2024 and 2025 compared with the percentage change in the average of each of those components of pay for Senior plc employees. Employees who joined or left in either year have been excluded to prevent distortion.

	Change (%)	David Squires	Alpna Amar	Bindi Foyle	Ian King	Susan Brennan	Zoe Clements	Barbara Jeremiah ³	Graham Oldroyd	Rajiv Sharma	Joe Vorih	Mary Waldner ³	Senior plc Employees excluding Directors
2024 vs 2025	Salary^{1,2}	2.4%	N/A	-60.1%	2.1%	-66.9%	207.5%	1.8%	N/A	2.5%	2.5%	1.9%	4.0%
	Taxable benefits and allowances	4.7%	N/A	-62.0%	-	-	-	-	-	-	-	-	43.5%
	Bonus	377.9%	N/A	86.3%	-	-	-	-	-	-	-	-	359.8%
2023 vs 2024	Salary	4.8%	N/A	5.0%	4.8%	4.4%	N/A	15.1%	N/A	4.4%	N/A	13.2%	7.3%
	Taxable benefits and allowances	2.4%	N/A	4.1%	-	-	-	-	-	-	-	-	8.0%
	Bonus	-70.6%	N/A	-70.5%	-	-	-	-	-	-	-	-	-69.1%
2022 vs 2023	Salary	5.4%	N/A	5.5%	5.6%	5.5%	N/A	30.7%	N/A	5.5%	N/A	25.6%	7.3%
	Taxable benefits and allowances	19.8%	-	81.9%	-	-	-	-	-	-	-	-	-0.2%
	Bonus	-10.0%	-	-9.8%	-	-	-	-	-	-	-	-	-10.7%
2021 vs 2022	Salary	3.2%	N/A	5.0%	3.1%	2.8%	N/A	N/A	N/A	2.8%	N/A	N/A	6.7%
	Taxable benefits and allowances	-12.3%	-	-44.3%	-	-	-	-	-	-	-	-	7.0%
	Bonus	3.2%	-	5.0%	-	-	-	-	-	-	-	-	6.7%
2020 vs 2021	Salary	0%	N/A	0%	3.1%	2.8%	N/A	N/A	N/A	0%	N/A	N/A	3.3%
	Taxable benefits and allowances	3.4%	-	4.8%	-	-	-	-	-	-	-	-	2.0%
	Bonus	150.0%	-	150.0%	-	-	-	-	-	-	-	-	158.6%

1 The Salary percentage change figure also includes any merit increases awarded to Directors and employees. The percentage change of salary percentage change figures for the 2021 and 2020 comparison are calculated using the 2020 salaries before the voluntary reduction in salaries and fees for the Directors and some Senior plc employees during the pandemic.

2 During 2024, Zoe Clements joined the Board part way through the year. During 2025, Alpna Amar joined the Board, and Susan Brennan and Bindi Foyle retired from the Board.

3 In April 2023, Barbara Jeremiah was appointed the Senior Independent Director and the Chair of the Remuneration Committee and Mary Waldner was appointed the Chair of the Audit Committee and the Director with responsibility for employee engagement, and their respective fees were adjusted accordingly at that time.

REMUNERATION continued

2025 REMUNERATION REPORT: ANNUAL REPORT ON REMUNERATION continued

CEO pay ratio narrative

In 2025, Senior plc adopted Method A for calculating the CEO pay ratio, as it provides a more statistically robust approach by using the full UK employee dataset rather than three sample roles. This improves accuracy, reduces year on year volatility, and ensures that the ratios presented in the accompanying table are consistently representative. Leavers were excluded, and full time equivalent pay and benefits were assessed across all UK employing entities to identify the 25th, 50th and 75th percentile comparators.

The year on year movement mainly reflects differing bonus outcomes, with employee bonuses decreasing while the CEO's bonus increased in 2025. The 2025 figure also includes the vesting of the 2023 LTIP at 31.46% of total potential, contributing to the overall change. Once performance-linked elements are removed, the underlying CEO-to-median pay relationship remains broadly stable, illustrating that fluctuations are primarily driven by variable remuneration rather than structural shifts in pay.

Year	Pay ratio			
	Method ¹	25th percentile	50th percentile	75th percentile
2025	A	43 : 1	36 : 1	29 : 1
2024	B	33 : 1	31 : 1	24 : 1
2023	B	78 : 1	57 : 1	45 : 1
2022	B	51 : 1	44 : 1	36 : 1
2021	B	53 : 1	49 : 1	33 : 1
2020(2)	B	25 : 1	20 : 1	16 : 1
2019	B	53 : 1	39 : 1	32 : 1

¹ Method A was selected as the most appropriate basis for selecting the 25th percentile, median and 75th percentile pay ratios.

² The pay ratios in 2020 had been impacted by the pandemic leading to significant numbers of employees being on furlough and/or made redundant, as well as reduced total remuneration for the CEO.

Year 2025	25th percentile	50th percentile	75th percentile
Total	£ 30,732	£ 36,337	£ 46,057

Relative importance of spend on pay

The following table sets out the percentage change in profit, dividends and overall spend on pay in the financial year ended 31 December 2025 compared with the financial year ended 31 December 2024.

	2025 £m	2024 £m	Percentage change
Employee remuneration costs (excluding social security)	274.6	272.3	0.8%
Adjusted profit before tax	54.4	33.0	64.8%
Dividends paid	10.3	10.1	2.0%

Summary of the Committee's Terms of Reference

The Terms of Reference of the Remuneration Committee, available in full on the Company's website, are summarised below:

- determine and agree with the Board the framework or broad policy for the remuneration of the Chair of the Board, the executive Directors and other members of the executive management as it is designated to consider;
- within the terms of the agreed Policy and in consultation with the Chair of the Remuneration Committee and/or Group Chief Executive Officer, as appropriate, determine the total individual remuneration package of the Chair of the Board, each executive Director, and other designated senior executives including bonuses, incentive payments and share options or other share awards;
- approve the design of, and determine targets for, any performance-related pay plans operated by the Company and approve the total annual payments made under such plans;
- review the design of all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made and, if so, the overall amount of such awards, the individual awards to executive Directors, and other designated senior executives and the performance targets to be used; and
- oversee any major changes in employee benefits structures throughout the Group.

Members

The Remuneration Committee consists entirely of non-executive Directors.

Member	Number of meetings during term ¹	Number of meetings attended
Barbara Jeremiah – Chair	4	4
Susan Brennan	1	1
Zoe Clements	4	4
Ian King	4	4
Graham Oldroyd ²	3	3
Rajiv Sharma	4	4
Joe Vorih	4	4
Mary Waldner	4	4

¹ The full Committee met 4 times in 2025. In addition, authority was delegated to two members of the Committee, Barbara Jeremiah and Ian King, to hold 7 additional meetings to confirm the granting and vesting of share awards.

² Graham Oldroyd was appointed to the Board on 28 May 2025 and attended all of the meetings that were held in 2025 following his appointment.

Other attendees at Remuneration Committee meetings

The Group Chief Executive Officer and EVP HR attend meetings by invitation and the Group Company Secretary acts as secretary to the Committee but no executive Director or other employee is present during discussions relating to his or her own remuneration.

Advisers

Before recommending proposals for Board approval, the Remuneration Committee may seek advice from external remuneration consultants to ensure that it is fully aware of comparative external remuneration practice as well as shareholder, legislative and regulatory developments. The Committee also considers publicly available sources of information relating to executive remuneration.

The Committee does not have a formal policy of subjecting its remuneration consultants to a regular fixed-term rotation, although the Committee remains cognisant of the need to seek objective advice and good value whilst also benefiting from the consultants' knowledge of the Company. During 2024, the Committee appointed Alvarez & Marsal as its remuneration adviser following a competitive tender process.

All advisers to the Remuneration Committee are appointed and instructed by the Committee. During the year, the Committee was advised by Alvarez & Marsal in relation to remuneration advice and benchmarking, LTIP performance monitoring and the provision of LTIP advice. During 2025, the Company incurred fees of £83,150 from Alvarez & Marsal and £4,500 from FIT Remuneration Consultants, and these costs were based on a combination of hourly rates and fixed fees for specific items of work. Alvarez & Marsal and FIT Remuneration Consultants are members of the Remuneration Consultants Group and adhere to its Code in relation to executive remuneration consulting in the UK. They have no other connections with the Company or its Directors. The Committee is satisfied that the advice it has received during 2025 has been objective and independent.

Principal activities and matters addressed during 2025

The Committee has a calendar of standard items within its remit and in addition it held in-depth discussions on specific topics during the year. The Committee met 4 times during the year. In addition, authority was delegated to two members of the Committee to hold additional meetings to confirm the grant and vesting of share awards. The table below shows the items considered at each meeting, with the meetings in February and March being where the key decisions regarding performance, outcomes and grants for the coming year are determined.

REMUNERATION continued

2025 REMUNERATION REPORT: ANNUAL REPORT ON REMUNERATION continued

	Standard agenda items	Ad hoc items
February	<p>Review of performance and outcomes under the Annual Bonus and Deferred Bonus Award.</p> <p>Review of performance and vesting under long-term incentives.</p> <p>Determine incentive structure for the 2025 financial year including finalisation of targets.</p> <p>Review and approve draft Remuneration Report.</p>	<p>Review gender pay gap reporting and CEO pay ratio.</p>
March	<p>Confirmation of grants of LTIP Award, Deferred Bonus Awards and Restricted Share Awards.</p> <p>Confirmation of vesting of LTIP Awards, Deferred Bonus Awards and Restricted Share Awards.</p>	
April		<p>Confirmation of grants of Sharesave Awards to employees.</p> <p>Confirmation of grants of LTIP and Restricted Share Awards to a limited number of executives.</p> <p>Confirmation of vesting of Deferred Bonus Awards and Restricted Share Awards to a limited number of executives.</p>
September	<p>Review of Committee's Terms of Reference.</p> <p>Review of annual Committee timetable.</p> <p>Committee continuing development programme.</p> <p>Review performance of Remuneration advisors.</p> <p>Review of share ownership guidelines for executive Directors and PDMR.</p> <p>Review of share dilution.</p> <p>Overview of employees' remuneration and executive Director compensation market update.</p> <p>Initial assessment of annual salary increases.</p> <p>Discussion of principles for Target adjustment of in-flight variable rewards due to Aerostructures divestiture.</p>	<p>Review of updated draft Sharesave Plan rules.</p> <p>Review of vesting of outstanding LTIP awards for deceased executive.</p>
December (two meetings)	<p>Review and approval of Directors' and senior managers' remuneration for the following financial year taking into consideration available salary market data.</p> <p>Performance update on outstanding incentive and bonus awards.</p> <p>Discussion on 2026 LTIP and bonus targets; and associated shareholder consultation.</p> <p>Determine remuneration of the Chair of the Board.</p>	<p>Review feedback from employee consultation.</p>

Statement of voting at General Meeting

At the AGM held on 25 April 2025, shareholder votes on the Directors' Remuneration Report were cast as follows:

	Voting	For	Against	Total	Withheld ¹	Reason for vote against, (if known)	Action taken by Committee
Remuneration Report	Votes	330,470,497	7,585,854	338,056,351	25,317	N/A	N/A
	%	97.76%	2.24%	100%	N/A		

At the AGM held on 26 April 2024, shareholder votes on the Remuneration Policy were cast as follows:

	Voting	For	Against	Total	Withheld ¹	Reason for vote against, (if known)	Action taken by Committee
Remuneration Policy	Votes	326,312,097	26,721,279	353,033,376	30,357	N/A	N/A
	%	92.43%	7.57%	100%	N/A		

¹ A vote withheld is not a vote in law and is not counted in the calculation of the proportion of votes cast "For" and "Against" a resolution.

About this Report

This report has been prepared in accordance with the Directors' Remuneration Reporting Regulations and the relevant provisions of the UK Listing Rules of the Financial Conduct Authority. Parts of the Annual Report on Remuneration are subject to audit, as indicated within this Report.

Approval of the Directors' Remuneration Report

The Directors' Remuneration Report was approved by the Board on 27 February 2026.

Signed on behalf of the Board

Barbara Jeremiah

Chair of the Remuneration Committee

27 February 2026

REPORT OF THE DIRECTORS

The Directors present their Report and supplementary reports, together with the audited Financial Statements for the year ended 31 December 2025.

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This Directors' Report, together with the information in the Strategic Report, forms the management report for the purposes of DTR 4.1.8R. The Strategic Report, the Governance Report, which includes this Directors' Report, and any notes to the Financial Statements include information that would otherwise be included in the Directors' Report required under the Companies Act 2006.

Disclosures located elsewhere in the Annual Report & Accounts 2025

The Strategic Report on pages 1 to 71 includes details of Senior's Business Model, strategic priorities, financial and non-financial key performance indicators, risks and uncertainties, market overview, key growth drivers and a summary of the Group's 2025 performance.

Activities and business review

Senior plc is a holding company. The nature of the Group's operations and its principal activities are set out in the Strategic Report on pages 1 to 71.

Its Group undertakings are shown on pages 186-187. As at 31 December 2025, five of the Company's operating businesses and the Group head office are located in the UK and 20 in the Rest of the World.

Dividends

An interim dividend of 0.85 pence per share (2024 – 0.75 pence) has already been paid and the Directors recommend a 2025 final dividend of 2.15 pence per share (2024 – 1.65 pence). The final dividend, if approved, will be payable on 29 May 2026 to shareholders on the Register of Members at the close of business on 1 May 2026. This would bring the total dividend for the year to 3.00 pence per share (2024 – 2.40 pence).

Policy on employee disability

Senior provides support, training and development opportunities to all our employees irrespective of any disabilities they may have. We give full and fair consideration to disabled applicants, and where an existing employee becomes disabled during their employment, we will make every effort to ensure they are able to continue working for Senior in their original or an alternative role.

Employee share plans

Details of employee share plans are set out in Note 32.

Restrictions on transfer of shares

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Company's Articles of Association and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights. No person has any special rights of control over the Company's share capital, and all issued shares are fully paid.

Directors

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association, the UK Corporate Governance Code 2024, the Companies Act 2006 and related legislation. The powers of Directors are described in the Matters Reserved for the Senior plc Board, which may be found on the Company's website. Each year, shareholder approval is sought to renew the Board's authority to allot relevant securities.

Amendment of Articles of Association

The Articles may be amended by special resolution of the shareholders.

Change of control

The Company and its subsidiaries are party to a number of agreements that may allow the counterparties to alter or terminate the arrangements on a change of control of the Company following a takeover bid, such as bank loan agreements, employee share plans, commercial and customer contracts and property lease arrangements.

Other than as referred to in the next paragraph, none of these are considered by the Company to be significant in terms of their likely impact on the Group as a whole.

In the event of a change of control of the Company, the Group's main loan agreements allow the lenders to renegotiate terms or give notice of repayment for all outstanding amounts under the relevant facilities.

The Company does not have agreements with any director or employee that would provide compensation for loss of office or employment specifically resulting from a takeover, although the provisions of the Company's share schemes include a discretion to allow awards granted to directors and employees under such schemes to vest in those circumstances.

Conflicts of interest

The Board has a procedure for identifying and managing Directors' potential conflicts of interest. The Group Company Secretary maintains the Register of Directors' Potential Conflicts of Interest. Directors are required to declare their own potential conflicts, together with those of their close family members, their partners, any trust to which they are a beneficiary, a corporate body in which they have a 20% interest or above, or a firm in which they are a partner. The Directors review and confirm their Register entries at least annually. At every Board meeting, the Directors are required to declare if they have any potential conflicts of interest in the business to be discussed at the meeting. In 2025, the Directors confirmed there were no potential or actual conflicts of interest.

Directors' indemnities

Qualifying third-party indemnity provisions for the benefit of the Directors were renewed by the Company during the year and remain in force at the date of this Report.

REPORT OF THE DIRECTORS continued

Research and design

In 2025, the continuing Group incurred £15.7m (2024 – £15.4m) on research and design. Product development and improving manufacturing processes represent the primary focus of the Group's research and design activities.

Political donations

No political donations were made by the Company or any of the Group's operations during the year.

Major shareholdings

The Company has been notified that the following shareholders were interested in 3% or more of the issued share capital of the Company:

	% at 10 February 2026
Alantra Asset Management	17.24
Franklin Templeton	8.98
Vanguard Group	5.09
BlackRock	5.08
Driehaus Capital Management	3.87
Heronbridge Investment Management	3.28
Janus Henderson Investors	3.15

So far as is known, no other shareholder had a notifiable interest amounting to 3% or more of the issued share capital of the Company, and the Directors believe that the close company provisions of the Income and Corporation Taxes Act 1988 (as amended) do not apply to the Company.

Annual General Meeting

The Notice of Annual General Meeting describes the business to be considered at the AGM to be held at 11.30 am on Friday 8 May 2026 at Senior plc, 59/61 High Street, Rickmansworth, Hertfordshire, WD3 1RH. Please see the Notice of Annual General Meeting 2026 for the details of the AGM; a copy of the Notice can be found on the Company's website.

Authority to purchase the Company's own shares

The Company purchased no ordinary shares of 10 pence each in the capital of the Company; 3,888,256 shares in the Company (2024 – 4,148,205 shares) were purchased by the Senior plc Employee Benefit Trust in the year to satisfy the future vesting of executive share awards and employee share plans. At the end of the year, the Directors had authority, under a shareholders' resolution dated 25 April 2025, to make market purchases of the Company's shares up to an aggregate nominal amount of £42m (2024 – £42m), which represented approximately 10% of the issued share capital of the Company. A resolution to renew this authority will be proposed at the forthcoming AGM.

Disclosure of information to auditor

Each of the persons who is a Director of the Company at the date of approval of this Annual Report & Accounts confirms that so far as the Director is aware, there is no relevant audit information of which the Company's Auditor is unaware; and the Director has taken all steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

This information is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

In 2025, the Group undertook a formal and competitive tender process for its external audit function, as described on page 93. The process began in 2024, with a selected number of audit firms receiving an invite to tender. KPMG LLP (KPMG) were also invited to tender. The process involved access to a data room, detailed meetings with management, selected site visits and a final presentation to the Audit Committee by each shortlisted firm.

Following this process, KPMG which has served as the Group's External Auditor since their appointment for the financial year commencing 1 January 2017, was recommended by the Board to be re-appointed as the Group's External Auditor for the financial year commencing 1 January 2027. KPMG's re-appointment was last approved by the Company's shareholders at the 2025 AGM. In accordance with Section 489 of the Companies Act 2006, a resolution for the re-appointment of KPMG as Auditor of the Company is to be proposed at the 2026 AGM.

By Order of the Board

Andrew Bodenham
Group Company Secretary
27 February 2026

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and the Group and Parent Company Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Parent Company Financial Statements for each financial year. Under that law they are required to prepare the Group Financial Statements in accordance with UK-adopted international accounting standards and applicable law and have elected to prepare the Parent Company Financial Statements in accordance with UK accounting standards and applicable law, including FRS 101 Reduced Disclosure Framework.

Under company law the 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 Parent Company and of the Group's profit or loss for that period. In preparing each of the Group and Parent Company Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- for the Group Financial Statements, state whether they have been prepared in accordance with UK-adopted international accounting standards;
- for the Parent Company Financial Statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Parent Company Financial Statements;
- assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that its Financial Statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

In accordance with Disclosure Guidance and Transparency Rule ("DTR") 4.1.16R, the Financial Statements will form part of the Annual Financial Report prepared under DTR 4.1.17R and 4.1.18R. The auditor's report on these Financial Statements provides no assurance over whether the Annual Financial Report has been prepared in accordance with those requirements.

Responsibility statement of the Directors in respect of the annual financial report]

We confirm that to the best of our knowledge:

- the Financial Statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

We consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

David Squires
Group Chief
Executive Officer
27 February 2026

Alpna Amar
Chief Financial
Officer
27 February 2026

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF SENIOR PLC

1. Our opinion is unmodified

We have audited the financial statements of Senior plc (“the Company”) for the year ended 31 December 2025 which comprise the Consolidated income statement, the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement, and the related notes, including the accounting policies in note 2 and 36.

In our opinion:

- the financial statements give a true and fair view of the state of the Group’s and of the parent Company’s affairs as at 31 December 2025 and of the Group’s loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent Company financial statements have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities are described below.

We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were first appointed as auditor by the shareholders on 21 April 2017. The period of total uninterrupted engagement is for the nine financial years ended 31 December 2025. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview

Materiality:	£3m (2024: £3.2m)
Group financial statements as a whole	0.4% (2024: 0.3%) of Group Revenue
Key audit matters	vs 2024
Recurring risks	Recoverability of the parent Company’s investment in its subsidiary ◀▶
Event driven	New: Aerostructure Disposal Accounting and Disclosure ▲

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters, in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
<p>Aerostructures disposal accounting, presentation and disclosure</p> <p>The Group recorded a net loss before tax of £42.2m on disposal of Aerostructures business, with a reported loss before tax of £39.0m on the discontinued operation.</p> <p>Refer to page 96 (Audit Committee Report), page 142 (Significant accounting policies), and note 35 (Financial disclosures).</p>	<p>Accounting, presentation and disclosure</p> <p>As set out in Note 35, the group completed on the sale of the Aerostructures business on 31 December 2025 for a total estimated consideration of £116.8m, including customary adjustments of £8.2m and fair value contingent consideration receivable of £12.9m, resulting in an overall loss on disposal before tax of £42.2m.</p> <p>Accounting and disclosure</p> <p>Contingent consideration receivable is measured at fair value and has been determined based on a multiple of the EBITDA of the disposed business for the year ended 31 December 2025, subject to specific adjustments set out in the disposal contract. Whilst this is based on historical figures, the process to agree on the value of this contingent consideration has not substantially commenced between Senior plc and the buyers. The amount of contingent consideration recognised at the year-end impacts the overall loss on disposal recognised.</p> <p>We do not consider that there is a significant risk of material misstatement relating to the disposal and associated accounting and disclosure, as there are no underlying significant judgements or areas of significant estimation uncertainty.</p> <p>We determine that the accounting and disclosure of the overall loss on disposal, forms part of the key audit matter, owing to it being a material significant unusual transaction. This required a significant allocation of resources in the audit. The financial statements (note 35) disclose contractual range of outcomes.</p> <p>Discontinued operations presentation</p> <p>The Aerostructures trading results for the period to 31 December have been presented as a part of discontinued operations, and the comparative results have been restated on a consistent basis.</p> <p>We determined that the discontinued operations presentation also forms part of the key audit matter due to the pervasive impact on the presentation of the financial statements. These matters required a significant allocation of resources in the audit and directing the efforts of the engagement team.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> – Assessing the judgement – Discontinued Operation: We evaluated the accounting judgement against the criteria in IFRS 5 for classifying the disposed business as a discontinued operation. – Assessing methodology: We assessed the appropriateness of the methodology applied by the directors to calculate the loss on disposal, against the terms of the disposal contract. – Test of details: We recalculated the loss on disposal, and agreed the elements included in the calculation to supporting documentation, such as relevant invoices or contracts in support of specific adjustments or disposal costs. We also considered whether there were further adjustments to be included in the calculation of contingent consideration. – Enquiry of lawyers and advisors: We assessed the views of the company’s lawyers and advisors as to the appropriate interpretation of the commercial agreement. – Assessing transparency: We evaluated the completeness, accuracy and relevance of disclosures, including disclosures about sensitivities, and presentation and disclosure of discontinued operations. <p>We performed the tests above rather than seeking to rely on any of the Group’s controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.</p> <p>Our results</p> <ul style="list-style-type: none"> – We found the calculation of the loss on disposal, including the contingent consideration, and presentation of discontinued operations to be acceptable.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SENIOR PLC continued

	The risk	Our response
<p>Recoverability of the parent Company's investment in its subsidiary</p> <p>The parent Company recorded an investment carrying value of £259.9m as at 31 December 2025 (2024: £259.9m)</p> <p>Refer to page 181 (accounting policy) and page 181 (financial disclosures).</p>	<p>Low risk, high value:</p> <p>The carrying amount of the parent Company's investment in its subsidiary represents 50% (2024: 56%) of its total assets. Its recoverability is not at a high risk of significant misstatement or subject to significant judgement. However, due to its materiality in the context of the parent Company financial statements, this is considered to be the area that had the greatest effect on our overall parent Company audit.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> – Test of detail: We compared the carrying amount of the investment with the relevant subsidiary's draft statutory balance sheet to identify whether its net assets, being an approximation of its minimum recoverable amount, was in excess of its' carrying amount and assessed whether the subsidiary has historically been profit-making. – Assessing subsidiary audits: Assessed the work performed by the subsidiary audit team and considered the results of that work on the investment subsidiary's profits and net assets. <p>We performed the tests above rather than seeking to rely on any of the parent Company's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.</p> <p>Our results</p> <ul style="list-style-type: none"> – We found the Company's conclusion that there is no impairment of its investment in its subsidiary to be acceptable (2024 result: acceptable).

We continue to perform procedures over completeness and accuracy of warranty provisions. However, following a settlement agreement that resolved the disputed commercial position and removed the associated estimation uncertainty, we have not assessed this as one of the most significant risks in our current year audit and, therefore, it is not separately identified in our report this year.

The previous held for sale judgement risk has been converted to the new risk over the aerostructure disposal accounting and disclosure, following the completion of the sale of Aerostructures on 31 December 2025.

3. Our application of materiality and an overview of the scope of our audit

Our application of materiality

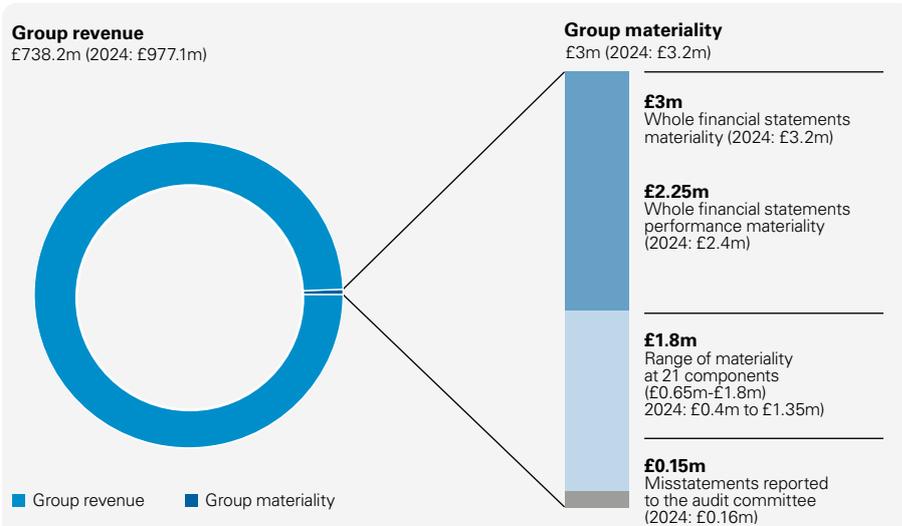
Materiality for the Group financial statements as a whole was set at £3.0 million (2024: £3.2 million), determined with reference to a benchmark of Group revenue of which it represents 0.4% (2024: 0.3%). Following Aerostructures business disposal, current-year materiality is determined based on Group Revenue from continuing operations, whereas prior year was based on total Group revenue as there were no discontinued operations.

We consider total revenue to be the most appropriate benchmark as it provides a more stable measure year on year than Group profit before tax. Materiality for the parent Company financial statements as a whole was set at £1.8 million (2024: £0.9 million), determined with reference to a benchmark of parent Company total assets, of which it represents 0.3% (2024: 0.2%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 75% (2024: 75%) of materiality for the financial statements as a whole, which equates to £2.25 million (2024: £2.4 million) for the Group and £1.35 million (2024: £0.67 million) for the parent Company. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the audit committee any corrected or uncorrected identified misstatements exceeding £150,000 (2024: £160,000), in addition to other identified misstatements that warranted reporting on qualitative grounds.



Overview of the scope of our audit

We performed risk assessment procedures to determine which of the Group's components are likely to include risks of material misstatement to the Group financial statements and which procedures to perform at these components to address those risks.

In total, we identified 31 (2024: 31) components, having considered our evaluation of the Group's legal and operational structure, and our ability to perform audit procedures centrally.

Of those, we identified only 1 (2024: 1) quantitatively significant component which contained the largest percentage of total revenue of the Group, for which we performed audit procedures.

We also identified 16 (2024: 13) components as requiring special audit consideration, owing to the Group risk relating to revenue.

Additionally, having considered qualitative and quantitative factors, we selected 5 (2024: 9) components with accounts contributing to the specific RMMs of the Group financial statements.

Accordingly, we performed audit procedures on 21 (2024: 23) components, of which we involved component auditors in performing the audit work on 20 (2024: 22) components. We performed the audit of the parent Company.

We set the component materialities, ranging from £0.65m to £1.8m (2024: £0.4m to £1.35m), having regard to the mix of size and risk profile.

Our audit procedures covered 91% (2024: 88%) of Group revenue (continued and discontinued combined).

We performed audit procedures in relation to components that accounted for 91% (2024: 90%) of Group profit before tax and 87% (2024: 89%) of Group total assets.

For the remaining components for which we performed no audit procedures, no component represented more than 2% of Group total revenue, or Group total assets. We performed analysis at an aggregated Group level to re-examine our assessment that there is not a reasonable possibility of a material misstatement in these components.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SENIOR PLC continued

Impact of controls on our group audit

The Group utilises a diverse range of IT systems across its operating businesses. For all of the components that were subject to audit procedures, we obtained an understanding of the relevant IT systems for the purposes of our audit work. On this audit we take a predominantly substantive approach in all areas of the audit due to the diverse nature of the Group's information systems and IT general controls, as well as having considered the efficiency and effectiveness of approaches to gaining the appropriate audit evidence. As a result, we appropriately planned additional substantive testing, including in the key transactional areas of revenue, purchases and inventory.

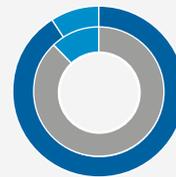
As we did not rely on automated controls on journal entries, our work to respond to the risk of management override of controls considered both automated and manual journals and additional testing as necessary.

Our audit procedures covered the following percentage of Group revenue (continued and discontinued combined):

GROUP REVENUE

91%

2024 – 88%



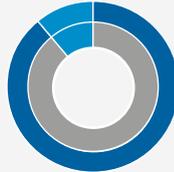
● 2025
● 2024

We performed audit procedures in relation to components that accounted for the following percentages of Group profit before tax and Group total assets:

GROUP TOTAL ASSETS

87%

2024 – 89%

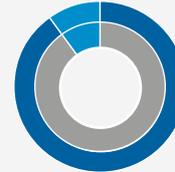


● 2025
● 2024

GROUP PROFIT BEFORE TAX

91%

2024 – 90%



● 2025
● 2024

Group auditor oversight

In working with component auditors, we:

- Conducted risk assessment and planning discussion meetings with each component auditor to discuss Group audit risks relevant to the components. In addition we included the US and UK component auditors in the Group level planning discussions to facilitate the identification of matters relevant to the Group audit.
- Issued Group audit instructions to component auditors on the scope and nature of their work.
- Visited 3 (2024: 3) component auditors in person as the audit progressed to understand and evaluate their work. Video and telephone conferences with the component auditors were held with those component auditors and others that were not physically visited. At these visits, meetings and video conferences, the results of the planning procedures and further audit procedures communicated to us were discussed in more detail and any further work required by us was then performed by the component auditors.
- We inspected the work performed by the component auditors for the purpose of the Group audit and evaluated the appropriateness of conclusions drawn from the audit evidence obtained and consistencies between communicated findings and work performed with a particular focus on Group risks relating to revenue.

4. The impact of climate change on our audit

We have considered the potential impacts of climate change on the financial statements as part of planning our audit.

Climate change impacts the Group in a variety of ways including the impact of climate risk on the substitution of existing products and services with lower emissions options, increased costs to transition to lower emissions technology and the impact on useful lives of assets from physical and obsolescence risks. There is also potential reputational risk associated with the Group's delivery of its climate related initiatives, and greater emphasis on climate related narrative and disclosure in the annual report.

As part of our audit we have made enquiries of management to understand the extent of the potential impact of climate change risk on the Group's financial statements. We have performed a risk assessment of how the impact of climate change may affect the financial statements and our audit. We held discussions with our own climate change professionals to challenge our risk assessment, including the goodwill impairment assessment, the estimates made regarding useful economic lives of property, plant and equipment, and the valuation of inventory, recoverability of trade receivables and going concern. Taking into account the extent of headroom on goodwill, the expected remaining useful lives of property, plant and equipment, the nature of customers and products, our assessment is that the climate related risks to the Group's business, strategy and financial planning did not have a significant impact on our key audit matters given the nature of the Group's operations and knowledge gained of its impact on critical accounting estimates during our risk assessment procedures and testing.

We have read the Group's and the parent Company's disclosure of climate related information in the front half of the annual report as set out on pages 54 to 58 and considered consistency with the financial statements and our audit knowledge.

5. Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the parent Company or to cease their operations, and as they have concluded that the Group's and the parent Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and parent Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and parent Company's available financial resources and/or metrics relevant to debt covenants over this period were:

- The impact of a global economic downturn on the Group's key end markets, including increasing inflationary pressures; and
- The volatility of and disruption to supply chain affecting critical materials or components.

We considered whether these risks could plausibly affect the liquidity or covenant compliance in the going concern period by comparing severe, but plausible downside scenarios that could arise from these risks individually and collectively against the level of available financial resources and covenants indicated by the Group's financial forecasts.

We considered whether the going concern disclosure in note 2 to the financial statements gives a full and accurate description of the directors' assessment of going concern, including the identified risks and dependencies. We assessed the completeness of the going concern disclosure.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or parent Company's ability to continue as a going concern for the going concern period;
- we have nothing material to add or draw attention to in relation to the directors' statement in note 2 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and parent Company's use of that basis for the going concern period, and we found the going concern disclosure in note 2 to be acceptable; and
- the related statement under the UK Listing Rules set out on page 77 is materially consistent with the financial statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the parent Company will continue in operation.

6. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, those charged with governance, internal audit, management and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and audit committee meeting minutes.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SENIOR PLC continued

- Considering remuneration incentive schemes and performance targets for management and directors including the long-term incentive plan for management remuneration.
- Using analytical procedures to identify any unusual or unexpected relationships.
- To respond to identifying fraud risks. This included holding a discussion between the forensic specialist and the engagement partner and engagement manager.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. This included communication from the Group audit team to all component audit teams of relevant fraud risks identified at the Group level and request to all component audit teams to report to the Group audit team any instances of fraud that could give rise to a material misstatement at the Group level.

As required by auditing standards and taking into account possible pressures to meet profit targets and market consensus, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. In particular:

- the risk that revenue is overstated through recording revenues in the wrong period;
- the risk that Group and component Management may be in a position to make inappropriate accounting entries; and
- the risk of bias in accounting estimates and judgements such as the measurement of contingent consideration, pension assumptions, provisions for litigation and claims, warranty claims and provision for uncertain tax positions.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by unexpected individuals, journals posted to seldom used accounts, journals with certain descriptions, and those with unusual account pairings to revenue, cash and loans.

- Selecting a sample of revenue near year end and comparing the identified entries to support documentation to check that revenue is recognised in the appropriate accounting period.

We discussed with the audit committee matters related to actual or suspected fraud, for which disclosure is not necessary, and considered any implications for our audit.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. This included communication from the Group audit team to all component audit teams of relevant laws and regulations identified at the Group level, and a request for all component auditors to report to the Group audit team any instances of non-compliance with laws and regulations that could give rise to a material misstatement at the Group level.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, pension scheme legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Group's licence to operate. We identified the following areas as those most likely to have such an effect: health and safety, data protection regulation, environmental laws and regulations, anti-bribery and corruption, contract legislation, employment law and export laws and regulations, recognising the financial and regulated nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

7. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Disclosures of emerging and principal risks and longer-term viability

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the viability statement on page 70 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the Risks and uncertainties disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and
- the directors' explanation in the viability statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the viability statement, set out on page 83 under the UK Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's and parent Company's longer-term viability.

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

- the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the annual report describing the work of the audit committee, including the significant issues that the audit committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Group's risk management and internal control systems.

We are required to review the part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the UK Listing Rules for our review. We have nothing to report in this respect.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SENIOR PLC continued

8. We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

9. Respective responsibilities**Directors' responsibilities**

As explained more fully in their statement set out on page 119, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The Company is required to include these financial statements in an annual financial report prepared under Disclosure Guidance and Transparency Rule 4.1.17R and 4.1.18R. This auditor's report provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

10. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Mike Barradell

(Senior Statutory Auditor)

for and on behalf of KPMG LLP,

Statutory Auditor

Chartered Accountants

15 Canada Square, London, E14 5GL

28 February 2026

FINANCIAL STATEMENTS

Providing an overview of the Group's financial performance

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CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Year ended 2025 £m	Year ended ^a 2024 £m
Revenue	3	738.2	707.4
Trading profit		44.3	45.5
Share of joint venture profit	15	3.0	1.3
Operating profit ¹	5	47.3	46.8
Finance income	7	8.6	11.0
Finance costs	8	(21.5)	(19.6)
Corporate undertakings	9	(0.3)	(0.8)
Profit before tax ²		34.1	37.4
Tax charge	10	(6.8)	(4.2)
Profit for the period from continuing operations		27.3	33.2
Loss from discontinued operations, net of tax	35	(31.5)	(7.3)
(Loss)/profit for the period		(4.2)	25.9
Attributable to:			
Equity holders of the parent from continuing operations		27.3	33.2
Equity holders of the parent from discontinued operations		(31.5)	(7.3)
(Loss)/earnings per share			
From continuing and discontinued operations			
Basic ³	12	(1.02)p	6.25p
Diluted ⁴	12	(0.99)p	6.12p
From continuing operations			
Basic	12	6.60p	8.01p
Diluted	12	6.41p	7.84p

a Comparative information has been re-presented to show continuing operations, see note 35.

1 Adjusted operating profit – continuing operations	9	63.6	53.0
2 Adjusted profit before tax – continuing operations	9	51.2	42.2
3 Adjusted earnings per share – continuing operations	12	9.65p	8.86p
4 Adjusted and diluted earnings per share – continuing operations	12	9.37p	8.67p

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Year ended 2025 £m	Year ended 2024 £m
(Loss)/profit for the period		(4.2)	25.9
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Gains/(losses) on foreign exchange contracts – cash flow hedges during the period		9.8	(2.8)
Reclassification adjustments for losses included in profit and loss		(3.3)	(0.1)
Gains/(losses) on foreign exchange contracts – cash flow hedges	27	6.5	(2.9)
Net hedging losses and translation gains recycled to Income Statement on disposal	27	(54.6)	–
Exchange differences on translation of overseas operations	27	(11.3)	4.0
Net losses on foreign exchange contracts/debt – net investment hedges	27	(0.8)	–
Tax relating to items that may be reclassified	10	(1.7)	0.8
		(61.9)	1.9
Items that will not be reclassified subsequently to profit or loss:			
Actuarial losses on defined benefit pension schemes	33	(14.8)	(4.8)
Tax relating to items that will not be reclassified	10	3.5	1.1
		(11.3)	(3.7)
Other comprehensive expense for the period, net of tax		(73.2)	(1.8)
Total comprehensive (expense)/income for the period		(77.4)	24.1
Attributable to:			
Equity holders of the parent		(77.4)	24.1

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2025

	Notes	Year ended 2025 £m	Year ended 2024 £m
Non-current assets			
Goodwill	13	160.9	195.4
Other intangible assets	14	26.7	32.1
Investment in joint venture	15	5.2	3.3
Property, plant and equipment	16	176.4	292.1
Deferred tax assets	21	28.1	27.5
Retirement benefits	33	23.3	43.5
Trade and other receivables	18	2.0	0.4
Total non-current assets		422.6	594.3
Current assets			
Inventories	17	144.9	236.0
Current tax receivables	21	2.7	2.8
Trade and other receivables	18	108.2	137.2
Deferred and contingent consideration receivable	35	21.1	–
Cash and bank balances	31c	82.0	45.5
Total current assets		358.9	421.5
Total assets		781.5	1,015.8
Current liabilities			
Trade and other payables	23	152.4	196.9
Current tax liabilities	21	7.5	8.0
Lease liabilities	22, 31c	7.6	13.6
Bank overdrafts and loans	19	30.0	75.0
Provisions	24	14.3	11.3
Contingent consideration payable	30	–	13.0
Total current liabilities		211.8	317.8
Non-current liabilities			
Bank and other loans	19	125.3	123.9
Retirement benefits	33	6.3	6.8
Deferred tax liabilities	21	2.3	8.2
Lease liabilities	22, 31c	36.4	62.6
Provisions	24	11.8	14.6
Contingent consideration payable	30	3.5	3.5
Others	23	3.8	8.5
Total non-current liabilities		189.4	228.1
Total liabilities		401.2	545.9
Net assets		380.3	469.9
Equity			
Issued share capital	25	41.9	41.9
Share premium account	25	14.8	14.8
Equity reserve	26	9.8	7.8
Hedging and translation reserve	27	(22.7)	39.2
Retained earnings	28	350.0	376.7
Own shares	29	(13.5)	(10.5)
Equity attributable to equity holders of the parent		380.3	469.9
Total equity		380.3	469.9

The Financial Statements of Senior plc (registered number 282772) were approved by the Board of Directors and authorised for issue on 27 February 2026. They were signed on its behalf by:

David Squires
Director

Alpna Amar
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

		All equity is attributable to equity holders of the parent							
	Notes	Issued share capital £m	Share premium account £m	Equity reserve £m	Hedging reserve £m	Translation reserve £m	Retained earnings £m	Own shares £m	Total equity £m
Balance at 1 January 2024		41.9	14.8	7.9	(36.1)	73.4	368.0	(12.8)	457.1
Profit for the year 2024		–	–	–	–	–	25.9	–	25.9
Gain on foreign exchange contracts – cash flow hedges	27	–	–	–	(2.9)	–	–	–	(2.9)
Exchange differences on translation of overseas operations	27	–	–	–	–	4.0	–	–	4.0
Actuarial losses on defined benefit pension schemes	33	–	–	–	–	–	(4.8)	–	(4.8)
Tax relating to components of other comprehensive income	10	–	–	–	0.8	–	1.1	–	1.9
Total comprehensive income/(expense) for the period		–	–	–	(2.1)	4.0	22.2	–	24.1
Share-based payment charge	32	–	–	4.5	–	–	–	–	4.5
Tax relating to share-based payments	10	–	–	–	–	–	(0.8)	–	(0.8)
Purchase of shares held by employee benefit trust net of repayments	29	–	–	–	–	–	2.1	(7.0)	(4.9)
Use of shares held by employee benefit trust	29	–	–	–	–	–	(9.3)	9.3	–
Transfer to retained earnings	28	–	–	(4.6)	–	–	4.6	–	–
Dividends paid	11	–	–	–	–	–	(10.1)	–	(10.1)
Balance at 31 December 2024		41.9	14.8	7.8	(38.2)	77.4	376.7	(10.5)	469.9
Loss for the year 2025		–	–	–	–	–	(4.2)	–	(4.2)
Gain on foreign exchange contracts – cash flow hedges	27	–	–	–	6.5	–	–	–	6.5
Net hedging losses and translation gains recycled to Income Statement on disposal	27	–	–	–	18.1	(72.7)	–	–	(54.6)
Net losses on foreign exchange contracts/ debt – net investment hedges	27	–	–	–	(0.8)	–	–	–	(0.8)
Exchange differences on translation of overseas operations	27	–	–	–	–	(11.3)	–	–	(11.3)
Actuarial losses on defined benefit pension schemes	33	–	–	–	–	–	(14.8)	–	(14.8)
Tax relating to components of other comprehensive income	10	–	–	–	(1.7)	–	3.5	–	1.8
Total comprehensive income/(expense) for the period		–	–	–	22.1	(84.0)	(15.5)	–	(77.4)
Share-based payment charge	32	–	–	5.1	–	–	–	–	5.1
Tax relating to share-based payments	10	–	–	–	–	–	0.4	–	0.4
Purchase of shares held by employee benefit trust net of repayments	29	–	–	–	–	–	–	(7.4)	(7.4)
Use of shares held by employee benefit trust	29	–	–	–	–	–	(4.4)	4.4	–
Transfer to retained earnings	28	–	–	(3.1)	–	–	3.1	–	–
Dividends paid	11	–	–	–	–	–	(10.3)	–	(10.3)
Balance at 31 December 2025		41.9	14.8	9.8	(16.1)	(6.6)	350.0	(13.5)	380.3

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Year ended 2025 £m	Year ended ^a 2024 £m
Net cash from operating activities	31a	56.9	45.8
Investing activities			
Interest received		6.5	7.0
Proceeds on disposal of property, plant and equipment		0.3	–
Purchases of property, plant and equipment	16	(32.0)	(28.5)
Purchases of intangible assets	14	(0.6)	(1.1)
Dividend from joint venture	15	1.0	3.0
Acquisition of Spencer	30	(13.0)	(10.7)
Net cash used in investing activities		(37.8)	(30.3)
Financing activities			
Dividends paid	11	(10.3)	(10.1)
New loans		242.8	152.2
Repayment of borrowings		(281.4)	(132.0)
Purchase of shares held by employee benefit trust		(7.4)	(6.3)
Repayments from employee benefit trust		–	1.4
Repayment of lease liabilities		(6.4)	(6.1)
Net cash used in financing activities		(62.7)	(0.9)
Net (decrease)/increase in cash and cash equivalents from continuing operations		(43.6)	14.6
Cash lost on disposal		(1.3)	–
Net increase/(decrease) in cash and cash equivalents from discontinued operations	35	81.3	(14.2)
Cash and cash equivalents at beginning of period – continuing operations		45.8	51.5
Cash and cash equivalents at beginning of period – discontinued operations		(0.3)	(5.7)
Effect of foreign exchange rate changes		0.1	(0.7)
Cash and cash equivalents at end of period	31c	82.0	45.5

a Comparative information has been re-presented to show continuing operations, see note 35.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

Senior plc is a Company incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the inside back cover. The nature of the Group's operations and its principal activities are set out in Note 3 and on pages 1 to 71.

Items included in the Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). These Financial Statements are presented in Pounds Sterling, which is the Company's functional and the Group's presentation currency.

2. Significant accounting policies

Basis of accounting

These Financial Statements have been prepared in accordance with UK-adopted international accounting standards. They have been prepared on the historical cost basis, except for the revaluation of certain financial instruments and retirement benefit costs measured in accordance with IAS 19.

Going concern

In determining the appropriate basis of preparation of the Financial Statements for the year ended 31 December 2025, the Directors are required to consider whether the Group and Parent Company can continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of approval of these Financial Statements (the going concern period).

The Board has applied a robust process to assess the resilience of the forecast out-turns. This assessment included applying severe but plausible downside risks. To address these risks the Board has considered mitigating factors within the Group and Parent Company's control that could be employed that would address the impact and provide options to the Group and Parent Company.

The Group has two covenants for committed borrowing facilities, which are tested at June and December: the Group's net debt to EBITDA (defined in the Notes to the Financial Headlines on page 1) must not exceed 3.0x and interest cover, the ratio of EBITDA to interest must be higher than 3.5x. At 31 December 2025, the Group's net debt to EBITDA was 0.9x and interest cover was 6.6x, both comfortably within covenant limits.

In addition, as part of this assessment, the Directors have also considered the impact of the Company having received several proposals from potential offerors for the Company. The Directors noted that, if any transaction were to proceed and ultimately complete, that could result in the alteration or termination of certain of the Company's arrangements, such as bank loan agreements, employee share plans, commercial contracts and property lease arrangements. At the date of approval of these Financial Statements, there is no certainty that any offer will be made for the Company, as to the terms of any offer nor whether any offer would complete. The Directors have considered whether a scenario should be developed for a change of control occurring. Based on the current stage of the process and a lack of certainty as to whether a change of control will ultimately take

place the Directors have concluded that such a plausible downside scenario involving a change of control is not necessary. Therefore, a scenario has not been incorporated into either the base case or any downside scenario.

Based on the above assessment, the Board has concluded that the Group and Parent Company will continue to have adequate financial resources to realise its assets and discharge its liabilities as they fall due over the going concern period. Accordingly, the Directors have formed the judgment that it is appropriate to prepare these Consolidated Financial Statements and the Parent Company financial statements on the going concern basis.

Changes in accounting policies

At the date of authorisation of these Financial Statements, there are no relevant and material new standards, amendments to standards or interpretations which are effective for the year ended 31 December 2025.

IFRS 18 Presentation and Disclosure in Financial Statements, issued in April 2024, will replace IAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after 1 January 2027. The new standard introduces revised requirements for the presentation and structure of the Income Statement, including defined categories of income and expenses, the introduction of mandatory subtotals, and enhanced disclosure requirements in relation to management-defined performance measures. The Group is currently assessing the impact of the adoption of IFRS 18 on its consolidated financial statements. Based on the assessment performed to date, IFRS 18 is not expected to have a material impact on the recognition or measurement of the Group's assets, liabilities, income or expenses, but is expected to result in changes to the presentation of the Group's Income Statement and to the nature and extent of certain disclosures. The Group will apply the standard retrospectively from its effective date. Alternative performance measures used by the Group are defined and reconciled on page 1 and note 9 and 12.

Basis of consolidation

The Consolidated Financial Statements incorporate the Financial Statements of Senior plc and the entities controlled by it (its subsidiaries) made up to 31 December 2025. Control exists when an investor has power over an investee, is exposed or has rights to variable returns from its involvement with the investee, and has the ability to use its power to affect the amount of those returns.

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred for each acquisition is the aggregate of the fair values (at the date of exchange) of assets transferred, liabilities incurred or assumed, and equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

2. Significant accounting policies continued**Basis of consolidation continued**

or at the non-controlling interest's proportionate share of the acquiree's net assets. The results of subsidiaries acquired or disposed of during the year are included in the Consolidated Income Statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. The results of joint ventures are accounted for using the equity accounting method. Where necessary, adjustments are made to the Financial Statements of subsidiaries to bring the accounting policies used in line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Goodwill

Goodwill arising on consolidation, which was acquired in a business combination, is measured as the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired. Goodwill is recognised as an asset and allocated, at acquisition, to the group of cash-generating units (CGU groups) that are expected to benefit from that business combination. If the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree is less than the fair value of the net assets acquired (i.e. bargain purchase), the difference is credited to the Consolidated Income Statement in the period of acquisition.

CGU groups to which goodwill has been allocated are tested for impairment at least annually and reviewed for indicators of impairment at the reporting date. If impairment indicators exist, the individual assets within the CGUs, and the individual CGUs excluding goodwill, are tested for impairment before the CGU group is tested for impairment. Any impairment is recognised immediately through the Consolidated Income Statement and is not subsequently reversed. The determination of the recoverable amount of the CGU group is disclosed in the Notes to the Financial Statements (Note 13). If the recoverable amount of the CGU group is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the CGU group and then to the other assets of the CGU group pro rata on the basis of the carrying amount of each asset in the CGU group.

On disposal of a subsidiary or part thereof, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Goodwill acquired in a business combination prior to the date of transition to IFRS has been retained at the previous UK GAAP amount subject to being tested for impairment at that date.

Revenue recognition

The Group predominantly has one revenue stream relating to engineered components or systems (products), which are customer specific, with a secondary revenue stream of funded development revenue. Both streams have identifiable customer contracts and pricing specific performance obligations.

The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. Revenue is recognised net of discounts, VAT and other sales related taxes. The determination of the transaction price is based upon pricing specified in the customer contract i.e. a price per unit.

Revenue is recognised as the identified performance obligations are satisfied.

The performance obligation for goods is a specific point in time when the customer obtains control, which is upon delivery or when available for collection. Allocation of transaction price to performance obligations is given in the contract i.e. a unit delivered or available for collection.

The performance obligation for development revenue is a specific point in time when the customer obtains control of the output, for example a first article good, which is the acceptance milestone specified in the customer contract.

Any portion of a change in transaction price that is allocated to a satisfied performance obligation is recognised as revenue when the transaction price changes.

Dividend income from investments is recognised when the shareholders' legal rights to receive payment have been established, with the related cashflows being classified as investing activities within the Consolidated Cashflow Statement.

Interest

Interest receivable/payable is credited/charged to the Consolidated Income Statement using the effective interest method.

Deferred and contingent consideration related to business combinations which is paid or received, including changes in fair value since acquisition date, is classified as investing activities within the Consolidated Cashflow Statement. Any cash settlement relates to obtaining control rather than settlement of financing provided by the seller. Changes in fair value since the acquisition date are classified as finance income/expense.

Leasing

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The assessment of control includes whether the Group has a right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use and the right to direct the use of the asset.

As a lessee, the Group recognises a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjustment for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle or restore the underlying asset, less any lease incentives received.

2. Significant accounting policies continued

Lease payments comprise fixed payments and variable lease payments based on an index or rate. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term. The lease term includes optional extensions or terminations which are reasonably certain to be exercised by the Group.

These optional terms are reassessed periodically or when there is a significant event which affects the lease. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property, plant and equipment. Periodically the right-of-use asset is reduced for impairment, if necessary, as well as re-measurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method, which is initially equal to the present value of lease payments that are not paid at the commencement date, discounted using an incremental borrowing rate determined on a lease portfolio basis. The lease liability is re-measured either as a modification or reassessment. Modification occurs where there is a change in terms, such as rental payments, which did not form part of the original terms of the contract. In this case, the lease liability is re-measured using the revised terms and a revised incremental borrowing rate at the modification date. Reassessment occurs where there are changes within the scope of the original terms of the contract, such as rental payments changes with reference to an index. For reassessment changes, the lease liability is re-measured in the same way as for a modification, except for the incremental borrowing rate, which is not changed from the original commencement date of the contract.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases which have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

Foreign currencies

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated. Gains and losses arising on retranslation are included in profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity, subject to meeting the requirements under IAS 21.

In order to hedge its exposure to certain foreign exchange risks, the Group enters into forward exchange contracts and foreign currency debt (see section below on derivative financial instruments and hedging for details of the Group's accounting policies in respect of such derivative financial instruments).

On consolidation, the assets and liabilities of the Group's overseas operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange rate differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or expense in the period in which the operation is disposed.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate on the relevant reporting date.

The exchange rates for the major currencies applied in the translation of results were as follows:

	Average rates 2025	Average rates 2024	Year-end rates 2025	Year-end rates 2024
US Dollar	1.31	1.28	1.34	1.25

Government grants

Government grants received for items of a revenue nature are recognised as income over the period necessary to match them with the related costs, which are deducted in reporting the related expense and presented net of the costs to which they relate. Government grants relating to investment in property, plant and equipment are deducted from the initial carrying value of the related capital asset.

Retirement benefit costs

Payments to defined contribution retirement plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit plans are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution arrangement.

For defined benefit retirement plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations performed at least triennially and updated at each reporting date. The net defined benefit liability or asset recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation, reduced by the fair value of plan assets, and is subject to the asset ceiling where applicable.

Amounts recognised in the Consolidated Income Statement comprise current service cost, net interest on the net defined benefit liability or asset; and past service cost and gains or losses on settlements where applicable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

2. Significant accounting policies continued**Retirement benefit costs continued**

Remeasurements of the net defined benefit liability or asset, comprising actuarial gains and losses on the defined benefit obligation, the return on plan assets (excluding amounts included in net interest), and any change in the effect of the asset ceiling, are recognised in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service cost is recognised as an expense at the earlier of the date of a plan amendment or curtailment, and the date on which any related restructuring or termination benefits are recognised.

Taxation

Provisions for uncertain tax positions are included within current tax liabilities on the Consolidated Balance Sheet representing Management's best estimate of the likely cash outflow related to the uncertainty. There are transactions and activities that the Group engages in where the ultimate tax determination is uncertain and a provision may be made against the tax benefit. For example, the Group seeks to price transactions between Group companies on an arm's-length basis and in compliance with OECD transfer pricing principles and the laws of the relevant jurisdictions. The application of OECD principles and local tax laws require interpretation, and accordingly involves the application of judgment and is open to challenge by the relevant tax authorities. This gives rise to a level of uncertainty. Provisions for uncertain tax positions are established in accordance with IFRIC 23 based on an assessment of the range of likely tax outcomes in open years and reflecting the strength of technical arguments. Amounts are provided for individual tax uncertainties based on Management's assessment of whether the most likely amount or an expected amount based on a probability weighted methodology is the more appropriate predictor of amounts that the company is ultimately expected to settle. When making this assessment, the Group utilises specialist in-house tax knowledge and experience and takes into consideration specialist tax advice from third party advisers on specific items.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the Balance Sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, including for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available for their utilisation before their expiry. Amounts will be recognised first to the extent that taxable temporary differences exist and it is considered probable that they will reverse and give rise to future taxable profits against which losses or other assets may be

utilised before their expiry. Assets will then be recognised to the extent that forecasts or other evidence support the availability of future profits against which assets may be realised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of goodwill (other than in a business combination) of other assets and liabilities in a transaction that affects neither the Group's taxable profit nor its accounting profit.

The carrying value of deferred tax assets is reviewed at each reporting date and reduced to the extent it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted at the reporting date. Deferred tax is charged or credited in the Consolidated Income Statement, except when it relates to items charged or credited to Other Comprehensive Income or directly to Equity, in which case the deferred tax is also dealt with in Other Comprehensive Income or Equity.

Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at their historical cost, or at modified historical cost, being a revaluation undertaken in 1988 which has been taken as the effective cost on transition to IFRS. Land and buildings were revalued to fair value at the date of revaluation. The Group does not intend to conduct annual revaluations.

Plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is charged to write off the cost of an asset on a straight-line basis over the estimated useful life of the asset, and is charged from the time an asset becomes available for its intended use. Annual rates are as follows:

Freehold land	Nil
Freehold buildings	2%
Right-of-use land and buildings	on the same basis as owned assets or, where shorter, over the lease term
Leasehold building improvements	on the same basis as owned assets or, where shorter, over the lease term
Plant and equipment	5%–33%
Right-of-use plant and equipment	on the same basis as owned assets or, where shorter, over the lease term

The Group primarily leases land and buildings for manufacturing use. The lease term, including options to extend which are reasonably certain, typically range from two to fifteen years. The Group also leases plant and equipment, including office equipment, vehicles and manufacturing equipment, with lease terms typically ranging from one to four years.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset at disposal and is recognised in the Consolidated Income Statement.

2. Significant accounting policies continued

Internally generated intangible assets – development expenditure

An intangible asset arising from unfunded development work shall be recognised if the following can be demonstrated:

- i. the asset can be separately identified.
- ii. it is probable that the asset created will generate future economic benefits.
- iii. the development cost of the asset can be measured reliably during its development.
- iv. it is technically feasible to complete the asset so that it will be available for use or sale.
- v. there is intention to complete the asset and use or sell it.
- vi. the Group has ability to use or sell the asset.
- vii. the Group has availability of adequate technical, financial and other resources to complete the development work and to use or sell the asset.

Internally generated intangible assets are amortised on a straight-line basis over their useful lives. Costs incurred in relation to funded development work are accumulated in inventory and are recognised when the related billings are made. Any amounts held in inventory are subject to normal inventory valuation principles. Expenditure on research, design and other development activities, that do not meet the capitalisation criteria above, is recognised as an expense in the period in which it is incurred.

Other intangible assets

Other intangible assets include computer software and intangible assets acquired as part of a business combination. The cost of acquiring computer software (including associated implementation and development costs where applicable) is classified as an intangible asset. Costs associated with maintaining computer software programs are recognised as an expense as incurred. Capitalised computer software is amortised over its estimated useful life of between three and five years on a straight-line basis, and is stated at cost less accumulated amortisation and impairment losses. Intangible assets acquired as part of a business combination principally comprise qualified parts list, customer relationships, contracts and trade names. They are shown at fair value at the date of acquisition less accumulated amortisation. At the reporting date, Intangible assets which incurred amortisation during the year, are being amortised at rates of between 16 and 18 years on a straight-line basis since acquisition date.

Impairment of tangible and intangible assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of the fair value less the costs to sell and the value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and an appropriate allocation of production overheads. Cost is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price less the estimated costs of completion and the costs to be incurred in marketing, selling and distribution.

Financial instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the relevant instrument and derecognised when it ceases to be a party to such provisions.

Financial instruments are classified as cash and cash equivalents, bank overdrafts and loans, lease liabilities, trade receivables, trade payables, deferred consideration receivable or payable, contingent consideration receivable or payable, other receivables and other payables, as appropriate.

Non-derivative financial assets are categorised as Financial assets at amortised cost and non-derivative financial liabilities are categorised as Financial liabilities at amortised cost. Derivative financial assets and liabilities that are not designated and effective as hedging instruments are categorised as financial assets at fair value through profit or loss and financial liabilities at fair value through profit or loss, respectively. The classification depends on the nature and purpose of the financial assets and liabilities and is determined at the time of initial recognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

2. Significant accounting policies continued**Trade receivables**

Trade receivables do not carry any interest and are stated at their nominal value as reduced by loss allowance. The Group has elected to measure loss allowance for trade receivables at an amount equal to the lifetime expected credit losses (ECLs), which are based on quantitative and qualitative credit risk assessments, using historical and forward looking information. Changes in the carrying amounts of the loss allowance are recognised in the Consolidated Income Statement.

Trade receivables in default are considered uncollectible and are written off against the loss allowance. The Group considers a trade receivable to be in default when the customer is experiencing significant financial difficulties, bankruptcy, financial reorganisation or is in default or delinquent in paying its credit obligations to the Group in full. Subsequent recoveries of amounts previously written off are credited against the loss allowance.

Trade receivables are derecognised when reverse factored, without recourse, through schemes with financial institution counterparties who assume the risk of non-payment by the customer. Derecognition occurs when cash is received from the financial institution (less reverse factoring discount). For further details, see Strategic Report and the financial instrument credit risk section in the notes to the Consolidated Financial Statements.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Non-derivative financial liabilities

Non-derivative financial liabilities are stated at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised financial liability and of allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. For borrowings, their carrying value includes accrued interest payable, as well as unamortised issue costs.

Equity instruments

Equity instruments issued by the Company are recorded at the value of the proceeds received, net of direct transaction costs.

Derivative financial instruments and hedging

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group uses foreign exchange contracts, foreign currency debt and, on occasion, interest rate swap contracts to hedge these exposures. The use of financial derivatives is governed by the Group's Treasury Policies as approved by the Board of Directors, which provides written principles on the use of derivatives. The Group does not use derivative financial instruments for speculative purposes.

Certain derivative instruments do not qualify for hedge accounting. These are categorised as fair value through profit or loss and are stated at fair value, with any resultant gain or loss recognised in the Income Statement.

The Group designates certain hedging instruments in respect of foreign currency risk as cash flow hedges. At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents, both at hedge inception and on an ongoing basis, whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in fair values or cash flows of the hedged item.

For the Group's cash flow hedges of highly probable forecast transactions in foreign currencies, the hedged risk is always considered to be 1:1. If the underlying exposure changes over time, either due to commercial factors or timing differences, the hedging instruments will be rebalanced to ensure that the hedge ratio of 1:1 is maintained.

Changes in the fair value of derivative financial instruments that are designated and are effective as a cash flow hedge are recognised directly in equity and the ineffective portion is recognised immediately in the Consolidated Income Statement. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of an asset or a liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of an asset or a liability, amounts deferred in equity are recognised in the Income Statement in the same period in which the hedged item affects profit or loss.

For an effective hedge of an exposure to changes in fair value, the hedged item is adjusted for changes in fair value attributable to the risk being hedged with the corresponding entry in the Consolidated Income Statement. Gains or losses from remeasuring the derivative are also recognised in the Consolidated Income Statement. If the hedge is effective, these entries will offset in the Consolidated Income Statement.

2. Significant accounting policies continued

Derivative financial instruments and hedging continued

The Group designates certain hedging instruments, foreign exchange contracts or foreign currency debt, in hedge relationships as net investment hedges to manage the foreign exchange risk arising from its investments in foreign operations. A hedge of a net investment in a foreign operation is accounted for in a manner similar to a cash flow hedge. The effective portion of exchange differences arising on the translation of the hedging instrument or foreign currency debt is recognised in equity and accumulated in the hedging and translation reserve. Any ineffective portion is recognised immediately in the Income Statement. On disposal of a foreign operation, the cumulative gain or loss previously recognised in equity relating to that operation, including the effective portion of the hedge, is reclassified from equity to the Income Statement as part of the gain or loss on disposal. The Group designates certain foreign currency borrowings and forward exchange contracts as hedges of its net investments in foreign operations.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the Consolidated Income Statement as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in Equity is transferred to the Consolidated Income Statement for the period.

Gains and losses accumulated in Equity are recognised in the Consolidated Income Statement on disposal of the overseas business.

Disposal accounting

The Group accounts for disposals when control of a subsidiary, business or group of assets is transferred to a third party. On disposal, the related assets and liabilities are derecognised, consideration is recognised at fair value, and any resulting gain or loss is recognised in profit or loss. Where a disposal represents a separate major line of business or geographical area of operations, the results of the disposed operation are presented as discontinued operations, with related cash flows disclosed separately where required.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation

at the reporting date, taking into account the risks and uncertainties (such as timing or amount) surrounding the obligation. They are not discounted to present value if the effect is not material.

Provisions for restructuring are recognised when the Group has a detailed formal plan for the restructuring and the plan has been communicated to the affected parties. Provisions for the expected cost for warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products.

Share-based payments

The Group applies the requirements of IFRS 2 Share-based payments.

The Group issues equity-settled share-based payments to certain employees. The fair value (excluding the effect of non-market-related conditions), as determined at the grant date, is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of shares that will eventually vest and adjusted for the effect of non-market-related conditions.

Fair value is measured by use of a Black-Scholes model for the share option plans, and a binomial model for the share awards under the 2014 Long-Term Incentive Plan.

The liability in respect of equity-settled amounts is included in Equity.

Critical accounting judgments

IAS 1 requires disclosure of the judgments Management makes when applying its significant accounting policies and that have the most significant effect on amounts that are recognised in the Group's Financial Statements. In the course of preparing the Financial Statements, no significant critical judgments have been made in the process of applying the Group's accounting policies, other than retirement benefits specified within this section and judgments relating to legal claims and contractual matters (see Note 24).

Retirement benefits – judgments

In September 2025, the Trustee of the Senior plc UK Pension Plan ("UK plan") entered into a bulk annuity contract ("buy-in") with an insurer, M&G, covering all scheme members. The policy is treated as a plan asset under IAS19 with the value set equal to the corresponding liability covered by the policy, as it provides income substantially matching the benefits payable by the Plan. Management concluded that the pension buy-in does not constitute a settlement under IAS 19. The legal obligation to pay benefits remains with the Plan Trustee. No formal decision to progress to buy-out and wind-up can be made without additional actions and until the Company and Trustee agree on several key areas, including the due diligence process on clarification of certain Plan benefits and use of residual surplus. The loss arising out of this transaction was recognised in Other Comprehensive Income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

2. Significant accounting policies continued**Other accounting judgments****Disposal of Aerostructures – judgments**

In respect of the disposal of Aerostructures in 2025, Management has made judgments that have a significant effect on the recognition and presentation of amounts in the financial statements:

Classification of the disposal and discontinued operations:

Management has determined under IFRS 5 that the disposal of Aerostructures is part of a single co-ordinated plan, representing a component which is a separate major line of business, including distinct geographical areas and operations. This affects the presentation of the results, which are reported separately for continuing and discontinued operations.

Assessment of control: Management concluded that the Group no longer has control over the disposed operations as of 31st December 2025, resulting in full derecognition of the related assets and liabilities from the consolidated balance sheet.

Leases

Where a lease includes the option for an extension to the lease term, Management makes a judgment as to whether they are reasonably certain the option will be taken. This will take into account the length of time remaining before the option is exercisable, current and forecasted plans for utilising the asset and the level and type of planned future capital investment. As at 31 December 2025, these extension options have an approximate average remaining lease term of 5 years. These judgments are reassessed when there is a significant event affecting the lease, which could result in a recalculation of the lease liability and a material adjustment to the associated balances.

Other sources of estimation and uncertainty

When applying the Group's accounting policies, Management must make assumptions and estimates concerning the future that affect the carrying amounts of assets and liabilities at the reporting date and the amounts of revenue and expenses recognised during the period. Such assumptions are based upon factors including historical experience, the observance of trends in the industries in which the Group operates, and information available from the Group's customers and other external sources.

Disposal of Aerostructures – estimates

Other sources of estimation uncertainty in respect of the discontinued operations include the estimated loss on sale recorded in the year ending 31 December 2025 (see Note 35), which is subject to a number of estimates including customary completion adjustments, such as those based on working capital and debt in the disposed business at the date of sale, related foreign currency translation differences on those adjustments, disposal costs outflows which were accrued in 2026 and finalisation of contingent consideration receivable. Per the SPA, the contractual range on the contingent consideration is £nil to £50m. A contingent consideration receivable of £13.2m (before £0.3m discounting) has been recognised at fair value at 31 December 2025, representing management's best estimate of the amount expected to be received based on information available at the reporting date and the contractual terms of the SPA. The valuation requires the application of judgement, particularly in relation to the interpretation of contractual provisions and the resolution of matters through the completion accounts process. The final outcome, which may differ from the valuation at 31 December 2025, remains subject to these interpretations, negotiation and agreement between the parties and will be finalised once the completion accounts process is concluded. The Directors believe the fair value determined is reasonable based on the approach taken. However, once an agreement is reached with the buyer the ultimate amount receivable may be higher or lower than the amount recognised. Based on information available today, the Directors do not expect the amount receivable to be materially lower, although it could be materially higher.

Retirement benefits – estimates

Management makes assumptions and estimates, for the next financial year and beyond, which affect the value of the carrying amount of the UK Plan retirement benefit obligation at 31 December 2025. Management follows actuarial advice from a third party when determining estimation uncertainty on the valuation of the UK gross defined benefit obligation, the significant assumptions being discount rate, inflation and life expectancy (see Note 33). The carrying amount of the UK Plan's retirement benefits at 31 December 2025 was a surplus of £23.3m (2024 – surplus of £43.5m), being the present value of the defined benefit obligations of £172.7m (2024 – £181.9m) and fair value of plan assets of £196.0m (2024 – £225.4m). Further details and sensitivities from changes in estimates are set out in Note 33v.

Key changes to judgments and estimates from the prior year

The Held for sale judgment has been removed as a key judgment in 2025 following the disposal of Aerostructures at 31st December 2025.

Warranty costs have been removed as a key estimate in 2025 following the resolution of one specific disputed commercial matter.

2. Significant accounting policies continued

Consideration of climate change

In preparing the Financial Statements, the Directors have considered the impact of climate change, particularly in the context of the risks identified in the TCFD disclosure on pages 66 to 69. There has been no material impact identified on the financial reporting judgments and estimates. In particular, the Directors considered the impact of climate change in respect of the following areas:

- Useful lives of assets – The useful lives of assets could be reduced by climate-related matters, for example as a result of physical risks, obsolescence or legal restrictions. The change in useful lives would have a direct impact on the amount of depreciation or amortisation recognised each year from the date of reassessment. The Directors' review of useful lives has taken into consideration the impacts of the Group's Net Zero commitments and has not had a material impact on the results for the year.
- Inventory valuation – Climate-related matters may affect the value of inventories as they could become obsolete as a result of a decline in selling price or a reduction in demand. After consideration of the typical inventory days compared to the rate of change in the market the Directors consider that inventory is appropriately valued.
- Going concern and viability – risks identified in the TCFD disclosures in pages 66 to 69 have been factored into the going concern and viability assessment. See page 70 further details.
- Goodwill impairment assessment – cash flow forecasts used in the impairment assessment of goodwill have considered potential changes in demand over the next 5 years as a result of changing customer preferences on Senior's products. This is not expected to have a material impact on the cashflows, with longer term growth rates based on forecasted market demand. Aerospace market rates were used for the Aerospace CGU and long-term GDP rates for advanced economies were used for the Flexonics CGU. Sensitivity analysis (See Note 13) shows that a 1 percent decrease in growth rate would not result in the carrying amount of CGU groups exceeding their recoverable amount.
- Recoverability of trade receivables – After consideration of the typical receivable days compared to the rate of change in the market, the Directors consider that receivables at 31 December 2025 are not adversely affected by climate change.
- Valuation of the UK Plan retirement gross benefit obligation – there is no material impact on key financial assumptions which are set according to market yields. The UK plan is now majority de-risked on a net basis through an insurance buy-in during 2025.

The Directors are aware of the ever-changing risks attached to climate change and will regularly assess these risks against judgments and estimates made in preparation of the Group's Financial Statements.

3. Revenue

Total revenue is disaggregated by market sectors as follows:

	Year ended 2025 £m	Year ended ^a 2024 £m
Civil Aerospace	234.3	217.8
Defence	120.9	110.2
Other	71.1	63.1
Aerospace	426.3	391.1
Land Vehicle	188.3	187.6
Power & Energy	125.1	130.1
Flexonics	313.4	317.7
Eliminations	(1.5)	(1.4)
Total revenue from continuing operations	738.2	707.4
Total revenue from discontinued operations	312.5	272.4

a Comparative information has been re-presented to show continuing operations, see note 35.

Other Aerospace comprises space and non-military helicopters and other markets, principally including semiconductor, medical, and industrial applications.

The Group applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

Applying the practical expedient in paragraph 94 of IFRS 15, the Group recognises the incremental costs of obtaining contracts as an expense when incurred if the amortisation period of the assets that the Group otherwise would have recognised is one year or less.

4. Segment information

The Group reports its segment information as two operating Divisions according to the market segments they serve, Aerospace and Flexonics, which is consistent with the oversight employed by the Executive Committee. The chief operating decision-maker, as defined by IFRS 8, is the Executive Committee. The Group is managed on the same basis, as two operating Divisions.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2 and the sales between segments are carried out at arm's length. Adjusted operating profit, as described in Note 9, is the key measure reported to the Group's Executive Committee for the purpose of resource allocation and assessment of segment performance. Finance income, finance costs and tax are not allocated to segments, as this type of activity is driven by the central tax and treasury functions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

4. Segment information continued

Segment assets include directly attributable computer software assets, property, plant and equipment (including right-of-use assets), working capital assets, goodwill and intangible assets from acquisitions. Cash, deferred and current tax and other financial assets (except for working capital) are not allocated to segments for the purposes of reporting financial performance to the Executive Committee.

Segment liabilities include directly attributable working capital liabilities and lease liabilities. Debt, retirement benefits, deferred and current tax and other financial liabilities (except for working capital) are not allocated to segments for the purposes of reporting financial performance to the Executive Committee.

Central costs, assets and liabilities are corporate items not allocated to segments, which is consistent with the format used by the chief operating decision-maker.

Segment information for revenue, operating profit and a reconciliation to entity and profit after tax is presented below:

Notes	Aerospace	Flexonics	Eliminations/ central costs	Total	Aerospace	Flexonics	Eliminations/ central costs	Total
	Year ended 2025 £m	Year ended 2025 £m	Year ended 2025 £m	Year ended 2025 £m	Year ended 2024 £m	Year ended 2024 £m	Year ended 2024 £m	Year ended ¹ 2024 £m
	425.3	312.9		738.2	390.0	317.4	–	707.4
	1.0	0.5	(1.5)	–	1.1	0.3	(1.4)	–
	426.3	313.4	(1.5)	738.2	391.1	317.7	(1.4)	707.4
	48.5	35.0	(22.9)	60.6	36.9	35.1	(20.3)	51.7
	–	3.0	–	3.0	–	1.3	–	1.3
	48.5	38.0	(22.9)	63.6	36.9	36.4	(20.3)	53.0
9	(1.6)	–	–	(1.6)	(1.6)	–	–	(1.6)
9	(1.5)	(0.9)	–	(2.4)	(3.0)	(0.5)	–	(3.5)
9	–	–	–	–	(1.1)	–	–	(1.1)
9	–	–	(7.3)	(7.3)	–	–	–	–
9	(0.3)	(4.7)	–	(5.0)	–	–	–	–
	45.1	32.4	(30.2)	47.3	31.2	35.9	(20.3)	46.8
				8.6				11.0
				(21.5)				(19.6)
9				(0.3)				(0.8)
				34.1				37.4
				(6.8)				(4.2)
				27.3				33.2
35				(31.5)				(7.3)
				(4.2)				25.9

¹ Comparative information has been re-presented to show continuing operations.

Trading profit and adjusted trading profit is operating profit and adjusted operating profit respectively before share of joint venture profit. See Note 9 for the derivation of adjusted operating profit.

Segment information for assets, liabilities, additions to non-current assets and depreciation and amortisation is presented below:

	Year ended 2025 £m	Year ended 2024 £m
Assets		
Aerospace	402.1	679.6
Flexonics	217.7	213.0
Segment assets for reportable segments	619.8	892.6
Unallocated		
Central	4.0	3.7
Cash	82.0	45.5
Deferred and current tax	30.8	30.3
Retirement benefits	23.3	43.5
Deferred and contingent consideration receivable – see Note 35	21.1	–
Others	0.5	0.2
Total assets per Consolidated Balance Sheet	781.5	1,015.8

4. Segment information continued

	Year ended 2025 £m	Year ended 2024 £m
Liabilities		
Aerospace	108.5	202.8
Flexonics	78.5	77.7
Segment liabilities for reportable segments	187.0	280.5
Unallocated		
Central	31.8	17.3
Debt	155.3	198.9
Deferred and current tax	9.8	16.2
Retirement benefits	6.3	6.8
Contingent consideration payable	3.5	16.5
Others	7.5	9.7
Total liabilities per Consolidated Balance Sheet	401.2	545.9

Additions and depreciation amounts in 2025 are excluding Aerostructures

	Additions to non-current assets Year ended 2025 £m	Additions to non-current assets Year ended 2024 £m	Depreciation and amortisation Year ended 2025 £m	Depreciation and amortisation Year ended 2024 £m
Aerospace	16.3	25.3	15.7	37.1
Flexonics	25.2	20.9	13.9	12.9
Sub total	41.5	46.2	29.6	50.0
Central	0.5	0.7	0.7	0.6
Total	42.0	46.9	30.3	50.6

The Group's revenues from its major products for continuing operations is presented below:

	Year ended 2025 £m	Year ended 2024 £m
Aerospace – Fluid Systems	425.3	390.0
Aerospace total	425.3	390.0
Land vehicle	188.3	187.6
Power & Energy	124.6	129.8
Flexonics total	312.9	317.4
Group total	738.2	707.4

No individual customer accounted for more than 10% of external revenue in 2025 or 2024.

Geographical information

The Group's operations are located principally in North America and UK.

The following table provides an analysis of the Group's sales by geographical market, irrespective of the origin of the goods.

The carrying values of segment non-current assets are analysed by the geographical area in which the assets are located.

	Sales revenue Year ended 2025 £m	Sales ¹ revenue Year ended 2024 £m	Segment non-current assets Year ended 2025 £m	Segment non-current assets Year ended 2024 £m
USA	365.5	359.1	197.0	274.1
UK	75.4	77.6	129.0	155.8
Rest of the World	297.3	270.7	68.5	136.9
Sub total	738.2	707.4	394.5	566.8
Unallocated amounts	–	–	28.1	27.5
Total	738.2	707.4	422.6	594.3

¹ 2024 Sales revenue has been re-presented excluding Aerostructures.

The unallocated amounts on non-current assets relate to deferred tax assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

5. Operating profit

Operating profit from continuing operations can be analysed as follows:

	Year ended 2025 £m	Year ended 2024 £m
Revenue	738.2	707.4
Cost of sales	(569.2)	(551.7)
Gross profit	169.0	155.7
Distribution costs	(5.4)	(5.6)
Administrative expenses	(119.5)	(104.6)
Profit on sale of fixed assets	0.2	–
Share of joint venture profit	3.0	1.3
Operating profit	47.3	46.8

Operating profit for the period has been arrived at after charging:

	Year ended 2025 £m	Year ended 2024 £m
Net foreign exchange losses	0.2	0.1
Research and design costs	15.7	15.4
Depreciation of property, plant and equipment	27.5	26.3
Amortisation of intangible assets included in administration expenses	2.8	2.6
Cost of inventories recognised as expense	569.2	551.7
Provision for loss allowance against receivables	0.6	1.9
Site relocation costs	2.4	3.5
Restructuring: provision charge for impairment of inventory	1.3	–
Restructuring: provision charge for impairment of property, plant and equipment	0.4	–

Staff costs are disclosed in Note 6. The majority of research and design costs incurred during the year have been expensed in line with Note 2 Group's accounting policies.

The analysis of the Auditor's remuneration is as follows:

	Year ended 2025 £m	Year ended 2024 £m
Fees payable to the Company's Auditor and their associates for the audit of the Company's annual accounts	0.6	0.6
Fees payable to the Company's Auditor and their associates for the audit of the Company's subsidiaries	1.8	1.8
Total audit fees	2.4	2.4

Fees payable to Company's Auditor and their associates for non-audit services to the Company are not required to be disclosed because the Consolidated Financial Statements are required to disclose such fees on a consolidated basis.

The Group paid £0.08m (2024 – £0.08m) to the Company's Auditor for audit related services and £nil (2024 – £nil) for non-audit related services during 2025, in line with the Company's policy on the use of Auditors for non-audit services.

Details of the Company's policy on the use of auditors for non-audit services, the reasons why the Auditor was used rather than another supplier and how the Auditor's independence and objectivity were safeguarded are set out in the Audit Committee Report on pages 92 to 99. No services were provided pursuant to contingent fee arrangements.

6. Staff costs

The average monthly number of employees (including Directors) was:

	Year ended 2025 Number	Year ended 2024 Number
Production	6,049	5,885
Distribution	93	94
Sales	300	278
Administration	543	561
Total	6,985	6,818

The actual number of employees at 31 December 2025 was 4,974 which is lower than average above as a result of Aerostructure disposal, see note 35 (2024 – 6,779).

	Notes	Year ended 2025 £m	Year ended 2024 £m
Their aggregate remuneration comprised:			
Wages and salaries		274.6	272.3
Social security costs		38.1	34.7
Termination benefits	9	2.9	–
Other pension costs – defined contribution	33b	13.2	11.5
Pensions benefit clarification	33(iii)	7.3	–
Other pension costs – defined benefit	33(iii)	0.8	0.7
Share-based payments	32	5.1	4.5
Aggregate remuneration		342.0	323.7

The Group also incurred medical and other employee benefit expenses during the year of £32.1m (2024 – £28.8m).

7. Finance income

	Notes	Year ended 2025 £m	Year ended 2024 £m
Interest on bank deposits and other finance income		6.5	6.8
Net finance income on retirement benefits	33(iii)	2.1	2.0
Change in fair value on acquisition consideration	9,30	–	2.2
Total income		8.6	11.0

8. Finance costs

	Notes	Year ended 2025 £m	Year ended 2024 £m
Interest on bank overdrafts and loans		11.4	11.5
Interest on other loans and other finance costs		7.4	6.3
Interest on lease liabilities		2.2	1.8
Change in fair value on acquisition consideration	9,30	0.5	–
Total finance costs		21.5	19.6

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

9. Adjusted operating profit and adjusted profit before tax

The presentation of adjusted operating profit and adjusted profit before tax measures, derived in accordance with the table below, has been included to identify the performance of the Group prior to the impact of amortisation of intangible assets from acquisitions, restructuring costs, site relocation costs, pension benefit clarifications, US class action lawsuit and costs associated with corporate undertakings. The Board has a policy to separately disclose items it considers are outside the normal course of management oversight and control on a day-to-day basis and are not reflective of in-year trading performance. Indicative criteria such as period to which the item relates and external driven factors that are outside of the control of the Group in combination with the magnitude and consistency of application are also considered.

The amortisation charge relates to the acquisition of Spencer Aerospace. It is charged on a straight-line basis and reflects a non-cash item for the reported year. Site relocation costs relate to transfer of business activities into new or existing cost competitive facilities to support the Group's strategic initiatives. The US class action lawsuit relates to a historic legal matter. The Group incurred a charge in 2025 for clarifications relating to administration of certain plan benefits on the Senior plc UK pension plan. The Group implemented a restructuring programme in 2025 in response to end market conditions. Corporate undertakings relate to business acquisition and disposal activities, including the disposal of Aerostructures in 2025. None of these charges are reflective of in-year performance. Therefore, they are excluded by the Board and Executive Committee when measuring the operating performance of the Group.

	Notes	Year ended 2025		Year ended 2024	
		£m	£m	£m	£m
Operating profit from continuing operations			47.3		46.8
Operating profit/(loss) from discontinued operations			6.2		(6.5)
Operating profit			53.5		40.3
Amortisation of intangible assets from acquisitions			1.6		1.6
Site relocation costs			2.4		3.5
US class action lawsuit			–		1.1
Restructuring costs			5.0		–
Pensions benefit clarifications			7.3		–
Adjusted operating profit			69.8		46.5
Note: all adjusting items above are related to continuing operations only.					
Profit before tax from continuing operations			34.1		37.4
Loss before tax from discontinued operations			(39.0)		(9.6)
(Loss)/profit before tax from continuing and discontinued operations			(4.9)		27.8
Adjustments to (loss)/profit before tax as above			16.3		6.2
Corporate undertakings	35	42.5		1.2	
Corporate undertakings – change in fair value on acquisition contingent consideration payable		0.5		(2.2)	
Total Corporate undertakings			43.0		(1.0)
Adjusted profit before tax			54.4		33.0

Site relocation costs

Site relocation costs of £2.4m (2024 – £3.5m) include £1.5m (2024- £3.0m) related to the transfer of some manufacturing from Senior Aerospace SSP's facility in California, US, to its cost competitive facility in Mexico. The Group also incurred £0.8m costs (2024- £0.5m) related to the transfer of our Innovation Centre in Oakdale, UK (previously Senior Flexonics Crumlin) to a nearby higher-tech facility to better support its scale, design, development, test and qualification capabilities and a further £0.1m (2024- £nil) related to a site move in New Delhi, India.

US class action law suit

In June 2022, a wage and hour class action lawsuit was filed against one business based in California, USA. This lawsuit alleged violations of state regulations concerning meal and rest breaks and related penalties covering the period 2021 through the first half of 2024. Mediation took place in April 2024, resulting in a Company agreed settlement and related costs of £1.1m, which is expected to be paid in 2026.

9. Adjusted operating profit and adjusted profit before tax continued

Restructuring costs

In 2025, the Group implemented a group-wide restructuring programme, mainly affecting North American and European Flexonics businesses due to weakened demand in the North American heavy-duty truck markets. The Group took decisive action in the second half of the year to protect margins and scale the businesses appropriately. The restructuring costs of £5.0m (2024- £nil), of which £1.5m was cash outflow in 2025, involved headcount reductions (£2.9m) and impairments to property, plant and equipment (£0.4m) and inventory (£1.7m) in certain specific programmes where the Group will no longer participate and there is no alternative use.

Pensions benefit clarifications

In 2025 the Trustee of the Senior plc UK pension plan entered into a bulk annuity contract ("buy-in") with an insurer, M&G, covering all scheme members. As part of the due diligence work undertaken for the buy-in, some clarifications were identified relating to the administration of certain historical plan benefits. The Group incurred a charge of £7.3m in 2025 representing the estimated effect of applying these clarifications on the UK Plan at the year end. The charge has been presented as an adjusting item as it is not reflective of underlying in-year performance.

Corporate undertakings

The Group completed the sale of its Aerostructures business on 31 December 2025 to Sullivan Street Partners for total estimated consideration of £116.8m. Net assets disposed were £147.3m (£210.0m working capital and other assets net of held for sale depreciation stoppage, £27.2m goodwill, partly offset by £35.3m finance lease liabilities and £54.6m recycling of historical foreign currency net gains) and disposal costs were £11.7m, which resulted in a full year net loss before tax of £42.2m (2024 – £0.4m disposal costs). See Note 35 for further details of the financial impact in 2025.

The Group also incurred £0.3m other net corporate activity costs, of which £0.8m cost (2024- £0.8m) relates to the Spencer acquisition. Fair value change in Spencer acquisition contingent consideration payable was a £0.5m charge in 2025 (2024- £0.8m charge offset by £2.2m income for Spencer related fair value change). See Note 30 for further details.

10. Taxation

	Year ended 2025 £m	Year ended 2024 £m
Current tax:		
Current year	7.2	8.4
Adjustments in respect of prior periods- other	(0.4)	(2.6)
	6.8	5.8
Deferred tax (Note 21):		
Current year	(7.2)	(5.0)
Adjustments in respect of prior periods	(0.3)	1.1
	(7.5)	(3.9)
Total tax charge/(credit)	(0.7)	1.9
Attributable to:		
Continuing operations	6.8	4.2
Discontinued operations	(7.5)	(2.3)

Deferred tax assets and liabilities are measured at the rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the Balance Sheet date.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. At 31 December 2025, following the completion of the Aerostructures division sale, a re-assessment of the applicable future US tax rate (Federal plus State tax) was made resulting in a revaluation of all deferred tax assets and liabilities from a 27% to 24 % tax rate. This gave rise to a deferred tax charge of £1.7m in the current year.

The OECD Pillar Two Globe Rules introduce a global minimum corporate tax rate, initially at 15%, applicable to multinational enterprise (MNE) groups with global revenue over €750m. All participating OECD members are required to incorporate these rules into national legislation. On 20th June 2023 the UK substantially enacted legislation to apply Pillar Two Globe rules into UK law which first applied to the Group from 1 January 2024. The Group provided £nil (£0.1m 2024) in respect of this liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

10. Taxation continued

The total charge for the year can be reconciled to the profit before tax per the Consolidated Income Statement as follows:

	Year ended 2025 £m	Year ended 2025 %	Year ended 2024 £m	Year ended 2024 %
Profit before tax	(4.9)		27.8	
Expected tax charge at the UK standard corporation tax rate 25%	(1.2)		7.0	
Effect of different statutory rates in overseas jurisdictions	a (1.2)		(1.3)	
Tax incentives and credits	b (1.6)		(1.3)	
Tax losses not recognised	c 0.8		(2.2)	
Impact of share options	d 0.1		(0.6)	
Loss on Aerostructures sale on which no tax relief available	e 2.0		–	
Non-deductible expenses and other permanent differences	f 0.8		1.5	
Withholding taxes	g 0.3		0.2	
Adjustments in respect of prior periods – other current tax items	h (0.4)		(2.6)	
Adjustments in respect of prior periods – deferred tax items	i (0.3)		1.1	
Pillar 2 Top up Tax	j –		0.1	
Tax charge/(credit) and effective tax rate for the year	(0.7)	14.3%	1.9	6.8%

- a. Attributable to profit mix at both higher and lower rates of taxes in different jurisdictions and net of a £1.7m income statement charge on the re-valuation of US deferred tax assets and liabilities.
b. Includes a £1.2m benefit from enhanced US R&D deductions and a £0.4m benefit from Thailand tax incentives.
c. The £0.8m tax losses not recognised in the current year relates to certain US State tax losses on which their future use is uncertain. The prior year comparative reflects the recognition of a deferred tax asset on losses in the UK which were not previously recognised.
d. Impact of non-tax deductible share-based payment charges net of current tax deductions for share exercises in the year and the deferred tax asset recognition for future exercises.
e. Includes the impact of tax losses not recognised on the sale of shares in the Malaysia and Thailand Aerostructures businesses as well as transaction costs on which no tax relief is available.
f. Non-deductible expenses and other permanent differences includes a £0.6m charge in respect of uncertain tax positions in accordance with IFRIC 23 principles.
g. Arises from irrecoverable withholding taxes.
h. Includes a net release of £0.7m in respect of UTPs held in respect of prior years in accordance with IFRIC 23 measurement criteria principles.
i. Arises from the true-up of deferred tax estimates following the finalisation of entity statutory accounts and local tax returns.
j. Estimated Top up Tax arising from the OECD's Pillar 2 global minimum tax rules.

In addition to the amount charged to the Consolidated Income Statement, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2025 £m	2024 £m
Deferred tax:		
Items that will not be reclassified subsequently to profit and loss:		
Tax on actuarial items	3.5	1.1
Items that may be reclassified subsequently to profit or loss:		
Tax on foreign exchange contracts – cash flow hedges	(1.7)	0.8
Total tax credit/(charge) recognised directly in other comprehensive income	1.8	1.9

In addition to the amount charged to the Consolidated Income Statement and Other Comprehensive Income, the following amounts relating to tax have been recognised directly in equity:

	Year ended 2025 £m	Year ended 2024 £m
Deferred tax:		
Excess tax deductions related to share-based payments in exercised options	0.4	(0.8)
Total tax (charge)/credit recognised directly in equity	0.4	(0.8)
Deferred tax (Note 21)	2.2	1.1

11. Dividends

	Year ended 2025 £m	Year ended 2024 £m
Amounts recognised as distributions to equity holders in the period:		
Final dividend for the year ended 31 December 2024 of 1.65p per share (2023 – 1.70p)	6.8	7.0
Interim dividend for the year ended 31 December 2025 of 0.85p per share (2024 – 0.75p)	3.5	3.1
	10.3	10.1
Proposed final dividend for the year ended 31 December 2025 of 2.15p per share (2024 – 1.65p)	8.9	6.8

12. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	Year ended 2025 Million	Year ended 2024 Million
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	413.4	414.3
Effect of dilutive potential ordinary shares:		
Share options	12.4	9.2
Weighted average number of ordinary shares for the purposes of diluted earnings per share	425.8	423.5

	Notes	Year ended 2025		Year ended 2024	
		Earnings £m	EPS pence	Earnings £m	EPS pence
(Loss)/earnings and earnings per share					
(Loss)/profit for the period from continuing and discontinued operations		(4.2)	(1.02)	25.9	6.25
Adjust:					
Amortisation of intangible assets from acquisitions net of tax credit of £0.4m (2024 – £0.4m credit)		1.2	0.29	1.2	0.29
Site relocation costs net of tax credit of £0.7m (2024 – £1.0m credit)	9	1.7	0.41	2.5	0.60
US class action lawsuit net of tax £nil (2024 – £0.3m credit)	9	–	–	0.8	0.20
Corporate undertakings net of tax credit of £8.9m (2024 – £0.3m charge)	9	34.1	8.25	(0.7)	(0.17)
Pension benefit clarifications net of tax credit of £1.8m (2024 – £nil)	9	5.5	1.33	–	–
Restructuring costs net of tax credit of £1.3m (2024 – £nil)	9	3.7	0.90	–	–
Adjusted earnings after tax – continuing and discontinued operations		42.0	10.16	29.7	7.17
Adjusted earnings after tax – continuing operations		39.9	9.65	36.7	8.86
Adjusted earnings after tax – discontinued operations		2.1	0.51	(7.0)	(1.69)
Earnings per share					
– basic from continuing operations			6.60p		8.01p
– diluted from continuing operations			6.41p		7.84p
– basic from continuing and discontinued operations			(1.02)p		6.25p
– diluted from continuing and discontinued operations			(0.99)p		6.12p
– adjusted from continuing operations			9.65p		8.86p
– adjusted and diluted from continuing operations			9.37p		8.67p

The denominators used for all basic, diluted and adjusted earnings per share are as detailed in the table above.

The presentation of adjusted earnings per share, derived in accordance with the table above, has been included to identify the performance of the Group prior to the impact of amortisation of intangible assets from acquisitions, site relocation costs, US class action lawsuit, restructuring costs, pension benefit clarifications and costs associated with corporate undertakings. The Board has a policy to separately disclose items it considers are outside the normal course of management oversight and control on a day-to-day basis and are not reflective of in-year trading performance. Indicative criteria such as period to which the item relates and external driven factors that are outside of the control of the Group in combination with the magnitude and consistency of application are also considered. See Note 9 for further details.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

13. Goodwill

	Notes	Year ended 2025 £m	Year ended 2024 £m
Cost			
At 1 January		355.5	355.5
Transfer to held for sale prior to disposal	35	(27.2)	–
Exchange differences		(8.0)	–
At 31 December		320.3	355.5
Accumulated impairment losses			
At 1 January		160.1	159.7
Exchange differences		(0.7)	0.4
At 31 December		159.4	160.1
Carrying amount at 31 December		160.9	195.4

In 2025, goodwill has decreased by £34.5m to £160.9m (2024 – £195.4m) of which £27.2m relates to the disposal of Aerostructures and £7.3m relates to net foreign exchange differences.

Goodwill is allocated to the group of CGUs (CGU groups) namely Aerospace and Flexonics, reflecting the lowest level at which management exercises oversight and monitors the Group's performance. Central assets are allocated between the CGU groups on the basis of the percentage share of trading assets. The table below highlights the carrying amount of goodwill allocated to these CGU groups, all of which are considered significant in comparison with the total carrying amount of goodwill.

	Year ended 2025 £m	Year ended 2024 £m
Aerospace	108.6	140.6
Flexonics	52.3	54.8
Total	160.9	195.4

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

The annual assessment at 30 September 2025, based on the continuing Group excluding Aerostructures, coincided with the Board's review of the most recent financial strategy. Management applied the value-in-use methodology to assess impairment. The key assumptions on which the value-in-use calculations were based relate to business performance over the next five years, long-term growth rates beyond 2030 and the discount rates applied. The discount rates were pre-tax measures based on the rate of 10-year government bonds issued in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the CGU group. The key estimates were the level of revenue and operating margins anticipated and the proportion of operating profit converted into cash flow in each year, long-term growth rates and discount rates applied. The forecast compound annual growth rate in revenue from 2025 to 2030 was 5% (2024 – 2024 to 2029 was 8%), reflecting expected increases in aircraft production as communicated by our customers and secured new programmes in Flexonics.

Forecasts used in the cash flow were based on the most recent financial strategy, which excluded Aerostructures, as approved by Management for the next five years to 2030. These estimates up to 2030, where appropriate, take account of the current economic environment as set out in the Strategic Report on pages 1 to 71.

Cash flows after 2030 have been extrapolated based on estimated long-term growth rates into perpetuity, which has been determined by the lower of the long-term market growth rates and the historical forecast compound annual growth in revenue to 2030. For Aerospace, the long-term market growth rate is 3.9% per annum (2024 – 4.2%), which does not exceed the long-term average growth rate forecast for the aerospace market as included in market outlooks from Boeing and Airbus. For Flexonics, the long-term market growth rate is 1.5% per annum (2024 – 1.6%), which is based on the world long-term forecast GDP growth for advanced economies.

The pre-tax discount rates applied to discount the pre-tax cash flows for Aerospace and Flexonics are 11% and 10.1% respectively (2024 – 10.4% and 10.8%); these discount rates include CGU group specific risk adjustments which are the measurements used by Management in assessing investment appraisals specific to each CGU group.

Sensitivities reflecting reasonable possible changes have also been considered for each CGU group in relation to the value in use calculations. Each assumption was sensitised in isolation: Revenue was reduced by 10 percentage points in the terminal value, operating margins were reduced by 1 percentage point in the terminal value, the proportion of operating profit converted into cash flow was reduced by 5 percentage points in the terminal value, the long-term growth rate assumption was reduced by 1 percentage point and the discount rate was increased by 1 percentage point. This did not result in the carrying amount of the CGU groups exceeding their recoverable amount.

13. Goodwill continued

Further to the 30 September 2025 annual impairment test, the Board considered whether there were any triggering events as at the 31 December 2025 reporting date. The Board concluded that the market factors considered as at 30 September were largely unchanged and remained relevant for the year end reporting date, with no new triggers identified for impairment. The disposal of Aerostructures on 31 December 2025 was not considered a triggering event for impairment as the annual assessment in September excluded Aerostructures and the market conditions for the continuing business have remained unchanged for impairment considerations.

14. Other intangible assets

	Intangible assets from acquisitions			Computer software and others		Total Year ended 2025 £m
	Qualified parts list	Customer relationships	Fully amortised	Total	Year ended	
	Year ended 2025 £m	Year ended 2025 £m	Year ended 2025 £m	Year ended 2025 £m	2025 £m	
Cost						
At 1 January	23.2	6.3	122.4	151.9	28.2	180.1
Additions – continuing operations	–	–	–	–	0.6	0.6
Additions – discontinued operations	–	–	–	–	0.6	0.6
Disposals – continuing operations	–	–	–	–	(0.2)	(0.2)
Disposals – discontinued operations	–	–	–	–	(10.1)	(10.1)
Reclassification	–	–	–	–	–	–
Exchange differences	(0.3)	(1.2)	–	(1.5)	(0.7)	(2.2)
At 31 December	22.9	5.1	122.4	150.4	18.4	168.8
Amortisation						
At 1 January	2.7	0.8	122.4	125.9	22.1	148.0
Charge for the year – continuing operations	1.2	0.4	–	1.6	1.2	2.8
Charge for the year – discontinued operations	–	–	–	–	0.8	0.8
Disposals – continuing operations	–	–	–	–	(0.2)	(0.2)
Disposals – discontinued operations	–	–	–	–	(8.9)	(8.9)
Reclassification	–	–	–	–	–	–
Exchange differences	0.1	0.1	–	0.2	(0.6)	(0.4)
At 31 December	4.0	1.3	122.4	127.7	14.4	142.1
Carrying amount at 31 December	18.9	3.8	–	22.7	4.0	26.7

	Intangible assets from acquisitions			Computer software and others		Total Year ended 2024 £m
	Qualified parts list	Customer relationships	Fully amortised	Total	Year ended	
	Year ended 2024 £m	Year ended 2024 £m	Year ended 2024 £m	Year ended 2024 £m	2024 £m	
Cost						
At 1 January	22.8	6.2	122.4	151.4	26.4	177.8
Additions – continuing operations	–	–	–	–	1.1	1.1
Additions – discontinued operations	–	–	–	–	0.6	0.6
Disposals – continuing operations	–	–	–	–	(0.1)	(0.1)
Disposals – discontinued operations	–	–	–	–	(0.1)	(0.1)
Reclassification	–	–	–	–	–	–
Exchange differences	0.4	0.1	–	0.5	0.3	0.8
At 31 December	23.2	6.3	122.4	151.9	28.2	180.1
Amortisation						
At 1 January	1.4	0.4	122.4	124.2	20.5	144.7
Charge for the year – continuing operations	1.2	0.4	–	1.6	1.0	2.6
Charge for the year – discontinued operations	–	–	–	–	0.7	0.7
Disposals – continuing operations	–	–	–	–	(0.1)	(0.1)
Disposals – discontinued operations	–	–	–	–	(0.1)	(0.1)
Reclassification	–	–	–	–	–	–
Exchange differences	0.1	–	–	0.1	0.1	0.2
At 31 December	2.7	0.8	122.4	125.9	22.1	148.0
Carrying amount at 31 December	20.5	5.5	–	26.0	6.1	32.1

Intangible assets from acquisitions are being amortised over following periods; qualified parts 18 years and 1 month, customer relationships 16 years and 1 month and order backlogs 1 year and 1 month.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

15. Investment in joint venture

The Group has a 49% interest in Senior Flexonics Technologies (Wuhan) Limited, a jointly controlled entity incorporated in China, which was set up in 2012. Senior Flexonics Technologies (Wuhan) Limited is a precision manufacturer of automotive components.

The results of the joint venture are accounted for using equity accounting.

The Group's investment of £5.2m represents the Group's share of the joint venture's net assets as at 31 December 2025 (2024 – £3.3m). The movement of £1.9m in Group's investment during the year comprises of £3.0m Group's share of profit offset by £1.0m dividend received and £0.1m exchange difference.

The following amounts represent the aggregate amounts relating to the revenue and expenses and assets and liabilities of Senior Flexonics Technologies (Wuhan) Limited for the years ended 31 December 2025 and December 2024.

	2025 £m	2024 £m
Revenue	17.6	10.9
Depreciation and amortisation	(0.4)	(0.4)
Other expenses	(9.9)	(7.6)
Profit before tax	7.3	2.9
Income tax expense	(1.1)	(0.3)
Profit for the period	6.2	2.6
<i>There was no interest income or expense during current or prior period. There was no other comprehensive income during current and prior period.</i>		
Non-current assets	1.9	2.0
Current assets	4.4	3.8
Cash and cash equivalents	7.9	3.5
Total assets	14.2	9.3
Current liabilities	(3.6)	(2.6)
Total liabilities	(3.6)	(2.6)
Net assets	10.6	6.7
<i>There were no non-current liabilities.</i>		
Group's share of profit	3.0	1.3
Group's share of net assets	5.2	3.3

16. Property, plant and equipment

	Freehold land and buildings Year ended 2025 £m	Leasehold building improvements Year ended 2025 £m	Plant and equipment Year ended 2025 £m	Right-of-use Land and Buildings Year ended 2025 £m	Right-of-use Plant and equipment Year ended 2025 £m	Total Year ended 2025 £m	Freehold land and buildings Year ended 2024 £m	Leasehold building improvements Year ended 2024 £m	Plant and equipment Year ended 2024 £m	Right-of-use Land and Buildings Year ended 2024 £m	Right-of-use Plant and equipment Year ended 2024 £m	Total Year ended 2024 £m
Cost or valuation												
At 1 January	111.6	9.7	598.3	111.8	9.5	840.9	110.7	8.2	563.9	98.3	8.7	789.8
Additions – continuing operations	0.8	2.1	29.1	7.9	1.5	41.4	0.8	0.9	26.8	1.6	1.9	32.0
Additions – discontinued operations	0.3	0.1	14.0	–	0.3	14.7	0.6	0.2	12.2	–	0.2	13.2
Lease Modifications	–	–	–	6.4	(0.2)	6.2	–	–	–	9.2	–	9.2
Exchange differences	(1.2)	(0.2)	(18.2)	(2.2)	(0.3)	(22.1)	(0.1)	0.1	4.6	1.8	–	6.4
Disposals – continuing operations	–	(0.1)	(7.3)	(0.4)	(1.1)	(8.9)	(0.1)	–	(5.3)	–	(0.4)	(5.8)
Disposals – Aerostructures on 31 December 2025	(37.8)	(7.1)	(280.3)	(56.3)	(1.9)	(383.4)	–	–	(3.9)	–	–	(3.9)
Reclassification	–	–	–	–	–	–	(0.3)	0.3	–	0.9	(0.9)	–
Restructuring disposal	–	–	(0.4)	–	–	(0.4)	–	–	–	–	–	–
At 31 December	73.7	4.5	335.2	67.2	7.8	488.4	111.6	9.7	598.3	111.8	9.5	840.9
Accumulated depreciation and impairment												
At 1 January	43.1	5.8	444.1	51.6	4.2	548.8	41.4	5.3	415.8	39.3	3.3	505.1
Charge for the year – continuing operations	1.3	0.2	19.0	5.5	1.5	27.5	1.2	0.2	18.3	5.0	1.6	26.3
Charge for the year – discontinued operations	0.8	0.2	8.2	4.2	0.4	13.8	0.7	0.2	15.7	4.2	0.2	21.0
Lease Modifications	–	–	–	–	–	–	–	–	–	0.1	–	0.1
Exchange differences	(0.6)	0.1	(14.8)	(1.0)	(0.2)	(16.5)	(0.1)	0.1	3.4	0.6	–	4.0
Eliminated on disposals – continuing operations	–	(0.1)	(7.2)	(0.4)	(1.1)	(8.8)	(0.1)	–	(5.2)	–	(0.4)	(5.7)
Eliminated on disposals – Aerostructures on 31 December 2025	(14.5)	(4.6)	(205.1)	(27.2)	(1.0)	(252.4)	–	–	(3.9)	–	–	(3.9)
Reclassification	–	–	–	–	–	–	–	–	–	0.5	(0.5)	–
Impairment/restructuring disposal	–	–	(0.4)	–	–	(0.4)	–	–	–	1.9	–	1.9
At 31 December	30.1	1.6	243.8	32.7	3.8	312.0	43.1	5.8	444.1	51.6	4.2	548.8
Carrying amount at 31 December	43.6	2.9	91.4	34.5	4.0	176.4	68.5	3.9	154.2	60.2	5.3	292.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

16. Property, plant and equipment continued

In 2025, £0.4m property, plant and equipment were impaired; see note 9 (2024 – £1.9m Right of Use Assets). The recoverable amount of the assets was determined based on value-in-use for assets with confirmed orders, or fair value less costs to sell, where assets are to be disposed.

At 31 December 2025, the Group had entered into contractual commitments for the acquisition of property, plant and equipment amounting to £3.6m (2024 – £6.5m including Aerostructures).

17. Inventories

	Year ended 2025 £m	Year ended 2024 £m
Raw materials	65.4	98.4
Work-in-progress	53.9	97.1
Finished goods	25.6	40.5
Total	144.9	236.0

Inventory write-downs recognised as an expense in 2025 in continuing operations were £4.2m including £1.7m charges related to restructuring provision (2024 – £3.3m, including £0.4m related discontinued operations).

18. Trade and other receivables

Trade and other receivables at 31 December comprise the following:

	Year ended 2025 £m	Year ended 2024 £m
Non-current assets		
Foreign exchange contracts	1.5	0.2
Other receivables	0.5	0.2
	2.0	0.4
Current assets		
Trade receivables	91.4	119.2
Value added tax	3.2	4.0
Foreign exchange contracts	1.6	1.0
Prepayments	12.0	13.0
	108.2	137.2
Total trade and other receivables	110.2	137.6

Credit risk

The Group's principal financial assets are bank balances and cash and trade receivables. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the Consolidated Balance Sheet are net of loss allowances. There are no other credit or impairment losses for other classes of financial assets.

Further disclosures on credit risk are included in Note 20.

The average credit period taken on sales of goods is 56 days (2024 – 56 days). An allowance has been made for estimated irrecoverable amounts from the sale of goods of £2.8m (2024 – £3.0m excluding Aerostructures). In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. At 31 December 2025, the carrying amount of the receivable from the Group's most significant customer was £11.5m (2024 – £6.5m). The Group has no other significant concentration of credit risk, with exposure spread over a large number of counterparties and customers. Accordingly, the Directors believe that there is no further credit provision risk in excess of the loss allowance.

18. Trade and other receivables continued

Expected credit loss

	Year ended 2025 £m	Year ended 2024 £m
Movements in loss allowance:		
At 1 January	3.5	2.3
Provision for impairment	0.6	2.0
Amounts written off as uncollectible	(0.3)	(0.4)
Amounts recovered	(0.3)	(0.4)
Exchange differences	(0.2)	–
Amounts related to the disposal of Aerostructures (Note 35)	(0.5)	–
At 31 December	2.8	3.5
Ageing analysis of past due:		
Up to 30 days past due	8.8	12.2
31 to 60 days past due	2.4	2.1
61 to 90 days past due	1.7	1.3
91 to 180 days past due	3.1	4.1
Total past due, net of loss allowance	16.0	19.7
Not past due	78.2	103.0
Total current trade receivables	94.2	122.7

Ageing analysis for 2024 have been re-presented to show on a gross basis.

There are no items past due in any other class of financial assets except for trade receivables.

The Directors consider that the carrying amount of trade and other receivables approximates their fair value. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable above. The Group does not hold any collateral as security.

19. Bank overdrafts and loans

	Year ended 2025 £m	Year ended 2024 £m
Bank loans	41.6	37.0
Other loans	113.7	161.9
	155.3	198.9
The borrowings are repayable as follows:		
On demand or within one year	30.0	75.0
In the second year	35.8	9.5
In the third to fifth years inclusive	89.5	74.5
After five years	–	39.9
	155.3	198.9
Less: amount due for settlement within 12 months (shown under current liabilities)	(30.0)	(75.0)
Amount due for settlement after 12 months	125.3	123.9

At 31 December 2025, bank loans of £42.2m are drawn and there are £0.6m of capitalised revolving credit facility transaction costs. At 31 December 2024, bank loans of £37.9m were drawn and there were £0.9m of capitalised revolving credit facility transaction costs.

Analysis of borrowings by currency

Wednesday, 31 December 2025

	Pound Sterling £m	Euros £m	US Dollars £m	Others £m	Total £m
Bank loans	29.4	12.2	–	–	41.6
Other loans	–	24.3	89.4	–	113.7
	29.4	36.5	89.4	–	155.3

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

19. Bank overdrafts and loans continued

Analysis of borrowings by currency continued

Tuesday, 31 December 2024

	Pound Sterling £m	Euros €m	US Dollars \$m	Others £m	Total £m
Bank loans	21.1	–	15.9	–	37.0
Other loans	27.0	23.1	111.8	–	161.9
	48.1	23.1	127.7	–	198.9

The weighted average interest rates paid were as follows:

	Year ended 2025 %	Year ended 2024 %
Bank loans and overdrafts	5.63	6.81
Other loans	3.51	3.61

Bank loans and overdrafts of £42.2m (2024 – £37.9m) are arranged at floating rates, thus exposing the Group to cash flow interest rate risk. Other borrowings are mainly arranged at fixed interest rates and expose the Group to fair value interest rate risk. No interest rate swaps were taken out in 2024 or 2025.

The Directors estimate the fair value of the Group's borrowings to be as follows:

	Year ended 2025 £m	Year ended 2024 £m
Bank loans and overdrafts	41.6	37.0
Other loans	115.5	159.1
	157.1	196.1

The fair value of Other loans has been determined by applying a make-whole calculation using the prevailing treasury bill yields plus the applicable credit spread for the Group (level 2 of the fair value hierarchy as defined in Note 20).

The other principal features of the Group's borrowings are as follows:

Bank overdrafts are repayable on demand. The effective interest rates on bank overdrafts are determined based on SONIA, SOFR and appropriate LIBOR rates plus applicable margins.

The Group's main loans are unsecured guaranteed loan notes in the US private placement market and revolving credit facilities.

- Loan notes of €28m, 2025 £24.3m (2024 – £23.1m) were taken out in January 2017, carry interest at the rate of 1.51% and mature on 1 February 2027.
- Loan notes of \$60m, 2025 £nil (2024 – £48.0m) were taken out in October 2015 and were repaid in October 2025. The loan notes carry interest at the rate of 3.75% per annum.
- Loan notes of £27m were drawn down in January 2018, carry interest at a rate of 2.35% and were repaid in January 2025.
- Loan notes of \$30m, 2025 £22.3m (2024 – £24.0m) were taken out in September 2018, carry interest at the rate of 4.18% and are due for repayment in September 2028.
- Loan notes of \$50m, 2025 £37.3m (2024 – £40.0m) were taken out in February 2024, carry an interest rate of 6.26% and are due for repayment in February 2030.
- Loan notes of \$40m, 2025 £29.8m (2024 – £nil) were taken out in February 2025, carry an interest rate of 5.46% and are due for repayment in February 2029.

Transaction costs of £0.2m, directly attributable to the US Dollar notes (£0.2m), have been deducted from their carrying value.

The Group also has two revolving credit facilities.

A committed multi-currency revolving credit facility in the UK of £115m (2024 – £115m) matures in November 2027. At 31 December 2025, £12.2m was outstanding under the £115m facility, comprising €14.0m (£12.2m). At 31 December 2024, £28.4m was outstanding under the £115m facility, comprising \$8.0m (£6.4m) and £22.0m.

A committed \$50m single bank (£37.3m) loans and letter of credit facility matures in June 2027. There were \$nil (£nil) loans with reference to Term SOFR which are drawn under the facility on 31 December 2025 and \$11.9m (£9.5m) loans drawn in 31 December 2024 and there were letters of outstanding credit of \$3.2m (£2.4m) (2024 – £5.2m).

A £30m term loan was taken out in July 2025 and repaid in January 2026.

19. Bank overdrafts and loans continued

As at 31 December 2025, the Group had available £137.7m (2024 – £111.9m) of undrawn committed borrowing facilities in respect of which all conditions precedent had been met. The weighted average maturity of the Group's committed facilities at 31 December is 2.1 years (2024 – 2.5 years).

20. Financial instruments capital risk management

The Group manages its capital structure to safeguard its ability to continue as a going concern whilst maximising the return to stakeholders through the optimisation of the balance between debt and equity. In considering the appropriate level of net debt, the Group pays close attention to its level as compared to the cash generation potential of the Group, measured by EBITDA (defined in the Notes to the Financial Headlines). The Group also monitors capital on the basis of a gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is derived in Note 31c. Lease liabilities are excluded from net debt in calculating the gearing ratio. Total capital is the equity shown in the Consolidated Balance Sheet.

The Group's strategy in respect of gearing is to target a long-term gearing ratio within the range of 30% to 60%. The gearing ratio for the Group at the end of 2025 was 20% (2024 – 33%).

All of the Group's external borrowing facilities at 31 December 2025 have a requirement for the ratio of net debt to EBITDA to be less than 3.0x (US Private Placements) or 3.5x (UK RCF and US RCF). IFRS 16 does not impact the Group's lending covenants as these are currently based on frozen GAAP, hence figures quoted below exclude the impact of IFRS 16 on net debt, interest and EBITDA. As required by the covenant definition, net debt is restated using 12-month average exchange rates (consistent with EBITDA definition).

The Group has two covenants for committed borrowing facilities, which are tested at June and December: the Group's net debt to EBITDA (defined in the Notes to the Financial Headlines) must not exceed 3.0x and interest cover, the ratio of EBITDA to interest must be higher than 3.5x.

At 31 December 2025, the Group's net debt to EBITDA was 0.9x (31 December 2024 – 1.8x) and interest cover was 7.0x (31 December 2024 – 7.0x), both comfortably within the covenants limits.

Financial risk management

The Group's activities expose it to a variety of financial risks including foreign exchange risk, interest rate risk, credit risk and liquidity risk. The Group's overall treasury risk management programme focuses on the unpredictability of financial markets, and seeks to minimise potential adverse effects on the Group's financial performance.

The Group uses derivative financial instruments to hedge certain risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Group's Treasury Committee on a regular basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Foreign exchange risk management

The Group enters into forward foreign exchange contracts to hedge the exchange risk arising on the operations' trading activities in foreign currencies. Where commented on below, the sensitivity analysis of the Group's exposure to foreign currency risk at the reporting date has been determined based on the change taking place at the beginning of the financial year and left unchanged throughout the reporting period, with all other variables held constant (such as interest rates). The sensitivity assumptions are based on analysis reviewed by the Group's Treasury Committee.

Translation risk

The Group derived 84% of its revenue from businesses outside the United Kingdom, with 62% relating to operations in North America. Fluctuations in the value of the US Dollar and other currencies in relation to Pound Sterling have had, and may continue to have, a significant impact on the results of the Group's operations when reported in Pound Sterling. The Group decided not to hedge this translation risk. In addition, the majority of assets are denominated in foreign currency, particularly in US Dollars. In order to provide a hedge against volatility in the value of these assets compared to the Group's loss/earnings, and hence provide a natural hedge against the Group's principal lending covenant (the ratio of net debt to EBITDA), the Group aims to borrow in foreign currencies in similar proportions to its generation of foreign currency EBITDA, where practical and economic.

The Group has restarted its Net Investment Hedging programme to manage a portion of the foreign exchange risk on its Euro net investment. In February 2025 a foreign exchange forward contract was entered and rolled 1:1 into a Euro borrowing in March 2025. The principal of this borrowing has been rolled forward on a monthly basis and amounts to €14.0m. The accumulated foreign exchange net loss of these financial instruments qualifies for hedge accounting and is recognised in equity. Any ineffective portion (2025: £nil) would be recognised in the Income Statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

20. Financial instruments capital risk management continued**Translation risk continued**

A 10% appreciation (or depreciation) of all other currencies against the Pound Sterling would have increased (or decreased) 2025 Group adjusted operating profit by £8.5m (£5.2m of which would have been due to the US Dollar movement) and would have increased (or decreased) equity by £25.7m (£22.0m of which would have been due to the US Dollar movement).

Transaction risk

The Group has a number of transaction-related foreign currency exposures, particularly between the US Dollar and the Pound Sterling, Euro and Mexican Peso. The Group seeks to hedge between 0% to 100% of transaction-related exposures mainly on a rolling 15 to 18-month forward basis, but in some cases for periods of up to 60 months and applies hedge accounting where the forwards can be designated in a qualifying cash flow hedge relationship. Based on the net of the annual sales and purchase-related exposures, all transaction-related foreign currency exposures to Group profit after hedging in existence at 31 December 2025 are immaterial. The impact on equity is determined by the unrecognised portion of open forward contracts at the year-end. A 10% appreciation (or depreciation) of the US Dollar against the Pound Sterling, Euro and the Mexican Peso would have decreased (or increased) equity by £5.9m, £0.3m and £1.2m, respectively.

Interest rate risk management

The Group has a policy of maintaining approximately 60% of its borrowing costs at fixed interest rates. The Group generally borrows long-term in fixed rates but at times may borrow at floating rates and swap into fixed depending on credit market conditions. Occasionally a portion of fixed debt interest is swapped into floating rates. The combination of maintaining an acceptable balance of fixed and floating rate debt, and the Group's policy of borrowing in foreign currency in proportion to its generation of foreign currency earnings, provides an effective hedge against the impact of interest rate and foreign currency volatility on total interest costs. As at year end 2025, the percentage of debt at fixed interest was 73% (2024 – 81%), excluding IFRS 16 lease liabilities from debt.

The following sensitivity analysis of the Group's exposure to interest rate risk in 2025 has been retrospectively determined based on the exposure to applicable interest rates on financial assets and liabilities held throughout the financial year, with all other variables held constant (such as foreign exchange rates). The sensitivity assumptions are based on analysis reviewed by the Group's Treasury Committee. If variable interest rates had been 0.5% lower (or higher), the Group's profit before tax would have increased (or decreased) by £0.5m. Any fixed interest debt is held to maturity and not fair value adjusted through the Consolidated Income Statement. An increase (or decrease) of 0.5% in the market interest rate for the fixed rate debt held up to maturity would have decreased (or increased) the fair value of the Group's borrowings by £1.5m. The Group's sensitivity to interest rates has remained broadly consistent with prior period due to the high proportion of fixed debt.

Credit risk management

The Group's credit risk is primarily attributable to its trade receivables. The credit quality of customers is assessed taking into account their financial position, past experience and other factors. Further details on determining the recoverability of trade receivables is provided in Note 18. The Group is guarantor under one lease of a current subsidiary entity in the UK. Credit risk on liquid funds and derivative financial instruments is limited because the counterparties are financial institutions with high credit ratings assigned by international credit rating agencies. The carrying amount of financial assets recorded in the Financial Statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk.

The Group participates in some non-recourse reverse factoring schemes which are arranged by customers. These are a form of non-recourse factoring that are common practice within the aerospace sector and with large customers in the Flexonics Division. In a reverse factoring scheme, a financial counterparty commits to pay supplier invoices ahead of due date in exchange for a discount interest charge. It is a funding solution initiated by the customer to provide the supplier with an alternative financing arrangement. The Group participates in reverse factoring schemes as a way of reducing credit risk. The trade receivables reverse factored at 31 December 2025 were £36.5m (2024 – £29.1m). The net impact of reverse factoring on 2025 was a cash inflow in working capital of £8.4m (2024 – £nil) and the discount interest presented within other finance costs is a charge of £1.4m in 2025 (2024 – £0.9m).

Liquidity risk management

Liquidity risk reflects the risk that the Group will have insufficient resources to meet its financial liabilities as they fall due. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and revolving credit facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Cash flow forecasts are produced monthly, together with appropriate capacity planning and scenario analysis, to ensure that bank covenant and liquidity targets will be met. The Directors also regularly assess the balance of capital and debt funding of the Group, as part of a process to satisfy the Group's long-term strategic funding requirements.

As noted in the Financial Review on pages 38 to 40, the Group is currently in a well-funded position, with significant headroom under its committed borrowing facilities. It is considered unlikely that the Group will face any significant funding issues in the foreseeable future.

20. Financial instruments capital risk management continued

Categories of financial instruments

	Year ended 2025 £m	Year ended 2024 £m
Carrying value of financial assets:		
Cash and cash equivalents	82.0	45.5
Trade receivables	91.4	119.2
Deferred consideration receivable	8.2	–
Other receivables	0.5	0.2
Financial assets at amortised cost	182.1	164.9
Contingent Consideration receivable – fair value through profit or loss	12.9	–
Foreign exchange contracts – cash flow hedges	3.1	1.1
Foreign exchange contracts – held for trading	–	0.1
Total financial assets	198.1	166.1
Carrying value of financial liabilities:		
Bank overdrafts and loans	155.3	198.9
Lease liabilities	44.0	76.2
Trade payables	64.8	107.4
Other payables	71.8	65.8
Financial liabilities at amortised cost	335.9	448.3
Contingent Consideration payable – fair value through profit or loss	3.5	16.5
Foreign exchange contracts – cash flow hedges	0.6	5.7
Foreign exchange contracts – held for trading	–	0.1
Total financial liabilities	340.0	470.6
Undiscounted contractual maturity of financial liabilities at amortised cost:		
Amounts payable:		
On demand or within one year	180.9	270.0
In the second to fifth years inclusive	165.3	141.2
After five years	20.3	90.2
	366.5	501.4
Less: future finance charges	(30.6)	(53.1)
Financial liabilities at amortised cost	335.9	448.3

Deferred consideration receivable relates to customary adjustments to net working capital in relation to the disposal of Aerostructures (see note 35).

The contingent consideration which is potentially receivable in less than 1 year has a gross value at 31 December 2025 of £13.2m and a discounted value of £12.9m. The contingent consideration which is potentially payable in less than 2 years has a gross value at 31 December 2025 of \$5.0m (£3.7m) and a discounted value of \$4.7m (£3.5m). At 31 December 2024 the gross value was \$21.6m (£17.3m) and a discounted value was \$20.6m (£16.5m).

The carrying amount is a reasonable approximation of fair value for the financial assets and liabilities, excluding leases, noted above except for bank overdrafts and loans, disclosure of which are included within Note 19.

An ageing analysis of trade receivables is disclosed within Note 18.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

20. Financial instruments capital risk management continued**Forward foreign exchange contracts**

The Group enters into forward foreign exchange contracts to hedge the exchange risk arising on the operation's trading activities in foreign currencies in accordance with the Group's accounting policy as set out in Note 2. At 31 December 2025, total notional amounts and fair values of outstanding forward foreign exchange contracts that the Group have committed are given below:

	Year ended 2025 £m	Year ended 2024 £m
Notional amounts:		
Foreign exchange contracts – cash flow hedges	131.5	157.1
Foreign exchange contracts – held for trading	0.5	8.0
Total	132.0	165.1
Less: amounts maturing within 12 months	(96.5)	(115.5)
Amounts maturing after 12 months	35.5	49.6
Contractual maturity:		
Cash flow hedges balances due within one year:		
Outflow	(94.8)	(108.8)
Inflow	96.7	106.3
Cash flow hedges balances due between one and two years:		
Outflow	(17.8)	(21.8)
Inflow	18.7	20.5
Cash flow hedges balances due between two and five years:		
Outflow	(15.9)	(29.7)
Inflow	16.9	29.3
Held for trading balances due within one year:		
Outflow	(0.5)	(8.0)
Inflow	0.5	8.0
Fair values:		
Foreign exchange contracts – cash flow hedges	2.5	(4.6)
Foreign exchange contracts – held for trading	–	–
Total liability	2.5	(4.6)

These fair values are based on market values of equivalent instruments at the Balance Sheet date, comprising £3.1m (2024 – £1.2m) assets included in trade and other receivables and £0.6m (2024 – £5.8m) liabilities included in trade and other payables. The fair value of currency derivatives that are designated and effective as cash flow hedges amounting to £2.3m gain (2024 – £4.2m loss) has been deferred in equity.

An amount of £0.6m gain related to foreign exchange contracts (2024 – £0.1m loss) has been transferred to the Consolidated Income Statement, and is included within operating profit.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

Ineffectiveness is recognised on a cash flow hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In hedges of the above foreign exchange contracts this may arise if the timing of the transaction changes from what was originally estimated.

The hedged forecast transactions denominated in foreign currency are expected to occur at various dates during the next 60 months. Amounts deferred in equity are recognised in the Consolidated Income Statement in the same period in which the hedged items affect profit or loss, which is generally within 12 months from the Balance Sheet date.

20. Financial instruments capital risk management continued

Forward foreign exchange contracts continued

In 2024 and 2025 some cash flow hedging relationships were discontinued because forecast foreign currency transactions were no longer highly probable and no longer expected to occur. Previously accumulated gains or losses on the forward contracts were immediately reclassified to the income statement. These forward contracts, and the forward contracts entered to unwind the position, that remained at 31 December 2024 and 31 December 2025 were presented in the balance sheet as held for trading assets.

Fair values

The following table presents an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1–3 based on the degree to which the fair value is observable:

Level 1	those fair values derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2	those fair values derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3	those fair values derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There has not been any transfer of assets or liabilities between levels. There are no non-recurring fair value measurements. Level 2 fair values are derived from future cash flows, of open forward contracts at 31 December, translated by the difference between contractual rates and observable forward exchange rates.

	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
31 December 2025				
Assets				
Contingent consideration receivable – fair value through profit or loss	–	–	12.9	12.9
Foreign exchange contracts – cash flow hedges	–	3.1	–	3.1
Foreign exchange contracts – held for trading	–	–	–	–
Total assets	–	3.1	12.9	16.0
Liabilities				
Contingent Consideration – fair value through profit or loss	–	–	3.5	3.5
Foreign exchange contracts – cash flow hedges	–	0.6	–	0.6
Foreign exchange contracts – held for trading	–	–	–	–
Total liabilities	–	0.6	3.5	4.1
31 December 2024				
Assets				
Contingent consideration receivable – fair value through profit or loss	–	–	–	–
Foreign exchange contracts – cash flow hedges	–	1.1	–	1.1
Foreign exchange contracts – held for trading	–	0.1	–	0.1
Total assets	–	1.2	–	1.2
Liabilities				
Contingent Consideration payable – fair value through profit or loss	–	–	16.5	16.5
Foreign exchange contracts – cash flow hedges	–	5.7	–	5.7
Foreign exchange contracts – held for trading	–	0.1	–	0.1
Total liabilities	–	5.8	16.5	22.3

The fair value of contingent consideration payable is based on the expected present value technique, using risk-adjusted discount rate to discount probability weighted cash flows.

The contingent consideration receivable has been recognised at fair value at 31 December 2025, representing management's best estimate based on information available at the reporting date determined under the sale and purchase contract. The valuation uses unobservable inputs, is classified as a Level 3 fair value measurement and is based on the discount rate adjustment present value technique, using risk-adjusted discount rate to discount a single estimate of cash flows. While the completion accounts process may involve negotiation, in management's view this relates to contractual application rather than variability in valuation inputs. Actual amounts received may differ from the estimate recognised once the completion accounts process is concluded.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

21. Tax balance sheet**Current tax**

The current tax receivable of £2.7m (2024 – £2.8m) includes excess tax paid to tax authorities that is expected to be recovered within 12 months by way of offset against future tax liabilities or refund.

The majority of the Group's taxable profits arise in countries, including the US, where the estimated tax liabilities are paid in on-account instalments during the year to which they relate and are largely paid at the Balance Sheet date. The current tax liability of £7.5m (2024 – £8.0m) includes £1.9m (2024 – £1.9m) tax due on profits of the current and prior years as well as £5.6m (2024 – £6.1m) provisions for tax uncertainties that represent amounts expected to be paid but by their nature, there is uncertainty over timing and eventual settlement.

The Group recognises provisions for tax items which are considered to have a range of possible tax outcomes and separately accounts for interest that may be due thereon. These uncertainties exist due to a number of factors including differing interpretations of local tax laws and the determination of appropriate arm's length pricing in accordance with OECD transfer pricing principles on internal transactions and financing arrangements. In calculating the carrying amount of provisions, Management estimates the tax which could become payable as a result of differing interpretations and decisions by tax authorities in respect of transactions and events whose treatment for tax purposes is uncertain. In accordance with IFRIC 23, individual provisions are established based on an assessment of whether it is the most likely individual outcome, or the expected outcome on a probability basis that is likely to best reflect the resolution of the uncertainty. The range of reasonably possible outcomes considered by the Board is not expected to increase the provision by a material amount.

Deferred tax liabilities and assets

The following are the deferred tax liabilities and assets recognised by the Group and movements thereon during the current and prior reporting period:

	Accelerated tax depreciation £m	Unrealised FX gains £m	Goodwill and intangible amortisation £m	Retirement benefits £m	R&D tax credits £m	Tax losses £m	Other temporary differences £m	Total £m
At 1 January 2024	(18.7)	0.3	(8.0)	(10.1)	0.8	3.4	46.0	13.7
Reclassification	–	–	–	–	10.0	–	(10.0)	–
(Charge)/credit to Consolidated Income Statement	(0.8)	(0.5)	(0.7)	(0.8)	5.7	0.7	0.3	3.9
(Charge)/credit to other comprehensive income	–	0.8	–	1.1	–	–	–	1.9
Credit direct to equity	–	–	–	–	–	–	(0.8)	(0.8)
Exchange differences	(0.3)	0.1	(0.1)	0.1	0.2	–	0.6	0.6
At 1 January 2025	(19.8)	0.7	(8.8)	(9.7)	16.7	4.1	36.1	19.3
(Charge)/credit to Consolidated Income Statement	9.4	0.2	–	1.5	(7.3)	7.5	(3.8)	7.5
Credit to other comprehensive income	–	(1.7)	–	3.5	–	–	–	1.8
Charge direct to equity	–	–	–	–	–	–	0.4	0.4
Balances disposed	2.0	–	(0.1)	(0.1)	–	(1.1)	(2.4)	(1.7)
Exchange differences	0.7	–	0.7	–	(1.0)	(0.2)	(1.7)	(1.5)
Asset/(liability) at 31 December 2025	(7.7)	(0.8)	(8.2)	(4.8)	8.4	10.3	28.6	25.8

Other temporary differences include assets in the US of £10.1m (2024 – £15.1m) in respect of inventory provisions, accruals and other expenses where tax relief is only available when items are realised or paid as well other timing differences for interest costs of £11.0m (2024 – £10.0m). Also included are assets held in respect of IFRS16 of £1.5m (2024 – £2.8m) and share-based compensation £3.3m (2024 – £2.7m).

During the year, net timing difference liabilities of £4.6m, in respect of the US and UK Aerostructures disposals have reversed through the income statement.

The deferred tax liability in respect of retirement benefits relates primarily to the Senior plc UK defined benefit pension plan £5.8m (2024 – £10.9m), net of deferred tax assets on other schemes.

Certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances, after offset:

	Year ended 2025 £m	Year ended 2024 £m
Deferred tax assets	28.1	27.5
Deferred tax liabilities	(2.3)	(8.2)
	25.8	19.3

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available, including those arising from the reversal of other taxable temporary differences, against which the assets can be utilised.

21. Tax balance sheet continued

Deferred tax liabilities and assets continued

At the Balance Sheet date the Group has recognised deferred tax assets in respect of losses of £10.3m (2024 – £4.4m), including £0.1m (2024 – £0.4m) recognised against deferred tax liabilities and £10.2m (2024 – £4.0m) recognised based on anticipated profits in the Group's five year forecast to 2030 as approved by the Board.

Due to uncertainty as to the availability of future profits against which tax losses may be utilised, £1.3m (2024 – £11.7m) of losses have not been recognised at the Balance Sheet date. Included in unrecognised tax losses are losses of £nil (2024 – £11.4m) that will expire over a period of one to nine years. Other losses may be carried forward indefinitely.

At the Balance Sheet date, a deferred tax liability of £0.6m (2024 – £0.4m) has been recognised in respect of the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries expected to reverse in the foreseeable future. No temporary difference has been recognised in respect of £5.9m (2024 – £30.7m) of undistributed earnings, which may be subject to a withholding tax, as the Group is in a position to control the timing of the reversal of the temporary differences and it is not probable that such differences will reverse in the foreseeable future.

At the Balance Sheet date, the Group had £5.0m (2024 – £5.0m) of surplus Advanced Corporation Tax ('ACT'), previously written off, for which no deferred tax asset has been recognised as it is unlikely to be recovered in the foreseeable future due to the UK earnings profile. The Group also has £18.0m (2024 – £18.0m) of unused capital losses.

22. Lease liabilities

When measuring lease liabilities, the Group discounts lease payments using incremental borrowing rates, determined on a lease portfolio basis.

Undiscounted contractual maturity of lease liabilities:

	Year ended 2025 £m	Year ended 2024 £m
Amounts payable:		
On demand or within one year	8.6	14.2
In the second to fifth years inclusive	25.1	39.8
After five years	20.3	49.0
	54.0	103.0
Less: future finance charges	(10.0)	(26.8)
Lease liabilities	44.0	76.2

Amounts recognised in the Consolidated Income Statement:

	Year ended 2025 £m	Year ended ¹ 2024 £m
Interest on lease liabilities	2.2	1.8
	2.2	1.8

There was no income from sub-leasing right-of-use assets (2024 – £nil). If all lease extension options were fully applied, lease liabilities would increase by £6.9m at 31 December 2025. There was no expense related to low value or short-term leases (2024 – £nil).

Amounts recognised in the Consolidated Cash Flow Statement

	Year ended 2025 £m	Year ended ¹ 2024 £m
Cash outflow for leases	8.5	7.9

¹ Comparative information related to Consolidated Income Statement and Cash Flow has been re-presented to show continuing operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

23. Trade and other payables

Trade and other payables at 31 December comprise the following:

	Year ended 2025 £m	Year ended 2024 £m
Current liabilities		
Trade payables	64.8	107.4
Social security and PAYE	4.9	4.8
Value added tax	0.9	2.3
Foreign exchange contracts	0.6	3.7
Accrued expenses	81.2	78.7
Total trade and other payables	152.4	196.9

Foreign exchange contracts of £nil (2024 – £2.1m), advance payments of £2.4m (2024 – £4.4m) and other long-term liabilities of £1.4m (2024 – £2.0m) are included in Others, under Non-current liabilities on the Consolidated Balance Sheet.

The Directors consider that the carrying amount of trade payables approximates to their fair value.

The average credit period taken for trade purchases is 56 days (2024 – 61 days).

24. Provisions

	Warranty £m	Restructuring £m	Legal claims and contractual matters £m	Total £m
At 1 January 2024	17.9	0.5	7.1	25.5
Additional provision in the year	2.8	–	1.7	4.5
Utilisation of provision	(1.0)	(0.5)	(0.6)	(2.1)
Release of unused amounts	(0.6)	–	(1.5)	(2.1)
Exchange differences	0.1	–	–	0.1
At 1 January 2025	19.2	0.0	6.7	25.9
Additional provision in the year	3.3	2.9	0.4	6.6
Utilisation of provision	(1.0)	(1.5)	(0.1)	(2.6)
Release of unused amounts	(2.6)	–	(0.1)	(2.7)
Exchange differences	(0.9)	–	(0.2)	(1.1)
At 31 December 2025	18.1	1.4	6.7	26.1
Included in current liabilities	6.3	1.4	6.6	14.3

Warranty

Provisions for warranty costs are based on an assessment of future claims with reference to past experience. Management exercises judgment to determine the best estimate of the most likely outcome for each provision separately. £6.3m of costs are expected to settle within the next 1 year, with the remainder expected to settle within 3 years. The warranty costs include a provision of £9.8m (2024 – £11.8m) related to one specific disputed commercial matter which was resolved in 2025.

Legal claims and contractual matters

Provisions at 31 December 2025 comprise £6.7m (2024 – £6.7m) relating to contractual matters that have arisen in the ordinary course of business, the settlement of which are subject to ongoing discussions. Management exercises judgment to determine the best estimate of the most likely outcome, having considered each provision separately and the possible range of outcomes. Amounts are recorded for known issues based on past experience of similar items and other known factors and circumstances. As with any judgment there is a high degree of inherent uncertainty, particularly with legal proceedings and claims, and the actual amounts of the settlement could differ from the amount provided.

25. Share capital and share premium**Share capital**

At 31 December 2025, the Company has issued and fully paid 419.4 million ordinary shares of 10p each and share capital of £41.9m (2024 – 419.4 million ordinary shares of 10p each and share capital of £41.9m). No shares were issued during 2025 and 2024. The Company has one class of ordinary shares which carry no right to fixed income.

Share premium

At 31 December 2025, the Company has share premium of £14.8m (2024 – £14.8m). There was no movement during the year.

26. Equity reserve

	Year ended 2025 £m	Year ended 2024 £m
Balance at 1 January	7.8	7.9
Transfer to retained earnings reserve	(3.1)	(4.6)
Share based payment charge	5.1	4.5
Balance at 31 December	9.8	7.8

The transfer to retained earnings reserve is in respect of equity-settled share-based payments that vested during the year.

27. Hedging and translation reserves

	Hedging reserve Year ended 2025 £m	Translation reserve Year ended 2025 £m	Total Year ended 2025 £m	Hedging reserve Year ended 2024 £m	Translation reserve Year ended 2024 £m	Total Year ended 2024 £m
Balance at 1 January	(38.2)	77.4	39.2	(36.1)	73.4	37.3
Exchange differences on translation of overseas operations	–	(11.3)	(11.3)	–	4.0	4.0
Net gains/(losses) on foreign exchange contracts / debt – net investment hedges	(0.8)	–	(0.8)	–	–	–
Foreign exchange losses/(gains) recycled to the Income Statement on disposal	18.1	(72.7)	(54.6)	–	–	–
Change in fair value of hedging derivatives	6.5	–	6.5	(2.9)	–	(2.9)
Tax on foreign exchange contracts- cash flow hedges	(1.7)	–	(1.7)	0.8	–	0.8
Balance at 31 December	(16.1)	(6.6)	(22.7)	(38.2)	77.4	39.2

Hedging Reserve

At 31 December 2025, the hedging reserve comprises net investment hedging losses of £17.9m (2024 – £35.2m), foreign exchange contracts – cash flow hedge gain of £2.3m (2024 – £4.2m losses) and related tax gains of £0.5m (2024 – £1.2m).

Movement in fair value of foreign exchange contracts – cash flow hedges:

	Derivatives at fair value through Hedging Reserve Year ended 2025 £m	Derivatives at fair value through Income Statement Year ended 2025 £m	Total Year ended 2025 £m	Derivatives at fair value through Hedging Reserve Year ended 2024 £m	Derivatives at fair value through Income Statement Year ended 2024 £m	Total Year ended 2024 £m
Balance at 1 January	(4.2)	(0.4)	(4.6)	(1.3)	(0.3)	(1.6)
Fair value movement recognised in Hedging reserve	9.8	–	9.8	(2.8)	–	(2.8)
Fair value movement recognised in Income Statement	–	(2.7)	(2.7)	–	(0.2)	(0.2)
Movement on operations disposed at 31 December 2025	(0.5)	0.5	–	–	–	–
Fair value movement recognised in Hedging reserve and Income Statement	(2.8)	2.8	–	(0.1)	0.1	–
Balance at 31 December	2.3	0.2	2.5	(4.2)	(0.4)	(4.6)

The Group uses foreign currency forward contracts to manage its foreign currency risk associated with its highly probable forecast transactions. These contracts are designated as cash flow hedge relationships. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the hedging reserve. The sum of the fair value of foreign exchange contracts deferred in the hedging reserve and recognised in the Income Statement is presented as foreign exchange contracts – cash flow hedges. See Note 20 for further details.

Costs of Hedging

The group designates the forward component of foreign currency forward contracts as hedging instruments in cash flow hedge relationships.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

28. Retained earnings

	Year ended 2025 £m	Year ended 2024 £m
Balance at 1 January	376.7	368.0
Dividends paid	(10.3)	(10.1)
Profit for the year	(4.2)	25.9
Pension actuarial loss	(14.8)	(4.8)
Transfer from equity reserve	3.1	4.6
Transfer from own share reserve	(4.4)	(7.2)
Tax on deductible temporary differences	3.9	0.3
Balance at 31 December	350.0	376.7

29. Own shares

	Year ended 2025 £m	Year ended 2024 £m
Balance at 1 January	(10.5)	(12.8)
Transfer to retained earnings reserve	4.4	9.3
Purchase of new shares	(7.4)	(7.0)
Balance at 31 December	(13.5)	(10.5)

The own shares reserve represents the cost of shares purchased in the market and held by the Senior plc Employee Benefit Trust to satisfy options under the Group's share option schemes (see Note 32).

At 31 December 2025, the number of own shares held by the Senior Plc Employee Benefit Trust is 7,331,947 (2024 -6,018,162).

30. Acquisition**Acquisition of Spencer Aerospace Manufacturing, LLC.**

On 25 November 2022, the Group acquired substantially all of the assets of Spencer Aerospace Manufacturing, LLC, a leading manufacturer of highly engineered, high-pressure hydraulic fluid fittings for use in commercial and military aerospace applications, located in Valencia, California, USA.

At 31 December 2025, there is a maximum contingent consideration remaining of \$5m (£3.7m) potentially payable, in milestone amounts, dependent on the financial performance of Spencer Aerospace for the period from 1 January 2026 to 31 December 2026. The most likely outcome of this remaining contingent element is estimated as \$5m. The fair value of \$4.7m (£3.5m), which includes discounting, has been recognised at 31 December 2025. The fair value of contingent consideration assumes continuing to expand the relationship with Spencer's established customers and leveraging Senior's strong relationships with OEMs, Tier 1 integrators and after market customers around the world to exploit opportunities for Spencer Aerospace.

In 2025, \$16.6m (£13.0m) contingent consideration was paid, £0.8m costs (2024 – £0.8m) were incurred and fair value change of £0.5m was recognised relating to interest unwind (2024 – release of £3.6m for the 2025 earnout target not expected to be payable offset by £1.4m interest unwind).

The movement of deferred and contingent consideration payable is shown below:

	Year ended 2025 £m	Year ended 2024 £m
Balance at 1 January	16.5	29.0
Cash paid	(13.0)	(10.7)
Change in fair value on acquisition consideration	0.5	(2.2)
Effect of movements in exchange rates	(0.5)	0.4
Balance at 31 December	3.5	16.5
Amounts falling due within one year	–	13.0
Amounts falling due after one year	3.5	3.5
Contingent consideration payable at 31 December	3.5	16.5

31. Notes to the consolidated cash flow statement

A) Reconciliation of operating profit to net cash from operating activities

	Year ended 2025 £m	Year ended ^a 2024 £m
Operating profit from continuing operations	47.3	46.8
Adjustments for:		
Depreciation of property, plant and equipment	27.5	26.3
Amortisation of intangible assets	2.8	2.6
Profit on sale of fixed assets	(0.2)	–
Share-based payment charges	4.7	4.0
Pension contributions	(0.8)	(0.8)
Pension service and running costs	1.6	1.6
Pension benefit clarification	7.3	–
Corporate undertaking costs	(0.8)	(0.8)
Share of joint venture	(3.0)	(1.3)
Increase in inventories	(3.0)	(10.7)
(Increase)/decrease in receivables	(13.6)	7.2
Increase/(decrease) in payables and provisions	11.8	(5.6)
Restructuring impairment of property, plant and equipment	0.4	–
US class action lawsuit	–	1.1
Site relocation costs	–	1.9
Foreign exchange movements (non-cash)	3.0	(0.2)
Cash generated by operations	85.0	72.1
Income taxes paid	(7.5)	(7.4)
Interest paid	(20.6)	(18.9)
Net cash from operating activities	56.9	45.8

B) Free Cash Flow

Free cash flow, a non-statutory item, enhances the reporting of the cash-generating ability of the Group prior to corporate activity such as acquisitions, restructuring, disposal activities, financing and transactions with shareholders. It is used as a performance measure by the Board and Executive Committee and is derived as follows:

	Notes	Year ended 2025 £m	Year ended ^a 2024 £m
Net cash from operating activities		56.9	45.8
Corporate undertaking costs	9	0.8	0.8
Restructuring cash paid		1.5	0.5
Site relocation costs		2.4	1.6
Interest received		6.5	7.0
Proceeds on disposal of property, plant and equipment		0.3	–
Purchases of property, plant and equipment		(32.0)	(28.5)
Purchase of intangible assets		(0.6)	(1.1)
Free cash flow		35.8	26.1

a Comparative information has been re-presented to show continuing operations, note 35.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

31. Notes to the consolidated cash flow statement continued

C) Analysis of net debt

	Notes	At 1 January 2025 £m	Net Cash flow £m	Non Cash £m	Disposal £m	Exchange movement £m	Other Lease Movements £m	At 31 December 2025 £m
Cash and bank balances		45.5	37.7	–	(1.3)	0.1	–	82.0
Overdrafts		–	–	–	–	–	–	–
Cash and cash equivalents		45.5	37.7	–	(1.3)	0.1	–	82.0
Debt due within one year		(75.0)	74.3	(30.0)	–	0.7	–	(30.0)
Debt due after one year		(123.9)	(35.7)	30.0	–	4.3	–	(125.3)
Lease liabilities ¹	22	(76.2)	10.7	–	34.8	2.5	(15.8)	(44.0)
Liabilities arising from financing activities		(275.1)	49.3	–	34.8	7.5	(15.8)	(199.3)
Total		(229.6)	87.0	–	33.5	7.6	(15.8)	(117.3)

1 The change in lease liabilities in the year ended 31 December 2025 includes total lease rental payments of £14.4m including discontinued operations (£3.7m of these payments relates to lease interest), £34.8m related to disposal of Aerostructures and £2.5m exchange movement partly offset by £15.8m lease additions and modifications.

	Notes	At 1 January 2024 £m	Net Cash flow £m	Non Cash £m	Exchange movement £m	Other Lease Movements £m	At 31 December 2024 £m
Cash and bank balances		47.6	(1.4)	–	(0.7)	–	45.5
Overdrafts		(1.8)	1.8	–	–	–	–
Cash and cash equivalents		45.8	0.4	–	(0.7)	–	45.5
Debt due within one year		–	–	(75.0)	–	–	(75.0)
Debt due after one year		(177.8)	(20.2)	75.0	(0.9)	–	(123.9)
Lease liabilities ²	22	(71.8)	10.0	–	(1.5)	(12.9)	(76.2)
Liabilities arising from financing activities		(249.6)	(10.2)	–	(2.4)	(12.9)	(275.1)
Total		(203.8)	(9.8)	–	(3.1)	(12.9)	(229.6)

2 The change in lease liabilities in the year ended 31 December 2024 includes lease rental payments of £13.4m (£3.4m of these payments relates to lease interest), £1.5m exchange movement and £12.9m other movements which are related to lease additions and modifications.

	Year ended 2025 £m	Year ended 2024 £m
Cash and cash equivalents comprise:		
Cash and bank balances	82.0	45.5
Total	82.0	45.5

Cash and cash equivalents (which are presented as a single class of assets on the face of the Consolidated Balance Sheet) comprise cash at bank and other short-term highly liquid investments with a maturity of three months or less. The Directors consider that the carrying amount of cash and cash equivalents approximates to their fair value.

D) Analysis of working capital and provisions

Working capital comprises the following:

	Year ended 2025 £m	Year ended 2024 £m
Inventories	144.9	236.0
Trade and other receivables	108.2	137.2
Trade and other payables	(152.4)	(196.9)
Working capital, including derivatives	100.7	176.3
Items excluded:		
Foreign exchange contracts	(1.0)	2.7
Total	99.7	179.0

31. Notes to the consolidated cash flow statement continued

D) Analysis of working capital and provisions continued

Working capital and provisions movement, net of restructuring items, a non-statutory cash flow item, is derived as follows:

	Year ended 2025 £m	Year ended 2024 £m
Increase in inventories	(3.0)	(10.7)
(Increase)/decrease in receivables	(13.6)	7.2
Increase/(decrease) in payables and provisions	11.8	(5.6)
Working capital and provisions movement, excluding currency effects	(4.8)	(9.1)
Items excluded:		
(Increase)/decrease in restructuring provision	(1.5)	0.5
Increase in inventory impairment	(1.7)	–
Total	(8.0)	(8.6)

32. Share-based payments

The Group recognised total expenses of £5.1m (2024 – £4.5m) related to equity-settled share-based payments, of which £0.4m (2024 – £0.5m) related to discontinued operations. The Group also recognised £0.9m (2024 – £0.3m) related to social security cost. As at 31 December 2025, the Group had a liability of £1.3m (2024 – £0.9m) arising from share-based payments relating to social security costs.

A) 2014 long-term incentive plan

Equity-settled Long-Term Incentive Plans

On 11 March 2025, 3,571,727 shares were awarded under the 2014 Long-Term Incentive Plan. Awards made under this plan have a three-year vesting period, and are subject to the following equally weighted performance conditions: adjusted earnings per share (EPS), total shareholder return (TSR), and for awards granted from 2021, there is also a return on capital employed (ROCE) performance condition. The adjusted EPS and ROCE performance conditions' targets are expressed as absolute numbers for the final financial year of the three-year performance period. The threshold of the TSR performance condition requires the Company's TSR performance to fall within the top half of a comparator group at the end of the three-year performance period. Vesting levels increase with higher performance. The awards are settled by delivering shares to the participants.

The estimated fair value for the awards granted in the year, excluding for the Executive Directors, with EPS and ROCE conditions is 161.0p, which is the share price at the date of grant. The estimated fair value for the awards granted in the year, excluding for the Executive Directors, with TSR conditions is 111.6p per share reflecting an adjustment of 33% to the fair value of the awards with EPS conditions due to the stringent TSR condition. The respective fair values for awards made to the Executive Directors is 148.1p and 102.7p reflecting the two year retention period.

These fair values were calculated by applying a binomial option pricing model. This model incorporates a technique called "bootstrapping", which models the impact of the TSR condition. The model inputs at the date of grant were the share price (161.0p for the main award), expected volatility of 26% per annum, and the performance conditions as noted above. Expected volatility was determined by calculating the historical volatility of the Group's share price over the previous three years.

On 4 April 2025, 501,432 additional shares were awarded with three-year vesting period and subject to the same performance conditions mentioned above. In addition, one off 303,774 LTIP 2022 replacement shares and 199,030 LTIP 2023 replacement shares were also awarded on 4 April 2025 under performance conditions of respective awards.

There were also 17,366 dividend equivalent shares awarded and exercised in 2025.

The following share awards were outstanding as at 31 December 2025 and 2024:

	Year ended 2025 Number of shares	Year ended 2024 Number of shares
Outstanding at 1 January	13,338,868	13,137,108
Granted	4,593,329	4,293,831
Exercised	(782,849)	(2,569,383)
Forfeited	(4,476,066)	(1,522,688)
Outstanding at 31 December	12,673,282	13,338,868

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

32. Share-based payments continued**B) Enhanced SMIS deferred share award**

On 11 March 2025, 587,214 shares were awarded under the Enhanced SMIS Deferred Share Award. Shares earned under this award have a three-year deferral period and would be subject to forfeiture by a "bad leaver" over that deferral period. There are no performance criteria for this award. The awards are settled by delivering shares to the participants.

There were also 37,216 dividend equivalent shares awarded and exercised in 2025.

The estimated fair value for the awards granted in the year is 161.0p per share, which is the share price at the date of grant.

The following share awards were outstanding as at 31 December 2025 and 2024:

	Year ended 2025 Number of shares	Year ended 2024 Number of Shares
Outstanding at 1 January	3,393,683	3,135,225
Granted	624,430	944,861
Exercised	(1,391,115)	(686,403)
Outstanding at 31 December	2,626,998	3,393,683

C) Savings-related share option plan

The Company operates a Savings-Related Share Option Plan for eligible employees across the Group. There are no performance criteria for this arrangement and options are issued to all participants in accordance with the HM Revenue & Customs rules for such savings plans. Savings-Related Share Options were last issued on 29 April 2025 under three-years saving contract.

The following options were outstanding as at 31 December 2025 and 2024:

	Year ended 2025		Year ended 2024	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Outstanding at 1 January	2,491,276	151.77p	4,942,990	138.66p
Granted	3,005,408	147.10p	–	–
Exercised	(200,902)	121.11p	(1,538,946)	118.40p
Forfeited	(656,561)	147.37p	(912,768)	137.05p
Outstanding at 31 December	4,639,221	150.69p	2,491,276	151.77p
Exercisable at 31 December	–	–	298,041	118.40p

200,902 shares were exercised in 2025 (2024 – 1,538,946 shares). The options outstanding at 31 December 2025 had exercise prices of 156.30p and 147.10p per share, and a weighted average remaining contractual life of 2.2 years. The options outstanding at 31 December 2024 had exercise prices of 156.30p and 118.40p per share, and a weighted average remaining contractual life of 1.7 years.

D) Restricted share awards

On 15 March 2025, 365,000 shares and on 4 April 2025, 57,775 additional shares were awarded under this plan. Shares granted under this award have a three-year deferral period and would be subject to forfeiture by a "bad leaver" over that deferral period. There are no performance criteria for this award. The awards are settled by delivering shares to the participants.

The estimated fair value for the awards granted in the year is 161.0p per share, which is the share price at the date of grant.

The following share awards were outstanding as at 31 December 2025 and 2024:

	Year ended 2025 Number of shares	Year ended 2024 Number of Shares
Outstanding at 1 January	775,000	540,000
Granted	422,775	355,000
Exercised	(199,605)	(100,000)
Forfeited	–	(20,000)
Outstanding at 31 December	998,170	775,000

33. Retirement benefit schemes

Summary:

The Group operates a number of pension plans in the UK, North America and Europe. These include both defined contribution arrangements and defined benefit arrangements. The Senior plc Pension Plan (“the UK Plan”), which is a funded scheme in the UK and closed to future accrual at the end of 6 April 2014, has the largest pension obligation in the Group and Company. In addition, the Group operates one defined benefit plan in the US, closed to future participants from September 2013 (with Executive section closed to future participants from December 2013) and was also closed to future accruals from December 2013, and a number of unfunded post-retirement plans, including a closed healthcare scheme in the US.

a) Defined benefit plans

UK Plan:

In September 2025, the Trustee of the Senior plc Pension Plan entered into a bulk annuity contract (“buy-in”) with an insurer, M&G, covering all scheme members. The policy is treated as a plan asset under IAS19 with the value set equal to the corresponding liability covered by the policy, as it provides income substantially matching the benefits payable by the Plan. The legal obligation to pay benefits remains with the Plan Trustee. No formal decision to progress to buy-out and wind-up can be made until the Company and Trustee agree on several key areas, including clarification of certain Plan benefits and use of residual surplus. The loss arising out of this transaction of approximately £16.0m was recognised in Other Comprehensive Income.

As part of the due diligence work undertaken for the buy-in, some clarifications were identified relating to the administration of certain plan benefits. In addition, a separate matter outside of the buy-in scope was also identified for annuity income owed to the UK Plan in respect of other insured members. These matters are historical and had they been identified previously, would have impacted the financial statements in prior periods. As a consequence, the Group incurred a charge of £7.3m in 2025 representing the estimated effect of applying the benefit clarifications on the UK Plan at the year end. These estimated adjustments have been accounted for as plan amendments through past service cost in the Consolidated Income Statement as the estimated amount related to Other Comprehensive Income is considered negligible. Comparative information has not been restated as the Directors consider the impact on prior period financial statements to be immaterial.

The UK Plan was in a surplus position of £22.8m as at 5 April 2025 when measured on the Trustee’s funding basis and is in a surplus position of £23.3m as at 31 December 2025 (31 December 2024 – £43.5m surplus) when measured on an IAS 19 basis. The difference between the triennial funding and annual IAS 19 valuation relates to the assumptions used. For example, the funding discount rate is based on the UK Plan’s stated investment strategy, as opposed to the yields available on corporate bonds for the IAS 19 discount rate. The IAS 19 surplus position on the UK Plan is recognised as an asset in the Consolidated and Company Balance Sheet, with no requirement to recognise an additional liability on the UK Plan, on the grounds that the Company has an unconditional right to a refund, assuming the gradual settlement of Plan liabilities over time until all members have left. In considering this, the Company has taken into account that the Trustees do not have unilateral powers to wind up the Plan or modify benefits.

The decision to enter into the buy-in was a change in investment strategy which was decided by the Trustee in consultation with and support from Senior plc. As a result of the buy-in, the UK Plan has largely mitigated its funding and investment risks and has ensured that the Plan is able to meet its primary investment objective of meeting all future benefit payments as they fall due. In particular, while the value of the obligations may increase or decrease as a result of changes in financial conditions or assumptions, such as longevity, there is expected to be a matching change in the value of the bulk annuity contract. Therefore the surplus is no longer sensitive to changes in assumptions and the risk that the Company would need to provide further contributions has been significantly mitigated. No further Company contributions are payable under the current funding plan. The surplus may however change in future as the value of the assets other than the bulk annuity policy changes and expenses are met from Plan assets. The UK Plan’s average duration is around 10 years and benefits are expected to be paid for the next 60 years. These cash flow payments are expected to reach a peak around 2031, and gradually decline thereafter as the membership matures.

On 5 June 2025, the Department for Work and Pensions (DWP) announced that the Government will introduce legislation to give pension schemes affected by the Virgin Media ruling the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. This new development remains under consideration for the Company and the Trustee. The defined benefit obligation presented in these condensed financial statements reflects the plan benefits currently being administered and the estimated impact of recently identified benefit clarifications and therefore treats all past rule changes as being valid.

Up to and including 18th December 2025 the Trustee of the UK Plan was Senior Trustee Limited. The appointment of the Directors to the Board was determined by the Articles of Association of Senior Trustee Limited. There were seven Trustee Directors in total and in accordance with statutory requirements under the Pensions Act 2004, at least one-third of trustees must be a Member Nominated Director. There were three Member Nominated Directors and four Directors who have been nominated by the Company, of which the Chairman and one other Director are viewed as independent. On 19th December 2025, the Company appointed ndapt Trustee Limited (“ndapt”) to replace Senior Trustee Limited as the sole professional trustee of the UK Plan, following an assessment of the governance structure and the workstream requirements following the buy-in.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

33. Retirement benefit schemes continued*Financial Summary of defined benefit plans:*

The amount included in the Consolidated Balance Sheet arising from the Group's obligations in respect of its defined benefit plans is set out below.

	31 December 2025				31 December 2024			
	UK plans funded £m	US plans funded £m	Unfunded plans £m	Total £m	UK plans funded £m	US plans funded £m	Unfunded plans £m	Total £m
Present value of defined benefit obligations	(172.7)	(32.2)	(4.0)	(208.9)	(181.9)	(33.5)	(5.4)	(220.8)
Fair value of plan assets	196.0	29.9	–	225.9	225.4	32.1	–	257.5
Plan surplus/(deficit) per Consolidated Balance Sheet	23.3	(2.3)	(4.0)	17.0	43.5	(1.4)	(5.4)	36.7

i) Movements in the present value of defined benefit obligations were as follows:

	31 December 2025				31 December 2024			
	UK plans funded £m	US plans funded £m	Unfunded plans £m	Total £m	UK plans funded £m	US plans funded £m	Unfunded plans £m	Total £m
At 1 January	181.9	33.5	5.4	220.8	199.2	37.3	5.2	241.7
Current service cost	–	0.2	0.6	0.8	–	0.2	0.5	0.7
Past service cost	7.3	–	–	7.3	–	–	–	–
Interest cost	9.4	1.8	0.1	11.3	8.8	1.7	0.1	10.6
Experience on benefit obligations	(0.5)	1.1	–	0.6	0.6	(0.8)	–	(0.2)
Actuarial (gains)/losses – financial	(4.3)	0.2	(0.1)	(4.2)	(17.3)	(2.1)	0.1	(19.3)
Actuarial losses/(gains) – demographic	(3.6)	–	–	(3.6)	2.6	–	–	2.6
Benefits paid	(17.5)	(2.3)	(0.6)	(20.4)	(12.0)	(3.3)	(0.4)	(15.7)
Disposal (Aerostructures)	–	–	(1.6)	(1.6)	–	–	–	–
Exchange differences	–	(2.3)	0.2	(2.1)	–	0.5	(0.1)	0.4
At 31 December	172.7	32.2	4.0	208.9	181.9	33.5	5.4	220.8

ii) Movements in the fair value of plan assets were as follows:

	31 December 2025				31 December 2024			
	UK plans funded £m	US plans funded £m	Unfunded plans £m	Total £m	UK plans funded £m	US plans funded £m	Unfunded plans £m	Total £m
At 1 January	225.4	32.1	–	257.5	247.7	34.5	–	282.2
Interest on plan assets	11.7	1.7	–	13.4	11.0	1.6	–	12.6
Actual return on plan assets less interest	(22.3)	0.3	–	(22.0)	(20.1)	(1.6)	–	(21.7)
Contributions from employer	–	0.4	–	0.4	–	0.4	–	0.4
Benefits paid	(17.5)	(2.3)	–	(19.8)	(12.0)	(3.3)	–	(15.3)
Running costs	(1.3)	(0.1)	–	(1.4)	(1.2)	–	–	(1.2)
Exchange differences	–	(2.2)	–	(2.2)	–	0.5	–	0.5
At 31 December	196.0	29.9	–	225.9	225.4	32.1	–	257.5

33. Retirement benefit schemes continued

iii) Amounts recognised in the Consolidated Income Statement in respect of these defined benefit schemes are as follows:

	31 December 2025				31 December 2024			
	UK plans funded £m	US plans funded £m	Unfunded plans £m	Total £m	UK plans funded £m	US plans funded £m	Unfunded plans £m	Total £m
Current service cost	–	0.2	0.6	0.8	–	0.2	0.5	0.7
Past service cost	7.3	–	–	7.3	–	–	–	–
Running cost	1.3	0.1	–	1.4	1.2	–	–	1.2
Charge included within operating profit	8.6	0.3	0.6	9.5	1.2	0.2	0.5	1.9
Included within finance income	(2.3)	0.1	0.1	(2.1)	(2.2)	0.1	0.1	(2.0)
Amount recognised in the Income Statement	6.3	0.4	0.7	7.4	(1.0)	0.3	0.6	(0.1)

iv) Amounts recognised in other comprehensive income are as follows:

	31 December 2025				31 December 2024			
	UK plans funded £m	US plans funded £m	Unfunded plans £m	Total £m	UK plans funded £m	US plans funded £m	Unfunded plans £m	Total £m
Net actuarial gain/(losses) in the year due to:								
– Change in financial assumptions	4.3	(0.2)	0.1	4.2	17.3	2.1	(0.1)	19.3
– Change in demographic assumptions	3.6	–	–	3.6	(2.6)	–	–	(2.6)
– Experience adjustments on benefit obligations	0.5	(1.1)	–	(0.6)	(0.6)	0.8	–	0.2
Actual return on plan assets less interest on benefit obligations	(22.3)	0.3	–	(22.0)	(20.1)	(1.6)	–	(21.7)
(Losses)/gains recognised in other comprehensive income	(13.9)	(1.0)	0.1	(14.8)	(6.0)	1.3	(0.1)	(4.8)

Actuarial losses of £14.8m (2024 – £4.8m) have been recognised in the Statement of Comprehensive Income. The cumulative amount of actuarial losses recognised in the Statement of Comprehensive Income as at 31 December 2025 is £68.3m (2024 – £53.5m).

v) Assets and assumptions in funded plans

	UK plans funded		US plans funded	
	2025 £m	2024 £m	2025 £m	2024 £m
Fair value of plan assets				
Insured annuities	159.2	3.1	–	–
Bonds	–	99.4	29.9	32.1
Gilts and money market funds	28.5	118.0	–	–
Cash	0.9	4.9	–	–
Net current assets ¹	7.4	–	–	–
Total	196.0	225.4	29.9	32.1
Actual return on plan assets	(10.6)	(9.1)	2.0	3.0

¹ The net current assets include a prepayment of £6m made to the insurer in respect of data cleanse items relating to the administration of certain plan benefits which are already provided for within the defined benefit obligation at 31st December 2025.

The UK Plan's assets are within insured annuities and invested in pooled funds, invested exclusively within instruments with quoted market prices in an active market. The value of the invested assets has been measured at bid value and the insurance annuity policies have been valued using assumptions consistent with the corresponding obligations. As at 31 December 2025, all of the UK Plan's gilt and money market funds allocation was held in a sterling money market fund. The UK Plan does not invest directly in property occupied by the Company or in financial securities issued by the Company.

Following the M&G buy-in, changes in the financial or demographic assumptions will not have a material impact on Plan surplus as the value of the Plan's insurance policy assets are expected to move in line with the defined benefit obligations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

33. Retirement benefit schemes continued

In the US funded plan, the assets are held in separate trustee administered funds managed by independent financial institutions and have pension costs assessed by consulting actuaries using the Projected Unit Method. The estimated contributions expected to be paid during 2026 in the US funded plans is £0.4m.

	UK plans funded		US plans funded	
	2025	2024	2025	2024
Major assumptions (per annum %)				
Inflation ²	2.90%	3.30%	N/A	N/A
Increase in salaries	N/A	N/A	N/A	N/A
Increase in pensions	2.80%	3.10%	0.00%	0.00%
Increase in deferred pensions	2.90%	3.30%	0.00%	0.00%
Rate used to discount plan liabilities	5.40%	5.40%	5.28%	5.63%
Life expectancy of a male aged 65 at the year-end	20.2	20.3	19.9	19.8
Life expectancy of a male aged 65, 20 years after the year-end	21.5	21.7	20.8	21.4

² Benefits under the US funded plans are not linked to inflation or increase in salaries, but are negotiated as part of collective bargaining agreement, with benefits based on the year of credited service.

The UK Plan retirement benefit obligation is discounted at a rate set by reference to market yields at the end of the reporting period on high quality corporate bonds. Estimation is required when setting the criteria for bonds to be included in the population from which the yield curve is derived. The most significant criteria considered for the selection of bonds include the issue size of the corporate bonds, quality of the bonds and the identification of outliers which are excluded. The assumption for estimating future Retail Prices Index (RPI) inflation is based on the difference in yields on fixed-interest and index-linked gilts. Demographic assumptions are set broadly in line with the most recent actuarial valuation of the UK plan. The mortality assumption is 96% of standard mortality tables with an allowance for future improvements in line with the CMI 2024 enhanced projections, with a long-term annual rate of improvement of 1.25% for males and for females.

For the UK Plan, the estimated impact on the defined benefit liabilities at 31 December 2025 for changes in assumptions is as follows:

	2025 Increase/(decrease) in defined benefit liabilities £m	2024 Increase/(decrease) in defined benefit liabilities £m
0.5% decrease in the discount rate	(8.5)	(9.1)
One-year increase in life expectancy	(6.6)	(7.5)
0.5% increase in inflation	(5.4)	(5.4)

These sensitivities have been calculated to show the movement in defined benefit obligations as at 31 December 2025.

vi) Other post-retirement liabilities

This balance comprises an unfunded German pension plan of £2.3m (2024 – £2.5m), unfunded closed pension and post-retirement healthcare plans in the US of £0.4m (2024 – £0.4m), a provision for post-retirement payments in France of £1.3m (2024 – £1.4m) and £nil for post-retirement payments in Thailand which is no longer part of the Group (2024 – £1.1m).

The closed pension and post-retirement healthcare plans in the US have been valued on a Projected Unit Method using a discount rate of 5.28% (2024 – 5.63%). No participants were eligible for medical benefits under the healthcare plan in 2025. The German plan has been subject to formal actuarial valuation on a Projected Unit Method with the following assumptions: discount rate 4.04%, salary growth nil% and pension increase 2.0% (2024 – 3.17%, nil% and 2.2%). In France, the provision arises from a legal obligation to make payments to retirees in the first two years post-retirement. Hence, it is not subject to discounting to the same extent as the other longer-term post-retirement liabilities. The Thailand plan was disposed as part of the Aerostructures disposal on 31st December 2025.

b) Defined contribution schemes

The Group has a number of different defined contribution and government-sponsored arrangements in place in the countries in which it operates. None of these are individually material to the Group and the aggregate cost of such schemes for the period was £13.2m (2024 – £11.5m).

34. Contingent liabilities

The Group could, in the course of conducting business, be subject to claims arising from possible scenarios such as commercial and compliance matters, product quality or liability, tax audits and it also faces general information security risks. Where the Board has assessed there to be a probable outflow of economic benefits, provision has been made for the best estimate as at 31 December 2025 (see Note 24). For all other matters, the Board consider less than probable likelihood that there will be an economic outflow of benefits. While the outcome of these matters cannot be predicted with any certainty, the Directors do not expect any of these arrangements, legal actions or claims, after allowing for provisions already made where appropriate, to result in significant loss to the Group.

35. Disposal and discontinued operations

The Group completed the sale of its Aerostructures business on 31st December 2025 to Sullivan Street Partners, a UK-based mid-market private equity investor, for total estimated consideration of £116.8m, comprising initial proceeds of £95.7m and estimated customary adjustments and fair value contingent consideration receivable of £21.1m. Net assets disposed were £147.3m (£210.0m working capital and other assets net of held for sale depreciation stoppage, £27.2m goodwill, partly offset by £35.3m finance lease liabilities and £54.6m recycling of historical foreign currency net gains) and disposal costs were £11.7m, which resulted in a full year net loss before tax of £42.2m.

The Group is entitled to contingent consideration determined by reference to a multiple of the EBITDA of the disposed business for the year ended 31 December 2025, subject to specific adjustments set out in the sale and purchase agreement ("SPA"), and is subject to a completion accounts process which has not been finalised or agreed with the purchaser at the reporting date. Other post sale customary adjustments, such as working capital true-ups, will also be finalised on conclusion of the completion accounts process. Per the SPA, the contractual range on the contingent consideration is £nil to £50m. A contingent consideration receivable of £13.2m (before £0.3m discounting) has been recognised at fair value at 31 December 2025, representing management's best estimate of the amount expected to be received based on information available at the reporting date and the contractual terms of the SPA. The valuation requires the application of judgement, particularly in relation to the interpretation of contractual provisions and the resolution of matters through the completion accounts process. The final outcome, which may differ from the valuation at 31 December 2025, remains subject to these interpretations, negotiation and agreement between the parties and will be finalised once the completion accounts process is concluded. The Directors believe the fair value determined is reasonable based on the approach taken. However, once an agreement is reached with the buyer the ultimate amount receivable may be higher or lower than the amount recognised. Based on information available today, the Directors do not expect the amount receivable to be materially lower, although it could be materially higher.

The results of the discontinued operation, which have been included in the Consolidated Income Statement, were as follows:

	Year ended 2025 £m	Year ended 2024 £m
Results of discontinued operations		
Revenue	312.5	272.4
Trading profit/(loss)	6.2	(6.5)
Operating profit/(loss)	6.2	(6.5)
Profit/(loss) before tax	3.2	(9.2)
Tax (charge)/credit	(1.1)	2.2
Profit/(loss) from operating activities, net of tax	2.1	(7.0)
Full year impact of disposal	(42.2)	(0.4)
Tax on disposal loss	8.6	0.1
Loss for the period from discontinued operations, net of tax	(31.5)	(7.3)
Other comprehensive (expense)/income, net of tax	(59.6)	3.4
Total comprehensive expense for the period	(91.1)	(3.9)
(Loss)/earnings per share		
Basic	(7.62)p	(1.76)p
Diluted	(7.40)p	(1.72)p

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

35. Disposal and discontinued operations continued

	Year ended 2025 £m	Year ended 2024 £m
Cash flows from discontinued operations		
Net cash generated in operating activities	7.4	3.2
Net cash from investing activities	78.2	(13.5)
Net cash used in financing activities	(4.3)	(3.9)
Net cash flow for the period	81.3	(14.2)
Net cash disposed	(1.3)	–
Net cash impact	80.0	(14.2)

	Year ended 2025 £m
Effect of disposal on individual assets and liabilities	
Assets	
Goodwill ¹	27.2
Other intangible assets	1.2
Property, plant and equipment ¹	131.0
Deferred tax assets	1.5
Inventories	94.3
Trade and other receivables	41.4
Cash and cash equivalents	1.3
Total assets	297.9
Liabilities	
Trade and other payables	(50.8)
Retirement benefits	(1.6)
Lease liabilities	(35.3)
Other creditors	(0.9)
Total liabilities	(88.6)
Net assets disposed	209.3
<p>¹ On 30th June 2025, there was a remeasurement loss of £39.7m (£27.2m goodwill, £9.3m property, plant and equipment and £3.2m right of use assets), following the transfer of these assets to held for sale. This loss is included within the total loss from discontinued operations.</p> <p>Net assets above offset with recycling of historical FX gain of £54.6m and depreciation stoppage of £7.4m resulting in net assets disposed of £147.3m.</p>	
Consideration received, satisfied in cash	95.7
Purchase property, plant and equipment	(17.5)
Net cash from investing activities	78.2

36. Post balance sheet event

The Company made an announcement under Rule 2.4 of the UK Takeover Code on 27 February 2026 in which it confirmed that it was in discussions with parties in connection with a potential offer for the Company. There can be no certainty that any offer will be made, or as to the terms of any such offer.

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2025

	Notes	Year ended 2025 £m	Year ended 2024 £m
Non-current assets			
Investment in subsidiaries	38	259.9	259.9
Property, plant and equipment	39	1.0	1.3
Other intangible assets	37	0.1	0.2
Other receivables	40	90.7	93.9
Retirement benefits	49	23.3	43.5
Total non-current assets		375.0	398.8
Current assets			
Other receivables	40	102.0	64.6
Cash and bank balances	46	47.5	1.8
Total current assets		149.5	66.4
Total assets		524.5	465.2
Current liabilities			
Trade and other payables	42	172.5	81.0
Lease liabilities	47	0.3	0.3
Bank overdrafts and loans	41	30.0	75.0
Total current liabilities		202.8	156.3
Non-current liabilities			
Bank and other loans	41	53.5	50.5
Lease liabilities	47	0.2	0.5
Deferred tax liabilities	48	4.2	9.4
Total non-current liabilities		57.9	60.4
Total liabilities		260.7	216.7
Net assets		263.8	248.5
Equity			
Issued share capital	43	41.9	41.9
Share premium account		14.8	14.8
Equity reserve		9.8	7.8
Retained earnings	44	210.8	194.5
Own shares	45	(13.5)	(10.5)
Total equity		263.8	248.5

The Profit for the Company for the year ended 31 December 2025 was £38.2m (2024 – £11.1m loss).

The Financial Statements of Senior plc (registered number 282772) were approved by the Board of Directors and authorised for issue on 27 February 2026. They were signed on its behalf by:

David Squires
Director

Alpna Amar
Director

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

All equity is attributable to equity holders of the Company							
	Notes	Issued share capital £m	Share premium account £m	Equity reserve £m	Retained earnings £m	Own shares £m	Total equity £m
Balance at 1 January 2024		41.9	14.8	7.9	223.1	(12.8)	274.9
Loss for the year 2024		–	–	–	(11.1)	–	(11.1)
Actuarial losses on defined benefit pension schemes		–	–	–	(6.0)	–	(6.0)
Tax relating to components of other comprehensive income		–	–	–	1.5	–	1.5
Total comprehensive income for the period		–	–	–	(15.6)	–	(15.6)
Share-based payment charge		–	–	4.5	–	–	4.5
Tax relating to share-based payments		–	–	–	(0.3)	–	(0.3)
Purchase of shares held by employee benefit trust net of repayments	45	–	–	–	2.1	(7.0)	(4.9)
Use of shares held by employee benefit trust	45	–	–	–	(9.3)	9.3	–
Transfer to retained earnings	44	–	–	(4.6)	4.6	–	–
Dividends paid	11	–	–	–	(10.1)	–	(10.1)
Balance at 31 December 2024		41.9	14.8	7.8	194.5	(10.5)	248.5
Profit for the year 2025		–	–	–	38.2	–	38.2
Actuarial losses on defined benefit pension schemes		–	–	–	(13.9)	–	(13.9)
Tax relating to components of other comprehensive income		–	–	–	3.5	–	3.5
Total comprehensive income for the period		–	–	–	27.8	–	27.8
Share-based payment charge		–	–	5.1	–	–	5.1
Tax relating to share-based payments		–	–	–	0.1	–	0.1
Purchase of shares held by employee benefit trust net of repayments	45	–	–	–	–	(7.4)	(7.4)
Use of shares held by employee benefit trust	45	–	–	–	(4.4)	4.4	–
Transfer to retained earnings	44	–	–	(3.1)	3.1	–	–
Dividends paid	11	–	–	–	(10.3)	–	(10.3)
Balance at 31 December 2025		41.9	14.8	9.8	210.8	(13.5)	263.8

NOTES TO THE COMPANY FINANCIAL STATEMENTS

Accounting policies

Basis of accounting (company only)

These Financial Statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). In preparing these Financial Statements, the Company applies the recognition, measurement and disclosure requirements of UK-adopted international accounting standards ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has taken advantage of the FRS 101 disclosure exemptions for share-based payments, financial instruments, fair value measurements, capital management, presentation of a cash flow statement, disclosure of related party transactions and income taxes in connection with Pillar II disclosures. The Financial Statements have been prepared on the historical cost basis. They have also been prepared on the going concern basis, as set out in the basis of preparation, Note 2 to the Consolidated Financial Statements. The principal accounting policies adopted are the same as those set out in Note 2 to the Consolidated Financial Statements, except in respect of investments in subsidiaries, which are stated at cost less, where appropriate, provisions for impairment. The carrying values of investments in subsidiaries are reviewed for impairment if events or changes in circumstances indicate the carrying values may not be recoverable. Amounts due from subsidiaries are financial assets measured at amortised cost. Expected credit losses, in accordance with IFRS 9, are assessed at each reporting date using the 12-month ECL approach, as the balances are considered to have low credit risk. The assessment considers the financial position of the subsidiaries, historical settlement patterns and forward-looking information. The Company reports a net current liability position primarily due to intercompany loans that are contractually repayable on demand and are therefore classified as current liabilities (under IAS 1.69). These balances are due to a subsidiary under the control of the Group and, although legally repayable on demand, there is no intention or expectation that repayment will be demanded. The Company controls the timing of any settlement through its control of the subsidiary. The Company is incorporated in England and Wales under the Companies Act.

37. Other intangible assets

	Year ended 2025 Computer software £m	Year ended 2024 Computer software £m
Cost		
At 1 January	1.1	1.1
Additions	–	–
At 31 December	1.1	1.1
Amortisation		
At 1 January	0.9	0.8
Charge for the year	0.1	0.1
At 31 December	1.0	0.9
Carrying amount at 31 December	0.1	0.2

38. Investments in subsidiaries

A list of the significant investments in subsidiaries, including the name, country of incorporation, and proportion of ownership interest is given on pages 186 to 187.

	Year ended 2025 £m	Year ended 2024 £m
At 1 January and 31 December	259.9	259.9

Impairment provision at 31 December 2025 was £nil (2024 – £nil).

39. Property, plant and equipment

	Year ended 2025 Plant and equipment £m	Year ended 2024 Plant and equipment £m
Cost		
At 1 January	3.1	2.5
Additions	–	0.6
At 31 December	3.1	3.1
Accumulated depreciation		
At 1 January	1.8	1.4
Charge for the year	0.3	0.4
At 31 December	2.1	1.8
Carrying amount at 31 December	1.0	1.3

The carrying amount includes £0.4m of right-of-use assets (2024- £0.7m).

NOTES TO THE COMPANY FINANCIAL STATEMENTS continued

40. Other receivables

Other receivables comprise the following:

	Year ended 2025 £m	Year ended 2024 £m
Other receivables: amounts due more than one year		
Due from subsidiaries	90.7	93.9
	90.7	93.9
Other receivables: amounts due within one year		
Value added tax	0.3	0.3
Prepayments and accrued income	1.9	1.2
Due from subsidiaries	99.8	63.1
	102.0	64.6
Total other receivables	192.7	158.5

The Directors consider that the carrying amount of debtors approximates to their fair value. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable above. The Company does not hold any collateral as security.

The carrying amounts due from subsidiaries approximates to their fair value. There are no past due receivable balances and expected credit losses are immaterial (2024 – immaterial).

As at 31 December 2025, other receivables due in more than one year consist of £6.7m (2024 – £6.8m) due in accordance with the vesting periods of share-based payments and £84.0m (2024 – £87.1m) of loans to subsidiaries at market rates of interest.

41. Bank overdrafts and loans

	Year ended 2025 £m	Year ended 2024 £m
Bank loans	29.4	27.5
Other loans	54.1	98.0
Total	83.5	125.5
The borrowings are repayable as follows:		
On demand or within one year	30.0	75.0
In the second year	23.7	–
In the third to fifth years inclusive	29.8	50.5
After five years	–	–
	83.5	125.5
Less: amount due for settlement within 12 months (shown under current liabilities)	(30.0)	(75.0)
Amount due for settlement after 12 months	53.5	50.5

At 31 December 2025, bank loans are £30m and there are £0.6m of capitalised revolving credit facility transaction costs.

At 31 December 2024, bank loans were £28.4m and there were £0.9m of capitalised revolving credit facility transaction costs.

Analysis of borrowings by currency

31 December 2025

	Pound Sterling £m	Euros £m	US Dollars £m	Total £m
Bank loans	29.4	–	–	29.4
Other loans	–	24.3	29.8	54.1
	29.4	24.3	29.8	83.5

31 December 2024

	Pound Sterling £m	Euros £m	US Dollars £m	Total £m
Bank loans	21.1	–	6.4	27.5
Other loans	27.0	23.0	48.0	98.0
	48.1	23.0	54.4	125.5

41. Bank overdrafts and loans continued

The weighted average interest rates paid were as follows:

	Year ended 2025 %	Year ended 2024 %
Bank loans and overdrafts	5.95	6.80
Other loans	3.45	2.82

Bank loans of £30.0m (2024– £28.4m) are arranged at floating rates, thus exposing the Company to cash flow interest rate risk. Other borrowings are mainly arranged at fixed interest rates and expose the Company to fair value interest rate risk. No interest rate swaps were taken out in 2024 or 2025. Transaction costs of £0.6m (2024- £1.0m) have been deducted from the bank loans carrying value. Transaction costs of £0.1m (2024- £0.1m), directly attributable to the GBP notes (£nil), the Euro notes (£nil) and the US Dollar notes (£0.1m) have been deducted from the carrying value of Other loans.

The Directors estimate the fair value of the Company's borrowings to be as follows:

	Year ended 2025 £m	Year ended 2024 £m
Bank loans and overdrafts	29.4	27.5
Other loans	54.3	96.6
	83.7	124.1

42. Trade and other payables

Trade and other payables comprise the following:

	Year ended 2025 £m	Year ended 2024 £m
Trade and other payables: amounts falling due within one year		
Trade payables	1.2	2.3
Social security and PAYE	0.6	0.2
Other payables and accruals	16.7	8.1
Due to subsidiaries	154.0	70.4
Total trade and other payables	172.5	81.0

The Directors consider that the carrying amount of trade payables approximates to their fair value. Amounts due from subsidiaries are interest bearing and repayable on demand.

43. Issued share capital

At 31 December 2025, the Company has issued and fully paid 419.4 million ordinary shares of 10p each and share capital of £41.9m (2024 – 419.4 million ordinary shares of 10p each and share capital of £41.9m). No shares were issued during 2025 and 2024. The Company has one class of ordinary shares which carry no right to fixed income.

44. Retained earnings

	Year ended 2025 £m	Year ended 2024 £m
Balance at 1 January	194.5	223.1
Dividends paid	(10.3)	(10.1)
Profit/(loss) for the year	38.2	(11.1)
Pension actuarial loss	(13.9)	(6.0)
Transfer from equity reserve	3.1	4.6
Transfer from own share reserve	(4.4)	(7.2)
Tax on deductible temporary differences	3.6	1.2
Balance at 31 December	210.8	194.5

In accordance with Section 408 of the Companies Act 2006, the Company has not presented its own Statement of Comprehensive Income, including the Income Statement and related Notes.

NOTES TO THE COMPANY FINANCIAL STATEMENTS continued

45. Own shares

	Year ended 2025 £m	Year ended 2024 £m
Balance at 1 January	(10.5)	(12.8)
Transfer to retained earnings	4.4	9.3
Purchase of new shares	(7.4)	(7.0)
Balance at 31 December	(13.5)	(10.5)

The own shares reserve represents the cost of shares purchased in the market and held by the Senior plc Employee Benefit Trust to satisfy options under the Group's share option schemes (see Note 32).

The nominal value of each share is £0.1 (2024 – £0.1). The total number of treasury shares at 31 December 2025 is 7,331,947 (2024 – 6,018,162).

46. Cash and bank balances

	Year ended 2025 £m	Year ended 2024 £m
Cash and cash equivalents comprise:		
Cash	47.5	1.8

Cash and bank balances held by the Company (which are presented as a single class of assets on the face of the Balance Sheet) comprise cash at bank and other short-term highly liquid investments with a maturity of three months or less. The Directors consider that the carrying amount of cash and cash equivalents approximate to their face value.

47. Lease liabilities

When measuring lease liabilities, the Company discounts lease payments using incremental borrowing rates, determined on a lease portfolio basis.

	Year ended 2025 £m	Year ended 2024 £m
Undiscounted contractual maturity of lease liabilities:		
Amounts payable:		
On demand or within one year	0.3	0.3
In the second to fifth years inclusive	0.2	0.5
After five years	–	–
	0.5	0.8
Less: future finance charges	–	–
Lease liabilities	0.5	0.8

There was no income from sub-leasing right-of-use assets (2024 – £nil). The Company recognised lease cash outflow of £0.3m (2024 – £0.3m).

As at the date of approving the accounts, the Company has guaranteed £0.4m (2024 – £0.4m) of annual lease commitments of a current subsidiary entity.

48. Tax balance sheet**Deferred tax liabilities**

The following are the major deferred tax liabilities and assets recognised by the Company and movements thereon during the current and prior reporting period:

	Accelerated tax depreciation £m	Retirement benefits £m	Share based payments £m	Tax Losses £m	Total £m
At 1 January 2024	(0.2)	12.1	(1.4)	(1.6)	8.9
Charge to income	0.2	0.3	–	1.2	1.7
Charge to equity	–	–	0.3	–	0.3
Credit to other comprehensive income	–	(1.5)	–	–	(1.5)
At 1 January 2025	–	10.9	(1.1)	(0.4)	9.4
Charge/(Credit) to income	–	(1.6)	(0.2)	0.2	(1.6)
Credit to equity	–	–	(0.1)	–	(0.1)
Credit to other comprehensive income	–	(3.5)	–	–	(3.5)
As at 31 December 2025	–	5.8	(1.4)	(0.2)	4.2

48. Tax balance sheet continued

Deferred tax liabilities continued

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances, after offset:

	Year ended 2025 £m	Year ended 2024 £m
Deferred tax liabilities	4.2	9.4

At the Balance Sheet date, the Company has unused capital losses of £15.6m (2024 – £15.6m) available for offset against future capital gains. No deferred tax asset has been recognised as no such capital gains are anticipated to arise in the foreseeable future.

49. Retirement benefit scheme

The Company's defined benefit scheme is shown in Note 33 in the "UK plans funded" column.

50. Related party transactions

Barbara Jeremiah, Senior Independent Non-Executive Director and Chair of the Remuneration Committee was appointed a non-executive director of Johnson Matthey Plc with effect from 1 July 2023. Johnson Matthey Plc, a related party of the Group, has been renting excess car parking space from one of the Group's operating businesses on a rolling monthly basis. The lease contract was in place prior to the acquisition of Thermal Engineering in 2013 by the Group. In 2025, £0.08m car park rental was received (2024: £0.07m). There are no outstanding amounts at 31 December 2025 (31 December 2024: £nil).

The remuneration of the Directors is set out in the Remuneration Report on pages 100 to 116. In 2025, the Company recognised share-based payment expense of £1.1m (2024 – £0.8m) in relation to the executive Directors.

The Group has related party relationships with a number of pension schemes. Transactions between the Group and these pension schemes are disclosed in Note 33.

Key management personnel compensation

The table below shows the cumulative benefits of the key management personnel, which include the Board, members of the Executive Leadership Team and the two Divisional CFOs.

	Year ended 2025 £000s	Year ended 2024 £000s
Short-term employee benefits	7,216	5,168
Post employment benefits	70	70
Share-based payments	2,476	1,849
Total	9,762	7,087

51. Share-based payments

The Company has a number of share-based payment arrangements that existed during 2025, the details of which can be found in Note 32.

For the savings-related share option plan, 11,895 shares were exercised in 2025 (2024 – 58,315). The options outstanding at 31 December 2025 had exercise prices of 156.30p and 147.10p per share, and a weighted average remaining contractual life of 2.0 years. The options outstanding at 31 December 2024 had exercise prices of 156.30p per share, and a weighted average remaining contractual life of 1.9 years.

Share-based payment costs relating to subsidiaries are recharged from the Company.

NOTES TO THE COMPANY FINANCIAL STATEMENTS continued

52. Group undertakings

Operating Companies	Business Units	Locations		Country of Incorporation
Senior UK Limited	Senior Aerospace Bird Bellows	Congleton	England & Wales	59/61 High Street, Rickmansworth, Hertfordshire, WD3 1RH, UK
	Senior Aerospace BWT	Macclesfield		
	Senior Innovation Centre	Oakdale		
	Senior Aerospace Weston*	Colne		
	Senior Aerospace Thermal Engineering	Royston		
Lymington Precision Engineers Co. Limited	Senior Flexonics Lymington	Lymington	England & Wales	59/61 High Street, Rickmansworth, Hertfordshire, WD3 1RH, UK
Senior Flexonics Czech s.r.o.	Senior Flexonics Czech	Olomouc, Czech Republic	Czech Republic	Olomouc, Průmyslová 733/9, 779 00, Czech Republic
Senior Aerospace Ermeto SAS	Senior Aerospace Ermeto	Blois, France	France	Z.A Euro Val de Loire, 8 rue du Clos Thomas, 41330 Fosse, France
Senior Calorstat SAS	Senior Aerospace Calorstat	Dourdan, France	France	11 Rue des Soufflets, 91410, Dourdan, France
Senior Flexonics GmbH	Senior Flexonics Kassel	Kassel, Germany	Germany	Frankfurter Strasse 199, 34121 Kassel, Germany
Senior Flexonics India Private Limited	Senior Flexonics New Delhi	New Delhi, India	India	4th Floor, Rectangle No.1, Commercial Complex D-4, Saket-New Delhi-110017, India
Senior Operations (Canada) Limited	Senior Flexonics Canada	Brampton, Ontario	Canada	134 Nelson Street West, Brampton, Ontario, L6X 1C9, Canada
Senior Flexonics SA (Pty) Limited	Senior Flexonics Cape Town	Cape Town, South Africa	South Africa	11 Thor Circle, Viking Place, Thornton, Cape Town, 7460, South Africa
Senior Operations LLC	Senior Aerospace AMT ¹	Arlington, Washington	USA	Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801, USA
	Senior Aerospace Jet Products ¹	San Diego, California		
	Senior Aerospace Ketema ¹	El Cajon, California		
	Senior Aerospace Metal Bellows	Sharon, Massachusetts		
	Senior Aerospace Damar ¹	Monroe, Washington		
	Senior Aerospace SSP	Burbank, California		
	Senior Flexonics Bartlett	Bartlett, Illinois		
	Senior Flexonics GA	Franklin, Wisconsin		
	Senior Flexonics Pathway	New Braunfels, Texas & Lewiston, Maine		
	Senior Aerospace Spencer	Valencia, California		
Steico Industries, Inc.	Senior Aerospace Steico Industries	Oceanside, California	USA	818 West Seventh St., Ste. 930, Los Angeles, CA 90017, USA
Senior Aerospace (Thailand) Limited	Senior Aerospace Thailand ¹	Chonburi, Thailand	Thailand	789/115-116 Moo1, Pinthong Industrial Estate, Sainhongkor-Lamchabang Road, Tambol Nhonkham, Amphur Sriracha, Chon Buri Province 20230, Thailand
Upeca Aerotech Sdn Bhd	Senior Aerospace Upeca ¹	Selangor, Malaysia	Malaysia	Level 13, Menara 1 Sentrum, 201, Jalan Tun Sambanthan, Brickfields, 50470 Kuala Lumpur, Malaysia
Upeca Flowtech Sdn Bhd	Senior Flexonics Upeca	Selangor, Malaysia	Malaysia	Level 13, Menara 1 Sentrum, 201, Jalan Tun Sambanthan, Brickfields, 50470 Kuala Lumpur, Malaysia
Upeca Engineering (Tianjin) Co Ltd	Senior Flexonics Upeca (China)	Tianjin, China	China	No. 12 QuanHe Road, Wu Qing Development Area, Tianjin 301700, PR China ¹

¹ Sale of the Group's Aerostructures businesses (Senior Aerospace AMT, Senior Aerospace Damar, Senior Aerospace Jet, Senior Aerospace Ketema, Senior Aerospace Thailand, Senior Aerospace Weston and Senior Aerospace Upeca) completed on 31 December 2025.

Operating Companies	Business Units	Locations	Country of Incorporation
Atlas Composites Limited		England & Wales	59/61 High Street, Rickmansworth, Hertfordshire, WD3 1RH, UK
Flexonics Limited		England & Wales	59/61 High Street, Rickmansworth, Hertfordshire, WD3 1RH, UK
Lymington Precision Engineering (LPE) Limited		England & Wales	59/61 High Street, Rickmansworth, Hertfordshire, WD3 1RH, UK
Senior Aerospace Limited		England & Wales	59/61 High Street, Rickmansworth, Hertfordshire, WD3 1RH, UK
Senior Automotive Limited		England & Wales	59/61 High Street, Rickmansworth, Hertfordshire, WD3 1RH, UK
Senior Engineering Investments Limited		England & Wales	59/61 High Street, Rickmansworth, Hertfordshire, WD3 1RH, UK
Senior Finance Four Limited		England & Wales	59/61 High Street, Rickmansworth, Hertfordshire, WD3 1RH, UK
Senior Finance Seven Limited		England & Wales	59/61 High Street, Rickmansworth, Hertfordshire, WD3 1RH, UK
Senior Finance Six Limited		England & Wales	59/61 High Street, Rickmansworth, Hertfordshire, WD3 1RH, UK
Senior Flexonics Limited		England & Wales	59/61 High Street, Rickmansworth, Hertfordshire, WD3 1RH, UK
Senior Trustee Limited		England & Wales	59/61 High Street, Rickmansworth, Hertfordshire, WD3 1RH, UK
Senior France SAS		France	11 Rue des Soufflets, 91410, Dourdan, France
Senior Investments (Deutschland) GmbH		Germany	Frankfurter Strasse 199, 34121 Kassel, Germany
Upeca Technologies Sdn Bhd		Malaysia	Level 13, Menara 1 Sentrum, 201, Jalan Tun Sambanthan, Brickfields, 50470 Kuala Lumpur, Malaysia
Senior Investments GmbH		Switzerland	Fronwagplatz 10, CH-8200, Schaffhausen, Switzerland
Senior IP GmbH		Switzerland	Fronwagplatz 10, CH-8200, Schaffhausen, Switzerland
Flexonics, Inc.		USA	Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801, USA
Senior US Holdings Inc		USA	Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801, USA

Senior Aerospace and Flexonics Business Units in Mexico are operated by a third party under contract manufacturing agreements. The Group has a 49% interest in Senior Flexonics Technologies (Wuhan) Limited, a jointly controlled entity incorporated in China. All Group undertakings are wholly and directly owned by subsidiary undertakings of Senior plc, and in every case the principal country of operation is the country of incorporation.

Senior Flexonics Upeca, Malaysia ceased manufacturing in 2021.

Senior Holdings LLC was dissolved on 26 April 2024.

Senior Americas Two Limited and Senior Five Limited were dissolved on 13 May 2025.

Senior Aerospace Bosman B.V. was dissolved on 14 August 2025.

Senior Americas One Limited was dissolved on 2 September 2025.

FIVE-YEAR SUMMARY

	Continuing Operations		Continuing and discontinued operations		
	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m
Group income statement					
Revenue					
Continuing operations	738.2	707.4	963.5	848.4	658.7
Adjusted operating profit					
Continuing operations	63.6	53	45.8	28.5	6.1
Amortisation of intangible assets from acquisitions	(1.6)	(1.6)	(2.2)	(0.2)	–
Net restructuring income/(costs)	(5.0)	–	(5.6)	4.2	4.4
Site relocation costs	(2.4)	(3.5)	(0.1)	–	–
Pensions benefit clarifications	(7.3)	–	–	–	–
US class action lawsuits	–	(1.1)	–	–	–
Operating profit/(loss)	47.3	46.8	37.9	32.5	10.5
Finance income/finance costs, net (excluding lease liabilities)	(12.8)	(8.8)	(9.6)	(7.4)	(5.8)
Interest on lease liabilities	(2.2)	(1.8)	(2.9)	(2.5)	(2.6)
Net finance income of retirement benefits	2.1	2.0	2.1	1.2	0.4
Corporate undertakings	(0.3)	(0.8)	(4.7)	(1.4)	21.2
Profit/(loss) before tax	34.1	37.4	22.8	22.4	23.7
Tax	(6.8)	(4.2)	8.3	(2.2)	0.5
Profit for the year	27.3	33.2	31.1	20.2	24.2
Depreciation and amortisation of intangibles excluding right-of-use assets	23.3	22.3	41.2	39.5	38.3
Depreciation on right-of-use assets	7.0	6.6	10.5	10.3	9.5
Gross capital expenditure	32.6	29.6	35.9	30.5	21.3
Basic earnings/(loss) per share	6.60p	6.25p	7.52p	4.86p	5.82p
Diluted earnings/(loss) per share	6.41p	6.12p	7.32p	4.73p	5.73p
Adjusted earnings/(loss) per share	9.65p	8.86p	10.28p	4.36p	0.17p
Dividends in respect of years – per share	3.0p	2.40p	2.30p	1.30p	0.0p
– value	12.4	9.9	9.5	5.3	–
Group Balance Sheet					
Non-current assets excluding right-of-use assets	384.1	528.8	521.8	539.8	463.5
Right-of-use assets IFRS 16	38.5	65.5	64.4	70.8	67.4
Non-current assets	422.6	594.3	586.2	610.6	530.9
Net current assets	147.1	103.7	165.5	104.1	110.3
Non-current liabilities	(189.4)	(228.1)	(294.6)	(265.3)	(216.1)
Net assets	380.3	469.9	457.1	449.4	425.1
Net debt pre IFRS 16	(73.3)	(153.4)	(132.0)	(100.5)	(79.9)
Lease liabilities IFRS16	(44.0)	(76.2)	(71.8)	(78.4)	(73.2)
Net debt	(117.3)	(229.6)	(203.8)	(178.9)	(153.1)

	Continuing Operations		Continuing and discontinued operations		
	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m
Group cash flow					
Net cash from operating activities	56.9	45.8	41.4	57.7	27.0
Corporate undertaking costs	0.8	0.8	1.9	1.4	4.8
Net Restructuring cash paid/(received)	1.5	0.5	2.1	(2.1)	0.9
Site relocation costs	2.4	1.6	0.1	–	–
US class action lawsuits	–	–	–	–	2.3
US pension settlement cash paid	–	–	0.9	–	–
Interest received	6.5	7	4.3	0.7	0.1
Proceeds from disposal of property, plant and equipment	0.3	0	0.7	0.5	0.2
Purchase of property, plant and equipment – cash	(32.0)	(28.5)	(33.7)	(28.7)	(20.2)
Purchase of intangible assets	(0.6)	(1.1)	(2.2)	(1.8)	(1.1)
Free cash flow	35.8	26.1	15.5	27.7	14.0
Dividends paid	(10.3)	(10.1)	(6.6)	(1.2)	–
Acquisition costs/Disposal proceeds	(13.0)	(10.7)	(23.9)	(25.3)	51.7
Corporate undertaking costs	(0.8)	(0.8)	(1.9)	(1.4)	(4.8)
Net Restructuring cash (paid)/received	(1.5)	(0.5)	(2.1)	2.1	(0.9)
US class action lawsuits	–	–	–	–	(2.3)
Site relocation costs	(2.4)	(1.6)	(0.1)	–	–
Dividend from joint venture	1.0	3.0	–	–	–
US pension settlement cash paid	–	–	(0.9)	–	–
Purchase of shares held by EBT net of repayments	(7.4)	(4.9)	(5.6)	(4.5)	–
Increase/(decrease) in loans	(39.9)	20.2	40.0	0.4	(21.1)
Decrease in lease liabilities	(6.4)	(6.1)	(10.2)	(9.1)	(8.4)
Increase/(decrease) in cash and cash equivalents	(44.9)	14.6	4.2	(11.3)	28.2

ADDITIONAL SHAREHOLDER INFORMATION

Analysis of shareholders at 31 December 2025

	Shareholders Number	Shareholders %	Issued shares Millions	Issued shares %
By category				
Corporate bodies	387	21.61	412.45	98.34
Other shareholders	1,404	78.39	6.97	1.66
	1,791	100.00	419.42	100.00
By range of holdings				
1 – 24,999	1,515	84.59	5.26	1.26
25,000 – 49,999	70	3.91	2.48	0.59
50,000 – 249,999	97	5.42	11.02	2.63
250,000 – 499,999	32	1.79	10.70	2.55
500,000 – 999,999	19	1.05	14.10	3.36
1,000,000 – and over	58	3.24	375.86	89.61
	1,791	100.00	419,418,082	100.00

The number of shares in issue at 31 December 2025 was 419,418,082.

Share Registrars

All shareholder records are maintained by Equiniti and all correspondence should be addressed to the Registrars, Senior plc at the Equiniti address shown on the inside back cover, quoting the reference number starting with 0228 detailed on your dividend vouchers. The Registrars should be notified regarding changes to name or address, loss of share certificate, or request for, or change to, a dividend mandate.

Equiniti provides a range of shareholder information online. Shareholders can check their holdings, update details and obtain practical help on transferring shares at: www.shareview.co.uk.

Instead of payment by post to your registered address, dividends can be paid through the BACS system direct into a UK bank or building society account, with the dividend voucher still sent to your registered address. If you wish to use this facility and have not previously applied, then please apply direct to Equiniti and request a dividend mandate form. Shareholders who are currently receiving duplicate sets of Company mailings, as a result of any inconsistency in name or address details, should write direct to Equiniti so holdings can be combined, if appropriate.

CREST Proxy Voting

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting to be held on 8 May 2026 and any adjournment(s) thereof by using the procedures described in the CREST manual. Further details relating to voting via CREST may be found on the 2026 AGM Notice of Meeting and Form of Proxy.

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Registrars

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Lancing, West Sussex BN99 6DA

Auditor

KPMG LLP
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ShareGift

If you have only a small number of shares which would cost more for you to sell than they are worth, you may wish to consider donating them to the charity ShareGift (Registered Charity 1052686) which specialises in accepting such shares as donations. The ShareGift Transfer Form may be obtained from Equiniti, the Company's Registrars, at www.shareview.co.uk. There are no implications for Capital Gains Tax purposes (no gain or loss) on gifts of shares to charity and it is also possible to obtain income tax relief. Further information about ShareGift may be obtained on 020 7930 3737 or from www.ShareGift.org.

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