

2025

Annual Report.

RWS Holdings plc



A close-up, profile view of a woman with dark hair, looking upwards and to the right with a slight smile. The background is a blurred night cityscape with various colored lights (blue, white, red) creating a bokeh effect. The overall mood is hopeful and forward-looking.

Welcome to our RWS 2025 Annual Report

A challenging year marked by a decline in the Group's financial performance. However decisive second half actions, including a successful efficiency programme and improved profitability. In January 2025, we welcomed Ben Faes as Chief Executive Officer. His impact has been transformative, setting a bold new direction that moves RWS from a language services leader to an AI solutions partner. This technology-led strategy places innovation at the centre of our mission and positions the Group for renewed momentum in the years ahead.

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Group overview.

On 1 October 2025 the Group launched its new operating model. We moved from a four division approach to a new organisational structure, which streamlines how we sell, integrates our product and technology teams and organises our business into three segments: **Generate, Transform and Protect**. These segments form the basis of the Group's operations and future external reporting. They are complemented by three enabling functions – **Product and Technology, Go-to-Market and Delivery**.

Basis of reporting for FY25

The new Group structure was launched on 1 October 2025 and RWS will report on this basis for the first time at its HY26 Results. It should be noted that FY25 performance has been reported in relation to the Group's divisional structure which was in place during the performance period and this is reflected in the financial statements. A brief summary of the activities of each division is given in the operational review section of the CEO's review (see pages 18 to 20).

Rationale for new group structure & operating model

RWS is a content solutions business. The content explosion, initially enabled by technology, has been supercharged by artificial intelligence ("AI") in the last three years. Content is more personalised, more multimedia in nature and more AI-generated than ever. This content explosion is creating complex challenges for organisations in controlling and managing their workflows whilst maintaining their brand, tone and data security. At its heart, RWS helps its clients maximise the value of their content, data and ideas in three ways:

- We help them Generate better content and data, at scale
- We help them Transform their content so their audiences can connect with it
- We help them Protect their ideas and innovations

While the content market is huge and diverse, RWS is focusing on these three segments because we already have a strong market presence, each has significant growth potential and all have sub-segments where we have an existing competitive advantage.



Generate

RWS provides solutions that enable organisations to organise, enrich and meticulously manage the publication of their content and data. While generative AI empowers content creation at scale, we ensure this creation is rooted in robust, comprehensible data, supported by structured, authored approaches for critical content types.

Our capabilities span multilingual data annotation, reinforcement learning with human feedback, prompt and instruction tuning, safety and bias testing and synthetic data validation. By combining deep linguistic expertise with scalable workflows and platform integrations, we enable large language model builders and enterprise AI teams to improve model accuracy, reduce hallucination rates, ensure cultural and domain relevance and meet stringent compliance requirements. We deliver high-quality, domain-specific data that enhances model performance and mitigates bias. Our teams serve as the crucial human layer, teaching AI to understand nuance, context and real-world relevance - transforming raw algorithms into powerful, reliable and inclusive AI solutions.

The Generate segment is expected to represent approximately 19% of Group revenue (FY25) and consists of RWS's existing content technology business and the TrainAI business.



Transform

Content is worth something only to its consumer. Enabling consumers to interact with content is critical for all organisations. Transforming content to make it engaging and understandable to a wider audience is the core of RWS's skillsets. This includes everything from localisation and cultural adaptation to testing and applies to all content formats – text, voice, video, audio, software and increasingly, a dynamic blend of all five.

Within large enterprises, language adaptation permeates numerous critical functions, including product localisation, software internationalisation, internal communications, marketing campaigns, legal documentation and security protocols. Unlike B2C scenarios, where minor errors may be tolerated, mistakes in enterprise language can lead to severe consequences, including brand damage, regulatory non-compliance and financial loss.

Enterprises demand customised and integrated language solutions capable of delivering high-quality translations at unprecedented speeds. They need our guarantee that we will operate in a secure environment and maintain the privacy of their assets. Current market trends emphasise a need for more language pair availability, faster turnaround times and greater affordability, thereby expanding access to a broader market.

The Transform segment is expected to represent approximately 67% of Group revenue (FY25) and is formed from the Language Services division (excluding TrainAI), the Regulated Industries division and the linguistic AI part of the Language and Content Technology division.

Protect

Originating as an IP translations company, RWS has longstanding expertise in IP management and an established presence in the market, along with many long-term client relationships. Building on patent search, filing and translation foundations, RWS has extended its offering to cover renewals and records, allowing us to support clients through the entire IP lifecycle.

The Protect segment is expected to represent 14% of Group revenue (FY25) and consists of our IP Services business.

Enabling functions

The Group's three segments are supported by three enabling functions. A newly created Go-to-Market function combines marketing, sales operations, pricing, inside sales and sales activation to drive greater customer value. The function will collaborate closely with the sales teams in the three segments to support the delivery of profitable organic growth, with sales organised on a regional basis to maximise impact and effectiveness.

The Product and Technology function brings together all the Group's technology expertise under one roof, driving innovation in our products and greater automation and efficiency across our internal applications. This function will develop the future technology platforms for the Group, working collaboratively with the segments, product marketing and the Delivery function.

The Delivery function has evolved from Language eXperience Delivery and is the home of the platform that supports the delivery of our localisation services across all markets.

The Delivery function is aligned with Transform and collaborates closely with the Product and Technology function to ensure our internal teams are set up to effectively deliver our products and services to customers. Greater automation and the simplification of our processes will be at the heart of the Delivery function's work.



The segments and enabling functions are supported by four corporate functions – Finance, Human Resources, Legal and Professional Advisory and Corporate Development.

Performance and financial highlights.



Clients

+46

NPS

7,300+

clients across
95 countries

Clients include:

85 of the top
100 brands

17 of Fortune's 20
most admired
companies

19 of the top
20 asset
management
firms

19 of the top
20 law firms

9 of the top 10
pharma
companies

8 of the top 10
investment banks

20%

of US states rely on
Propylon's technology



Capabilities

47

AI-related patents

1 trillion

words translated by our
language technology

3.49

billion words
processed by
the LxD

692

language pairs
handled by the LxD

1,669

language pairs
offered by the LxD

4,400+

language combinations
offered by our
neural machine
translation solution



Scale

52

offices across
31 countries

43k+

linguistic network
across **197** countries

400+

R&D professionals

200k+

data services
community

170k

monthly subscribers
to Trados

7,649

FTE as of 30/09/2025

621

university
partnerships

Note: All figures relate to FY25

Revenue
£690.1m

-4% (-1% OCC¹)
2024: £718.2m

**(Loss)/profit
before Tax**
£(99.7)m

2024: £60.0m

Net (Debt)/Cash³
£(25.4)m

2024: £(12.9)m

Basic EPS
(27.0)p 2024: 12.8p

Proposed Final Dividend
4.6p 2024: 10.0p

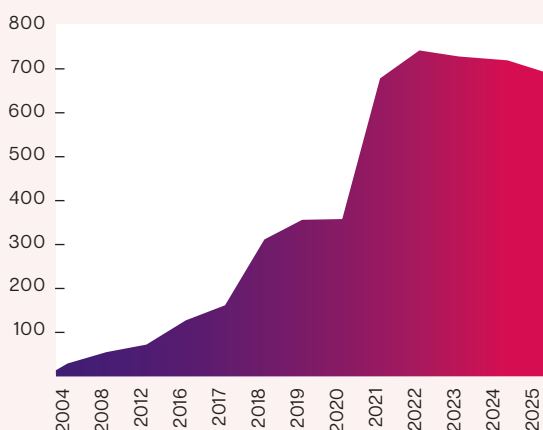
Adjusted EPS²
12.1p 2024: 21.6p

Cash
£32.6m 2024: £61.5m

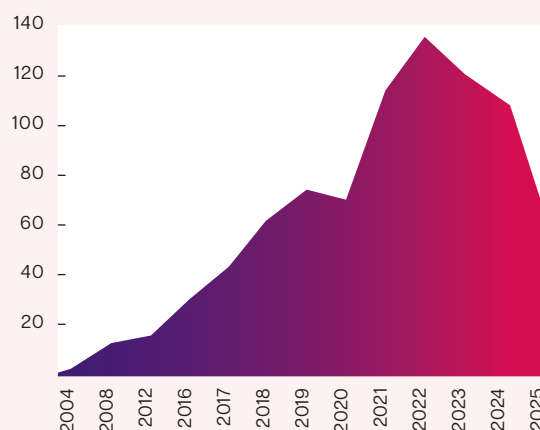
Adjusted PBT²
£60.4m 2024: £106.7m

Net Debt including lease liabilities
£(47.9)m 2024: £(40.1)m

Annual Revenue (£m)



Annual Adjusted PBT (£m)



¹ Organic constant currency ("OCC") - excluding the impact of acquisitions and assumes constant currency.

² Adjusted profit before tax or Adjusted PBT - is stated before amortisation of acquired intangibles, impairment, acquisition costs, share-based payment expense, profit on disposal of business and exceptional items (refer to page 157). Adjusted earnings per share adjusts for amortisation of acquired intangibles, share-based payment expense, acquisition costs and exceptional items, net of associated tax effects. See Alternative Performance Measures on page 156.

³ Comprises loans less cash and cash equivalents excluding lease liabilities (refer to Note 16).



Julie Southern

Chairman's statement.

FY25 was a challenging year for RWS, marked by a decline in overall financial performance. However, decisive action in the second half, including a successful efficiency programme, helped to improve profitability. In January 2025, the Board was delighted to welcome Ben Faes as Chief Executive Officer ("CEO"). His impact has been immediate and transformative, introducing a bold new strategy that evolves RWS from a language services leader into an AI solutions enterprise partner. This redefinition of our market approach places technology-led innovation at the absolute core of the Group's mission.

The rapid evolution of generative AI, coupled with the global explosion of digital content, continues to be the primary catalyst transforming our markets and creating new opportunities. Our new strategy, supported by an Executive Team that was strengthened by several new appointments, positions RWS for accelerated, profitable growth.

The Group operates in highly attractive, defensible markets with a combined global value of approximately £32 billion. Our proprietary technology, deep specialist domain expertise and trusted reputation are vital assets as our global clients increasingly integrate advanced AI into their core operations.

Financial performance and capital strength

In FY25 the Group generated revenues of £690.1m, a 4% decline from the prior year (£718.2m). On an Organic Constant Currency ("OCC") basis, revenue was broadly flat versus the prior year, highlighting resilience amid market transition and significant strategic transformation.

- Growth drivers: Performance was underpinned by OCC growth in our Language Services division, driven by our TrainAI data solutions and strong performance in the APAC region. Both Language and Content Technology and IP Services were flat on an OCC basis, led by strong recurring revenue performance in Propylon and our patent renewals business respectively. Revenue in Regulated Industries declined, primarily due to reduced volume in linguistic validation services.
- Profitability: Reported loss before tax was £(99.7)m (FY24: £60.0m), while adjusted profit before tax was £60.4m (FY24: £106.7m). This result reflects the impact of lower top-line revenues and the friction of market transition, partially mitigated by decisive and material overhead cost reduction in the second half of the year.

The Group's balance sheet remains strong, with net assets of £763.2m as at 30 September 2025 (FY24: £899.6m). Net debt (excluding lease liabilities) stood at £25.4m (FY24: £12.9m). Following the year-end, we successfully renewed our revolving credit facility, increasing it from \$220m to \$285m and extending the maturity date to October 2029. This action leaves the Group well-capitalised and provides the necessary medium-term liquidity to support our future organic and inorganic growth ambitions.

People, leadership and organisational agility

At 30 September 2025, RWS employed 7,649 full-time equivalents across 52 global locations (FY24: 8,059).

We continue to drive organisational agility and efficiency. Our flexible working model ensures talent retention and operational effectiveness, while our strategy to rationalise our global footprint has resulted in the closure of 11 offices during the year, delivering meaningful savings in property and associated operating costs.

Ben Faes was appointed as CEO and a Board member in January 2025. He is a proven global business leader with a strong track record of driving digital transformation across the technology and media sectors. His extensive background, including senior roles at AOL and Alphabet (Google Cloud, YouTube monetisation), provides the precise expertise needed to leverage proprietary technology and transform our business model for profitable, organic growth. Ben has made solid progress in a short period, bringing vital energy and strategic focus to the business.

Board changes

Having joined the Board at a pivotal time in the Group's development in July 2022, RWS now has an exciting AI-led strategy in place, led by a new technology focused CEO and supported by a strengthened Board. With these firm foundations in place, it is a good time to hand the reins over to a new Chair as RWS embarks on its next chapter, and I have informed the Board of my intention to step down as Chairman and as a director of the Company.

With a Board now consisting of a majority of independent Non-executive Directors, David Clayton has also decided to step down following his 16 years as a Board member of SDL and RWS.

David and I will step down with effect from 31 December 2025. Andrew Brode and Gordon Stuart will become interim Chairman and interim Senior Independent Director respectively, whilst the search for my successor is undertaken. The outcome of that process will be announced in due course.

Sustainability and ESG

Our heritage is anchored in a strong commitment to the highest standards of environmental, social and governance ("ESG") practice, forming the ethical foundation for our operations.

We are pleased to report that RWS is on track to meet its Science Based Targets initiative emissions targets for FY25, achieving a 6% overall year-on-year decrease in greenhouse gas emissions. Significant reductions in Scope 1 and 2 emissions are a direct result of our focus on operational efficiency and facility right-sizing.

Dividend

Following a review of the Company's financial position, performance and strategic priorities, the Board recommends a final dividend of 4.6p per share for FY25 (FY24: 10.0p). Together with the interim dividend of 2.45p per share, this results in a total dividend for the year of 7.05p per share (FY24: 12.45p).

The Board is recommending rebasing the dividend to align shareholder returns more closely with sustainable profit performance. This will support the Company's transition to a technology-led, AI-driven growth strategy. The Board believes this rebased level will ensure sufficient investment capacity to accelerate the Company's AI roadmap and M&A strategy, while maintaining a prudent financial footing. From this rebased level, the Board intends to resume a progressive dividend policy.

Subject to final shareholder approval at the AGM, the final dividend will be paid on 20 February 2026 to shareholders on the register as at 16 January 2026.

Summary

The performance challenges faced in FY25 were disappointing and highlight the necessity of embracing a new vision and pursuing a refreshed growth strategy. Our global presence, access to large, digitally-addressable markets and our strong enterprise client base remain solid foundations. Given our proprietary technology and specialised expertise, RWS is uniquely positioned to capitalise on advancements in AI.

With the new vision, a decisive growth strategy and a strengthened leadership team built for the AI era, I am confident that we are well-positioned to drive the Group forward and deliver long-term value creation.

Julie Southern | Chairman

10 December 2025



Market overview.

The global content solutions market is undergoing a profound transformation, driven by the convergence of digital acceleration, artificial intelligence (“AI”) and the growing demand for multilingual, multimedia content. Enterprises are increasingly seeking partners who can deliver scalable, high-quality content experiences across geographies, formats and platforms.

Evolving market dynamics

AI advances are driving performance breakthroughs and reshaping supply and demand across many industries. In the markets that RWS serves, the landscape continued to shift towards integrated, scalable AI-powered solutions in FY25. Clients are demanding faster turnaround times, greater localisation accuracy and seamless integration with their internal systems. The rise of generative AI and machine learning has opened new possibilities for automation, predictive analytics and personalised content delivery, while also raising expectations for quality, brand consistency and cultural nuance. RWS's commitment to elevating technology and product in our propositions is essential to thrive in this new landscape, where AI-first language platforms are increasingly core to both day-to-day delivery and a source of differentiation.

At the same time the broader macroeconomic environment in FY25 remained uncertain, with currency volatility, inflationary pressures and geopolitical tensions affecting global trade and investment. RWS's refreshed growth strategy recognises these factors and is designed to mitigate their impact as far as is practically possible.

Market sizing and growth rates

RWS's strategic response to these dynamics has been to reposition itself as a technology-first content partner, capable of delivering end-to-end solutions that combine human expertise with cutting-edge innovation. This approach is reflected in the Group's new operating model, centred around three distinct segments - Generate, Transform and Protect. These segments align RWS's capabilities with market needs and positions the Group for long-term relevance and growth. We are confident of the opportunities in each of these markets, based on their size and growth potential. Together, the addressable market for these segments is more than £32bn (2025).

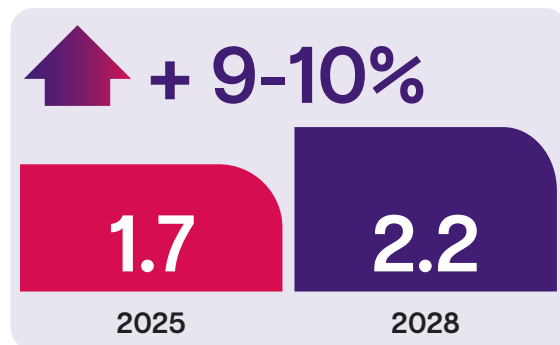


Generate

In the Generate segment, the total addressable market is £6.3bn¹ in 2025. This is made up of £1.7bn¹ in the component content management solutions (“CCMS”) market and £4.6bn¹ in the AI data services market. Each of these sub-markets has highly attractive growth rates.

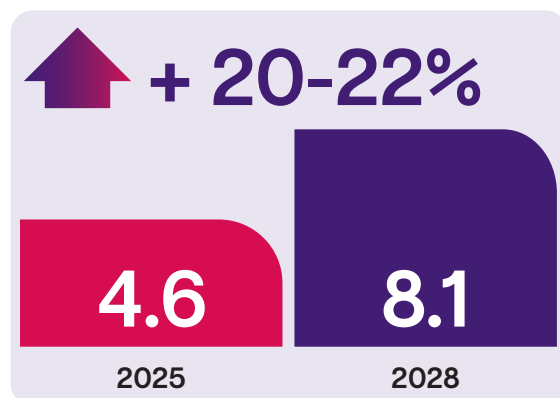
The CCMS market is growing at approximately a 9-10%¹ compound annual growth rate (“CAGR”), underpinned by AI content volume growth, regulatory complexity in verticals like pharmaceuticals and aerospace and the replacement of homegrown tools. RWS has a range of CCMSs which meet a diverse range of client needs.

Component content management market - £Bn¹



The AI data services market is growing at approximately a 20-22%¹ CAGR, with demand driven by both hyperscalers (e.g. West Coast technology players) outsourcing specialised data preparation and other large technology players scaling up multimodal annotation.

AI data services market, £Bn¹



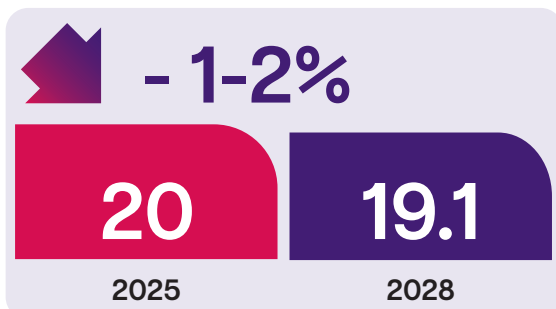
¹ Sources: Industry reports, industry participant interviews

Transform

In Transform, AI continues to reshape the language services industry. The market is moving away from transactional service delivery toward subscription-based engagement. Enterprises want predictable costs, scalable solutions, and deeper integration with their workflows. Clients increasingly expect AI to enhance, not replace, human expertise.

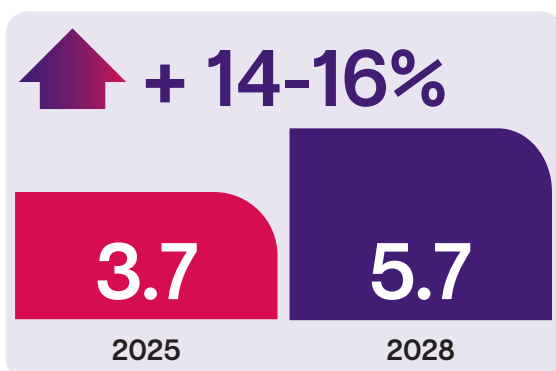
The total addressable market is substantial, sized at approximately £24bn² in 2024. The traditional core of this market, focused on language conversion for speech and text between languages, has seen a contraction. Slaton's historic market data shows a 2%² overall market contraction from 2023 to 2024, with Language Solutions Integrators ("LSIs") like RWS, who have historically focused on services with a strong human element, experiencing a 3%² decline over the same period. While this demonstrates the challenges facing traditional models, this contraction is happening alongside rapid growth in technology-driven solutions.

Language Services Integrators (LSIs), £Bn²



Language Technology Platforms ("LTPs") saw a 12%² growth from 2023 to 2024. A core component of RWS's refreshed growth strategy is the pivot to capture this shifting value. With established language technology products like Trados and Language Weaver, RWS is well-positioned to do so.

Language Technology Platforms (LTPs), £Bn²



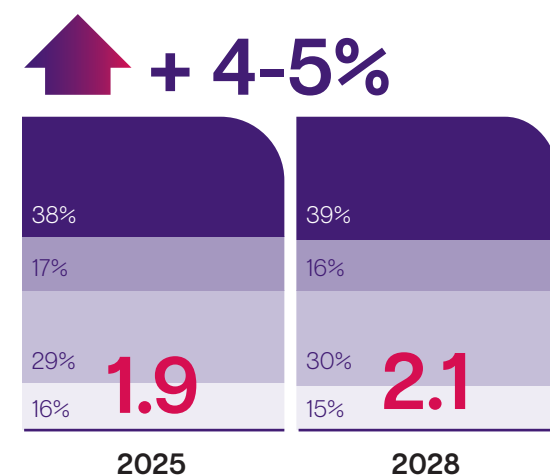
² Slaton 2025 Language Industry Market Report, May 2025

Protect

Global innovation continues to gather pace. Worldwide R&D spend reached US\$2.8tn³ in 2023. In the same year 3.5m³ patent applications were made, a 2.7%³ increase versus prior year. RWS's suite of Intellectual Property ("IP") services, which form the Protect segment, allow us to support clients through the entire IP lifecycle. The addressable market in the Protect segment is estimated at £2bn⁴, with a CAGR of approximately 4-5%⁴.

Protect addressable market, 2025-2028, £Bn⁴

RWS offers solutions in four areas across the IP lifecycle – search, filings, translations and maintenance. This market is typically resilient across the economic cycle, with stronger opportunities anticipated in filings and renewals over the next three years.



CAGRs

'25-28 Key drivers

Renewals (patents)	+5-7%	Strong growth in renewals driven by an increase in patents in force
Translations	+1-3%	Stable growth: will see spend shifts from basic machine translation workflows to higher-margin value-add (post-editing, certified legal translation)
Filings	+4-6%	Stronger growth driven by increasingly globalised portfolios and regulatory complexity
Search	+1-3%	Stable growth, as AI-led analytics make broader and more frequent searches possible

³ Sources: WIPO, 2024

⁴ Sources: Industry reports, industry participant interviews"



Strategy and growth pillars.

RWS is an established market leader with a deep, competitive moat built on a synergistic combination of scale, blue-chip client relationships and world-class human expertise. With a pivotal role to play in the AI economy, we have a clear and credible strategy for accelerated organic and inorganic growth, alongside sustainable margin expansion.

Context: The AI imperative - why now and why it matters

Artificial intelligence ("AI") is driving a generational shift in the global economy. This is a fundamental re-platforming of business, government and society. The scale and speed of this transformation create a compelling investment imperative. The global AI market, worth about \$294bn in 2025, is projected to exceed \$1.7tn by 2032, with a compound annual growth rate of nearly 30%.

This surge is fuelled by two forces: massive capital allocation and rapid enterprise adoption. 72% of organisations now use AI in at least one core business function, signalling a shift from experimentation to operational deployment. These dynamics create a durable macro tailwind.

The AI value gap

A significant gap exists between the raw capabilities of foundational models (like large language models) and their ability to deliver safe, effective and commercially viable outcomes in complex enterprise environments. This AI value gap stems from three interconnected deficits:

- **Data deficit** – generalist models lack domain-specific knowledge essential for accuracy in regulated fields such as life sciences, IP law and financial compliance; generic outputs can pose serious risks
- **Cultural deficit** – AI lacks emotional intelligence, making interactions transactional and culturally tone-deaf. In a digital-first world, emotional resonance is a critical differentiator for customer loyalty and brand trust
- **Trust deficit** – advanced AI introduces risks around bias, security, privacy and compliance. The opaque nature of some models and unpredictable behaviour hinder adoption, especially in regulated industries. Emerging frameworks like the European Union AI Act underscore the need for verifiable safety and alignment.

RWS: Closing the gap

RWS aims to be the premier AI solutions partner, enabling enterprises to harness AI safely and effectively. Its market proposition will have three components that position the Company at the intersection of high-growth segments within the AI economy:

- **AI training and adaptation** - providing high-quality, domain-specific data and human-in-the-loop validation to fine-tune models for mission-critical accuracy
- **Emotionally intelligent experience design** - creating culturally nuanced, emotionally resonant AI interactions that foster trust and engagement, driven by demand for personalised experiences in retail, healthcare and IT
- **AI safety & alignment** – delivering testing, validation and governance to ensure ethical, compliant and secure AI deployment.

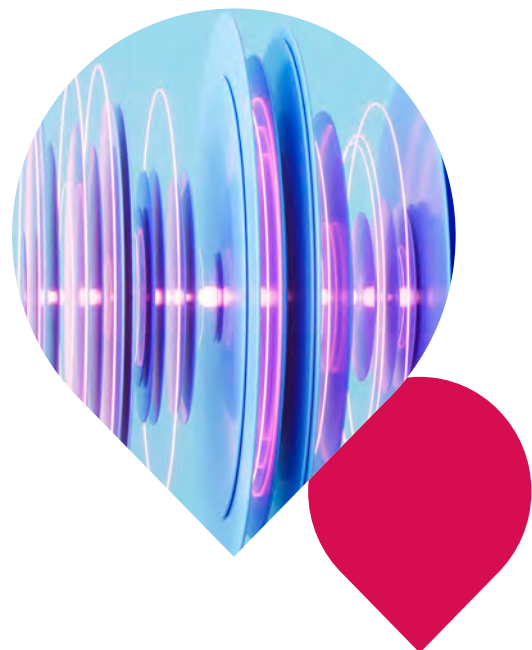
The opportunity in these markets is tangible and accelerating, and they are converging into a self-reinforcing ecosystem. RWS's ability to deliver integrated solutions, i.e. making AI smart, empathetic and safe, creates a unique value proposition and powerful cross-selling opportunities across its global client base.

Human expertise

In an era increasingly dominated by artificial intelligence, RWS's greatest strength lies in its world-class human expertise - a global team of linguists, developers, data scientists and subject matter specialists. This network is the critical "human-in-the-loop" that ensures RWS's AI solutions are accurate, safe and trusted. These experts perform three indispensable functions:

- **Data curation & annotation** – creating high-quality, context-rich datasets essential for training reliable enterprise-grade AI models
- **Model validation & refinement** – applying nuanced judgment to fine-tune models, prevent factual errors (often known as hallucinations) and meet stringent accuracy standards
- **Safety & alignment oversight** – conducting ethical reviews, bias testing and adversarial "red-teaming" to ensure compliance and fairness in AI systems.

These capabilities form the backbone of RWS's data flywheel, a self-reinforcing growth engine. RWS will enrich domain-specific data and use it to train superior AI models. High-performing solutions deepen client trust, leading to more data and strategic projects, thereby creating a network effect that strengthens RWS's platform with every engagement. Replicating this flywheel would require new entrants to simultaneously build global expertise, earn deep client trust and develop sophisticated data lifecycle platforms.



RWS’s competitive advantage in the AI services economy

RWS’s proprietary data pipeline, global human expertise and integrated AI lifecycle services create a competitive advantage that competitors cannot easily replicate. This combination positions RWS as the ‘best owner’ of these assets and a trusted partner for enterprises navigating the AI revolution.

Competitive vector	Generic AI provider	Traditional service provider	RWS’s unique advantage
Data access	Public, undifferentiated data	Limited, project-specific data	Proprietary, continuous pipeline of high-value, domain-specific data
Global & cultural nuance	Culturally agnostic, prone to bias	Inconsistent quality across geographies	Integrated global network in 197 countries ensures culturally intelligent, locally relevant AI
Human expertise & validation	No oversight, prone to errors	Labour-intensive, slow, hard to scale	Unique human-in-the-loop model combining AI scale with expert validation for accuracy and trust
Client trust in regulated industries	Unproven in high-stakes environments	Trusted for tasks, not as technology partner	Decades of embedded relationships and proven track record in transforming mission-critical content



Growth pillars

To enable the delivery of its vision as the AI solutions company for enterprise AI, the Group is focused on three growth pillars. These overriding strategic objectives will underpin RWS's approach over the medium-term as we rapidly adapt the Group to succeed.

01

Growth pillar 1: Refreshed go-to-market

A new and simplified go-to-market positioning will make our services more compelling and easier to buy, enable a stronger focus on, and accountability, for delivery and an appropriate cost base that enhances our competitiveness. To enable this, we have re-organised the Group into three segments where we believe we have a competitive advantage:



Generate – our content technology and TrainAI businesses



Transform – our localisation businesses, including language technologies as well as services



Protect – our IP Services business

In parallel, we have established regional sales teams to bring more of our product suite to customers, to increase share of wallet and to better enable the acquisition of new client logos. See the Group Overview section for more detail on RWS's new structure and operating model, effective 1 October 2025 (pages 4 & 5).

02

Growth pillar 2: Integrated approach to technology and innovation

The Group has moved to a new, technology-first orientation, with a proposition that will increasingly embed us in our clients' operations, by easily integrating with their systems while delivering output highly tailored to their brand's tone of voice – making us easier to work with, a more critical part of their organisation, and able to shift to more predictable revenue models (SaaS, subscription or fixed). This shift will be enabled by a stronger focus on product innovation. We have brought together all of our technology capabilities, product management and R&D under a Chief Product and Technology Officer.




03

Growth pillar 3: Drive for efficiency through automation and AI

We will accelerate our efficiency programme through far greater deployment of automation and AI right across the business, taking advantage of the opportunities created by Agentic AI. This will be combined with strong cost control, enabling a competitive cost-to-serve, protecting margin in the near term and supporting margin improvement in the medium-term.

These growth pillars are complemented by a commitment to establishing a high-performance culture across the Group, one that deploys better data and insights to improve decision-making and breaks down barriers to more effective collaboration across teams. That culture will also reflect the Group's values - partner, pioneer, progress and deliver.





Chief executive officer's review.

FY25 was a definitive year of transformation for RWS. We have moved beyond the boundaries of a traditional language services provider to become a technology-led AI solutions partner, capable of powering seamless operations for global enterprises.

Our new strategy is a recalibration of our value proposition. We have unified our engineering power under a new Chief Product and Technology Officer and executed our first major rebrand in two decades. By placing technology at the core, we are now addressing the full AI value chain – exemplified by our acquisition of Papercup, which fast-tracks our capabilities in AI-generated dubbing and synthetic media.

While our financial performance declined this year, reflecting the challenges we face as our markets continue to evolve, it also validated our conviction: the old model is shifting, and we must lead that shift. We have responded with decisive action, delivering material cost reductions drawing us towards a leaner, faster operating model fit for a technology company.

With a Net Promoter Score of +46, trust remains the bedrock of our business. As we enter FY26, we do so with a scalable technology stack, a clear strategy and the energy to define the future of global understanding.



Benjamin Faes

A new direction: Engineering global intelligence

Since joining RWS I have undertaken an intensive review of our platform, engaged deeply with our clients, and mobilised our high-calibre talent. It is clear that RWS is an indispensable strategic partner for the world's leading enterprises, underpinned by a robust portfolio of proprietary technologies. We operate at unmatched global velocity and scale, a capability driven by the expertise and commitment of our exceptional teams.

The market transition is accelerating – fuelled by the rapid rise of Generative AI and a global explosion of content. This shift is not a threat; it is the single largest growth opportunity in our history. To seize it, we must fundamentally reset our operating model to ensure we are product-led and technology-first.

In June, we unveiled a new strategic mandate: to become the world's leading AI Solutions Partner. Our vision is to move beyond generic applications, uniquely focusing on making artificial intelligence work in the complex, high-stakes reality of the global enterprise.

Addressing the enterprise AI deficits

Central to our new positioning is our ability to resolve three critical, interconnected deficits that currently prevent widespread, trusted deployment of AI at scale:

- **The data deficit:** Generic AI is trained on the public internet. Our clients demand domain-specific, clean linguistic data. Our proprietary datasets and domain experts inject the cultural nuance, technical precision and human insight required for high-fidelity outputs.

- **The culture deficit:** While advanced AI mimics language, it lacks true emotional intelligence and cultural context. Our vast, verified network of over 43,000+ global experts provides that critical empathy layer – the cultural intelligence every brand needs to connect authentically.
- **The trust deficit:** The autonomous nature of advanced AI introduces complex, significant risks related to security, bias, privacy and compliance. Our ability to embed human validation and verifiable workflows is our enduring competitive moat and the foundation of enterprise trust.

With decades of experience in cultural and domain mastery, RWS's heritage as a foundational localisation leader has laid the ultimate groundwork for our natural evolution into an AI platform. Today, RWS is establishing itself as the cultural intelligence layer for enterprise AI – bridging the AI value gap, which is a critical barrier to realising the full potential of global technology deployments.

Strategy: Accelerating our impact

Our strategy is focused on maximising value creation through three growth pillars:

- 1 Refreshed go-to-market:** Implementing a technology-first, regionally specialised sales approach to drive share of wallet and new logos focusing on enterprise clients in strategic high-value verticals and further developing our partner network.
- 2 Technology and innovation:** Using RWS's technology assets and AI expertise to build our next generation of AI-first products, that solve client challenges and are easily embedded in their operations.

- 3 Efficiency:** Developing a more efficient solution, through process rationalisation, further scaling of our offshore delivery centres and automation through the use of AI agents, enabling us to invest in product development.

Effective 1 October, we re-organised the Group around three strategic segments:



Generate: Our content technology and TrainAI data platform businesses.



Transform: Our global localisation platform, integrating language technologies and specialised services.



Protect: Our mission-critical IP Services business.

Three segments, one unified ecosystem where people and proprietary technology work in harmony. We are the new connective tissue of the AI economy, a world-leading AI solutions company that unites data, content and IP through our proprietary language and content technologies (see the 'Strategy and growth pillars' section for more detail on page 12).

With a clear strategy, a sharpened focus on technology-first execution and the market position to succeed, we are entering this next chapter with real momentum. We believe the opportunities before us are significant and we are united in our determination to capture them, delivering stronger growth, deeper client partnerships and lasting value for all stakeholders. I am excited by what lies ahead and confident that, together, we will realise the full potential of RWS in this fast-changing global market.

Example of our work across Generate



case study



Big technology company fine-tunes generative AI with 285 TrainAI domain and language experts

Challenges

A major multinational technology company wanted to fine-tune its generative AI large language model (LLM) to increase its accuracy, safety and robustness, and differentiate it from other LLMs on the market.

Realising the limitations of a conventional crowdsourcing approach, the company chose TrainAI by RWS.

Solution

- Domain and language expertise: recruiting, training and managing subject matter and language experts as data specialists
- Content creation: prompt engineering
- Model fine-tuning: prompt-response quality assurance, fact extraction and verification
- Risk mitigation: red teaming and adversarial testing

Results

- 285 domain and language experts recruited and trained
- 10,000-13,000 hours of work per month delivered at the project's peak

Strategic integration

In support of our technology-first mandate, we were excited to announce the strategic acquisition of Papercup's advanced IP and platform in June. This was a critical step in accelerating our product roadmap and rapidly embedding best-in-class generative AI across our technology stack.

This integration broadens our capacity to support clients with multilingual video, voice and synthetic content localisation across all formats and channels.

Papercup's breakthrough AI dubbing technology is a true market differentiator. It uniquely solves the 'culture deficit' by accurately reproducing a speaker's tone, pace and emotional intelligence. Its platform combines state-of-the-art voice synthesis, proprietary AI voices and sophisticated editorial tools, allowing our language specialists to fine-tune the final output. This delivers human-grade output comparable to professional actors and artists, but at the exponential speed and efficiency of AI.

Our product engineering teams executed a rapid, seamless integration, successfully mastering this advanced technology stack. The Papercup AI dubbing platform is now fully available to our teams, enabling us to deliver end-to-end workflows that seamlessly blend AI generation with critical human-in-the-loop validation.

This strategic move firmly anchors us in the high growth dubbing market, which was expected to reach \$4.3 billion in 2025 and \$7.6 billion by 2033. Given that a large proportion of this market is driven by AI dubbing language technology platforms, this acquisition is an immediate and significant market disruptor for RWS.

Operating review

Language Services

Focuses on localisation and related solutions for a wide range of industry verticals, including automotive, chemical, consumer, manufacturing, retail, technology, travel and telecommunications.

The Language Services division represented 47% of Group revenues in the year (FY24: 46%). Revenues of £326.7m were flat on a reported basis (FY24: £327.1m) and grew by 3% on an OCC basis.

Highlights:

- **Platform enablement:** We leveraged our unique blend of proprietary technologies and human expertise to partner with new and existing clients. Our Evolve platform played a key role, enabling significant client success stories, including a major deal with a leading personal health technology company.
- **Market consolidation:** Vendor consolidation remains a clear trend among global clients, creating opportunities for RWS – as the scale platform – to capture greater share of spend. Notable wins in the technology sector have reinforced our preferred vendor status and opened new, high-velocity revenue streams.
- **Responding to LLM shift:** While some clients shifted towards initial LLM-first translation approaches (resulting in volume impact), we are successfully diversifying our service portfolio to mitigate this. We saw continued growth in specialised linguistic testing services with our largest technology clients, alongside increased demand for quality review and accessibility services – all driven by the need to validate and govern AI-powered workflows.

TrainAI continued to build significant momentum during the year. We secured new opportunities from existing global technology clients and new logo acquisitions.

- We won a significant new engagement with the world's largest professional network, engaging a major new brand and revenue stream.
- We deepened our strategic relationship with a multinational technology conglomerate, becoming a preferred vendor for complex, specialised data engagements.
- As the model and data training market rapidly shifts towards high-fidelity, specialised linguistic experts, our broad access to domain-specific resources uniquely positions us to capture this premium demand.

Operating loss was £68.8m (FY24: profit £25.4m) and adjusted operating profit was £23.4m (FY24: £39.6m), reflecting adverse mix driven primarily by accelerated growth in TrainAI and good growth in the APAC region in core localisation, adverse foreign exchange impact, with by cost reductions broadly offsetting inflation.

Regulated Industries

Provides a range of specialised services for three verticals – life sciences, financial services and the legal sector. Service provision is centred around highly specialised technical translations with a strong emphasis on quality and security.

The Regulated Industries division accounted for 19% of Group revenues in the year (FY24: 20%). Revenues of £128.5m declined by 12% on a reported basis (FY24: £146.5m) and by 10% on an OCC basis.

Highlights:

- **Strategic wins:** Despite market pressure, we secured three major customer wins within global regulatory affairs in the pharmaceutical sector. We also delivered a strong RFP performance in financial services, winning two significant mandates, and achieved a major competitive displacement at a leading European medical device company.
- **Market headwinds:** A decline in demand for our linguistic validation services was the largest contributor to the segment's performance, where reduced client outsourcing and tighter study budgets impacted volumes and margins.
- **Future integration:** Investment in an improved go-to-market structure, alongside planned integration with the other language businesses as part of the new Transform segment, is expected to accelerate the recovery of this critical operation in FY26.

Operating loss was £30.8m (FY24: profit £5.9m). Adjusted operating profit decreased to £9.3m (FY24: £19.8m), driven principally by the decline in top-line revenues and mix changes, and adverse foreign exchange impact.



Language and Content Technology

Offers a range of technology products for enterprises and critical industries, ranging from neural machine translation to content management solutions.

The Language and Content Technology ("L&CT") division accounted for 20% of Group revenues in the year (FY24: 20%). Revenues of £138.4m were 3% lower on a reported basis (FY24: £142.3m) and in line with prior year on an OCC basis.

Highlights:

- **SaaS and cloud migration:** Performance was robustly underpinned by strong new customer wins and continued momentum in SaaS adoption across the content technology portfolio, led by Tridion Docs. The majority of new and expansion contracts were SaaS, including migrations from on-premise deployments, reinforcing the structural transition towards recurring revenue, cloud delivery models.
- **Enterprise focus:** New logo growth was driven by demand from regulated sectors, including financial services, healthcare and government. Our regulatory-focused software (Propylon) and technical content solutions (Contenta) performed strongly, demonstrating the success of our strategy to focus on large, regulated enterprise customers.
- **AI product innovation:** We accelerated the evolution of our key platforms:
 - **Trados Enterprise:** Positioned at the forefront of AI-driven localisation, key innovations included the launch of Smart Insights (AI-powered co-pilot for project managers) and Connected AI (breakthrough integration of large language models directly with translation engines).
 - **Language Weaver:** We delivered a robust Speech-to-Text AI solution deployable in private cloud or on-premise environments for highly sensitive audio use cases. The platform was named Machine Translation Solution of the Year at the AI Breakthrough Awards.
 - We celebrated a significant industry milestone – translating more than a trillion words in 12 months – demonstrating the unparalleled scale and enterprise adoption of our language technology.

Operating profit was £11.1m (FY24: £18.5m) and adjusted operating profit was at £25.8m (FY24: £34.2m), reflecting our anticipated growth in SaaS, increased expensing of technology investments, partially offset by favourable pricing and ongoing cost reduction efforts.

Example of our work across Transform

case study




IP renewals are 10-15% more efficient with RWS

Challenges	Testimonial	Results
<p>Global eCommerce company needed a more efficient IP renewals process</p> <p>Response times often took a full business day because their supplier lacked local services in the same time zone</p> <p>Communication challenges and inflexible workflows impacted IP renewal team's efficiency</p> <p>Alibaba turned to RWS for a better solution</p>	<p>“For Chinese enterprises expanding globally, RWS's global resources, combined with localised services, effectively enhance IP process management efficiency. They are an excellent global partner.”</p> <p>Vincent Deng IP Process Manager, Alibaba Group Holding Limited</p>	<ul style="list-style-type: none"> Monthly renewals management tasks 10-15% more efficient More effective communication significantly reduces email and phone correspondence Eliminating time zone and language barriers enables better management of global patent annuities Local teams provide stable support for urgent and customised needs More cases are being awarded to RWS for management

IP Services

One of the world's leading providers of patent translations, filing solutions and IP search, renewal, records and monitoring services.

The IP Services division represented 14% of Group revenues in the year (FY24: 14%). Revenues of £96.5m were 6% lower on a reported basis (FY24: £102.3m) and grew marginally on an OCC basis.

Highlights:

- Strategic Growth:** Our strategic focus on expanding outreach across the entire Intellectual Property (IP) lifecycle delivered significant growth in our patent renewals business. This helped offset a decline in the Eurofile segment due to external reductions in European Patent grant rates.
- Digital Platform Integration:** We secured several notable client wins, including three of the top ten patent filers in China, driven by the localisation and launch of our patent renewals functionality within our IP services digital platform. This digital enablement strengthens our ability to serve clients across their global patent portfolios. We also successfully entered the key growth market of South Korea with a major renewals agreement.

Operating profit was £15.3m (FY24: £33.3m) and adjusted operating profit was £19.4 (FY24: £26.9m), driven by changes in mix and investments in sales capability.

People: Engineering talent for the AI era

Our competitive advantage rests on our ability to attract and empower the specialised talent required to build and scale advanced AI solutions. We are committed to fostering an inclusive, high-performance culture that drives innovation, maximises productivity and delivers exponential value for our stakeholders.

Cultivating a high-performance culture

Our annual RWS Engagement Survey remains a vital data input, providing insights into key performance drivers like collaboration, professional growth and alignment with our technology vision.

We are pleased to report continued progress in talent retention, with voluntary attrition improving to 9.2% (FY24: 10.6%). This is a direct result of our focus on building a career platform where talent is engaged and sees a long-term trajectory. Our 'intent-to-stay' metric increased to 69%, reflecting the positive impact of agile working, autonomy and the trusting relationships colleagues have with their direct managers.

To ensure our teams are equipped to lead the AI transformation, our MyLX eLearning platform remains the foundation of our upskilling strategy. Through this platform, our colleagues accessed over 217,000 learning assets in FY25 – from compliance and quality to advanced technical skill development. This enables the efficient delivery of critical, high-velocity training necessary for a rapidly evolving technology organisation.

Strategic leadership for a product-led future

A core focus this year was restructuring our leadership to match our ambitions. We were delighted to strengthen the Executive Team with key appointments designed to execute our product and growth strategy:

Chief Product and Technology Officer

In May, Christina Scott joined the Group as Chief Product and Technology Officer (CPTO). Christina is now the architect of our global product and technology strategy, directly responsible for shaping the innovation agenda and delivering scalable, market-leading solutions. Her leadership is instrumental in sharpening our portfolio focus and bringing our ambitious AI roadmap to market. Christina is a proven senior executive with over 25 years of experience in driving revenue growth and cost optimisation across complex technology, digital products and data solutions at major companies undergoing large digital transformations.

Executive Vice President of Strategy and Corporate Affairs

In April, Joseph Ayala joined to lead strategy, investor relations and global M&A. His mandate is to identify opportunities for strategic growth and innovation in rapidly evolving competitive landscapes and to drive a disciplined, growth-focused M&A strategy to capitalise on market trends. Joseph brings 14 years of senior leadership experience within technology-enabled service companies, where he successfully engineered large-scale buy-and-build strategies.

Operational alignment and new segment leadership

To ensure crystal-clear accountability and alignment with our three new Generate, Transform and Protect segments, we executed a key internal realignment:

- We promoted several existing leaders to CEO roles within these businesses, reflecting the depth of talent within RWS and our succession planning process.
- James Lacey, previously head of our IP Services division, was appointed CEO of Protect.
- John Harrington, formerly General Manager of Propylon, was appointed CEO of our Content Technology business within the Generate segment.
- Jérôme Grateau was appointed to the newly formed position of Executive Vice President of Go-to-Market, responsible for redefining and steering the Company's commercial operations to maximise adoption of our new AI solutions.

These appointments, effective 1 October, reflect our commitment to building an agile leadership structure engineered to deliver on our growth strategy.

On 3 October 2025, Candida Davies informed the Board of her intention to step down as Chief Financial Officer and Executive Director. She will stay until the end of 2025

to support a smooth transition and the reporting of the full-year results. I would like to thank Candida for her immense contribution and commitment over the last three years during a pivotal time for the business and our industry. She has been a key member of our leadership team, which has made considerable progress in redefining the Group's strategy and operating model, strengthening its position for the future.

Culture and brand: The foundation for velocity

Alongside restructuring our organisation, streamlining our technology stack and maximising the power of AI, developing a culture of clarity, intensity and high-velocity execution is integral to our transformation.

Values and strategic alignment

In June, alongside our new strategy and technology-led brand, we launched our refined core values. These values serve as the operating principles for how we think, behave, and make decisions – capturing RWS at our best and ensuring every colleague's actions are aligned with our strategic goals.

While each value holds significance independently, they are designed to form a powerful equation that defines our high-performing culture.



Our focus on recognition remains key to driving engagement and reinforcing behaviours that fuel client success. The third year of the Ambassador Awards programme – which received over 1,000 nominations – celebrates individuals and teams who best embody our four values, publicly recognising the performance that underpins our innovation and delivery excellence.

Transparency and leadership communication

Transparency is the cornerstone of a high-performance organisation. When leadership communicates openly – about our strategy, decisions and challenges – we minimise friction, empower our teams and create alignment across the business, allowing us to move with greater speed and precision.

Since joining I have prioritised honesty regarding both our opportunities and our challenges. This includes a weekly newsletter sharing operational insights and strategic reflections, ensuring we move forward with clarity and shared purpose. Additionally, six all-colleague town halls were held during the year, providing direct, unrestricted access to the Executive Team.

The RWS rebrand: Engineering understanding

The internal launch of our new vision culminated in our inspirational 'RWS Hello World Day'. This event, which brought together teams through 40 face-to-face events in 27 countries, was a perfect opportunity to energise and align colleagues around our new direction. We clarified how individual roles contribute to our collective success as an AI solutions company. The day featured Erin Meyer, INSEAD Professor and author of 'The Culture Map', reinforcing the essential role of cultural intelligence in our global strategy. The response was overwhelmingly positive, with 74% of colleagues expressing excitement for the new brand.

Our new brand is about meeting the future head-on, and critically, helping our clients lead it. Our brand puts understanding front and centre:

Not just linguistic understanding – but cultural, contextual and customer-led understanding.

Understanding is the strategic key that unlocks a world of possibilities for our clients and we deliver it everywhere – across every channel, language and market.

The new brand is built around one powerful idea:

Growing the value of your ideas, data and content – by making sure you're understood. Everywhere.

We achieve this by bringing together a rare combination of cutting-edge AI platform, proprietary technology and human expertise to unlock global understanding at scale. I am genuinely inspired by this new brand and direction, and the enthusiastic response from our colleagues, customers and industry peers confirms the strength of our path forward.

ESG: Sustainable platforms and responsible governance

Environmental, social, and governance ("ESG") is an integrated layer of how RWS operates, reflecting our commitment to long-term sustainability and responsible platform governance. Our clients, partners and specialised talent expect us to lead with purpose.

Environmental commitment: Operational efficiency

We were proud to have had our ambitious greenhouse gas ("GHG") reduction targets officially approved by the Science Based Targets initiative ("SBTi") in May 2024. This commitment formalises our drive for operational efficiency across our global footprint:

- Scope 1 & 2 reduction: Committed to reducing absolute Scope 1 and 2 GHG emissions by 54.6% by FY33 (from an FY22 baseline).
- Scope 3 reduction: Committed to reducing Scope 3 emissions (purchased goods, commuting) by 61.1% per million GBP value added within the same period.

Our overall GHG emissions are down 6% year-on-year, keeping us on track for FY25 targets. Reductions in Scope 1 and 2 are driven by strategic office right-sizing – a key component of our leaner operating model. While Scope 3 emissions saw a projected rise due to factors like increased employee commuting and external regulatory updates, these remain within our target corridor. Furthermore, the proportion of renewable energy powering RWS offices increased by 15% to 30% in the first half of FY25.

Governance and social impact

Our commitment to ethical operations was recognised with a Bronze Medal by EcoVadis in April 2025. While our overall rating saw a slight dip from 68 to 66 – driven by increased sector-specific scrutiny on human rights and labour issues – we successfully improved our score in three out of four categories, demonstrating progress in our governance framework.

Crucially, our social focus is centred on cultivating the next generation of specialised talent:

- The RWS Campus programme, our global initiative for localisation talent development, continues to forge strong educational partnerships with more than 600 universities worldwide.
- These collaborations are essential for nurturing the specific linguistic and technical skills needed to power the future of global AI.

By integrating rigorous ESG standards into our technology platform and operational efficiency goals, we are building a more resilient, responsible and sustainable company for all stakeholders.

Example of our work across Protect

case study



Canva

RWS helps Canva scale with culturally relevant localisation in 80+ languages

Challenges

Online design and publishing tool, with a mission to empower everyone to design anything and publish everywhere

Rapid rollout in 100 languages created gaps in cultural relevance

Some design assets were not applicable for all global audiences

Canva's in-country language managers needed help scaling

Desire to localise complex creative content such as motion graphics

Global campaign deadlines demanded speed, quality and consistency

Testimonial

“Working with RWS has been incredible. No matter what, they go above and beyond every time. They always deliver, and it's a pleasure to work with such a trusted partner.”

Melina Wang |
Language Management
Team Lead, Canva

Results

- High-volume, scalable localisation in over 80 languages
- Customised, culturally relevant content for 190 markets
- Long-term, deep and dependable working relationships
- Dedicated global teams across time zones
- Up to 1.5 million words being translated per month

Current trading, outlook and medium-term guidance

RWS's proprietary technology and data, specialised expertise, integrated AI lifecycle solutions and proven track record in transforming mission-critical content mean the Group is uniquely positioned to grow on the back of AI advancements as the natural trusted partner for enterprises navigating the AI revolution. We enter FY26 with a scalable technology stack, a clear strategy and the energy to define the future of global understanding.

Trading in the early months of the year has been encouraging and we have maintained the positive cost control momentum seen in the second half of FY25. As we realise the benefits of the new operating model and action taken in FY25, in FY26, we expect the Group to deliver:

- Low single digit OCC revenue growth with:
 - Generate expected to deliver mid-teens digit growth, primarily driven by growth in TrainAI
 - Transform expected to deliver a low to mid-single digit decline, whilst we pivot to a tech-first offering, whilst benefitting from increased predictability from a higher proportion SaaS revenue
 - Protect expected to deliver mid-single digit growth, primarily driven by growth in recurring renewals revenue and recent wins
- Moderate margin expansion, with gross margin expected to expand by c.150bps and adjusted operating margin expected to expand by c.100 bps; and
- Continued strong free cash flow conversion.

In the medium-term we expect:

- Group OCC revenue growth to accelerate with:
 - Transform's tech-first offering and growing business lines, with resilient pricing, gradually offsetting declining traditional products and services
 - Generate and Protect to grow, driven by growth in their underlying markets boosted by their strategy of diversification across products, services and industry verticals.
- A gradual improvement in profitability with:
 - Transform benefitting from the new tech platform and redesigned processes coming on stream and its tech-first model providing more efficient delivery and economies of scale
 - Generate and Protect achieving more efficient delivery driven by modernisation investment and improving profitability as new business lines mature
 - Improved gross margin and operating margin further supported, across the Group, by off-shoring and increased central overhead efficiency.
- A normalisation of operational FCF to c.65%, as working capital and capital expenditure normalise alongside accelerated growth.

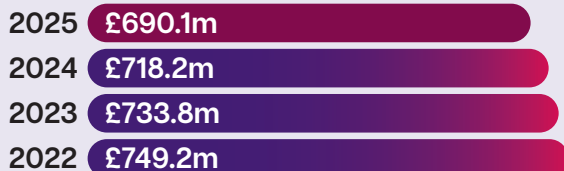
Benjamin Faes | Chief Executive Officer

10 December 2025

Key performance indicators.

Group revenue

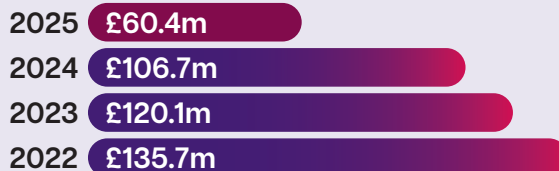
£690.1m



Reflects the total value of work sold during the financial year.

Adjusted profit before tax

£60.4m



Adjusted profit before tax is profit before tax before amortisation of acquired intangible assets, impairments, acquisition costs, share-based payment expenses, profit on disposal of business and exceptional items. The Directors believe this alternative performance measure provides a more consistent measure of the Group's performance. See page 156 for further details.

Gross margin

43.4%



Reflects gross profits, being revenues less costs directly incurred in generating revenues, expressed as a percentage of revenues.

Cash conversion

126%



Cash conversion is calculated as free cash flow expressed as a percentage of adjusted net income. This is viewed as a key adjusted performance measure to understand how much of the Group's profits have been converted to cash. See page 157 for further details.

Adjusted basic earnings per share

12.1p



Adjusted basic earnings per share is calculated as adjusted earnings (calculated as profit for the year less amortisation of acquired intangible assets, acquisition costs, share-based payment expense and exceptional items, net of any associated tax effects), divided by the weighted average number of ordinary shares in issue during the financial year. See Note 11 for further details.

Colleague attrition (voluntary)

9.2%



Colleague turnover is calculated as the number of voluntary FTE leavers compared with the average number of FTE during the financial year. This excludes TrainAI community colleagues.

¹ Figure based on strongest collation possible from multiple data sources, arising from wide range of HR systems across the enlarged Group.

Environmental, social and governance.

Our environmental, social and governance (“ESG”) efforts are anchored in four foundational pillars: environment, people, community and governance. We are proud of the meaningful progress we’ve made across these areas, keeping us on track to meet and surpass our near-term carbon reduction targets that were validated by the Science Based Targets initiative (“SBTi”) last year.

These achievements are a testament to the dedication of our global team. Their unwavering commitment continues to be instrumental in advancing our sustainability objectives and driving impactful change.

Our approach to corporate sustainability

We are committed to transparent, comprehensive and timely reporting, continually enhancing the clarity and credibility of our ESG disclosures.

By aligning and benchmarking our progress against globally recognised sustainability reporting frameworks, we strengthen our accountability and commitment to achieving the highest sustainability standards, such as:

- Sustainability Accounting Standards Board (“SASB”)
- Task Force on Climate-related Financial Disclosures (“TCFD”)
- United Nations Global Compact (“UNGC”)
- Carbon Disclosure Project (“CDP”)
- Streamlined Energy and Carbon Reporting (“SECR”)

The CEO oversees the Group’s ESG strategy with the Executive Team to implement actions approved by the Board. He has designated three Executive Team members as ESG sponsors, each having ownership for environmental, social and governance. The ESG sponsors work directly with the ESG Steering Committee (“the Committee”) and its Chair to manage ESG policies, programmes, reporting, governance and assurance activities, and to provide ESG updates to the Board. The Committee’s membership comprises senior leaders from across the business, whose responsibilities and activities are supported by subject matter experts. The Committee’s terms of reference are available on www.rws.com.

Stakeholder framework

Engaging in ongoing dialogue with our stakeholders allows us to align our sustainability strategy and models with their key concerns and priorities. While our framework recognises several stakeholder communities, our core focus remains on client, colleague and investor groups.





Environmental

Climate change appears to be accelerating. According to the World Meteorological Organization, 2024 was likely the first year in which average global temperature exceeded 1.5°C above pre-industrial levels. Additionally, the Intergovernmental Panel on Climate Change (“IPCC”) stated in its sixth Assessment Report that in the decade between 2011 and 2020, global average surface temperature increased by 1.1°C versus the 1850-1900 pre-industrial average.

In the same way that we at RWS take great pride in being the industry leading provider of content solutions and technology, we also lead by example when it comes to the environment. We have worked tirelessly to meet our emissions reduction targets, and we continue to work with a growing number of customers to help them meet theirs.

To demonstrate how important climate change and the environment is to RWS, the CEO retains overall responsibility for all relevant climate-related and environmental matters whilst the General Counsel and Company Secretary chairs the Executive Risk Management Committee, which has overall responsibility for overseeing the Group’s risk management programme. For the assessment of climate-related risks, they are assisted by the Executive Team, the ESG Steering Committee and other subject matter experts.

In 2021, we became a signatory to the TCFD and have adopted its framework (see the full report starting on page 46). For the past several years, we have reported to the CDP, and our near-term emission reduction targets were approved by the SBTi in May of 2024.

We are proud to hold an ISO 14001:2015 Environmental Management certification. This certification covers a number of our offices, and we aim to increase this compliance to over 90% by the end of FY30.

During FY25, colleagues across RWS made meaningful contributions to sustainability projects and initiatives, including:

- Energy conservation campaign encouraging efficient appliances, unplugging devices, and green energy.
- Wildlife protection awareness, including species adoption programmes.
- Water conservation initiatives: fixing leaks, water-saving technologies, and mindful consumption.
- Earth-focused campaigns: “Earth Day Everyday”, tree planting, clean-ups, recycling drives, tips to eco-workshops.
- Sustainable mobility actions: Bike to Work initiatives, carpool, and public transport promotion.

- Climate awareness campaigns addressing floods, fires, and environmental resilience.
- Ocean protection: beach clean-ups, reducing single-use plastics, and sustainable seafood awareness.
- Plastic reduction initiatives: promoting reusable bags, bottles, containers, and office best practices.
- Clean air activities: cycling and carpooling for emission reduction, promoting indoor plants and natural cleaning products.
- Sustainable fashion promotion: swap corners, clothing donations, and awareness of sustainable and ethical materials.
- Forest conservation and reforestation promotion.
- Zero waste campaign: “Waste Less, Live More” – reducing waste and promoting circular practices.

We remain committed to:

- Driving down Group-wide carbon emissions.
- Enhancing our global environmental management systems on an ongoing basis.
- Complying with and, where possible, going beyond applicable environmental regulations.
- Building constructive relationships with regulatory authorities.
- Partnering with clients to support and advance their sustainability ambitions.

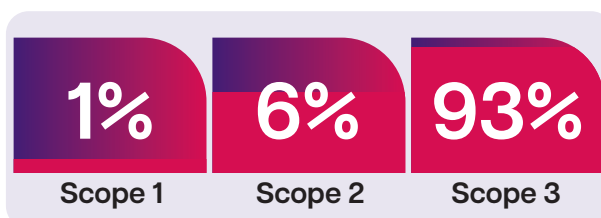
Energy and greenhouse gas report

As part of our obligation to be compliant with the Streamlined Energy and Carbon Reporting (“SECR”) disclosure, we are required to report energy and GHG emissions within our Directors’ Report.

During FY25, we built on the progress made in previous years and we have consolidated our approach to data collection, review and reporting to the point where we are confident in our ability to adjust and adapt to any new requirements moving forward.

Methodology

Emissions were calculated following the GHG Reporting Protocol (Corporate Standard) using the Watershed platform. Energy usage data was collected or estimated based on building square-footage for all facilities and was combined with emission factors from Ecoinvent, the US Environmental Protection Agency (“EPA”) or with emission factors sourced from suppliers that report to the CDP.



Annual energy consumption

Our annual global energy use (in kWh) and associated greenhouse gas emissions (tCO₂e) have been summarised in the table below.

	FY22 (base year)			FY24 (previous year)			FY25		
	UK and offshore	Global (excluding UK and offshore)	Total	UK and offshore	Global (excluding UK and offshore)	Total	UK and offshore	Global (excluding UK and offshore)	Total
MWh									
Energy consumption used to calculate emissions (see Scope 1 & 2 categories below)	1,269	11,935	13,204	1,524	14,443	15,967	889	5,643	6,532
tCO₂e									
Emissions from sources which are owned or controlled by the Company including combustion of fuel for transport & operation of facilities (Scope 1)	44	505	549	80	530	610	59	289	348
Emissions from purchased electricity, heat, steam, and cooling (Scope 2, market based)	202	3,461	3,663	186	3,774	3,960	81	1,673	1,754
Total gross tCO₂e	246	3,966	4,212	266	4,304	4,570	140	1,962	2,102

These numbers are market-based and include: electricity, natural gas, diesel, heat and steam, refrigerants and company car fuel consumption from Scope 1 and 2.

Annual emissions & intensity ratios

We use the intensity ratio based on turnover. RWS turnover in FY25 was £690m. This provides another way of assessing our carbon performance taking into consideration key variables that affect our overall carbon footprint.

Our Scope 1, 2 and 3 turnover intensity performance shows a circa 2.3% improvement per £1m.

Annual GHG emissions			
(tCO ₂ e, market-based unless otherwise indicated)	2022 (Base Year)	2024 (Previous Year)	2025
Scope 1	549	610	348
Scope 2 (location-based)	4,167	4,610	2,100
Scope 2	3,665	3,960	1,751
Scope 3	33,874	29,230	29,698
Scope 3.1 Purchased Goods and Services	22,295	16,453	18,055
Scope 3.2 Capital Goods	241	382	412
Scope 3.3 Fuel and Energy Related Activities	1,705	1,870	758
Scope 3.5 Waste Generated in Operations	136	432	495
Scope 3.6 Business Travel	989	3,526	3,086
Scope 3.7 Employee Commuting	8,508	6,566	6,892
Total tCO₂e (location-based)	35,764	34,412	32,262
Total tCO₂e	38,088	33,799	31,797
Total tCO₂e / £1m Revenue	50.84	47.17	46.08
Total tCO₂e / FTE	4.91	3.73	3.46

Environmental, social and governance continued

Managing energy use

We remain committed to reducing our environmental footprint by improving energy efficiency and expanding the use of renewable sources across our offices. In FY25, we:

- Increased awareness and encouraged renewable energy adoption wherever possible.
- Applied practical energy-saving measures such as timers, energy-efficient lighting, and policies to close doors and switch off equipment outside working hours.
- Worked with IT to optimise data centre operations by raising set temperatures, thereby reducing cooling demand.

These actions not only lower emissions but also generate cost savings, demonstrating the strong link between sustainability and business performance.

Minimising waste

Although our operations generate limited, non-hazardous waste, we continue to strengthen waste management practices by:

- Enforcing our Group Waste Policy and Green Office Procedure.
- Improving waste collection and recycling processes across offices.
- Partnering with landlords and suppliers to advance responsible waste management.
- Promoting employee engagement through initiatives such as Plastic Free Month, Zero Waste Month, Sustainable Fashion Month and many others.

Where waste data is managed by landlords, we are working closely with them to obtain more accurate reporting and expand opportunities to reduce, reuse and recycle.

Water

Most of our sites rely on municipal water supplies in developed regions with strong adaptation capacity. To support conservation, we are installing water-saving fixtures, repairing leaks, and embedding water efficiency within our Green Office Procedure. FY25 also saw awareness activities linked to Water Conservation Month, energy efficiency tips, world oceans and helping colleagues understand the importance of responsible water use.

Paper

The transition to agile working has further decreased paper consumption. We continue to source responsibly, promote double-sided printing, and encourage digital alternatives wherever practical.

Electronic waste

We aim to reduce electronic waste by sourcing efficient IT equipment from global suppliers with strong sustainability credentials. Our hardware providers use carbon fibre and tree-based bio-plastics, and have been ENERGY STAR partners for more than a decade. ENERGY STAR certified devices consume 25–40% less energy than conventional models.

To extend hardware life, we run a buy-back scheme with suppliers and ensure certified WEEE recycling as part of our disposal process. Colleagues are encouraged to switch off devices when not in use, and automatic energy-saving configurations are in place across our IT estate. Consolidation of systems continues to help us further reduce our overall IT footprint.

Business travel

With post-pandemic conditions leading to higher travel volumes, we continue to promote virtual meetings as the preferred option to reduce unnecessary travel and minimise associated emissions.

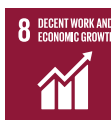


Social

Our people

We continue to make meaningful progress in our ESG journey, reflected in the voices of our people. Our 2025 engagement survey shows 81% of colleagues believe they can report unethical practices without fear of negative consequences; 78% of colleagues believe RWS fosters environmentally friendly practices; 77% believe RWS shows a commitment to ethical business decisions and conduct; 74% believe RWS is taking action to be socially responsible; 85% believe their manager cares about their well-being; and 81% believe RWS promotes a diverse culture where individuals from all backgrounds feel a sense of belonging.

RWS's foundation of trust and shared values has been further enhanced by our new CEO, who has brought energy and a personal approach to leadership, actively engaging with teams across the globe, through visiting RWS offices worldwide, listening to colleague experiences, encouraging open feedback and demonstrating a genuine commitment to understanding our people and culture. Our 'RWS Hello World Day' global colleague event, which ran in parallel with the relaunch of our brand, marked a bold new chapter for the business. Our CEO offers transparency, inspiration and a direct line through a weekly communication with every colleague.



Diversity, equity and inclusion

At RWS we are proud to be part of a vibrant and globally diverse community. We believe that embracing and celebrating individual differences strengthens our culture and enables people to thrive. Fostering an inclusive and welcoming environment is fundamental to who we are and essential to our success.

Our commitment to diversity, equity and inclusion ("DEI") is reflected in a focused strategy aligned with the Group's Diversity, Equity and Inclusion Policy. This strategy is structured around key pillars, each supported by a dedicated Employee Resource Group ("ERG"). ERGs provide critical feedback on our Group DEI plans and lead initiatives tailored to the needs of their focus areas. Each ERG is sponsored by a member of the Executive Team, ensuring visibility, prioritisation and influence at the highest levels of the organisation. To reflect the evolving needs of our people, we have continued to grow and adapt our ERG structure, which is built on six pillars: Culture & Ethnicity, LGBTQ+, Persons with Disabilities, Women at RWS, Neurodiversity and Wellbeing. Each ERG represents a distinct but interrelated dimension of identity and empowers colleagues to bring their authentic selves to work, fostering mutual respect and championing equity across the organisation.

The ERGs play a vital role in identifying strategies that address the shared interests of their communities, helping to increase representation, amplify voices and foster meaningful engagement across RWS. Oversight and alignment are provided by the RWS Diversity Council, which connects the efforts of all ERGs to a broader, business-driven, results-oriented DEI strategy. To further bring our DEI work to life, we host an annual RWS Diversity Festival, celebrating the rich diversity within our teams and showcasing initiatives across the organisation. We offer three signature Pal Programmes - Language Pals, Career Pals and Support Pals, each designed to foster meaningful connections among colleagues. These initiatives create opportunities to share common interests, provide support and exchange valuable insights, all while strengthening collaboration, inclusion and community across RWS.

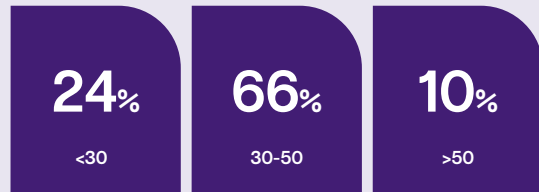
Mental health, physical health and wellbeing

At RWS we recognise that just like physical health, we all have a state of mental health and wellbeing, and we aim to foster a culture that empowers each and every one of us to take action to enhance our wellbeing. We continue to expand our programmes to support and help our people thrive. We offer a range of ongoing initiatives covering topics such as stress management, meditation and yoga, mental health awareness and nutrition designed to empower colleagues with practical tools and insights for everyday wellbeing. Our Employee Assistance Programme (“EAP”) is a key pillar of support, offering local language, confidential guidance to both managers and colleagues. The EAP covers areas including stress and mental health, physical wellbeing, dependent care and financial health ensuring holistic support across life’s challenges.

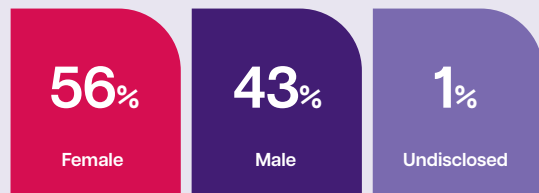
We also celebrate the power of shared interests through our colleague-led clubs, which foster connection and creativity across the organisation. These clubs span a wide variety of passions, including music, photography, running, sewing, knitting, books, nutrition, chess and mindfulness & meditation, creating space for colleagues to come together, recharge and inspire one another.



Age

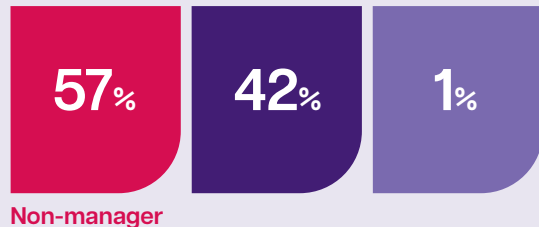
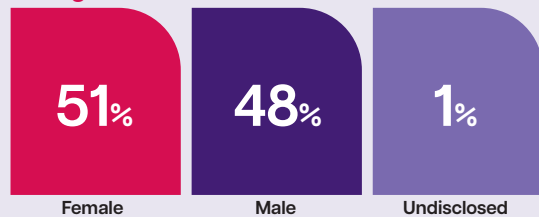


Gender



Employee category

Manager



Years of service



Social

Our communities

RWS delivers an active community programme, centred around the promotion of foreign language learning, focused charitable giving and colleague volunteering.

Foreign language learning – RWS Campus

RWS Campus is our established educational programme, with a clear mission to inspire great futures in localisation and to be recognised in our industry for developing localisation talent and markets worldwide. We have relationships with 621 universities globally, bringing either the benefits of translation technology to universities and students or incubating talent through internships, to help bridge the gap between the academic world and industry.

Charitable giving

During FY25 The RWS Foundation continued to contribute to initiatives aligned with our social impact priorities, including the partnership with CLEAR Global. Charitable donations via The RWS Foundation amounted to £31,500 during the year.

For FY26 and future years, RWS will no longer provide funding for The RWS Foundation's charitable activities and partnerships, and will instead directly fund charitable giving, overseen by the RWS ESG Steering Committee. The Group remains committed to its charitable activities which directly benefit the communities RWS operates in while leveraging RWS's strengths as a global leader in content solutions. These activities are centred around sustainable technology enablement, language empowerment, local emergency response and colleague matching.

We continued to support colleague volunteering across the world. In total, colleagues took a total of 1,542 volunteering days to support local initiatives.



Governance

We are strongly committed to upholding the values of good governance as we believe it is important for the long-term success of the business – our clients can depend on us, we can attract the top talent we need to help us innovate, our suppliers can rely on us and it helps us secure the support of our investors. RWS is committed to promoting transparent, fair and timely decision-making that considers the needs of all our stakeholders.

For more detail on our approach to governance, see pages 66 to 73 of the Corporate Governance Report.

Business ethics

RWS is committed to acting professionally, fairly and with integrity in all our business dealings and does so in compliance with RWS's Code of Conduct. The Code of Conduct is reviewed regularly to remain consistent with ever-changing regulatory standards and guidance.

RWS requires all colleagues, contractors and partners to operate in a professional, ethical and diligent manner and be transparent on all possible conflicts of interest. RWS works with external law firms and consultants to keep up-to-date globally on any changes to legal and regulatory standards to ensure that any new legal requirements are reflected in its policies.

Key policies and codes of conduct published on the Group's website include:

- Anti-Bribery and Corruption Policy
- Code of Conduct
- Diversity, Equity and Inclusion Policy
- Fraud & Financial Crime Policy
- Environmental Policy
- Health and Safety Policy
- ISMS Policy
- Modern Slavery and Human Trafficking Policy
- Sanctions Policy
- Speak-up Policy
- Supplier Code of Conduct



Governance and reporting

As an AIM listed company, RWS has chosen to implement the Quoted Companies Alliance Corporate Governance Code ("QCA Code"). The principles set out in the QCA Code provide a framework to help ensure we have appropriate governance arrangements in place. The Board believes that it complies with all the principles of the QCA Code; see pages 70 to 73 for details of our compliance, which is reviewed annually in line with the requirements of the QCA Code.

Corporate governance structure

The Chairman leads the Board and has overall responsibility for corporate governance and the effective management of the Board. The CEO provides leadership to the Group's Executive Team and senior management team.

To learn more about RWS's corporate governance structure, see pages 66 to 73.

Managing risks

Identifying and managing risks is fundamental to protecting the business, our people and our communities as well as delivering long-term shareholder value. The Board routinely monitors risks that could materially and adversely affect the Group's ability to achieve strategic goals, its financial condition and the results of its operations. The Board is supported by the Executive Risk Management Committee which plays a key role in risk management and regularly report to the Board.

Five of our 11 principal business risks are relevant to ESG and these are set out in the Principal Risks and Uncertainties section of this annual report.

Tax transparency

RWS is committed to being a responsible corporate citizen within each jurisdiction in which it operates and does not use 'tax haven' countries or other tax avoidance arrangements as part of its tax planning. Visit the Directors' Report on page 88 for more information.

Cyber security

RWS understands that its cyber security preparedness must continue to evolve to address the changing nature of risk. The strategic security posture for RWS is set by the Security and Privacy Committee, chaired by the SVP Enterprise Technology Services. This group includes stakeholders from all relevant business units to collaborate on continual improvement of increasing awareness and supporting a consistent risk-based approach to information security. The Information Security Management System ("ISMS") is the framework that underpins the globally recognised ISO 27001:2022 certification. We hold this for the secure build, implementation, maintenance and delivery of translation productivity tools, machine translation tools and hosted solutions for translation management, language cloud and content management. It further includes translation and linguistic validation services and language solutions for regulated industries.

FY25 recognition

During FY25 the Group had:

- ISO 9001: applicable in 38 offices and 32 offices certified
- ISO 17100: applicable in 37 offices and 30 offices certified
- ISO 18587: applicable in 37 offices and 30 offices certified
- ISO 27001: applicable in 7 offices and 6 offices certified
- ISO 13485: applicable in 2 offices and 1 office certified
- ISO 21502: applicable in 20 offices and 13 offices compliant
- ISO 14001: applicable in 40 offices, 4 offices certified and 28 offices compliant

All applicable sites are sites providing services which are in scope of the ISO certification within the reporting year.

Privacy and data protection

RWS has adopted a global data protection and privacy programme anchored to the EU General Data Protection Regulation ("GDPR") and the UK Data Protection Act 2018 ("DPA"), ensuring adherence to the highest data protection standards while incorporating local regulatory requirements where applicable. The programme includes a comprehensive set of policies and processes focused on the protection of personal data and personally identifiable information.

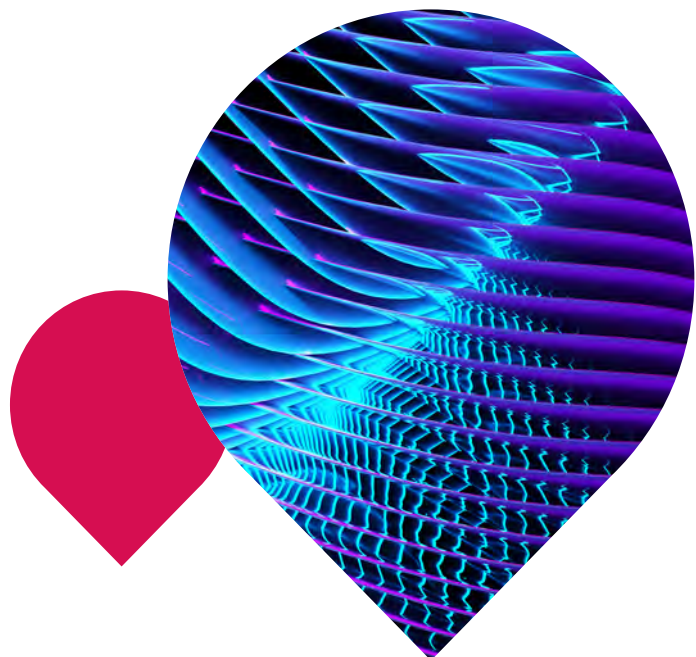
The Group has an established Privacy Office, led by the Head of Global Privacy, which oversees the implementation, monitoring and continuous improvement of the programme. The Privacy Office ensures that privacy risks are proactively managed and that the programme is regularly audited to maintain compliance, accountability and stakeholder trust.

A formalised reporting process is in place, with the Privacy Office providing regular updates to the Security & Privacy Steering Committee. This committee is chaired and sponsored by Executive Team members and comprises Senior Leadership Team representatives, ensuring strategic oversight and alignment with the Company's broader risk and governance framework.

As required to perform and deliver its products and services, RWS may share and transfer personal data between affiliate companies and approved third-party contractors. Appropriate privacy agreements are in place to govern such data sharing and transfers, clearly defining the roles and responsibilities of each party. These agreements are structured in line with applicable data protection laws and regulatory obligations, and to uphold RWS's commitment to transparency, accountability and the safeguarding of personal data.

RWS has embedded the following practices into its operations:

- Privacy Impact Assessments (PIAs): RWS conducts PIAs to identify, assess and mitigate privacy risks associated with new or updated processing activities to ensure appropriate safeguards are built into business processes and technologies.
- Privacy by Design and Default: Privacy principles are assessed and implemented at the development phase of products and services from the outset.
- Transparency: RWS provides clear and accessible privacy notices at the appropriate moment in the data collection and processing workflow. These notices are publicly available and tailored to the context in which personal data is collected, ensuring individuals are informed about how their data is used and protected.
- Employee Training and Awareness: All employees receive regular training on data protection obligations and privacy best practices.
- Data Subject Rights Management: RWS maintains robust procedures to respond to data subject requests, including access, correction, and deletion of personal data.
- Incident Response and Breach Management: The Company has established protocols for identifying, reporting and mitigating data breaches or privacy incidents in a timely and transparent manner.



Sustainability accounting standards board disclosure.

Service sector: professional and commercial services

Reporting year: all data reporting for FY25 unless specified

RWS has chosen to report by disclosing sustainability topics and certain accounting metrics in line with the Sustainability Accounting Standards Board (“SASB”) Standards. In August 2023, the International Sustainability Standards Board (“ISSB”) of the IFRS Foundation assumed responsibility for the SASB Standards. The ISSB has committed to maintain, enhance and evolve the SASB Standards and encourages preparers and investors to continue to use the SASB Standards.

The Standards:

- Surface information about sustainability-related risks and opportunities that is likely to be decision-useful for investors
- Are industry-based because those risks and opportunities vary by industry
- Are designed to be cost-effective for companies to use

- Are developed using an evidence-based and market-informed process similar to that which is used to develop financial accounting standards
 - Put preparers on the path toward ISSB implementation
- Global investors recognise SASB Standards as essential requirements for companies seeking to make consistent and comparable sustainability disclosures. RWS is supportive of the SASB framework as it allows companies to provide comparable and consistent ESG-related data. We have modified some metrics to reflect our domicile in the UK. In addition, we have provided additional metrics where we believe they will provide further information regarding a specific sustainability topic. We have chosen to report in conformance with the SASB Standard for the Professional & Commercial Services industry, which includes the following disclosure topics:

- Data security
- Workforce diversity and engagement
- Professional integrity

These ESG topics are reviewed along with specific metrics in the following sections of the ESG Report:

Topic	Summary approach	For more information
Data security	We understand that information security is important to all our stakeholders including clients, investors and colleagues. We take a risk-based approach to the implementation and maintenance of a robust baseline of security controls which are specified in our information security management system, monitored by senior management and subject to regular external and internal validation. This allows RWS to ensure our safeguards are appropriate and proportionate and facilitates the continual improvement of our information security position.	SASB metrics: page 35 Discussion and Analysis: page 33
Workforce diversity & engagement	RWS's success is based on its delivery of high-quality solutions. RWS recognises the importance of having an engaged, motivated and diverse team of colleagues and has several initiatives in place that seek to maintain an inclusive culture, recognising achievement and support of all its colleagues. For RWS, acting and being seen to act with the highest level of professional standards and integrity is fundamental to developing and maintaining trusted partnerships with its various stakeholders. RWS seeks to act with transparency, honesty and integrity at all times.	SASB metrics: pages 35 & 36 Our people: pages 29 & 30
Professional integrity	For RWS, acting and being seen to act with the highest level of professional standards and integrity is fundamental to developing and maintaining trusted partnerships with its various stakeholders. RWS seeks to act with transparency, honesty and integrity at all times.	SASB metrics: page 35 Governance: pages 31, 32 & 33

Sustainability disclosure topics and accounting metrics

Topic	Summary approach	Category	SASB code	For more information
Data security	Description of approach to identifying and addressing data security risks	Discussion and analysis	SV-PS-230a.1	See page 33
	Description of policies and practices relating to collection, usage and retention of customer information	Discussion and analysis	SV-PS-230a.2	See page 33
	(1) Number of data breaches (2) percentage involving customers' confidential business information (CBI) or personally identifiable information (PII) (3) number of customers affected	Quantitative	SV-PS-230a.3	As per the SASB requirements a data breach is defined as 'the unauthorised movement or disclosure of sensitive information to a party, usually outside the organisation, that is not authorised to have or see the information.' There have been no known data breaches of this nature.
Workforce diversity & engagement	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	Quantitative	SV-PS-330a.1	Workforce diversity data was not collected during FY25, as we held our Diversity Month later in the calendar year (November 2025). Our FY26 Annual Report will include workforce diversity data based on the November 2025 survey.
	(1) Voluntary and (2) involuntary turnover rate for employees	Quantitative	SV-PS-330a.2	See Table 1
	Employee engagement as a percentage	Quantitative	SV-PS-330a.3	See Table 2 FY25 was the fifth year RWS undertook a Group-wide employee engagement survey. Using a world-class external engagement survey platform, which provides precise colleague engagement data, enables us to benchmark our results externally. The survey was completed again in September FY25 and we achieved a global response rate of 78%, slightly down on last year's score of 81%. This year we achieved a 60% favourable employee engagement score (see Table 2). We remain encouraged by the results regarding diversity and inclusion with a 81% favourable response to the critical question "RWS promotes a diverse culture where individuals from all backgrounds feel a sense of belonging".
Professional integrity	Description of approach to ensuring professional integrity	Discussion and analysis	SV-PS-510a.1	See pages 31, 32 & 33
	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	Quantitative	SV-PS-510a.2	There have been no monetary losses in FY25 as a result of legal proceedings associated with professional integrity.

Sustainability accounting standards board disclosure (“SASB”) continued

Activity metric

Activity metric	Category	SASB code	Response
Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	Quantitative	SV-PS-000.A	(1) 83% (7,649 FTE) (2) 17% (1,539 FTE) (3) We have more than 40,000 vendors and freelancers who are paid on invoice.
Employee hours worked, percentage billable	Quantitative	SV-PS-000.B	17,917,439 71% Our primary business model is based on words translated but billing per hour is typical of some services adjacent to localisation such as testing, DTP and multimedia services, etc.

Table 1. Employee turnover rates, % (FY25)

FY25	%
Turnover	17.9%
Voluntary	9.2%
Involuntary	8.7%

Table 2. Employee engagement scores (FY25)

	Favourable	Neutral	Unfavourable
My work gives me a feeling of personal accomplishment	64%	21%	15%
I would recommend RWS to people I know as a great place to work	59%	26%	15%
RWS as a company motivates me to excel in my work	56%	25%	18%



Non-financial and sustainability information statement.

The following aligns to the non-financial reporting requirements contained in sections 414CA and 414CB of the Companies Act 2006.

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Non-financial key performance indicators

24 2025 performance and key performance indicators



Policies

All public policies, codes and standards are available on our website www.rws.com.



Candida Davies

Chief financial officer's review.

RWS navigated a challenging environment in FY25 focusing on disciplined cost and working capital management. The Group delivered material overhead cost reductions in the second half, supporting a leaner operating model. Strategic hires and ongoing transformation programmes continue to strengthen operational foundations. The renewal and upsizing of the Revolving Credit Facility further enhances financial flexibility. The Group remains focused on cash generation, capital efficiency, and selective investments.

Reported revenue was £690.1m, down 4% year-on-year. Adjusted profit before tax was £60.4m (9% margin) down from £106.7m (15%) in FY24, reflecting adverse foreign exchange, temporary margin pressure and increased amortisation charges. The Group reported a loss before tax of £99.7m (FY24: profit of £60.0m), the decrease being driven primarily by the non-cash goodwill impairment of £88.0m, the reduction in gross profit in the year and foreign exchange headwinds.

Despite lower earnings the Group remained cash generative, with cash generated from operations of £86.1m and cash conversion of 126%, ending the year with a very modest net debt of £25.4m (Net Debt / adjusted EBITDA < 0.5).

Within the Finance function, operational foundations were strengthened through the implementation of a new ERP platform in IP Services, completion of the transition to a global finance shared service centre, and the ongoing simplification of the Group structure.

Revenue

In FY25, the Group generated revenues of £690.1m, representing a 4% decrease compared to FY24 and 1% lower on an organic constant currency (OCC) basis.

Language Services delivered revenue of £326.7m, broadly in line with the prior year and showing a 3% improvement on an OCC basis. Strong growth in TrainAI, our AI-powered data services, helped offset declines in traditional translation volumes as clients move to machine translation, and pricing pressure. In addition, demand for language quality review and testing is increasing, driven by rising adoption of AI powered workflows.

Regulated Industries recorded revenue of £128.5m, down 12% year-on-year (10% lower OCC), primarily reflecting reduced activity in linguistic validation among major pharmaceutical clients. There were a number of new client wins, in the pharmaceutical and finance sectors.

Language and Content Technology achieved total revenue of £138.4m, a decrease of 3% year-on-year but flat on an OCC basis. New customer wins and robust SaaS growth helped mitigate lower perpetual licence sales.

IP Services reported revenue of £96.5m, a 6% decrease compared to the prior year but flat on an OCC basis. Growth in patent renewals offset weaker performance in the EuroFile segment.

The majority of the Group revenue, categorised by geography, is in the US market, which accounts for 55% of the total.

No one client accounts for more than 10% of Group revenue.

Gross profit

Gross profit was £299.3m, £37.2m lower than the prior year, resulting in a gross margin of 43% (FY24: 47%). The decrease primarily reflects lower reported revenues, notably from linguistic validation within Regulated Industries and some operational challenges in Language Services during the migration to new automated delivery models. The shift towards lower margin services, including a rapid growth in TrainAI and the sale of Patbase in the prior year also contributed. Adverse impacts from foreign exchange, cost inflation, and the expected shift towards increased SaaS licences were partially offset by cost efficiencies delivered in the latter part of the year. These actions supported the transition to a leaner organisational structure, effective 1 October. The Group continues to pursue further efficiency gains through ongoing transformation programmes and increased use of AI.

Administrative expenses

Total administrative expenses have increased to £393.1m (FY24: £270.7m).

Adjusted administrative expenses (gross profit less adjusted operating profit) increased to £233.2m (FY24: £224.2m) due to a loss of £5.1m related to foreign exchange versus a £5.2m gain recognised last year.

The underlying overheads costs remained flat year-on-year with the cost of inflation, selective investments and increased amortisation of non-acquired intangibles (primarily related to the Group's new finance and HR systems, and other internally generated software) being offset by continued efficiency efforts.

Adjusting items in FY25 totalled £159.9m, including

- A goodwill impairment of £88.0m within the Group's Language Services and Regulated Industries CGUs. This non-cash charge reflects the market transition we have been experiencing on the core localisation business, the under performance in the Linguistic Validation business, the shift in investments and focus to support the new transition to a technology first proposition and the rise in discount rates due to macroeconomic factors (FY24: £nil).
- Amortisation of acquired intangibles was £40.3m (FY24: £40.8m). The reduction was mainly due to the impact of exchange rate movements during the period.
- Exceptional costs of £22.2m (FY24: £3.4m) were incurred during the year, relating to Group restructuring, transformation, integration and other strategic projects. Acquisition costs of £5.1m (FY24: £7.2m) were primarily related to the contingent consideration of Propylon Holdings Limited and ST Communications, both purchased in prior periods.

Chief financial officer's review continued

Finance costs

Net finance costs excluding exceptional finance costs were £5.7m (FY24: £5.6m), with slightly higher average borrowings offset by lower interest rates. Exceptional finance costs were £0.2m (FY24: £0.2m).

Profit before tax

The Group reported a loss before tax of £99.7m (FY24: profit of £60.0m), the decrease being driven primarily by the reduction in gross profit in the year, foreign exchange headwinds, the non-cash goodwill impairment of £88.0m as well as the £30.0m profit on disposal of Patbase reported in the prior year.

Adjusted profit before tax

Adjusted profit before tax ("Adjusted PBT") is stated before amortisation of acquired intangibles, impairments, acquisition costs, share-based payment expenses, profit on disposal of business and exceptional items (see reconciliation on page 156). The Group uses adjusted results as a key performance indicator, as the Directors believe that these provide a more consistent and meaningful measure of the Group's underlying performance across financial periods. The Adjusted PBT of £60.4m (Adjusted PBT margin: 9%) recorded in the period has decreased from £106.7m (Adjusted PBT margin: 15%) in the prior year. Strong cost control measures and restructuring efforts were implemented to counteract the weaker business performance and foreign exchange headwinds but were not sufficient in the period. This led to the non-payment of financial performance related management bonuses and a lower adjusted PBT compared to the previous year.

Tax charge

The Group's tax charge for the year was £0.1m (FY24: £12.5m). This reflects a current tax expense of £16.2m, mostly offset by the reversal of previously recognised deferred tax liabilities and the recognition of additional deferred tax assets during the period.

The adjusted tax charge for the period was £15.7m (FY24: £26.6m) representing an effective adjusted tax rate of 26% compared with 25% in the prior financial year. The increase in the effective rate is largely due to an increase in withholding tax payable on dividends received from overseas subsidiaries by the UK parent.

Earnings per share and dividend

Basic earnings per share for the financial year decreased from 12.8p to a loss of (27.0)p, while adjusted basic earnings per share decreased from 21.6p to 12.1p, representing a decrease of 44%, which reflects the drop in adjusted profit before tax. The weighted average number of ordinary shares in issue for basic and adjusted basic earnings decreased from 371.3m to 369.5m, principally due to the proportionate impact of the ordinary shares repurchased through the share repurchase programme that ended during FY24.

A final dividend for the financial year ended 30 September 2025 of 4.6 pence per share has been proposed, equivalent to £17.0m, while an interim dividend of 2.45 pence per share, equivalent to £9.1m, was paid during the financial period. A final dividend for the year ended 30 September 2024 of 10.0 pence per share, equivalent to £36.9m, was paid in this financial period.

The proposed total dividend for the year of 7.05 pence per share represents a 43% decrease on the total dividend relative to the prior financial period of 12.45 pence per share, aligning shareholder returns with sustainable earnings and supporting the Company's transition to a technology-led, AI-driven growth strategy.

Balance sheet

The Group's balance sheet remained strong, with net assets at 30 September 2025 of £763.2m (FY24: £899.6m). The main drivers of the decrease was the one-off impairment of goodwill of £88.0m and the routine amortisation and depreciation of certain fixed assets. Current assets at 30 September 2025 of £245.8m have decreased by £32.5m on the prior year. This includes a decrease in trade and other receivables of £6.9m and a reduction in cash and cash equivalent balances of £28.9m reflecting the focus on working capital and cash repatriation, partially offset by a reclassification of the Chalfont property to an asset held for sale £3.5m.

Current liabilities have increased to £164.1m at 30 September 2025 (FY24: £158.4m), an increase of £5.7m. Non-current liabilities have decreased by £34.9m, as a result of a net decrease in the RCF loan balance of £16.4m and a reduction in deferred tax liabilities of £16.3m.

The carrying amount of the Company's net assets exceeded the Group's market capitalisation and as a result, management performed an impairment test of the Company's major investments in line with the requirements of FRS101. Management concluded that an impairment was required and the RWS Holdings plc's separate financial statements includes an impairment charge of £279.5m. For more information see Note 7 to the parent company financial statements.

Cash flow and working capital

Operational free cash flow was £80.1m (FY24: £55.1m) reflecting working capital improvement and tighter cash discipline. Working capital improvement has been driven by enhanced receivables collections and payables optimisation. There has been a marked improvement in the ageing of account receivables in the year. Cash conversion improved to 126% of adjusted net income (FY24: 51%).

Capital expenditure included purchases of intangible assets of £22.2m and property plant and equipment of £3.4m.

Cash flows from other financing activities included dividends paid within the financial year ended 30 September 2025 of £45.9m.

Following a focus on repatriation of cash in the year, cash balances at the financial year-end amounted to £32.6m, with external borrowings of £58.0m, excluding lease liabilities, resulting in a net debt position of £25.4m (FY24: £61.5m cash and external borrowings of £74.4m, resulting in net debt of £12.9m). Net debt including lease liabilities was £47.9m (FY24: net debt of £40.1m).

Post balance sheet events

In early October the Group successfully refinanced its Revolving Credit Facility increasing the facility to \$285m and extending the maturity to October 2029. The refinancing strengthens the Group's liquidity position and provides continued flexibility to support its strategic objectives. Related to this, the Group transitioned its principal banking relationship to HSBC. This change does not impact the Group's financial position at 30 September 2025 but is disclosed as a significant development in the Group's treasury operations.

No other significant events have occurred between the balance sheet date and the date of authorising these financial statements.

Candida Davies | Chief Financial Officer
10 December 2025



Principal risks and uncertainties.

The 11 risks outlined below are those that the Board considers material to the Group. They are not presented in any order of priority. There may be other risks that are either currently unknown, or considered by the Board to be immaterial, which could adversely affect the Group's business, the results of its operations or financial condition.

The Board routinely monitors risks that could materially and adversely affect the Group's ability to achieve strategic goals, its financial condition and the results of its operations.

The Board is supported by the Executive Risk Management Committee ("Risk Committee") chaired by the General Counsel and Company Secretary, the Executive Team and other senior leaders who collectively play a key role in the identification, assessment and mitigation of risk and periodically report to the Board on progress.

Risk category	Description	Mitigation
People		
Failure to attract, engage, retain, incentivise and develop key talent	<p>RWS's quality of service and ability to innovate is fundamentally derived from the quality of our people. Our performance could therefore be adversely affected if we are unable to identify, recruit, train, incentivise and retain the key talent required for the future requirements of the Group.</p> <p>Ensuring continued colleague engagement is also key to the successful delivery of the Group's simplification programme. Key technical and specialist skills are challenging within the current labour market in addition to being exposed to wage inflation and talent shortages in certain countries/markets.</p>	<p>RWS has a developed Employer Value Proposition for current and future employees, operating in a fast-moving sector; we are undergoing transformation in order to reposition RWS as an AI solutions partner and have the competitive and technological capabilities and capacity to remain at the forefront of the industry. Our ability to offer internal development/career options, a positive culture and values; and strong communications continue to support our talent strategy. We have introduced structured job architecture; job grading; and benchmarking; and embedded onboarding and engagement programmes. RWS also plans for succession at senior levels.</p>
Operational		
Failure to simplify the business and operations	<p>The Group's current structure and operating model is complex due mainly to incomplete integration of historic Group acquisitions. This complexity manifests itself through the breadth of our service offering, the difficulty of articulating our offering externally, particularly to customers, but also through disparate sales and marketing efforts and a multitude of different operating systems and processes. We have articulated a strategy reset and how we want to reposition and simplify the business to drive improved returns for our stakeholders. Failure to implement this may lead to continuing operational inefficiency, which could have a material adverse impact on competitiveness and financial performance.</p>	<p>The Group's principal mitigation is an ambitious programme of simplification. The Group is simplifying its structure & operating model via a dedicated project, Project Swift. This involves a re-organisation of the business into three new segments (Generate, Transform, Protect), a unified Group-wide Product & Technology function; a new Group-wide Sales and Marketing function organised by geographic region; and a streamlined Delivery function. The project is being led by the Group's CEO, who has empowered a strengthened Executive Team to lead its implementation. The Group has also initiated a project to develop a new technology platform for the Transform segment, which will significantly simplify the basis on which the Group's language solutions are provided in future. Future M&A activity will incorporate successful business integration as an integral part of the target evaluation process to help maintain a simplified operating model.</p>



Risk category	Description	Mitigation
Technology		
Technology and AI risk	RWS needs to adopt the latest AI-enabled processes successfully within its products and services as well as adopt AI across the Company to drive greater efficiencies and to reduce cost to serve. If we don't adopt new technologies at the speed driven by the market this could challenge our competitive standing, customer proposition, and put customer relationships, demand for our services, new growth opportunities and revenues at risk.	To ensure RWS is aware of AI advances, the Group have a team of data scientists scanning and evaluating new technologies. In addition, RWS participates on several AI forums and is working with partners. In Linguistic AI, RWS have recognised the shift to LLM translation as an opportunity to scale content transformation and is partnering with Cohere. More broadly, RWS has an AI adoption programme working with third-parties to identify and implement internal use cases and have launched an internal AI training programme. To build agentic capabilities into our products RWS have partnered with AWS, Google and MS to start developing these capabilities.
Strategic and financial		
TrainAI business model risk	AI data services such as TrainAI are a key growth lever for RWS. We could be at risk if we are unable to scale our business model and processes supporting TrainAI in line with its growth expectations. The business model requires agile resourcing and active management of large numbers of individuals which result in a range of compliance obligations in areas such as onboarding, supply chain management, payment practices, data privacy and fraud prevention. We also need to actively manage the client portfolio to avoid concentration risk.	RWS is leveraging Group policies and procedures as well as implementing additional AI / Data services specific amendments in key control areas such as onboarding, workforce management, data privacy; audit & compliance and operations, and to increase automation. RWS is also monitoring the future portfolio to avoid portfolio concentrations.
Failure to deliver profitable growth	The Group operates in competitive markets undergoing unprecedented technological change and disruption. Clients increasingly demand at the same time higher quality products and services reflecting technology innovation and ever lower prices. The Group is therefore faced with the challenge of accelerating deployment of tech-first solutions, maintaining value added differentiation to support competitive pricing and at the same time maintaining an ever more efficient cost base. This dynamic leads to the risk of the Group being unable to meet either or both challenges and hence failing to deliver profitable growth.	The Group has unveiled a revised strategy to navigate the technological change and disruption in our industry and clients' increasing demands. The strategy involves a strategic shift from the historic service led model to a new technology first positioning – involving the modernisation of existing platforms to meet clients' demands as of today, whilst at the same time investing in the development of new platforms able to meet clients' future needs based on the most promising emerging technology. The strategy also involves a re-organisation of our Delivery function to maximise efficiency through process simplification and automation.
Foreign exchange and currency volatility risk	As a consequence of the Group's operational business structure, revenues and costs are not always matched in the same currency. The Group operates across multiple geographies and is exposed to foreign exchange risk arising from currency fluctuations, particularly in USD and EUR, which represent significant portions of our revenue and cost base. Movements in exchange rates can materially impact reported revenue, operating profit and cash flows.	The Group performs currency analysis to support hedging activities, and operates a hedging policy to cover at least 50% of surplus cashflows using forward contracts. Group Finance reviews FX exposures and hedging effectiveness on an ongoing basis, with pricing strategy in place to ensure costs can be adequately covered. In addition, the Group seeks opportunities for natural hedges as appropriate.

Principal risks and uncertainties continued

Risk category	Description	Mitigation
Legal and compliance		
Legislative and regulatory compliance risk	RWS operates a global business and must navigate the pace and demands of legislative and regulatory change internationally. Regulatory non-compliance could adversely impact RWS's business both financially and reputationally, significantly reducing stakeholder confidence. RWS is exposed to a broad range of potential legal risks in areas such as AI regulation, privacy and cyber, corporate governance, anti-corruption, sanctions and sustainability.	The Group's Legal & Professional Advisory team under the Group General Counsel and Company Secretary supports the business and ensures a consistent, global approach to legal, regulatory, corporate governance and risk management and to monitoring and managing the impact of regulatory change. Advice is sought from specialist external counsel where needed. Our legal and ethical compliance policy framework, including the RWS Code of Conduct, is reviewed and enhanced regularly, supported by an all-colleague training programme.
Failure to manage data, privacy and AI requirements and expectations	The Group is tackling new and evolving regulation across its international operations as the global landscape of data, privacy, AI and cyber regulation develops. The current pace of innovation and regulation also leads to additional expectations from our clients in relation to the protection of personal and proprietary data and the deployment of AI. The growth of the Group's TrainAI business and our pivot to a technology-first strategy increase our risk exposure.	The Group has expanded its Privacy Office under the General Counsel and Company Secretary to oversee data privacy and AI governance matters globally, reflecting the regulatory convergence of data, privacy and AI. The legal team is also developing a standardised approach to data, privacy and AI-related matters in our contracts. We continue to implement our Privacy Programme, solidify our governance structures and roll out training to ensure that awareness and proper practices with regard to data, privacy and AI usage are embedded across our business.
External environment		
Competitive risk	The Group is exposed to risk from a range of competitors that seek to provide similar products and services across all of the Group's business lines. The competitive field includes not only established incumbents but also providers emerging from M&A consolidation and new entrants leveraging new technologies to disrupt the business model of incumbents. This competitor risk also arises from in-sourcing risk, where clients succeed in acquiring or developing in-house solutions which reduce the need for external providers.	The Group's management and business unit CEOs in particular are alert to competitor risk in client dialogue and tendering. The Group Marketing team's role includes monitoring the strengths and weaknesses of existing and potential competitors via market research publications, trade shows and the media. This enables the Group's management team to optimise and differentiate the positioning of our products and services relative to the competition, including the positioning of RWS as a technology-first company. The Product and Technology team monitor competitors' technology capabilities and developments. This enables the Group's management team to support and fund research, innovation and M&A to maintain and improve the Group's competitive positioning.
Cyber security risk	RWS may be adversely affected by activities such as system intrusions, denial of service attacks, ransomware, virus spreading and phishing. AI is increasing the volume and sophistication of such activities and further heightens the people risk associated with cyber attacks. The cyber threat level is increasing and successful attacks on legacy and new IT estate could also lead to data loss and adverse financial and reputational impact.	The Group operates a network of systems to act as barriers to outside attacks. It has third-party threat detection and response services, fully supported firewall protection, data and systems recovery procedures, business continuity plans ("BCPs"), multifactor authentication, and uses targeted third-party penetration testing. The Group also conducts employee cyber/information security training and holds an appropriate level of cyber insurance.

Risk category	Description	Mitigation
Geopolitical risk	The Group is exposed to global geopolitical uncertainty and the heightened level of international political and economic tension. This has resulted in barriers to economic activity including tariffs, import and export restrictions and sanctions. The Group is thereby exposed to the risk of lower demand for our products and services and to higher production and delivery costs in impacted countries and markets. The Group also faces the question of whether to continue operating or seek to win new business with any given clients in impacted countries and markets.	The Group's management considers global geopolitical uncertainty in the framing of its strategy, budgeting, investment and M&A activity. The business unit CEOs are alert to the source of demand and the delivery location for the Group's products and services. The Group is thereby able to make informed and timely decisions about whether to work with any given client in impacted countries and markets. The Group's management has also put in place BCPs to secure the servicing of clients and the safety of employees.

Reviewing and mapping our risks

The Group categorises risks according to the likelihood of occurrence and the potential impact on the Group. Impact is assessed on financial grounds. Financial impact in the period could be increased costs, reduced revenue, fines or increased management time required to deliver a given activity. The Directors have also assessed the risks on a gross basis (i.e. without existing mitigations) and a net basis (i.e. with existing mitigations).

During the year, the Audit Committee determined that further enhancements were needed to the Group's risk management programme to introduce a more formalised, consistent process for embedding risk management in strategic planning and decision-making.

A formal Group Risk Policy setting out the Group's approach to risk and the allocation of responsibility for risk management was presented to the Board for approval. In addition, the Board established the Risk Committee to oversee the Group's risk programme and facilitate the direct ownership of risk across the business. For further details, see pages 69 and 77.

During FY25, the Risk Committee reviewed the Group's principal risks and recommended that two risks ("Failure to deliver the transformation programme" and "Complexity") be combined into a new risk "Failure to simplify the business and operations". In addition, it was recommended that "Foreign exchange and currency volatility" be reintroduced as a principal risk, given the significant financial impact of currency volatility on RWS during FY25. These recommendations were reviewed with the Executive Team during the year, and approved by the Board of Directors in November 2025. As part of its annual review and in line with its risk responsibilities, the Board also considered risk appetite and exposure to help better inform the focus of its risk mitigation efforts.



Task force on climate-related financial disclosures.

While the topic of sustainability has provoked a mixed response from policymakers in 2025, we at RWS have remained steadfast to our values. The origins of the TCFD can be traced to the Financial Stability Board with direct influence from the 2015 Paris Agreement.

Despite having been sunset by the International Financial Reporting Standards ("IFRS") in 2023, the TCFD continues to be a regulatory requirement in several jurisdictions. Its successor, IFRS S1 and S2, will be phased in, building on its foundations. As we at RWS did in 2021, when we decided to begin reporting in line with the TCFD as early adopters, in 2025 we continued to remain ahead of our peers by starting preparations for alignment with the S1 and S2 standards.

These disclosures include our actions taken to date to align our climate risk disclosures with the TCFD recommendations. Doing so enables our stakeholders to understand the ways in which climate change is affecting our business now, and in the future, as well as the steps that we are taking to mitigate the effects.

In meeting the requirements of Financial Conduct Authority ("FCA") listing rule UKLR 6.6.6R (8) in respect of TCFD we have concluded that we comply with all 11 of the recommendations related to governance, strategy, risk management, and metrics and targets. We have provided further detail for each of these below.

TCFD pillar	TCFD recommended disclosures	Status
Governance	a. Board oversight of climate-related risks and opportunities	Compliant
	b. Management's role in assessing and managing climate-related risks and opportunities	Compliant
Strategy	a. Climate-related risks and opportunities in the short, medium-, and long-term	Compliant
	b. Impact of climate-related risks and opportunities on our business, strategy, and financial planning	Compliant
	c. Impact of climate-related risks and opportunities on our business, strategy, and financial planning	Compliant
Risk management	a. Our processes for identifying and assessing climate-related risks	Compliant
	b. Our processes for managing climate-related risks	Compliant
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	Compliant
Metrics and targets	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Compliant
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions and the related risks	Compliant
	c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Compliant

Governance

a. Board oversight of climate-related risks and opportunities

The Board is responsible for overseeing and directing the overall Group strategy, including agreeing the Group's position and commitments on key sustainability and climate-related matters. Climate-related issues are discussed during Board meetings, in addition the Board receives regular reports on sustainability and ESG-related issues. The Board approves the resources needed for effective management of sustainability related initiatives. Climate oversight is exercised through the Board's existing governance framework rather than a standalone structure, with climate integrated into the Group's risk management processes and decision-making. The Board ensures that sustainability is integrated into the overall Group's corporate strategy. In particular, the Board considers climate-related risks and opportunities when reviewing strategy, performance objectives and risk management processes and policies – the Board considers how these are designed to respond to sustainability-related risks and opportunities and how they align with the Group's business model and the long-term strategy, including the Group's net zero transition.

The climate-related issues raised to the Board by the Executive Team inform and influence business strategy decisions, including annual budgets, major plans of action and associated capital expenditures, remuneration, transition plans and targets.

The Board and Executive Team oversee progress against climate-related goals and targets including the annual reporting of the Group's science-based targets to the SBTi.



b. Management's role in assessing and managing climate-related risks and opportunities

The CEO oversees the sustainability and climate agenda with the Executive Team, in order to identify climate-related risks and opportunities, and to manage the implementation of any key actions approved by the Board. The Executive Team oversees the implementation of the Group's policies and programmes in order to mitigate risk, including risks that relate to sustainability and climate. The Board ensures it has, and develops as needed, the skills and competencies to oversee climate-related strategy and risks. This includes access to internal expertise (Executive Team (including General Counsel & Company Secretary), ESG Steering Committee, and relevant SMEs).

The Board considers climate-related issues as part of the overall ESG strategy, supported by the Executive Team (including the General Counsel and Company Secretary, who is responsible for coordinating the Group's overall risk management programme), ESG Steering Committee, and relevant SMEs. The Board formally reviews ESG and climate-change topics at least annually, and more frequently where required.

RWS's remuneration philosophy reflects the importance of sustainability and aims to incentivise senior leaders to contribute to the Group's ESG strategy individually, by including ESG targets in each senior leader's annual objectives.

Board of Directors

Chief Executive Officer

Executive Team ESG sponsors

Chief Language Officer | Chief People Officer |
General Counsel and Company Secretary

ESG Steering Committee

Strategy

a. Climate-related risks and opportunities in the short-, medium- and long-term

b. Impact of climate-related risks and opportunities on business, strategy and financial planning

Working with a third-party external consultancy, we assessed our operational footprint and value chain to identify and assess core physical and transition climate-related risks, as well as key opportunities over the short-, medium-, and long-term, as defined in the Table below.

These time horizons are aligned with our strategic planning cycles and reflect the expected period over which climate impacts may reasonably materialise, which often extends beyond the typical financial planning cycle.

Time horizon	Years	Justification
Short-term	1 – 3 years	Reflects RWS's typical financial planning and budgeting cycle, during which operational and strategic decisions are made.
Medium-term	3 – 5 years	Reflects anticipated policy, regulatory, and market developments, including evolving climate disclosure standards and sectoral decarbonisation milestones.
Long-term	More than 5 years	Captures the period over which physical climate risks are expected to materialise. Aligns with RWS's Science Based Targets initiative ("SBTi") approved near-term targets for 2033, as well as longer term ambitions for Net Zero by 2050.

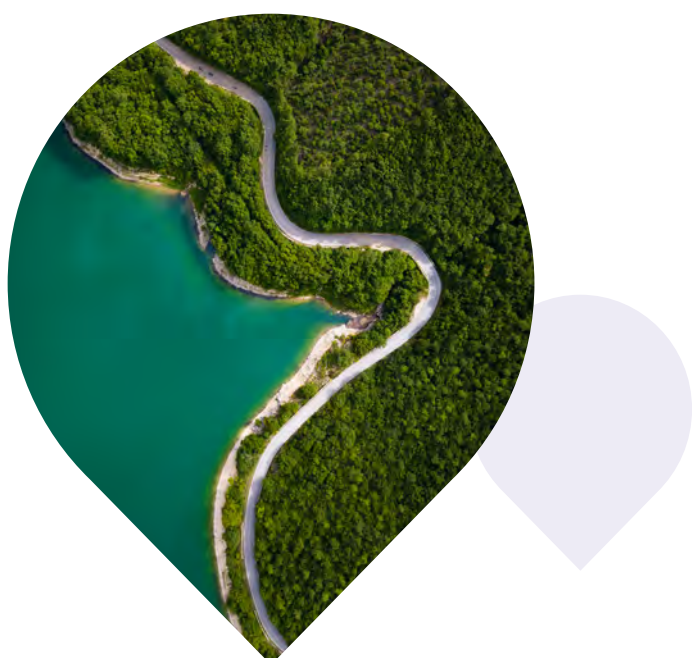
Each risk was evaluated based on its likelihood of occurrence, potential magnitude of impact, and the timeframe over which the risk or opportunity could materialise, as described in the 'Risk Management' section.

Scenario analysis

Our climate-related risk assessment was bolstered through scenario analysis which we refresh annually. The results are used to inform our climate-related risk management efforts and our business strategy.

Our scenario analysis approach utilises both shared socioeconomic pathway ("SSP") scenarios and representative concentration pathway ("RCP")-based climate projections developed by the Intergovernmental Panel on Climate Change ("IPCC"), as detailed in the Table on the next page. This enables energy, carbon, and policy changes used for transition risk analysis to be grounded in the same narratives as the physical climate outcomes.

The scenarios span plausible climate futures, ranging from a below 2°C, high-transition-risk pathway to an above 4°C, high-physical-risk pathway. Identified climate-related risks are therefore evaluated over the short, medium and long-term leveraging these scenarios.



Parameter	SSP1-2.6	SSP4-6.0	SSP5-8.5
Projected warming by 2100	1.5–2.0 °C	2.0–4.0 °C	>4.0 °C
Transition risk environment	High near-term policy stringency, rising carbon prices, rapid decarbonisation and electrification; strong disclosure and supplier expectations.	Moderate, uneven policy ambition; carbon pricing and standards increase but fragment across regions; slower grid decarbonisation.	Low early ambition with fossil-fuel reliance; higher risk of late, abrupt tightening later in the century; prolonged energy-price volatility.
Physical risk environment	Lower acute/chronic risk overall; residual localised flood, heat-stress and extreme weather risks remain relevant.	Rising physical risk (heatwaves, droughts, extreme precipitation); more frequent heat-stress and disruption events.	Severe, systemic physical risk to infrastructure, health and supply chains; frequent disruption and productivity impacts.
RWS business model assumptions (language services, tech & data; cloud-based solutions)	Greener grids and hosting suppliers' regional decarbonisation reduce computational emissions intensity; scenario supports workload placement in lower-emission regions; continued optimisation of cloud-based solutions efficiency reduces energy per task.	Decarbonisation varies by cloud services region; electricity and cooling costs trend upward in hotter geographies; ongoing need to select regions with lower grid factors and optimise workloads.	Energy and cooling costs remain elevated and volatile; resilience relies on multi-region architecture of cloud solutions, load shifting and aggressive efficiency tuning.
Sources	IPCC WGI Interactive Atlas IPCC (2023) Climate Change 2023: Synthesis Report. A report of the Intergovernmental Panel on Climate Change. Geneva: IPCC.		

We evaluated transition risks against the SSP1-2.6 scenario, which represents the most pronounced energy transition, with stricter and tighter policy timetables, disclosure rules, and procurement standards.

Conversely, physical risks are more likely to be severe and frequent under the high-warming SSP5-8.5 scenario, where the impacts of both acute and chronic extreme weather will be most likely to materialise. A 'middle of the road' scenario, SSP4-6.0, was also considered to provide a contextual understanding of the impacts of both moderate transition and physical risks.

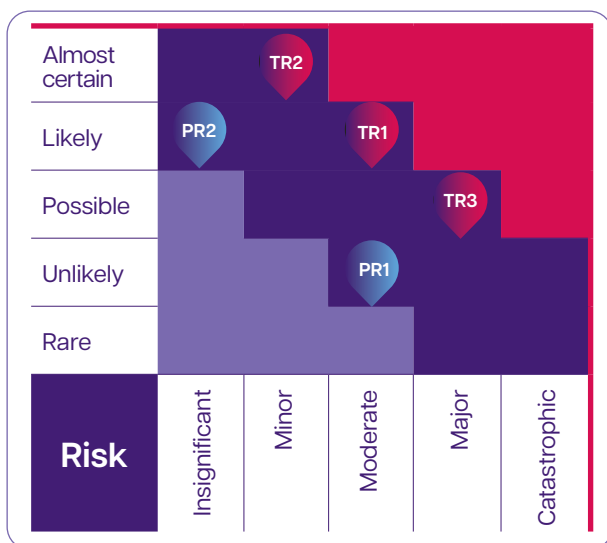
The results were then translated into potential business impacts, and relevant mitigation strategies and controls were identified. These include how the timing and stringency of climate policy and carbon pricing, the pace of value-chain decarbonisation, and energy cost volatility influence the magnitude and frequency of actual climate-related impacts. However, inherent limitations and uncertainties exist, as is the case with any forward-looking climate analysis.

Between FY24 and FY25 we streamlined and updated our climate risks by consolidating overlapping items and refining risk definitions. Specifically, we removed the FY24 'Substitution of existing products and services with lower emissions options' transition risk, as we have deemed this to be sufficiently mitigated through our cloud migration and asset-lean business model. Additionally, we reclassified the FY24 physical risk 'Increased energy costs' under transition risks, as the primary drivers and impacts are linked to energy market dynamics and policy change rather than physical climate hazards.

As a result, we identified a total of five climate-related risks and three opportunities that could have a material financial impact on the organisation. The matrix on the next page illustrates the relative distribution of identified climate-related risks, showing their assessed likelihood of occurrence and potential impact on RWS's operations and value chain, and the subsequent tables provide more details on the transition risks ("TR") and physical risks ("PR"), as well as relevant opportunities.

Task force on climate-related financial disclosures continued

Risk matrix



Transition risks

- TR1 Increased direct and indirect energy costs
- TR2 Evolving climate regulatory requirements
- TR3 Evolving client climate requirements

Physical risks

- PR1 Increased direct and indirect energy costs
- PR2 Evolving climate regulatory requirements

Climate-related risks

Risk	Description	Impacts and scenario analysis	Strategic response and mitigations
TR.1: Increased direct and indirect energy costs Net risk score: Medium Time horizon: Medium-long term	<p>Rising energy costs driven by carbon pricing expansion, fossil fuel divestment, and grid transition costs affecting RWS's global office operations (Scope 2).</p> <p>Critical third-party infrastructure providers, including cloud services and data centres that support technology-enabled delivery (Scope 3), may also face higher energy costs, with potential pass-through to RWS.</p>	<p>Actual / immediate impacts:</p> <p>No significant cost increases were experienced in FY25. RWS's cloud service providers have robust infrastructure with redundancies, limiting immediate exposure.</p> <p>Potential / future impacts:</p> <p>Under lower-warming scenarios with stronger transition policies, energy cost pressures materialise more rapidly and at higher levels as aggressive carbon pricing and faster grid decarbonisation drive up costs.</p> <p>Over the medium to long-term, cloud providers may pass through carbon pricing and grid infrastructure levies, depending on pace of decarbonisation, to customers, affecting both direct office energy costs and Scope 3 emissions from IT services.</p>	<p>Renewable electricity procurement (targeting 100%) reduces carbon pricing exposure by securing lower-carbon energy sources.</p> <p>Energy-efficient cloud migration lowers operational costs and carbon liability per unit of service.</p> <p>Supplier engagement via EcoVadis encourages upstream efficiency, potentially moderating provider cost pass-through.</p> <p>Office space rationalisation reduces overall energy demand and operational costs.</p>



Risk	Description	Impacts and scenario analysis	Strategic response and mitigations
TR.2: Evolving climate regulatory requirements Net risk score: Medium Time horizon: Short to medium term	<p>Changing sustainability reporting standards, such as the transition from TCFD to IFRS S2 requirements, will require enhanced data collection systems, potential third-party advisory and assurance, and more detailed disclosure capabilities across RWS's global operations and value chain.</p> <p>Varying sustainability requirements across regions, unclear regulatory timelines, and conflicting regulator priorities can complicate decision-making and create risks associated with short compliance turnaround times.</p> <p>Non-compliance with these regulations can impose penalties and impact reputation and performance against key stakeholder requirements.</p>	<p>Actual / immediate: Continued operational and administrative costs for enhanced compliance, data systems, and third-party advisory support in FY25.</p> <p>Potential / future impacts: Under lower-warming scenarios with accelerated regulatory action, compliance costs intensify more rapidly.</p> <p>Over the short to medium-term, new regulations will likely require improvements in existing and / or new data systems, assurance over non-financial data reporting at limited or reasonable levels, training across global operations, and detailed stakeholder engagement, requiring increased investment and third-party consultant spend.</p> <p>In the long-term, disclosure requirements will likely become normalised with costs levelling out as processes mature, though new regulations will continue to emerge requiring ongoing adaptation. Non-compliance could result in penalties, reputational damage, and exclusion from tenders or markets.</p>	<p>Existing TCFD, CDP, SASB, and SBTi reporting provides a strong compliance baseline for evolving standards.</p> <p>Ongoing horizon scanning identifies emerging regulatory requirements early, enabling proactive preparation.</p> <p>Gap analysis against IFRS S2 and enhanced TCFD quantification improve readiness for new disclosure requirements.</p> <p>Phased approach to capability building manages implementation costs while ensuring compliance readiness.</p>
TR.3: Evolving client climate requirements Net risk score: Medium Time horizon: Medium term	<p>RWS's major clients are increasingly integrating sustainability credentials (e.g., CDP, SBTi, EcoVadis), carbon footprint reporting, progress against targets, and verified environmental performance into procurement processes and supplier assessments.</p> <p>Supplier codes and ESG scorecards that weight sustainability performance alongside traditional commercial criteria can create revenue exposure if RWS cannot demonstrate adequate credentials, including showing year on year progress.</p> <p>Inconsistent climate expectations and requirements from clients can complicate compliance and create strain on internal processes, people, and systems to meet emerging requests.</p>	<p>Actual / immediate impacts: Increased bid preparation efforts to evidence sustainability credentials.</p> <p>Potential / future impacts: Under a lower-warming scenario with stronger ESG momentum, client expectations accelerate more rapidly, and climate-conscious clients will require demonstrable progress, likely increasing third-party advisory spend for reporting and assurance alongside renewable electricity procurement and verification costs.</p> <p>Over the medium and long-term, expectations will continue to increase, driving higher operational costs to meet targets and evolving expectations, including hiring and training, systems and controls, and value chain stakeholder engagement. Failure to meet our near-term SBTi targets and improve our sustainability credentials may result in revenue risks from key clients and sustainability-focused tenders.</p>	<p>SBTi-approved near-term targets and ongoing TCFD, CDP and EcoVadis reporting demonstrate credible climate commitment to clients.</p> <p>Supplier engagement via EcoVadis strengthens value chain transparency and sustainability credentials.</p> <p>IFRS S2 alignment enhances disclosure quality and comparability with evolving client expectations.</p> <p>Proactive sustainability approach reduces reactive consulting costs and strengthens competitive positioning.</p>

Task force on climate-related financial disclosures continued



Risk	Description	Impacts and scenario analysis	Strategic response and mitigations
PR.1: Natural disaster business disruptions Net risk score: Medium Time horizon: Medium to long-term	<p>Extreme weather events can disrupt RWS's office operations and prevent employee access, as well as compromise on-premises IT infrastructure.</p> <p>These events can also impact the infrastructure of RWS's key third-party providers. For example, extreme weather events can affect cloud providers, data centres, and hosting services that RWS relies upon for our global delivery platform, causing service outages and impacting client service delivery.</p>	<p>Actual / Immediate Impacts: No material disruptions experienced in FY25.</p> <p>Potential / Future Impacts: Under a high-warming scenario with increased frequency and intensity of extreme weather events, disruption risks would escalate across the medium and long-term.</p> <p>However, RWS's distributed office model and lack of owned operational assets limits direct physical asset exposure. A detailed physical risk scenario assessment was undertaken for the second year across RWS's global footprint, covering 52 sites across 31 countries, to map and screen locations for exposure to both acute and chronic physical hazards. Overall, as all offices are leased, the impacts to RWS were assessed as negligible.</p> <p>Over these time horizons, event frequency may increase extreme weather frequency, posing greater threats to third-party cloud infrastructure and data centre operations, potentially resulting in service disruptions, productivity losses, and impacts on client service delivery obligations.</p>	<p>Cloud-based IT architecture provides inherent resilience through disaster recovery, business continuity plans, and network redundancies.</p> <p>Distributed office model across 50+ locations reduces concentration risk from localised weather events.</p> <p>Flexible working arrangements enable workforce continuity during office disruptions.</p> <p>Ongoing monitoring of third-party provider resilience and climate adaptation strategies ensures continued service reliability.</p>
PR.2: Heat stress Net risk score: Medium Time horizon: Medium to long-term	<p>Extreme heat can affect employee productivity and wellbeing, primarily for RWS operations in areas subject to increased, prolonged heat (i.e., India, China, and Thailand). Heat stress can reduce cognitive performance and increase absenteeism.</p> <p>Where offices do not include air conditioning and appropriate processes and systems for dealing with increased heat stress, there is potential for decreased performance.</p> <p>Where RWS employees work from home in these regions, these risks can materialise in home offices.</p>	<p>Actual / Immediate Impacts: Possible small staff costs from reduced productivity, short absences and shift changes during heatwaves.</p> <p>Potential / Future Impacts: Under a high-warming scenario, heat stress impacts intensify as extreme heat days increase in frequency and duration.</p> <p>This will drive minor increases in cooling costs (i.e., portable units, AC servicing, fans) and modest productivity impacts manageable through flexible working policies.</p> <p>Over the medium to long-term, select offices in vulnerable regions will likely require cooling and ventilation upgrades and costs will increase due to increasing cooling demand.</p> <p>Possible disruptions and absenteeism may become more frequent, resulting in productivity decreases.</p>	<p>Flexible working policies enable productivity management during heat events.</p> <p>Existing office cooling infrastructure in key locations is maintained and upgraded as needed.</p> <p>Employee wellbeing programmes support heat stress awareness and management.</p> <p>Phased office fit-out improvements prioritise cooling and ventilation in highest-risk locations.</p>

Climate-related opportunities

Opportunity	Description	Potential benefits	Strategic response
O1: Talent attraction and retention	<p>Using sustainability credentials and climate action as value proposition to attract and retain environmentally conscious talent, particularly in competitive technology roles.</p> <p>Under lower-warming scenarios, credible ESG strongly lifts employer brand/hiring.</p> <p>Under higher-warming scenarios, still a differentiator though gains are smaller.</p>	<p>Improved recruitment success rates.</p> <p>Reduced turnover costs.</p> <p>Enhanced employee engagement.</p> <p>Access to top talent.</p> <p>Stronger employer brand positioning in competitive technology labour market.</p>	<p>Existing actions:</p> <p>ESG-linked employee engagement initiatives strengthen retention.</p> <p>Leverage sustainability leadership positioning in competitive technology talent markets.</p> <p>Planned actions:</p> <p>Develop internal communication campaigns showcasing climate progress and employee engagement opportunities.</p> <p>Integrate sustainability credentials into employee value proposition.</p>
O2: Alignment with client priorities	<p>Revenue growth and competitive advantage through strong ESG performance, verified emissions reduction, and comprehensive sustainability credentials that differentiate RWS in procurement processes.</p> <p>Under lower-warming scenarios, ESG-weighted procurement spreads with assured metrics becoming must-have.</p>	<p>Revenue growth from sustainability-conscious clients.</p> <p>Competitive advantage in tenders.</p> <p>Potential premium pricing.</p> <p>Enhanced client relationships.</p> <p>Market share gains in ESG-prioritising segments.</p>	<p>Existing actions:</p> <p>SBTi-approved near-term targets demonstrate credible climate commitment.</p> <p>TCFD reporting provides transparent climate risk and opportunity disclosure.</p> <p>Renewable electricity procurement (30% in FY25) reduces operational carbon footprint.</p> <p>Transparent sustainability reporting in Annual Report and CDP submissions builds stakeholder confidence.</p> <p>Planned actions:</p> <p>Enhance quantification and verification of sustainability performance to strengthen procurement credentials.</p> <p>Strengthen competitive positioning through sustainability leadership and client-facing carbon footprint reporting.</p>
O3: Technology innovation	<p>Operational cost savings and carbon reduction through energy efficiency improvements across offices and renewable energy procurement strategies.</p> <p>Under lower-warming scenarios, rapid progress on efficient models with demand for "green compute" growing.</p> <p>Under higher-warming scenarios, efficiency valued mainly for cost control with smaller premium.</p>	<p>Margin improvement through differentiation.</p> <p>Cost savings from energy efficiency.</p> <p>Competitive advantage through sustainable AI innovation.</p> <p>Enhanced market positioning.</p>	<p>Existing actions:</p> <p>Modernising the organisation's technology infrastructure to enhance overall efficiency and performance.</p> <p>Procuring renewable energy to power operations and reduce carbon emissions.</p> <p>Planned actions:</p> <p>Making investments in the development of energy-efficient technologies.</p> <p>Integrating energy efficiency considerations into the organisation's broader innovation roadmap.</p>

c. Resilience of the strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

Our exposure to climate-related risks remains low and we consider our business model and strategy to be resilient to both transition risks and physical risks, in both low and high-warming pathways.

We have implemented measures and continue to enhance our operational and strategic resilience to climate change by providing multiple technical, operational, and geographic pathways to maintain business continuity and align our operating model with evolving client and regulatory expectations on climate performance and disclosure.

Low-warming pathway

Under a low-warming pathway, tighter policy frameworks and market expectations accelerate the implementation of climate-related regulation and disclosure requirements. For RWS, the most material impacts would arise from evolving client expectations and supply chain standards. Clients are increasingly prioritising transparency, GHG disclosure, and alignment with recognised frameworks such as TCFD and CDP, heightening commercial and selection pressure on suppliers.

We mitigate these risks by expanding our AI-enabled services, reflecting the past year's shift in client demand for automation and for faster, higher quality products and services. We have scaled Language Weaver, Evolve and TrainAI, and streamlined workflows to accelerate delivery, supported by cloud infrastructure from reputable providers with decarbonisation commitments. The RWS platform and our distributed operations enable flexible capacity management, maintaining alignment with client expectations and positioning RWS to capture opportunities in low-carbon, digital-first markets.

Our commitment to developing complete, accurate, and transparent disclosures that align with current and emerging regulations will enable us to move from a reactive to a proactive approach to meeting stakeholder expectations and disclosure needs.

Additionally, our near-term emissions reduction targets have been validated by the SBTi, reinforcing our commitment to a low-carbon operating model.

High-warming pathway

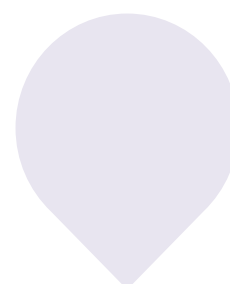
Under a high-warming pathway, more frequent and severe hazards, including extreme heat and severe weather events, could affect RWS's offices (including employee and third-party access), network infrastructure, third-party cloud regions, and distributed linguist workforce. These events may lead to temporary service disruption, productivity losses, and increased cooling demand.

However, as an asset-light, service-based organisation with a predominantly leased real estate portfolio, we ensure flexibility to resize or relocate operations in response to localised climate impacts or rising insurance costs. Our transition to a leased headquarters and planned divestment of our only owned office further enhance this flexibility.

Our agile, remote-ready operating model and business continuity framework support uninterrupted service delivery during localised climate or infrastructure disruptions. Core IT infrastructure is hosted by leading cloud providers, allowing for regional redundancy and enabling workloads to be shifted in response to environmental or cost considerations. Ongoing optimisation of AI and data systems helps manage energy intensity and cooling demand while improving efficiency and responsiveness.

RWS's service delivery platform and globally distributed linguist network, comprising 7,649 in-house employees and more than 40,000 freelancers, further strengthen operational resilience. This global model enables work to be rebalanced across time zones and geographies, limiting the impact of local climate or infrastructure disruptions and ensuring continuity of client delivery.

These measures strengthen RWS's operational resilience and reduce dependency on sites or regions vulnerable to climate events.



Risk management

Our underlying risk management process remains generally consistent with the prior year, with enhancements during FY25 to improve rigour and comparability, which are noted throughout this section.

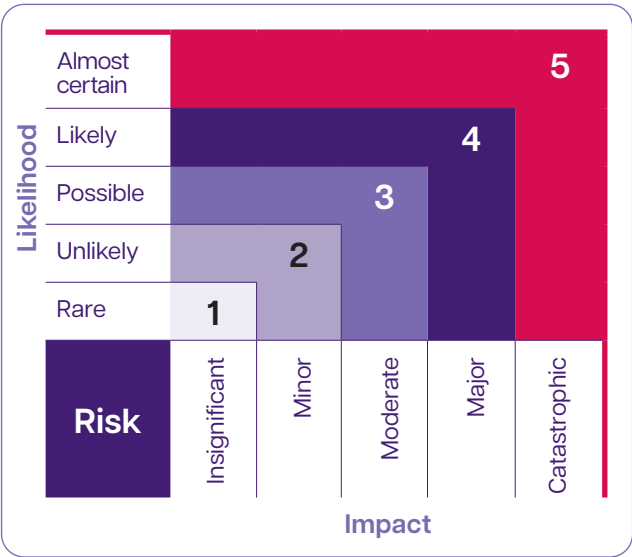
a. Our processes for identifying and assessing climate-related risks

Our climate-related risks and opportunities are identified and assessed through an annual formal review, with monitoring of emerging developments. The process follows a roll-over approach, reassessing prior year risks and opportunities for changes in likelihood, impact, or time horizon, while evaluating new risks and opportunities for inclusion identified through horizon-scanning activities and external developments.

Our Executive Team assists the Risk Committee, chaired by the General Counsel and Company Secretary, in identifying risks through systematic horizon-scanning activities, supplemented by third-party advisory. This process considers existing and emerging regulation, reputation and market dynamics, potential financial impacts, and physical climate change events, drawing on data such as IPCC-aligned climate projections, regulatory developments across RWS’s jurisdictions, client procurement trends, and operational data from the Watershed platform.

Opportunities are identified both as potential upside to assessed risks and through the annual business planning process, where forward-looking initiatives are evaluated for their strategic and financial potential. Each opportunity has defined ownership, KPIs, and review cadence aligned with risk management, and is assessed for feasibility and alignment with RWS’s business strategy.

Our annual risk assessment prioritises risks using a risk matrix evaluating financial and strategic impact and likelihood, both assessed on a five-point scale as per the below in ascending order:



A net risk score is then calculated by multiplying impact and likelihood to assign ratings of high, medium, and low, as shown in the risk matrix. Material risks are those with a net risk score of medium or high, or that affect core operations or strategic objectives, and require Board oversight.

Risks and opportunities are assessed over short-, medium-, and long-term horizons, taking existing mitigations into account. Assessment processes apply across global operations and key value-chain nodes, including major suppliers and outsourced cloud providers, with proportionate methods used where data is limited.

During the year, we enhanced our approach to climate risk assessment by extending our analysis across the broader business model and value chain, as well as conducting structured peer benchmarking across sector comparators, consolidating related risks for clearer disclosures, and mapping CDP risk categories against RWS-specific risks to improve completeness and comparability.

Additionally, we strengthened our ongoing efforts to improve the quality and maturity of climate risk assessment and disclosures through improvements based on the Financial Reporting Council’s ‘Thematic Review: Climate-related Financial Disclosures by AIM and Large Private Companies’, and other related emerging regional disclosure frameworks and standards, such as the UK government’s draft Sustainability Reporting Standards.

b. Our processes for managing climate-related risks

Climate-related risks are managed by the RWS ESG Steering Committee with the oversight of the Executive Team through mitigation plans and continuous monitoring activities, identified during the risk assessment process.

Mitigation measures include operational controls, supplier engagement, decarbonisation initiatives, and scenario-based planning to strengthen resilience to regulatory, market, and physical risks.

Emerging developments are tracked through horizon scanning and stakeholder engagement, enabling timely updates to mitigation plans and ensuring responses remain proportionate to the evolving risk landscape.

A key example is the approval of our near-term carbon emissions reduction targets by the SBTi in 2024. This action addresses reputational risks from climate performance gaps, market risks from client sustainability requirements, and regulatory risks from disclosure expectations, while providing external validation of the Group’s decarbonisation pathway.

Task force on climate-related financial disclosures continued

c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management

We maintain a dedicated climate-related risk and opportunity register. The RWS ESG Steering Committee coordinates the climate risk assessment process with the oversight of the RWS Executive Team, ensuring considerations from our broader risk management approach to maintain consistent reporting to the Board.

Climate risk insights inform RWS's principal risk assessments, particularly where climate acts as an underlying driver for principal risks such as legislative and compliance risk. We continue to build connections between climate-specific risk assessment and broader enterprise risk management ("ERM") processes.

Climate-related risks rated medium or high above are monitored closely, with findings reported to the Board through the regular reporting cycle.

Metrics and targets

a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process

We use a concise set of metrics that reflect how we manage our climate impacts and the transition of our business:

- Absolute Scope 1 and Scope 2 (market-based) greenhouse gas emissions. These track our operational footprint and the delivery of efficiency measures across our sites and vehicles.
- Scope 3 economic intensity (tCO₂e per £m gross profit), focused on Purchased Goods & Services (3.1) and Employee Commuting (3.7), reflecting the materiality of value-chain impacts for our business model.
- For transparency and comparability, we disclose Scope 2 on both location- and market-based metrics and report Scope 3 by category, alongside totals.

An example of strategy alignment is the initiative to move all leased cars to electric or hybrid models as soon as possible. RWS has also implemented an energy performance site selection programme, where the energy efficiency of new buildings is considered before leases are secured.

b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions and the related risks

RWS Scope 1, 2 and 3 greenhouse gas ("GHG") emissions are included in detail on page 27. These have been calculated using the GHG Protocol in line with the SBTi framework and requirements. We did not use contractual instruments (e.g., PPAs/RECs) that materially affect reported Scope 2 emissions.

RWS recognises that the risks associated with ignoring climate change include physical climate disruption, resource depletion, and various knock-on transitional effects, as well as the business specific risks already identified and discussed in detail within the TCFD strategy section. As a business with a complex and vast value chain, RWS also recognises that it must play its part to mitigate the effects of climate change through a robust climate change management strategy. If organisational changes (e.g., significant M&A) or methods materially affect comparability, we will recalculate the base year and restate prior periods, explaining the changes.

c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets

Our near-term targets were set using the SBTi criteria. For Scopes 1 and 2 we used the absolute-contraction method aligned to a 1.5 °C pathway. The latest international climate agreement (Paris Agreement) informed the ambition level. We will report target-year tCO₂e required and variance each year, and no sectoral pathway was used. Our targets were validated and approved by the SBTi on 15 May 2024.



Target reference number	1	2
Type of target	Absolute	Intensity
Coverage	Scope 1 & 2 (market-based)	Scope 3: Purchased goods and services (100%) & employee commuting (20%)
Metric (if applicable)	N/A	Gross profit (£1m)
Target	54.6% reduction by FY33	61.1% reduction by FY33
FY 2022 result (base year)	4,214	66.9
FY 2024 result (previous year)	4,570	50.8
FY 2025 result (current year)	2,099	62.9
FY 2025 progress vs. base year	52% reduction	6% reduction
FY 2025 progress vs. previous year	54% reduction	24% increase

Absolute reduction target 1

54.6% reduction in Scope 1 and 2 carbon emissions by FY33

Scope 1 and 2 projected targets vs actual



Scope 1 and 2 emissions fell in FY25 compared with FY24 putting us well ahead of the interim target for the year. The reduction is due to energy-saving and efficiency initiatives implemented across offices and sites, as well as office right-sizing. As a result, the primary objectives for the first SBTi target have been met, marking a decline in emissions against both the base year and the previous year.

The FY25 Scope 3 economic intensity continues to show a decrease versus the FY22 base year but has increased relative to the previous year. While the overall strategy of supplier engagement and disintermediation continues to produce positive results, the intensity reduction target was affected by the Company's performance in FY25. In absolute terms, Scope 3 emissions remain dominated by Purchased Goods & Services (Category 1) and the travel-related categories such as Business Travel (Category 6) and Employee Commuting (Category 7).

RWS is also committed to transitioning to 100% renewable electricity across its estate portfolio wherever possible. In FY25, 30% of electricity consumed came from green sources, up from 15% the previous year.

In summary, the overall trend for RWS in financial year 2025 is a positive one, with key indicators marking a reduction in GHG output year on year since the base year of 2022. Since then, total carbon emissions per one million pounds of revenue are down 9.4% and company-wide emissions have dropped 16.5%. While our GHG reporting data is not assured, we work closely with our carbon accounting partner, Watershed, to validate and verify its accuracy and integrity.

Intensity reduction target 2

61.1% reduction in all Scope 3.1 Purchased Goods & Services and 20% of Scope 3.7 Employee Commuting carbon emissions vs £m gross profit by FY33

Scope 3 intensity projected targets vs actual



Our Stakeholders.

Our stakeholders are key to the delivery of our strategy. Below we set out the many ways we engage with stakeholders and why their engagement matters. The Board is committed to enhancing engagement and seeks to build honest, respectful and transparent relationships, taking into consideration what matters to each group.

Why we engage	What matters to this group	How we engage
Shareholders		
<p>We provide regular updates to investors, who provide capital for our business, so that they can be assured that the Company is being managed responsibly. This includes ESG updates alongside financial and performance information to enable investors to take a broader view of value and risk.</p>	<p>Our shareholders are concerned with a broad range of issues, including how the Company has responded to and is affected by:</p> <ul style="list-style-type: none"> • Profitability and business growth • Impact of economy-wide forces such as price inflation • Other operational and financial performance issues • Developments in our markets • Regulatory developments and the execution and delivery of our strategy • Sustainability of our business • Capital return through share price appreciation and dividends 	<p>We held roadshow events at the full and half year as part of a proactive investor relations programme covering 140 engagements during FY25.</p> <p>Our Annual General Meeting ("AGM") took place in February 2025 and we engaged directly with investors ahead of the AGM as well as at the meeting.</p> <p>For further details see pages 70 to 73.</p>
Clients and suppliers		
<p>Our clients expect us to provide reliable, innovative products and services that meet their needs.</p> <p>We actively seek feedback on what clients think about us so we can make our services better and address the issues that matter.</p> <p>Developing strong relationships with our suppliers is key to success, ensuring mutual respect and understanding of how we should work together.</p>	<p>Clients:</p> <ul style="list-style-type: none"> • Reliable and consistent service • Quality products and services that are value for money • Product and process innovation • Ability to solve complex problems • Innovation • Environmental impact of the products and services we provide <p>Suppliers:</p> <ul style="list-style-type: none"> • Fair treatment and timely payment • Growing their business • Quality management • Cost-efficiency • Developing long-term relationships • Environmental and climate impact 	<p>The RWS 'Voice of the Customer' and 'Voice of the Vendor' programmes aim to generate better understanding of clients and suppliers, to build better experiences and positive business outcomes. The programmes turn client and supplier feedback into actionable insight, to easily understand the core drivers of client behaviours and improve our business KPIs and support organic growth.</p> <p>Customers complete satisfaction surveys on our products and services enabling us to monitor our Net Promoter Score. The Board receives regular updates on the outcomes of these surveys.</p> <p>A supplier onboarding process and regular dialogue throughout supplier relationships allow us to build good partnerships and ensure the best possible service to RWS.</p> <p>For further details see page 31.</p>





Why we engage

What matters to this group

How we engage

Colleagues

Our colleagues are at the heart of our business. Our activities are highly reliant upon the skills, dedication and passion of all our colleagues around the world. We are the sum of the efforts, energy and values of our colleagues, who are critical to meeting our clients' demands for excellent quality, timely delivery, innovative and effective product solutions.

It is essential to proactively engage with colleagues to establish a positive culture based on trust.

- Belonging to an organisation with a purpose and strong values
- Career progression and fulfilment
- Reward and recognition
- Professional development
- Collaboration and support
- Flexible working
- Wellbeing
- Trust
- Safe inclusive ethical working environment

- Colleague town halls
- CEO site visits and weekly newsletter
- Annual RWS engagement survey
- 'RWS Hello World Day'
- RWS brand re-launch
- Executive Team site visits
- Training and development
- Employee Resource Groups
- Diversity month
- Site Leaders Forum
- Employee communication and engagement platform
- Colleague volunteering days

For further details see Our People section on page 29.

Employee engagement metrics can be found on page 36.

Community & environment

Our communities comprise those living and working in close proximity to our operations, and those who represent the needs of the communities we operate in, including charities, schools and universities.

RWS strives to understand the needs of our communities, recognising our responsibility to contribute to the sustainability and well-being of society and the economy wherever we operate.

Our communities:

- Our commitment to the local communities and environment
- Our conduct as a socially responsible organisation
- The positive impact we can have on the community living and working around us
- Employment and training opportunities

Employee volunteering through local sites, providing a wide-ranging variety of fundraising opportunities, engaging directly with local communities.

Charitable donations, charitable partnerships and initiatives via The RWS Foundation.

RWS continued to promote RWS Campus, a global programme nurturing localisation talent, partnering with universities worldwide to foster strong relationships and future talent in industry.

The internal 'Green Agenda' team and local environmental initiatives at site level that can help RWS to meet carbon reduction commitments.

By setting science-based targets, we can track and measure carbon emissions.

For details see pages 25 to 28.



Section 172 statement.

The Directors of the Company are bound by their duties under the Companies Act 2006 (the “Act”) and must act in the way they consider would most likely promote the success of the Company for the benefit of its members as a whole, taking into account the factors listed in section 172(1) (a) to (f) of the Act.

This statement meets the requirement, as set out in section 172 and Section 414CZA of the Act. It summarises how, during 2025, our Directors addressed the matters set out in Section 172(1) (a) to (f) of the Act when performing their duties. The following statement describes how the Board has had regard to those matters and forms the Directors’ statement required under section 414CZA of the Act.


Key decisions in the year

Considering stakeholders in key decisions is fundamental to RWS’s long-term growth and success, and engagement with our stakeholders enables the Board to clearly understand what matters to them. It is not always possible to provide positive outcomes for all stakeholders and the Board may have to make decisions based on balancing competing priorities of stakeholders. Differing interests are considered by the Board, who assess the likely long-term consequences of decisions, including the impact on stakeholders.

Details of our key stakeholders, how we have engaged with them during the year and the outcomes of that engagement are set out on pages 58 to 59 and are incorporated by reference into this Section 172 statement. A summary of how the Board applied the factors listed in section 172(1)(a) to (f) of the Act when making principal decisions during the year is set out below.

Principal decision	How the Board made the decision	Stakeholder consideration	Outcome and impact of decision
Approval and oversight of the restructuring of the Group’s business units and go-to-market model, repositioning RWS as a content solutions company	When reviewing proposals for how the Group should be re-structured, the Board considered the rapid sector transformation driven by technological innovation and global market demands, including the widespread adoption of AI-powered tools and the continued need to drive profitable growth.	The new structure will allow our clients to unlock the full value of their content, data and ideas. A significant number of roles have been reduced as a result of overhead reduction measures. Employees have seen reallocation in responsibilities and need to upskill, and are impacted by the scale and pace of change.	The Group’s new structure was launched from FY26, to benefit our clients. Our go-to-market positioning will make our services and technology more compelling and easier to buy, enabling stronger focus on accountability for delivery, enhancing RWS’s competitiveness.
Material overhead cost reduction in the second half of the year Continued review of operating costs of our locations, a number of RWS offices further reduced during the year	The implementation of cost controls to support the leaner operating model and the financial stability and sustainability of RWS, whilst undergoing restructuring.	Investors and lenders expect to see cost management, in light of weaker financial performance. Ensuring colleagues can connect and engage where working remotely.	Significant reduction in headcount. Agile working model has delivered measurable time and energy savings across the Group, enhanced productivity and supported talent retention.
Approval of dividend and capital allocation policy	When considering the proposals to pay dividends during 2025, the Board considered cash generation, the performance of the underlying business and the long-term impact of paying the dividends on the liquidity and solvency positions.	Shareholders’ expectations in relation to the payment of dividends, both from a capital return perspective and as a signal of future performance. The impact of paying dividends on whether the business remained within the financial covenants agreed with lenders.	The Board recommended a full-year dividend of 7.05p per share, with the payment of a final dividend of 4.6p and an interim dividend of 2.45p, based on a conclusion that it was in the long-term interest of the Company.





Principal decision	How the Board made the decision	Stakeholder consideration	Outcome and impact of decision
Amendment and extension of the Group's Revolving Credit Facility (RCF)	The Board reviewed the opportunity to extend the RCF on enhanced terms, confirming RWS as a financially robust organisation with strong cash flows and a solid balance sheet to its stakeholders.	Shareholders' expectations in relation to financial stability and Group's ability to fund growth, organically or through acquisition. The RCF amend and extend provided an opportunity to refresh and strengthen the Group's banking syndicate.	The RCF was increased from \$220m to \$285m and the maturity date extended to October 2029 leaving the Group well capitalised, providing important support for future growth.
FX Hedging Policy	The Group's operational business structure across multiple geographies, means exposure to FX risk arising from global currency fluctuations.	Movements in foreign exchange rates can materially impact on reported revenue, operating profit and cash flows, and in turn affect the Group's stakeholders, including investors and colleagues.	Annual hedging policy and governance framework approved for FY26, in order to help manage the impact of currency volatility.
Strengthening of the Executive Team with key appointments and creation of clearer segment leadership, to execute product and growth strategy	The Board considered that aligning the Group's strategic leadership for a product-led future was instrumental to delivering the Group's redefined strategy and operating model.	The ET structure now reflects the commitment to building an agile leadership engineered to deliver our growth strategy, with clear accountability, for the benefit of investors, clients, colleagues and suppliers.	Executive Team roles and accountability aligned with the Group's new business structure and go-to-market strategy for FY26 and future years.
Partnership strategy with Cohere	Securing exclusivity on Cohere's Command-A model for MT allows RWS to further extend automation and monetise the model.	The partnership allows a strategic fit with RWS product portfolio to enhance automation for the benefit of clients.	Proof of concept completed and exclusivity deal agreed. Cohere's technology will be integrated within RWS product suite and service offerings to offer a competitive advantage.
Acquisition of Papercup's dubbing technology	Demand is surging alongside the growth of video content.	The technology accelerates our ability to support clients with their content at a fraction of the cost and turnaround time.	The acquisition positions RWS strongly in the high-growth AI dubbing market.

This Strategic Report as set out on pages 4 to 61 has been approved by the Board.

On behalf of the Board

Benjamin Faes | Chief Executive Officer

10 December 2025



Chairman's letter to shareholders.

On behalf of the Board, I am pleased to introduce our Governance Report for the year ended 30 September 2025.



Julie Southern

Board activities in 2025

During the year, the Board has overseen the ongoing work on the Group's new structure and operating model, led by the Group's CEO and the Executive Team. The Board has monitored the strengthening of the Executive Team, including the appointment of our Chief Product and Technology Officer, reviewed capital allocation and the management of risk, as well as actively assessing M&A opportunities and strategic partnerships. In addition, the Board commenced an externally facilitated Board and Committee performance evaluation.

Board changes

As announced on 26 November 2024, Ben Faes became CEO Designate on 2 December 2024 and was appointed CEO and Executive Director on 6 January 2025.

Ben is a proven business leader with over 25 years' experience driving digital transformation and leading international teams across the technology and media sectors. He brings extensive expertise in leveraging technology to transform business models and deliver profitable, organic growth.

Ben has made solid progress in a short period of time, bringing fresh energy and focus to the business. For details of Ben's induction, see page 78 of the Nomination Committee Report.

In October this year, the Company announced that Candida Davies had informed the Board of her intention to step down as CFO at the end of 2025. We thank Candida for her extensive contribution and commitment over the last three years during a pivotal time for the business and our industry. Candida has been a key member of our broader leadership team, which has made considerable progress in redefining the Group's strategy and operating model, strengthening its position for the future.

The Company has identified Candida's successor, Stephen Lamb, who is anticipated to join RWS as CFO and Executive Director in Q1 2026.

As detailed in my Chairman's Statement on page 9, both David Clayton and I will step down as Board directors at the end of December 2025.

We thank David for his significant contribution to the Board and the Company during his 16 years with RWS and SDL.

Andrew Brode and Gordon Stuart will become interim Chairman and interim Senior Independent Director respectively, whilst the search for my successor is undertaken.

The outcome of that process will be announced in due course, for further details see page 79 of the Nomination Committee report.

Board performance evaluation

Details of the Board and Committee performance evaluation facilitated by Manchester Square Partners can be found on page 69.

ESG

Our heritage is anchored in a strong commitment to the highest standards of environmental, social and governance ("ESG") practice, forming the ethical foundation for our operations.

We are pleased to report that RWS is on track to meet its Science Based Targets initiative emissions targets for FY25, achieving a 6% overall year-on-year decrease in greenhouse gas emissions. Significant reductions in Scope 1 and 2 emissions are a direct result of our focus on operational efficiency and facility right-sizing.

In April 2025 we were awarded a Bronze Medal by EcoVadis in recognition of our ESG progress

RWS continues to promote RWS Campus, a global programme nurturing localisation talent. By partnering with more than 600 universities globally, we foster strong relationships to develop the next generation of professionals who will positively impact our industry.

The RWS Foundation contributed to charitable initiatives aligned with our social impact priorities, and funding for emergency response during FY25, as outlined on page 31. For FY26 and future years, RWS will no longer provide funding for the RWS Foundation's charitable activities and partnerships, and will instead directly fund charitable giving, overseen by the RWS ESG Steering Committee.

Board engagement with stakeholders

The Board appreciates that effective stakeholder engagement is essential to ensuring the long-term success of the Group and establishing and maintaining good relationships with all stakeholders is important to us. We are strongly committed to upholding the values of good corporate governance and accountability to all the Group's stakeholders, including shareholders, colleagues, clients and suppliers. We believe that good governance, which includes taking account of environmental and social issues, is important for the long-term success of the business.

We believe that success should be pursued without detriment to others or our environment. We are committed to generating prosperity for our shareholders and colleagues, the clients we serve, the suppliers we engage with and the communities in which we operate.

The Board is informed of stakeholder views and interests in the following ways:

- Reports and presentations at Board and Committee meetings by the CEO, CFO and other members of the Executive Team and senior leaders on topics such as:
 - Strategy delivery
 - Markets and business performance
 - Financial performance
 - Capital allocation and shareholder returns
 - Investor relations
 - 'Voice of the Customer' insights & marketing strategy
 - Transformation programmes
 - Colleague engagement and wellbeing
 - Talent and succession planning
 - RWS Code of Conduct
 - Supplier partnerships
 - Community engagement
 - Environment and sustainability
- Annual Board and Executive Team strategy reviews
- Feedback from colleagues via the annual RWS engagement survey results
- Focused face-to-face client engagement by senior leaders with significant enterprise clients, with outcomes reported to the Board
- Engagement and communications via regulatory news announcements, RWS's website, social media, investor roadshows, investor meetings and at the Annual General Meeting

Details of the Group's stakeholders, and of stakeholder engagement during the year, are set out on pages 58 and 59 of the Strategic Report.

Annual general meeting

The 2026 AGM will be held on 11 February 2026, at Slaughter and May, One Bunhill Row, London EC1Y 8YY. Details of how shareholders can attend the meeting are set out in the Notice of AGM.

The Board values engagement with shareholders and look forward to answering questions at the AGM.

Julie Southern | Chairman
10 December 2025

Board of directors.

Julie Southern

Non-executive Chairman

Julie joined RWS as a Non-executive Director in July 2022 and became Non-executive Chairman in October 2023.

Her executive career includes a number of senior finance, operations and marketing roles, where she has driven significant growth and revenues, including at Porsche Cars, as Group Finance Director from 1996, and at Virgin Atlantic, as CFO from 2000 until becoming Chief Commercial Officer in 2010. In addition, Julie has significant Board experience having previously held non-executive director positions at Rentokil Initial, easyJet, DFS Furniture Company, Cineworld Cinemas, Stagecoach and Gategroup.

Julie is the Non-executive Chairman of NXP Semiconductor NV, and a Non-executive Director and Chairman of the Remuneration Committee at Ocado Group plc.

Julie will step down as Chairman and from the Board on 31 December 2025.



Candida Davies

Chief Financial Officer

Candida was appointed Chief Financial Officer and Executive Director in October 2022.

Candida has considerable experience in financial, commercial and operational leadership in global multinational companies in the pharmaceutical, consumer and health technology sectors with a focus on driving successful business and finance transformation. Previously Candida was Head of Finance for the Personal Health division of Royal Philips where she also supported the Group Innovation and Strategy function. Prior to this she held Group Controller and Divisional Finance Director roles at Reckitt Benckiser. Earlier in her career she held several roles with Eli Lilly & Co, having qualified as a chartered accountant with KPMG.

Candida will step down as CFO and from the Board on 31 December 2025. Stephen Lamb will succeed her as CFO and Executive Director during Q1 2026.



Benjamin Faes

Chief Executive Officer

Ben joined RWS as CEO Designate in December 2024 and was appointed Chief Executive Officer and Executive Director in January 2025.

He brings extensive expertise in leveraging technology to transform businesses, driving profitable organic growth and developing new revenue streams through innovative go-to-market strategies. Prior to joining RWS, Ben spent eight years with AOL, culminating in the role of Managing Director for France. In 2008, he joined Alphabet, where he pioneered the monetisation of YouTube across Europe. He was subsequently appointed to a series of leadership roles for Google in the EMEA region before becoming Managing Director of Google Cloud for Southern Europe and Emerging Markets. In 2021, Ben became UK CEO of Webhelp, which was acquired Concentrix in 2023.



David Clayton

Senior Independent Director

David was appointed as a Non-executive Director in November 2020, following the acquisition of SDL plc, of which he was Non-executive Chairman. David became Senior Independent Director in April 2024.

He was Managing Director and Head of European Technology Research at CSFB from 1997 until 2004. David was Non-executive Director of The Sage Group plc in 2004 before taking up an executive role as Director of Strategy and Corporate Development from 2007 to 2012.

David is a Board member of Albora Technologies Ltd.

David will step down as Senior Independent Director and from the Board on 31 December 2025.



- Audit Committee
- Remuneration Committee
- Nomination Committee
- Chair

Paul Abbott

Independent Non-executive Director

Paul was appointed to the RWS Board in January 2024.

He is Chief Executive Officer of American Express Global Business Travel (Amex GBT), the leading global software and services company for travel and expense for more than 20,000 businesses globally. Since joining in 2019, Paul has led Amex GBT through several strategic acquisitions, transforming the company's product and technology solutions and driving significant growth with SME customers. After initially leading the business as a private equity-backed joint venture, Paul took Amex GBT public in May 2022. Before Amex GBT, Paul was Chief Commercial Officer at American Express, where he spent twenty-four years in a variety of senior roles across the business.



Frances Earl

Independent Non-executive Director

Frances was appointed as a Non-executive Director in November 2020.

Previously Frances was a Managing Director at Accenture, where she held senior HR positions both locally (in UK and Ireland) and globally. She served as HR Director on Accenture's UK and Ireland Executive Board, Products Operating Group Executive Board and Financial Services Operating Group Executive Board and was Global Recruitment Director for all Executive and Partner Recruitment across 20 countries.



Andrew Brode

Non-executive Director

Andrew led the management buy-in of RWS in 1995 and the Group's flotation on AIM in 2003. He acted as Executive Chairman between 1995 and 2023. He is the Group's largest shareholder. He is the Non-executive Chairman of Learning Technologies Group Limited, formerly an AIM listed company, and a Non-executive Director of several private companies.

Andrew will be appointed interim Chairman on 31 December 2025.



Gordon Stuart

Independent Non-executive Director

Gordon joined RWS as a Non-executive Director in November 2020, following the acquisition of SDL plc, of which he was Non-executive Director.

He is CEO of AMS, the global total workforce solutions provider of talent acquisition and contingent workforce management, internal mobility and skills development, and talent and technology advisory services. Prior to his current role, Gordon re-joined AMS as CFO in May 2022, having previously held that position between 2008 and 2012. He has over 25 years of experience leading financial organisations at global companies including Dell, London Bridge Software, Xansa, TMF Group and Unit4. He has also held Non-executive roles at Sepura plc and Intec Telecom Systems plc.



Graham Cooke

Independent Non-executive Director

Graham joined RWS as a Non-executive Director in January 2024.

He is the founder and CEO of Brava Finance, a financial technology company building AI-powered infrastructure for stablecoin credit and digital yield markets. Graham is an experienced technology entrepreneur and product strategist, known for building successful B2B software and data businesses that combine user-centric design with the latest advances in AI and Web3. He previously founded Qubit, a leading SaaS platform for AI-driven personalisation used by over one billion shoppers per month, which was acquired by Coveo Solutions in 2021. Earlier in his career, he was one of the first European employees at Google, contributing to the development of its Ad Platform and Google Analytics products.

Graham is a Non-executive Director of ITV plc, and a member of its Audit and Nomination Committees.



Jane Hyde

General Counsel and Company Secretary

Jane joined the RWS Board and Executive Team in October 2022 and holds responsibility for the Group's legal, governance and privacy functions. She also oversees the Company's risk management capabilities.

Jane was previously General Counsel and Company Secretary of De La Rue plc and prior to that, Head of Corporate and European Legal at Hikma Pharmaceuticals plc. Before then, Jane led the Investment Banking Compliance function at Nomura International and spent six years as a corporate broker at JP Morgan Cazenove. She qualified as a solicitor with Freshfields.





Corporate governance report.

Good governance and business standards are essential to the success and prosperity of RWS.

RWS is committed to promoting transparent, fair and timely decision making that considers the needs of all our stakeholders.

The Board

The Board considers that all the Non-executive Directors are independent (save for Andrew Brode who is not deemed independent due to his previous executive role at RWS) and that there are no relationships or circumstances which are likely to affect their independent judgement.

The Board believes that, as a collective, the Directors have the necessary blend of sector, financial and public market skills and experience, along with an effective balance of personal qualities and capabilities. A summary of the relevant experience of each of the Directors can be found on pages 64 and 65.

Division of roles and responsibilities

The Chairman leads the Board and has overall responsibility for corporate governance and the effective management of the Board. The Chairman supports communication between the Board and shareholders: a key part of the Board's commitment to high standards of governance is an active dialogue with its shareholders.

The CEO provides leadership to the Group's Executive Team, who manage the day-to-day operations of the Group. The CEO promotes the development of objectives, strategies and performance standards whilst also overseeing key risks across all divisions of the Group. The CEO also plays a lead role in devising and implementing the Group's corporate development strategy, including identifying and evaluating potential acquisition targets, and in investor relations to ensure that communications with the Group's existing shareholders and prospective investors are maintained.

The CFO is responsible for shaping and executing the financial strategy and operational direction of the Group. The CFO also supports the Group's investor relations programme and corporate development efforts.

The Senior Independent Director acts as a sounding board for the Chairman and a trusted intermediary for other Board members, leads the Chairman's performance review and succession process, and acts as an additional point of contact for shareholders.

Jane Hyde, our General Counsel and Company Secretary, holds overall responsibility for the Group's legal, governance and privacy functions. Jane attends all Board and Committee meetings, ensures timely dissemination of information to the Board, supports the Board with inductions, training and evaluations, advises on all corporate governance matters, and acts as a point of contact for shareholders. Jane also oversees the Group's risk management capabilities and chairs the Risk Committee.

Board in action

The Board held six scheduled board meetings in the year, with additional meetings as required. The Board is tasked with developing the overall structure and direction of the business, ensuring that appropriate delegations of authority are communicated throughout the Group, monitoring Executive Director performance, reviewing the monthly operational and financial performance of the Group and formally approving the annual budget and audited financial statements of the Group. The Board routinely reviews and monitors risks that could materially and adversely affect the Group's ability to achieve strategic goals, its financial condition and the results of its operations. The Board assumes overall accountability for the management of risk, with the support of the Executive Risk Management Committee, whilst the Audit Committee monitors and review the effectiveness of the Group's risk management and internal control systems. Various members of the Group's Executive Team are invited to certain Board meetings to report on their particular areas of responsibility.

Each Board meeting is preceded by a clear agenda and relevant information is provided to Directors in advance of the meeting. The Chairman and the Company Secretary are responsible for ensuring that all Directors receive relevant Board papers in a timely fashion to facilitate a full and effective discussion of matters during Board meetings.

The Non-executive Directors are expected to dedicate not less than one day per month to fulfilling their duties. This includes, but is not limited to, preparation and attendance of Board meetings of the Company and, where agreed, other Group companies and the general meeting of the shareholders of the Company.

The Group believes it has effective procedures in place to monitor and deal with potential conflicts of interest. The Board is aware of the other commitments and interests of its Directors, and changes to these commitments and interests are reported to and, where appropriate, agreed by the rest of the Board.

Director attendance at Board and Committee meetings

Director	Board	Audit Committee	Nomination Committee	Remuneration Committee
Julie Southern	6/6	4/4*	5/5	4/4*
Benjamin Faes ¹	4/4	4/4*	2/2*	3/3*
Candida Davies	6/6	4/4*	-	-
David Clayton	6/6	4/4	5/5	4/4
Paul Abbott	6/6	-	5/5	4/4
Andrew Brode	6/6	-	5/5	-
Graham Cooke	6/6	4/4	5/5	-
Frances Earl	6/6	4/4	5/5	4/4
Gordon Stuart	6/6	4/4	5/5	4/4
Ian El-Mokadem ²	3/3	1/1*	-	2/2*

¹ Joined the Board on 6 January 2025

² Stepped down from the Board on 6 January 2025

* Attended by invitation

Board activities during the year

- Review and approval of the proposed budget and business plan for FY26
- Approval and oversight of the restructuring of the Group's business units and go-to-market model
- Oversight of changes to the Executive Team, including the appointment of Chief Product & Technology Officer and other key appointments
- Approval of the dividend policy for the final payment for FY24 and interim payment for FY25, capital allocation policy
- Review of ESG strategy and reporting
- Review of all investor communications
- Review of potential M&A opportunities
- Approval of the acquisition of Papercup's AI dubbing technology
- Review of overall corporate governance framework
- Review and approval of enhancements to the Group's risk management programme, leading to the review and approval of the Group's principal risks and risk appetite in November 2025
- Review of bank counterparty risk and mitigation of credit exposure
- Review and approval of Revolving Credit Facility amendment and extension
- Review of succession planning and talent retention, people re-organisation and revised job architecture
- Monitoring of culture and colleague engagement, review of engagement survey results

For further details on principal decisions made by the Board during the year, see pages 60 and 61.

Our strategy

During the year RWS outlined a new strategic direction to become the world's leading AI solutions partner, uniquely focused on making artificial intelligence work in the complex, high-stakes reality of the global enterprise.

Our new positioning is founded on our ability to address the issues that prevent the widespread, trusted deployment of AI by organisations. We achieve this through our AI solutions, technical expertise and 250,000 data specialists, cultural and language experts and deep domain expertise.

RWS's heritage as one of the world's leading localisation providers has laid the foundation for our natural evolution into an AI solutions company, becoming the cultural intelligence layer for enterprise AI by bridging the AI value gap, a critical barrier to realising the full potential of AI.

Our strategic aims will be delivered through a refreshed go-to-market model, a heightened focus on technology and innovation, and by taking advantage of efficiencies through greater simplification and automation of our systems and processes.

In overseeing the Group's strategy, the Board participates in the annual Board strategy sessions to discuss longer-term strategy, direction of travel and our strategic priorities. The Board receives and reviews regular reports and presentations from the Executive Team on progress against strategic objectives and reviews risk management and operational matters. The Board reviews the Group's principal risks and uncertainties, reviews risk appetite and considers whether such key risks might impact on medium- and long-term strategy.



Board evaluation

At the time of publication of this Annual Report, an externally facilitated Board and Committee evaluation is under way. The evaluation is being undertaken by Manchester Square Partners ("MSP"), an external advisory firm. MSP developed an evaluation framework outlining areas for review in consultation with the Chairman.

The framework outlined suggested areas to gather and distil feedback, including strategy, challenges, risks, values and culture, role, dynamics, engagement, composition, leadership and succession. Individual interviews were conducted with Board members and the Company Secretary. MSP had access to Board and Committee papers for the 12 months prior and attended the November Board meeting for observation.

The review commenced in September 2025 and will conclude in December 2025. A summary of the results together with feedback will be prepared for Board discussion and agreed follow-up actions.

Further details will be available in the 2026 Annual Report.

The Board continues to hold formal annual performance assessments for the CEO (led by the Chairman) and CFO (led by the CEO). Factors considered in the evaluation process include, but are not limited to, commitment to the long-term development of the Group; attendance at formal meetings; meaningful and varied contributions at Board meetings; personal interaction and relationship building with the Non-executive Directors, shareholders, other professional advisers to the Group, and the Executive Team.

Re-election of directors

All Directors will stand for re-election at the 2026 AGM, with the exception of David Clayton, Candida Davies and Julie Southern, who are stepping down as Directors on 31 December 2025.

Stephen Lamb, who is succeeding Candida Davies as CFO, will be appointed to the Board of Directors after the 2026 AGM, and will therefore stand for election at the 2027 AGM.

Internal controls and risk management

The Board has overall responsibility for the Group's system of internal controls. The system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Directors believe that the Group has internal control systems in place appropriate to the size and nature of the business. The key elements are regular Group Board meetings with reports from and discussions with Senior Executives on performance and key risk areas in the business; monthly financial reporting, for the Group and each division, of actual performance compared to budget and previous year; annual budget setting; and a defined organisational structure with appropriate delegation of authority. In addition, the Board assesses the risks facing the business and approves the steps and timetable senior management has established to mitigate those risks.

The Audit Committee is responsible for monitoring and reviewing the effectiveness of the Group's risk management and internal control systems. During the year, the Audit Committee concluded that further enhancements were needed to the Group's risk management programme to introduce a more formalised, consistent process for embedding risk management in strategic planning and decision-making, by introducing a formal Group Risk Policy setting out the Group's approach to risk and the allocation of responsibility for risk management. In addition, the Audit Committee proposed that an executive risk management committee (the "Risk Committee") be established to oversee the Group's risk programme and facilitate the direct ownership of risk by the business.

The Board reviewed and approved the Risk Committee's Terms of Reference and RWS Group Risk Policy, following the Audit Committee's recommendations.

During November 2025, the Board reviewed the output from the Risk Committee's risk review process to identify, evaluate and mitigate the Group's principal risks and considered whether changes in risk profile were adequately addressed. At the same time, the Board also reviewed and set the Group's risk appetite in respect of its principal risks.

Our governance model

As an AIM listed company, RWS has chosen to implement the Quoted Companies Alliance Corporate Governance Code (the "QCA Code"). The principles and disclosures laid out by the QCA Code provide a framework to ensure we have the appropriate corporate governance arrangements in place.

The Board believes that it complies with all the principles of the QCA Code and the following pages include details of our compliance, which is reviewed annually in line with the requirements of the QCA Code.

Principle	How we comply
01 Establish a strategy and business model which promote long-term value for shareholders	<ul style="list-style-type: none"> Details of the Group strategy and growth pillars are set out on pages 12 to 15 of this annual report. The strategy for RWS is agreed by the Board, and progress towards delivering against objectives is tracked and debated by the Board and the Executive Team. During FY25, the Board and Executive Team held several meetings specifically focusing on the Group's strategic plan for creating value for the Group. Any significant business decision is taken with reference to this plan. Our objective is to continue to increase shareholder value in the medium- to long-term by growing the Group's revenue, profit before tax and earnings per share. Our strategy to achieve this is centered on becoming the cultural intelligence layer for enterprise AI, providing a range of technology-led solutions to clients across three segments: Generate, Transform and Protect. A refreshed go-to-market approach will underpin our drive for organic growth from existing and new clients and an ongoing focus on simplification and automation will deliver efficiencies to support margin development. This is supplemented by selective acquisitions, providing these are complementary to our existing business, enhance shareholder value and allow the Group to maintain conservative debt leverage within existing covenant requirements.
02 Seek to understand and meet shareholders' needs and expectations	<ul style="list-style-type: none"> Investor relations is a priority for RWS and we strive to ensure that both the investor and analyst communities understand our strategy, business model and financial and operational performance. Regular meetings are held with investors and analysts, mainly at investor roadshows and conferences. Our AGM is our primary forum to meet and communicate with our wider shareholder base. Shareholder feedback is received from our brokers and all shareholder feedback is distributed to the Board. Decision making at the Board takes into consideration how its decisions would impact our shareholders. See page 60 for further details. The Group maintains a disciplined approach to investment, returns and capital efficiency.
03 Take into account wider stakeholder and social responsibilities and their implications for long-term success	<ul style="list-style-type: none"> The Board has identified RWS's main stakeholders as our shareholders, colleagues, clients, suppliers and the communities in which it operates. Decision making takes account of how our various stakeholders may be affected by our decisions and developments. We pride ourselves on transparency and open communication. We take our corporate sustainability seriously and aim to incorporate best practice in all our initiatives and actions. Please pages 58 to 63 of this Annual Report.



Principle

How we comply

Colleagues

- Regular town halls take place to share strategy, keep colleagues updated and seek feedback.
- The Group conducts an annual engagement survey with an overall engagement score of 60% in the FY25 survey (FY24: 61%).
- Together with our employees, we have established a set of values that will bring us together to achieve our shared goals in a way we can be proud of. These values are: 'Partner, Pioneer, Progress and Deliver.' Our values give guidance to everyone at RWS as to the behaviours that underpin our success.
- We consider the health, safety and wellbeing of our colleagues in general and specifically in countries experiencing war.
- The Board is updated on the activities of RWS's Employee Resource Groups, each of which has an Executive Team sponsor, to understand how we can foster culture, diversity and inclusion and environmental impacts in the workplace.

Clients

- Building long-term client relationships and a client-centric culture starts with an accurate and consistent understanding of our clients. A Group-wide 'Voice of the Customer' Net Promoter Score ("NPS") programme ensures we effectively turn client feedback into key driver analysis, aligned to our values to improve client experience and accelerate growth through the client lifecycle and buyer journey. We deliver this through:
 - Reliable metrics – consistent approach to getting feedback, both relational (NPS) and transactional (CSAT).
 - Insight – client journey performance, topics driving NPS and key actions to close the loop on client issues.
 - Operational infrastructure – best-in-class experience management suite (Qualtrics) used to run surveys and provide real-time trends and insight.
 - Drive business growth – trigger actions based on negative feedback. A formal process of closed loop actions in addition to acknowledging promoters.
- Executive oversight workgroup. Regular review meetings on issue resolutions with action planning for wider macro topics.

Suppliers

- We believe it is important to have two-way communication with our suppliers. We strive to foster better relationships with our suppliers, keeping them updated on our requirements, as well as assisting with efficiencies, quality, insight, costs and reliability.
- We have implemented a Supplier Code of Conduct which sets out the standards and responsibilities that RWS expects its suppliers to adhere to when working with RWS.

Community

- The Group supports local organisations through colleague-led community initiatives and donations. During the year, the RWS Foundation boosted funds raised by colleagues in support of charitable organisations and causes.
- We also promote foreign language learning actively through university partnership programmes, primarily via RWS Campus (our global university programme).

Principle	How we comply
<p>04 Embed effective risk management, considering both opportunities and threats, throughout the organisation</p>	<ul style="list-style-type: none"> • RWS considers a risk management framework to be a vital tool to ensure existing and potential risks to the business are identified and mitigating actions are considered in full. • The Risk Committee, chaired by the General Counsel and Company Secretary, is responsible for assessing principal and emerging risks and mitigations with the Executive Team, for review by the Board. • Whilst the Risk Committee is responsible for assessing principal risks, the Executive Team is also empowered to manage operational risk effectively, and to report on emerging risks. The Audit Committee keeps under review the Group's internal controls and risk management systems that identify, assess, manage and monitor risks.
<p>05 Maintain the Board as a well-functioning, balanced team led by the Chairman</p>	<ul style="list-style-type: none"> • Our Board brings together significant experience in executive leadership, strategic planning, the sector, operations and financial matters. • The majority of the Board comprises independent, non-executive directors. • Open communication, debate and thought leadership are encouraged and new proposals are challenged rigorously. • The Board regularly assesses its effectiveness (see further detail on Board performance evaluation on pages 69 and 79). • The Nomination Committee reviews the size, composition, tenure and skills of the Board. It also leads the process for new appointments, monitors Board and senior management succession planning, considers independence, diversity, inclusion and Group governance matters. See pages 78 to 79 for further detail. • See Board of Directors pages 64 and 65, and 66 to 69 of the Corporate Governance Report.
<p>06 Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities</p>	<ul style="list-style-type: none"> • The Board believes that, as a collective, the Directors have the necessary blend of sector, financial and public market skills and experience, along with an effective balance of personal qualities and capabilities. • The Nomination Committee reviews the current Board and Committee composition, the existing diversity of skills, knowledge and experience on the Board, the diversity of gender and ethnicity, together with the skills, experience and time commitments required in the delivery of the role. Appointments are based on merit and relevant experience, while taking into account the broadest definition of diversity. The Committee challenges external search consultants where necessary, to ensure that diversity is always considered when drawing up candidate shortlists. • All members of the Board keep their skill sets current in a variety of ways. Their skills and expertise are reviewed on an annual basis. • The Board has access to external advice, and receives periodic training, and business insights and updates as required. • See Board of Directors pages 64 to 65 and 69 of the Corporate Governance Report.
<p>07 Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement</p>	<ul style="list-style-type: none"> • Performance is reviewed annually and objectives set for the CEO and CFO. • At the time of publication of this Annual Report, an externally facilitated Board and Committee evaluation is under way. The evaluation is being undertaken by Manchester Square Partners, an external advisory firm. The review commenced in September 2025 and will conclude in December 2025. A summary of the results together with feedback will be prepared for Board discussion and agreed follow-up actions. Further details will be available in the 2026 Annual Report.

Principle

How we comply

08

Promote a corporate culture that is based on ethical values and behaviours

- The Board is committed to setting the tone and high standards for the corporate culture of the Group to ensure the delivery of long-term value to shareholders whilst engaging effectively with all stakeholders.
- The RWS Code of Conduct encompasses the way we do business with our colleagues, our clients, our community and the environment around us.
- Our commitment to corporate sustainability is underpinned by our core ethical values and behaviours and aims to deliver continual improvement in our economic, social and environmental performance.

09

Maintain governance structures and processes that are fit for purpose and support good decision making by the Board

- The Board is responsible for ensuring that effective corporate governance procedures are in place that are appropriate for a public company of RWS's size and complexity.
- For details of how the Board operates, see pages 66 to 69.
- The Board has a properly constituted governance framework with clearly defined responsibilities, through its formal schedule of matters reserved for the Board, and matters delegated to its Committees. The Committees' respective terms of reference are available on the Group's website. The work of the Board's Committees is described on pages 74 to 87.
- Members of the Group's Executive Team are invited to certain Board meetings to report on their particular areas of responsibility.
- See the Corporate Governance Report on page 66 for further information on Board members' roles and responsibilities.

10

Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

- We pride ourselves on having open communication with a range of stakeholders.
- Communications with shareholders are explained in Principle 2 above.
- Other communication includes investor roadshows and conferences, meetings with our brokers, prospective investors, colleague engagement events, quarterly employee town halls and one-on-one meetings with clients and suppliers, and engaging with stakeholders on social media.
- Company news and presentations, regulatory announcements, financial reports and results are available on the Group's website www.rws.com.



Audit committee report.

Dear Shareholder

During FY25, the Audit Committee (the "Committee") supported the Board on governance matters relating to financial reporting and risk management.

The Committee considered internal audit outcomes, reviewed FY26 financial reporting implications arising from the Group's new structure and considered how to enhance risk management processes.



Gordon Stuart

Governance and compliance

The Committee Chair together with the other members of the Committee, regularly meet with the key individuals involved in the Company's governance, including the Chairman, the CEO, the CFO, the external auditor's lead partner and other senior management.

Terms of reference

The Committee undertakes its duties in accordance with its terms of reference. These are regularly reviewed to ensure that they remain fit for purpose and in line with best practice guidelines and were last updated in June 2025. The terms of reference are available on the Company's website (www.rws.com).

Key responsibilities and activities

The Committee is responsible for the independent monitoring of the effectiveness of the systems of internal control and risk management, accounting policies and published financial statements on behalf of the Board. It receives and reviews reports from the Group's management and external auditors relating to the annual financial statements and the accounting and internal control systems in use throughout the Group. Any significant findings or identified risks are reviewed so that appropriate action may be taken.

The Committee's responsibility is to ensure that financial information published by the Group properly presents its activities to stakeholders in a way that is fair, balanced and understandable, as well as overseeing the effective delivery of both external and internal audit services.

The Committee operates on the basis of open and challenging dialogue with management and with the external auditors. The Committee is responsible for reporting on its responsibilities to the Board. The Group has engaged a third-party to conduct internal audit reviews where it is thought such investment is required and in the best interests of the Company. The Committee reviews this decision on an annual basis.

Membership and attendance

Committee members are independent Non-executive Directors of the Company, with diverse skills and experience. The Committee has competence relevant to the sector and both David Clayton and I have recent and relevant financial experience, as required by the provisions of the QCA Code. David will cease to be a Committee member when he steps down from the Board on 31 December 2025.

All Committee members have significant executive experience in various industries. This range and depth of financial and commercial experience enables them to deal effectively with the matters they are required to address and to challenge management when necessary.

The Board evaluates the membership of the Committee on an annual basis. During the year, the Committee has met four times and details of attendance can be found on page 67.

Only the members of the Committee have the right to attend Committee meetings, however the CFO, CEO, Chairman, Group Financial Controller, Group Head of Tax, senior representatives of the external auditor, other external advisors and other senior management attend meetings by invitation. If the presence of any attendee is inappropriate or might compromise discussion, then the Committee would either not invite the attendee concerned or request that they not attend that part of the meeting. Separate sessions with external auditors are held with the Committee without management present.

Fair, balanced and understandable

The Committee assessed whether the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy. The Committee ensures that all contributors and senior management are fully aware of the requirements and their responsibilities. This includes the use and disclosure of alternative performance

measures and the financial reporting responsibilities of the Directors under section 172 of the Companies Act 2006 to promote the success of the Company for the benefit of its members as well as considering the interests of other stakeholders which will have an impact on the Company's long-term success.

During the year, the Committee met four times and details of Committee activities and matters discussed are set out in the table below.

Audit Committee activity in the year ended 30 September 2025

Financial statements and reports	<p>Reviewed the Annual Report and Accounts, together with the full year results announcement and the half year results announcement and received reports from the external auditor on the above.</p> <p>Reviewed the effectiveness of the Group's internal controls and disclosures made in the Annual Report and Accounts.</p> <p>Reviewed management's representation letter to the auditor, going concern reviews, fair, balanced and understandable criteria and significant areas of accounting estimates and judgement.</p> <p>Reviewed the Group's cash flow forecasts, the Group's bank facilities and the Viability Statement.</p> <p>Reviewed tax strategy, tax policies, and received updated on compliance with global tax regulations.</p> <p>Reviewed the potential reporting impacts of the new RWS structure for FY26.</p>
Internal control and risk management	<p>Assessed the Committee's role in monitoring and reviewing the effectiveness of risk management and internal control processes, identifying specific areas for oversight including Group Finance function resourcing and allocation of responsibilities.</p> <p>Reviewed and recommended to the Board a more formalised, consistent process for embedding risk management in strategic planning and decision-making.</p>
Internal audit	<p>Reviewed outcomes for internal audits conducted during FY25.</p>
External auditor and non-audit work	<p>Recommended to the Board the re-appointment of EY as external auditor at the 2025 AGM.</p> <p>Reviewed, considered and agreed the scope of the audit work to be undertaken by the external auditor, and agreed the terms of engagement and fees to be paid to the external auditor.</p> <p>Reviewed external auditor reporting and assessed independence and effectiveness of external auditor.</p> <p>Reviewed and approved non-audit services and reviewed and approved non-audit fees.</p>
Governance	<p>Monitored progress of the Group's Finance Transformation programme.</p> <p>Considered impact of regulatory developments; including review of fraud prevention framework following publication of external fraud prevention guidance under Economic Crime and Corporate Transparency Act 2023, the implementation of the OECD's Pillar Two rules, and amendments to the UK Corporate Governance Code, and reviewed management's proposed response.</p> <p>Reviewed Committee's annual work plan and terms of reference, progress of legal entity rationalisation and guidelines for legal entity lifecycle management.</p> <p>Monitored Speak-up reporting and mandatory training statistics.</p>

Significant judgements

Identification of the issues deemed to be significant takes place following open, frank and challenging discussion between the Committee members, with input from the CFO, the external auditor, the Group Financial Controller and other relevant colleagues.

The Committee considered the following significant matters during the course of the financial year. In all cases, papers were presented to the Committee

by management, setting out relevant facts, material accounting estimates and the judgements associated with them. The Committee satisfied itself that the disclosures in relation to accounting judgements and key sources of estimation were appropriate and obtained, from the external auditor, an independent view of the issues and risks. The Committee is satisfied that the judgements made are reasonable and appropriate disclosures have been included in the accounts.

Audit committee report continued

Capital allocation

The Group has a strategy to optimise utilisation of cash resources and return capital to shareholders where appropriate. The Group's capital and dividend policy includes both dividends and share repurchases as tools for capital distribution to shareholders. Papers submitted to the Committee have detailed the Group's progressive approach to dividend policy and the Committee has challenged key assumptions including the sufficiency of the Group's distributable reserves to support the policy.

Capitalised software development

The Committee has reviewed reports on the capitalisation policies and procedures for internally developed software. The papers submitted considered detail of individual products, features and enhancements to products, together with the incremental economic value-add to support the addition to intangible assets. Specifically, the Committee has considered whether the capitalisation policy enables the Group to meet the criteria set out under IAS 38 and is sufficient to enable identification of costs to be capitalised and costs to be expensed, such as support and maintenance expenditure.

Carrying value of goodwill

The Group considers the carrying value of goodwill at a minimum on a yearly basis, and also when there is an indicator of impairment. Management prepared a paper at the half-year that suggested that weak H1 performance in the RI division constituted an indicator of impairment. Subsequent analysis indicated sufficient headroom to conclude no impairment existed. Management also prepared a paper for the annual assessment which concluded that there were indicators for impairment for both the RI and Language Services divisions.

The Committee reviewed the paper which included challenging the key assumptions: revenue growth rates, forecasting accuracy, cash flow projections and discount rates. The Group has recognised a goodwill impairment in the current year of £88.0m (FY24: nil). See Notes 2 and 12 to the financial statements for further information.

Carrying value of intangible assets

The Group considers the carrying value of intangible assets at a minimum on an annual basis, and also when there is an indicator of impairment. Following a review of transformation activities the Group concluded that no indicators of impairment existed in FY25 and has therefore not recognised any impairment in the current year (FY24: £11.7m).

Carrying value of tangible assets

In the prior year, the Group performed a property portfolio review, where different options, including the disposal of certain freehold interests, were considered. As part of the review an impairment of £10.5m was taken on the freehold building at Chiltern Park, Chalfont St Peter, UK. This asset is

now being held for sale. No impairment was recorded in the current year.

Carrying value of investments in parent company

The carrying amount of the Company's net assets exceeded the Group's market capitalisation and as a result, management performed an impairment test of the Company's major investments in line with the requirements of FRS101. Management concluded that an impairment was required and RWS Holdings plc's separate financial statements includes an impairment charge of £279.5m. For more information see Note 7 to the parent company financial statements.

Revenue recognition

The Committee has continued to receive and review reports on the standard processes in place around revenue recognition. Management's paper covered whether service revenue is recognised at a point in time or over time. It was concluded that point in time revenue recognition be reserved for the completion of filings revenues in IP Services and the recognition of perpetual/term licence revenue in technology and for other services provided, the revenue is recognised over time.

The Committee discussed and challenged management's papers, satisfying itself that a consistent approach had been applied to determine revenue recognised in 2025. The Committee has reviewed the disclosures provided in the FY25 financial statements in relation to revenue recognition policy and to the significant estimates and judgements policy on Note 2.

Uncertain tax provisions

The Group recognises a provision for uncertain tax positions within the financial statements.

The Committee has reviewed management's consideration of uncertain tax provisions and understood the involvement of experts in the preparation and determination of these provisions. The Committee has reviewed movements in the key uncertain tax position provisions that have been recognised and understood the basis for the recognition of any new provisions made during the year. The Committee reviewed management's papers satisfying itself that a consistent approach had been applied to the identification and recognition of provisions in respect of uncertain tax positions recognised in 2025. The Committee has reviewed the disclosures provided in relation to taxation in Note 9 and the significant estimates and judgements policy in Note 2.

Going concern

The Committee has reviewed management's assessment that the Group has adequate resources to continue in operational existence for the foreseeable future. This includes the Directors' review of the current liquidity of the Group, the profitability and liquidity in the Group budget for FY26 and beyond and the impact on the Group's banking covenants.

After reviewing the Group's performance in 2025, along with budget and forecasts, the Committee endorses the Directors' reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least 12 months from the date of this report. Given this expectation they have continued to adopt the going concern basis in preparing the financial statements.

Internal control and risk management

The risk management process enables the identification, assessment and prioritisation of risk through discussions with executive management. The Executive Team and senior management review risks to ensure that they continue to remain relevant. A risk that can seriously affect the performance or reputation of the Group or the delivery of the Group's strategic objectives is termed a principal risk, for details see pages 42 to 45.

The Audit Committee has delegated authority for assessing the Group's internal control and risk management systems. The Board is ultimately responsible for reviewing and determining the Group's principal risks and setting the Group's risk appetite. The Board has established a level of risk which it believes is appropriate for the business and acceptable in the pursuit of the strategic objectives. During the year, the Committee concluded that further enhancements were needed to the Group's risk management programme to introduce a more formalised, consistent process for embedding risk management in strategic planning and decision-making. A formal Group Risk Policy setting out the Group's approach to risk and the allocation of responsibility for risk management was presented to the Board for approval, and in addition, the Committee proposed that an executive risk management committee (the "Risk Committee") be established to oversee the Group's risk programme and facilitate the direct ownership of risk by the business.

The Risk Policy and the Risk Committee's membership and terms of reference were reviewed by the Audit Committee and approved by the Board. The Risk Committee's members are the CEO, CFO, General Counsel and Company Secretary (Committee Chair), CPTO and EVP Strategy and Corporate Affairs, all of whom have the ability to call on other Executive Team members to attend meetings as needed. For FY25, the Risk Committee determined that each principal risk owner be accountable for maintaining their risk: definition, mitigations status and actions, and assessment of ranking, risk appetite and exposure versus appetite. The Risk Committee also reviewed ways of working with risk owners, the wider Executive Team, the Audit Committee and the Board.

This process ensures that risks are not just the product of a bottom-up approach but are also examined from a top-down perspective via an integrated senior management process, which is closely aligned with the Group's strategy, in order to enhance the Group's approach to risk generally.

External auditor and independence

The Committee is responsible for assessing the effectiveness of the external audit process, for monitoring the independence and objectivity of the external auditor and for making recommendations to the Board in relation to the appointment of the external auditor.

In 2021, Ernst & Young LLP ("EY") was appointed as the Group's auditor following a competitive audit tender process.

The Committee has considered EY's effectiveness, independence, objectivity and scepticism throughout the audit tender process and the period since appointment, through its own observations and interactions with the external auditor. The Committee meets with EY both formally and informally throughout the year to discuss, amongst other things, materiality, audit strategy and audit findings. In accordance with International Standards on Auditing (UK & Ireland) 260 and Ethical Standard 1 and as a matter of best practice, EY has confirmed its independence as auditor of the Company. The Committee assesses external auditor effectiveness through meetings with management, EY and a review of the audit completed subsequent to receipt of the signed audit opinion.

To safeguard EY's independence and objectivity, the Committee reviews the nature and extent of the non-audit services supplied, receiving reports on the balance of audit to non-audit fees, in line with the Group's policy on the provision of non-audit services. Pre-approval is required for any non-audit work from the Committee Chair. EY provided £17,000 of non-audit work for other assurance related services during FY25. Fees paid to EY are set out in Note 5 to the financial statements.

The Committee ensures that EY adheres to the Auditing Practices Board's Ethical Standard 3, which requires the rotation of the audit partner for listed companies every five years. The Committee noted that FY25 is the fifth and last fiscal year for Jose Yglesia to serve as the audit partner. Kate Allen will succeed Jose Yglesia as audit partner for FY26.

During FY25, the FRC's Audit Quality Review team selected for review the audit of the Group's financial statements for the year ended 30 September 2024. The Committee reviewed the report and considered any required actions, noting no significant findings.

The Committee is satisfied that EY remains fully independent, objective and effective and has recommended to the Board that a resolution for the re-appointment of Ernst & Young LLP should be put to shareholders at the 2026 AGM.

Gordon Stuart | Audit Committee Chair
10 December 2025

Nomination committee report.



Julie Southern

Dear Shareholder

On behalf of the Nomination Committee (“Committee”), I am pleased to present our report for 2025. During the year, the Committee focused on overseeing our new CEO’s induction, and changes to our Executive Team, ahead of changes to the Group’s structure and operating model.

Membership and attendance

The Committee’s members comprise the Chairman of the Board, who is the Committee Chair, and all Non-executive Directors of the Company. Other individuals, such as other Board members and external advisers, may be invited to attend for all or part of any meeting. The Company Secretary is secretary to the Committee.

The Nomination Committee met five times during the year to 30 September 2025 with all members present.

Key responsibilities

The Nomination Committee supports the Board in ensuring that the Board and its Committees are appropriately constituted and operate effectively. The Committee identifies qualified individuals to join the Board, recommends any changes to the Board and Committee composition and monitors the annual process to assess Board effectiveness.

The Committee’s principal duties are to:

- Monitor the structure, size and composition of the Board and make recommendations to the Board regarding any changes.
- Give full consideration to succession planning for Directors and other senior executives in the course of its work, considering challenges and opportunities facing the Group, its leadership needs and the skills and expertise needed on the Board in the future.
- Assess the effectiveness of the Board and its Committees.

In fulfilling these responsibilities, the Committee’s work includes:

- Overseeing and facilitating annual reviews of the Chairman, the Board, its Committees and individual Directors, including periodic externally facilitated reviews.
- Evaluating the balance of skills, knowledge and experience on the Board and its Committees and any potential gaps.
- Monitoring the independence and time commitments of the Directors.
- Overseeing Board and senior executive succession plans and leading the process to identify suitable candidates to fill Board vacancies, nominating candidates for approval by the Board and ensuring that appointments are made on merit and against objective criteria.
- Overseeing the induction of new Directors and assessing the training needs of existing Directors.

Terms of reference

The Committee undertakes its duties in accordance with its terms of reference which will be regularly reviewed to ensure that they remain fit for purpose and in line with best practice guidelines. The terms of reference were last reviewed in April 2025 and are available on the Company’s website (www.rws.com).

Key activities in 2025

As reported in 2024, following Ian El-Mokadem’s decision to step down as RWS’s CEO, much of the Committee’s focus in FY24, and during the first quarter of FY25, was to identify and secure Ian’s successor.

Ben Faes joined RWS as CEO Designate on 2 December 2024 and was appointed Chief Executive Officer and a Director of the Company on 6 January 2025, following a search process supported by Spencer Stuart. On joining the Board, Ben received a structured induction, comprising comprehensive management information and details of RWS’s governance framework, and meetings with Board colleagues, the Executive Team, investors and external advisers.

The Committee also instructed the consultant firm Russell Reynolds to advise on the search for Candida Davies' successor, who has been announced as Stephen Lamb. It is anticipated that Stephen will join RWS as CFO and Executive Director in Q1 2026. The Committee considered Stephen's significant experience working in high-growth, listed international business services companies, including in software and data product markets. Stephen has considerable experience in corporate and commercial finance roles in global businesses, with expertise in strategic planning, M&A transactions and building and developing finance teams.

As set out in my Chairman's Statement on page 9, I will step down as Chairman and as a director of the Company on 31 December 2025. While the search for my successor is undertaken, Andrew Brode will become interim Chairman.

The Chair search will be led by Gordon Stuart as interim Senior Independent Director ("SID"), who is already acting in that capacity, in anticipation of David Clayton stepping down as SID and a director of the Company on 31 December 2025.

The outcome of the process will be announced in due course.

Other principal matters considered during the year were:

- Reviewing the annual workplan and the Committee's Terms of Reference
- Reviewing the composition of the Board, including the Directors' tenure, skills and experience and diversity
- Oversight of Executive Team structure and succession planning
- Considering the independence of the Directors and diversity of the Board
- Reviewing Director induction process and training requirements

Board and Committee evaluation

At the time of publication of this Annual Report, an externally facilitated Board and Committee evaluation is under way. The evaluation is being undertaken by Manchester Square Partners ("MSP"), an external advisory firm.

MSP developed an evaluation framework outlining areas for review in consultation with the Chairman. Individual interviews were conducted with Board members and the Company Secretary. The framework outlined suggested areas for review and feedback, including strategy, challenges, risks, values and culture, role, dynamics, engagement, composition, leadership and succession.

The review commenced in September 2025 and will conclude in December 2025. MSP had access to Board and Committee papers for the 12 months prior, and attended and observed the November Board meeting.

A summary of the resulting feedback will be prepared for Board discussion and agreed follow-up actions. Details will be available in the 2026 Annual Report.

Diversity and inclusion

The Committee believes it is important to promote a culture that values diversity in all areas, including an inclusive and diverse culture in terms of ideas, skills, knowledge, experience, education, age, gender, social and ethnic backgrounds, cognitive and person strengths and other factors. 33% of our Board Directors are female and some of the most senior leadership roles in RWS are occupied by women, at Board level, in our Executive Team and in our senior leadership population. The Committee will continue to seek progress in all facets of diversity.

Independence of Non-executive Directors

I was appointed Non-executive Chairman on 2 October 2023, and was considered independent on appointment. With the exception of Andrew Brode, who is not deemed to be independent due to his previous executive role with the Group, the Committee considers that all Non-executive Directors are independent and that there are no relationships or circumstances which are likely to affect their independent judgement.

The Board regularly evaluates director independence and effectiveness and will continue to monitor tenure and succession planning in line with governance expectations.

Re-election of Directors

All Directors will stand for re-election at the 2026 AGM, with the exception of David Clayton, Candida Davies and Julie Southern, who are stepping down as Directors on 31 December 2025.

The Board has carried out a performance evaluation and considers each of the Directors to be effective in their respective roles. It judges that they demonstrate commitment and is of the opinion that all Directors continue to provide valuable contributions to the long-term success of the Company. The Board strongly supports their re-election to the Board and recommends that shareholders vote in favour of the re-election resolutions at the AGM.

Julie Southern | Nomination Committee Chair
10 December 2025



Frances Earl

Directors' remuneration report.

Annual statement

Dear Shareholder

I am pleased to introduce the Directors' Remuneration Report for FY25. The report comprises three sections, this Annual Statement, the Remuneration Policy and the Annual Report on Remuneration. Consistent with best practice, the Directors' Remuneration Report and the Directors' Remuneration Policy will be put to separate advisory shareholder votes at the 2026 AGM.

Committee membership and responsibilities

The members of the Remuneration Committee (the "Committee") are independent Non-executive Directors with relevant experience. The Committee comprises Paul Abbott, David Clayton, Gordon Stuart and me. David will cease to be a Committee member when he steps down from the Board on 31 December 2025.

The Committee is primarily responsible for determining the Directors' Remuneration Policy and the terms and conditions of service and remuneration for the Executive Directors. The Committee also determines the remuneration of the Chairman and the members of the Executive Team.

Committee activities during the year

The Committee met four times in FY25 and details of Committee member attendance can be found on page 67. Its key activities were as follows:

- Reviewed the FY24 Directors' Remuneration Report prior to its approval by the Board
- Reviewed the Directors' Remuneration Policy and its operation to ensure it remains appropriate and aligned to RWS's strategy
- Reviewed performance against the FY24 annual bonus plan targets and agreed the metrics and targets for the FY25 bonus plan
- Reviewed and set targets for the FY25 LTIP awards
- Reviewed and approved updated Committee terms of reference
- Reviewed and approved the terms of the CEO's appointment
- Reviewed the annual fees for the Chairman

Advisors to the Committee

FIT Remuneration Consultants LLP ("FIT") was appointed by the Committee during FY21 and continued to provide the Committee with independent advice as and when required in respect of remuneration quantum and structure and developments in governance and best practice more generally during FY25. FIT is a member and signatory of the Remuneration Consultants Group and voluntarily operates under the Code of Conduct in relation to executive remuneration consulting in the UK, details of which can be found at www.remunerationconsultantsgroup.com. FIT provides no other services to the Company.

Implementing the Remuneration Policy for FY25

In respect of the implementation of the Remuneration Policy for FY25:

- The new CEO's salary was set at £550,000 from appointment. The CFO's salary was increased by 3.6% to £424,760 from 1 January 2025 in line with the UK workforce;
- The annual bonus scheme for FY25 was capped at 150% of salary for the CEO (pro-rated from joining) and 125% of salary for the CFO, based on sliding scale financial targets and strategic targets. Following an assessment of the revenue and profit performance, the Committee determined that no bonus was payable to Executive Directors in respect of the FY25 financial targets. However noting the progress achieved against the non-financial targets, the Committee determined that 50% of the CEO's strategic targets had been met and as such, a bonus of £171,216 was earned which will be awarded in shares. As Candida Davies is stepping down as CFO and Executive Director at the end of December 2025, she is not eligible for a bonus award for FY25;
- The Long Term Incentive Plan ("LTIP") awards granted in January 2023 will lapse in full in January 2026 as a result of threshold Earnings Per Share ("EPS") and relative Total Shareholder Return ("TSR") targets not being met; and
- The Committee granted an LTIP award in January 2025 to the CEO and CFO. Reflecting a desire to focus on share price recovery, stretching performance targets were set based on sliding scale Absolute TSR targets. Details of the award levels and the performance targets are set out in the Annual Report on Remuneration.



Implementing the Remuneration Policy for FY26

In respect of the implementation of the Remuneration Policy for FY26:

- The CEO's salary will not be increased from 1 January 2026 although this will be kept under review and aligned to the approach adopted for the general workforce. The incoming CFO's salary has been set at £400,000 from appointment (lower than the incumbent's salary) and will not be reviewed until 1 January 2027 at the earliest;
- No changes have been made to benefits or pension provision (5% of salary in line with the workforce);
- The annual bonus scheme for FY26 will be capped at 150% of salary for the CEO and 125% of salary for the incoming CFO (pro-rated from joining), based on sliding scale financial and strategic targets. Any bonus award greater than 100% of salary will normally be deferred into shares for three years;
- LTIP awards are expected to be granted in January 2026. The CEO's LTIP award will be up to 200% of salary while the incoming CFO's LTIP award will be up to 175% of salary. The target ranges and metrics are yet to be finalised but will focus on delivery against stretching performance targets and will be disclosed to the market immediately following grant; and
- Shareholding guidelines will continue to operate (200% of salary for the CEO and 175% of salary for the incoming CFO).

The Committee has agreed to compensate the incoming CFO in respect of any annual bonus and LTIPs forfeited as a result of resigning from his previous employer. The terms of any buyout awards (quantum, vesting conditions and payment/vesting dates) will be aligned with the awards forfeited. Details will be set out in FY26 Directors' Remuneration Report (and announced to the market where buyout awards are settled in shares).

The Chairman's fee (£285,000), Non-executive Director base fee (£57,000) and additional £10,500 fee for the Senior Independent Director, Audit Committee Chair and Remuneration Committee Chair will not be increased from 1 January 2026.

As a Committee, we recognise the need to foster strong relations with our shareholders and encourage open dialogue. As such, I will be available for discourse with institutional investors concerning the Company's approach to remuneration. We look forward to receiving your support at our forthcoming AGM.

Frances Earl | Remuneration Committee Chair
10 December 2025

Remuneration policy

The Remuneration Committee follows the principles of good corporate governance in relation to the structure of its Remuneration Policy and, accordingly, takes account of the QCA Code as adopted by the Board.

In order to deliver the Group's strategy, the primary objectives of our policy are:

- To have a transparent, simple and effective remuneration structure which encourages the delivery of Group targets in accordance with our business plan
- To motivate and retain the best people of the highest calibre by providing appropriate short- and long-term variable pay which is dependent upon challenging performance conditions
- To promote the long-term success of the Group and ensure that our policy is aligned with the interests of, and feedback from, our shareholders
- To have a competitive remuneration structure which will attract new appropriately skilled executives to complement our teams worldwide

Component	Purpose and link to strategy	Operation	Maximum	Performance
Base salary	To provide a competitive base salary to attract, motivate and retain directors with the experience and capabilities to achieve the strategic aims.	Normally reviewed annually after considering pay levels at comparably sized listed companies and sector peers; the performance, role and responsibility of each Director; the economic climate, market conditions and the Company's performance; and the level of pay across the Group as a whole.	n/a	n/a
Benefits	To provide a market-competitive benefits package.	Offered in line with market practice, and may include a car allowance, private medical, income protection and death in service insurance.	n/a	n/a
Pension	To provide an appropriate level of retirement benefit.	Workforce aligned pension provision.	5% of base salary	n/a
Annual bonus	To reward performance against annual targets which support the strategic direction of the Group.	Awards are based on annual performance and are normally payable in cash up to 100% of salary. Bonus in excess of 100% of salary will normally be deferred into shares for three years.	150% of salary for the CEO 125% of salary for the CFO	Sliding scale financial and/or personal/ESG/strategic targets



Component	Purpose and link to strategy	Operation	Maximum	Performance
LTIP	To drive and reward the achievement of longer term objectives, support retention and promote share ownership for Executive Directors.	Conditional shares and/or nil cost or nominal cost share options. Vesting is normally subject to the achievement of challenging performance conditions, normally over a period of three years. Dividend equivalents may be awarded to the extent awards vest. Awards may be subject to malus/clawback provisions at the discretion of the Committee.	200% of salary for the CEO 175% of salary for the CFO	Performance metrics will be linked to financial and/or share price and/or strategic and/or ESG performance
Shareholding guidelines	To promote share ownership for Executive Directors.	Executive Directors are expected to build a shareholding in the Group over time by retaining 50% of the net of tax share awards which vest.	200% of salary for the CEO 175% of salary for the CFO	n/a
Non-executive Directors	The Committee determines the Chairman's fee and fees for the Non-executive Directors are agreed by the Chairman and Executive Directors.	Fees are reviewed annually taking into account the level of responsibility and relevant experience. Fees may include a basic fee and additional fees for further responsibilities. Fees are paid in cash.	n/a	n/a

Buyout awards

The Committee may offer buyout awards in respect of the recruitment of a new Executive Director. Any previous outstanding cash and/or share awards which the Executive Director holds which would be forfeited on cessation of their previous employment may be compensated. Where this is the case, the general principle is that the outstanding award will be valued by reference to the following factors: (i) the proportion of the vesting/performance period completed on the date of the Executive Director's cessation of employment with their former employer and the original vesting dates; (ii) any performance conditions attached to the vesting of the incentives and the likelihood of them being satisfied; and (iii) any other terms and conditions that may have a material impact on value.

Service contracts

The Chairman and Non-executive Directors have letters of appointment, under which their appointments will continue unless and until terminated by either party giving not less than 3 months' notice (6 months' notice in respect of the Chairman). The service contract of Executive Directors continues unless and until terminated by either party giving at least 12 months' notice (9 months' notice in respect of the incoming CFO, Stephen Lamb).

The dates of the service contracts of Ben Faes, Candida Davies and Stephen Lamb are 25 November 2024, 4 July 2022 and 14 October 2025 respectively.

Annual report on remuneration

Implementation of the policy for FY25

During the year, the Directors received the following remuneration and pension contributions:

Directors	Salary £000	Taxable benefits £000	Pension contributions £000	Annual bonus £000	FY25 total £000	FY24 total £000
Executive Directors						
Benjamin Faes ¹	412	1	21	171 ²	605	-
Candida Davies	421	1	21	-	443	559
Non-executive Directors						
Julie Southern	282	-	-	-	282	275
Frances Earl	67	-	-	-	67	65
Gordon Stuart	67	-	-	-	67	65
David Clayton	67	-	-	-	67	65
Andrew Brode	56	-	-	-	56	57
Paul Abbott	56	-	-	-	56	41
Graham Cooke	56	-	-	-	56	41
Former Directors						
Ian El-Mokadem ³	155	-	8	-	163	885
At 30 September 2025	1,639	2	50	171	1,862	2,053

¹ Appointed CEO and Executive Director 6 January 2025.

² Bonus will be delivered in shares to be granted in January 2026. On grant, the shares will vest immediately and be subject to a 12 month holding period.

³ Stepped down as CEO and Executive Director 6 January 2025. After stepping down from the Board, Ian was paid £429,000 in respect of his salary for the remainder of his 12 month notice period.

Annual bonus for FY25

Annual bonus potential was capped at 150% and 125% of salary for the CEO and CFO respectively for the year ended 30 September 2025. Details of the annual bonus awards are as follows:

Financial targets	PBT	Revenue
	CEO: 45% of salary maximum CFO: 50% of salary maximum	CEO: 30% of salary maximum CFO: 43.75% of salary maximum
Threshold (start to earn)	£84.9m	£682.9m
On-target	£89.4m	£718.9m
Maximum	£98.3m	£754.8m
Actual (for bonus purposes)	£60.4m	£690.1m
% of max payable	0%	0%

CEO strategic targets (50% of maximum bonus)

Objective	Committee assessment
Creation of a strategic refresh for the business covering Brand and Product, People, Growth and Expansion, Marketing, Sales and Operations	The refreshed strategy was developed and signed off by the Board supported by a 3-year financial plan, a clear go to market strategy, a costed delivery plan and an agreed Target Operating Model. Committee assessment: Significant progress.
Creation of a Product roadmap for the coming 3 years	The critical milestone of recruiting a high-calibre CPTO was achieved. This has allowed for a complete review of capital allocation and ROI. The multi-year roadmap was delivered post year end and is now live under new leadership. Committee assessment: Partially achieved.
M&A	A clear investment thesis has been developed along the same timeline as the refreshed strategy against which M&A opportunities can be evaluated. Committee assessment: Partially achieved.
Focus on supporting positive employee engagement during a period of change	Implementation of widescale change within RWS has been achieved whilst retaining good levels of Employee Engagement with voluntary attrition and the annual engagement score staying relatively stable. The 2024 engagement score was 61 and 2025 engagement score was 60. There is still some further opportunity to develop a clear and compelling North Star for colleagues. Committee assessment: Achieved.
Strengthening breadth and depth of talent in the organisation	A comprehensive senior talent review was completed to give greater clarity to the Board on business bench strength. Actions have been initiated to fill succession gaps and attract key skills and knowledge to RWS to be future ready. Committee assessment: Partially achieved.
ESG: Achieve carbon reduction objectives in line with SBTi commitments	Carbon reduction was in line with overall SBTi commitment and budgeted costs of carbon credit certificates, through delivery of a combination of Scope 1 & 2 emissions - (2,099 tCO ₂ e) and Scope 3 emissions (62.9 tCO ₂ e/£1m revenue). Committee assessment: Achieved.
% of max payable	Committee assessment: 50% of maximum

Total bonus award for FY25

As agreed during the CEO's recruitment process, his bonus potential for FY25 was based on 50% financial targets and 50% on strategic targets (reverting to a 75% financial, 25% strategic target split for subsequent financial years, as per the CFO's FY25 bonus targets). Following an assessment of the revenue and profit performance, the Committee determined that no bonus was payable in respect of the FY25 financial targets. The Committee acknowledged the strong delivery against the strategic targets, specifically the successful reset of the business strategy and critical operational milestones. However, despite this strong operational performance, the Committee believes that remuneration must reflect the wider context of the financial results and current share price performance. Consequently, to ensure alignment with the shareholder experience, it was determined that the bonus (pro-rated from joining) be restricted to 50% of the strategic maximum, totalling £171,216 and delivered 100% in shares which will vest immediately, with a one year post-vesting holding period.

As Candida Davies is stepping down as CFO and Executive Director at the end of December 2025, she is not eligible for a bonus award for FY25.

CFO change

As announced on 3 October 2025, Candida Davies will step down as CFO and from the Board and will leave the Company at the end of December 2025. In respect of Candida’s leaving arrangements, she will receive salary, pension and benefits up to cessation of employment and a payment in lieu of notice in respect of the remainder of the unexpired notice period. She will not be eligible to participate in the annual bonus plan for the year ending 30 September 2026 and the second tranche of her retention award will lapse on cessation. Unvested LTIP awards will continue to vest at the normal vesting dates subject to performance and time pro-rating and shareholding guidelines will continue to operate up to cessation.

Candida Davies’ successor, Stephen Lamb, is anticipated to join RWS as CFO and Executive Director in Q1 2026. Details of Stephen’s remuneration from appointment are set out in the Annual Statement "Implementing the Remuneration Policy for FY26" on page 81.

Share awards granted in the year

The following LTIP awards were granted to the Executive Directors on 24 January 2025:

Directors	Basis of award	Number of shares under award
Benjamin Faes	400% of salary	1,397,357
Candida Davies	175% of salary	455,729

The awards are structured as nil cost options and vest three years from the grant (with a two year post vesting holding period) subject to continued employment and Absolute Total Shareholder Return ("TSR") targets. TSR will be measured over the period ending 23 January 2028: 0% of the award vests for TSR below 10% per annum, increasing pro-rata to 100% of the award vesting for 40% TSR performance per annum.

In addition to the above, an award of 81,300 ordinary shares of 1 pence each was made to Candida Davies in respect of her bonus for the financial year ended 30 September 2024 on 24 January 2025 which was 100% delivered in RWS shares. The award vested on the date of grant.



Directors' interests in shares

The interests of the Directors at the year-end in the ordinary shares of the Company (including the interests of their families and related trusts), all of which were beneficial, are as follows:

Directors	Ordinary shares of 1 pence
Benjamin Faes	1,028,067
Candida Davies	63,012
Julie Southern	83,687
Frances Earl	3,000
Gordon Stuart	5,085
David Clayton	164,035
Andrew Brode	90,174,060
Paul Abbott	-
Graham Cooke	-

The interests of Executive Directors at the year-end in options to subscribe for ordinary shares of the Company, together with details of any options granted during the year, are as follows:

Directors	Award type	Date of grant	1 Oct 2024	Granted	Lapsed	30 Sep 2025	Exercise price	First date normally exercisable	Last date normally exercisable
Benjamin Faes	LTIP	24.01.25	-	1,397,357	-	1,397,357	Nil	24.01.28	24.01.35
	SAYE	13.02.25	-	12,551	-	12,551	147p	01.04.28	30.09.28
Candida Davies	LTIP ¹	24.01.23	181,516	-	-	181,516	1p	24.01.26	24.01.33
	LTIP ²	24.01.24	302,742	-	-	302,742	Nil	24.01.27	24.01.34
	SAYE	12.02.24	8,918	-	(8,918)	-	208p	Lapsed	Lapsed
	Retention award ³	23.09.24	189,908	-	-	189,908	Nil	23.09.25	23.09.34
	LTIP ²	24.01.25	-	455,729	-	455,729	Nil	24.01.28	24.01.35
	SAYE ⁴	13.02.25	-	12,551	-	12,551	147p	01.04.28	30.09.28

¹ As a result of threshold EPS and relative TSR targets not being met, the 2023 LTIP awards will lapse in full in January 2026.

² Candida Davies' employment ends on 31 December 2025. Awards will continue to vest at the normal vesting dates subject to performance and time pro-rating.

³ 40% of the award (82,781 shares including dividend equivalents) vested on 23.09.25 and remains unexercised. The remaining 60% (113,945 shares) will lapse on cessation of employment.

⁴ Option will lapse on cessation

The market price of the Company's shares at 30.09.2025 was 92.3 pence per share. The lowest and highest price during FY25 was 63.2 pence and 183.4 pence per share respectively.

Share awards vesting/exercised in the year

The first tranche of the CFO's retention award, which was granted on 23 September 2024, vested on 23 September 2025 albeit remains unexercised as at 30 September 2025. As such, no share awards were exercised by Executive Directors during the year ended 30 September 2025 and therefore no gains were made on the exercise of share awards.

The Directors' Remuneration Report was approved by the Board on 10 December 2025.

On behalf of the Board

Frances Earl | Remuneration Committee Chair

10 December 2025

Directors' report.

The Directors present their Annual Report together with the audited consolidated financial statements for the year ended 30 September 2025.

General information

RWS Holdings plc is the ultimate parent company of the RWS Group which operates internationally. RWS Holdings plc is registered in England and Wales (company number 03002645). The principal activities of the Company and its subsidiaries are described in the Strategic Report on pages 12 to 24. The Company's shares are admitted to trading on the Alternative Investment Market of the London Stock Exchange.

Business performance and risks

The review of the business, operations, principal risks and outlook is dealt with in the Strategic Report on pages 12 to 24 and 42 to 45. The key performance indicators (page 24) of the Group are revenue and adjusted pre-tax profit before amortisation of acquired intangibles, impairments, acquisition costs, share-based payment expenses, profit on disposal of business and exceptional items.

Dividends

The Directors recommend a final dividend of 4.6 pence per ordinary share to be paid on 20 February 2026 to shareholders on the register at 16 January 2026, which, together with the interim dividend of 2.45 pence paid in July 2025, results in a total dividend for the year of 7.05 pence (2024: 12.45 pence). Please refer also to Note 10 to the Consolidated Financial Statements.

The final dividend will be reflected in the financial statements for the year ending 30 September 2026, as it does not represent a liability at 30 September 2025.

Going concern

In assessing the basis of preparation of the financial statements for the year ended 30 September 2025, the Directors have considered the principles of the Financial Reporting Council's 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting, 2014; particularly in assessing the applicability of the going concern basis, the review period and disclosures.

In making this assessment, the Directors considered the Group's current financial position, as well as forecasted earnings and cash flows for the 18-month period ending 31 March 2027. The business plan supporting this evaluation is based on the Board-approved budget.

The Directors' assessment also considered the Group's existing debt levels, committed funding, liquidity position under its debt covenants, and its ongoing ability to generate cash through trading activities. As of 30 September 2025, the Group had net debt of £47.9m (2024: £40.1m), which includes the Group's US\$220m revolving credit facility ("RCF") of which £59.0m was drawn at year-end (2024: £76.0m), lease liabilities of £22.5m (2024: £27.2m), offset by cash and cash equivalents of £32.6m (2024: £61.5m). The RCF matures in October 2029, after an Amend and Extend of the existing facility was completed in October 2025. See Note 27 to the financial statements for further information. At year-end, the Group's net leverage ratio, as defined by the RCF agreement, was 0.5 EBITDA (2024: 0.3), while the interest coverage ratio was 19 EBITDA (2024: 24), both of which are well within the limits set by the Group's RCF agreement.

In view of the Group's principal risks and uncertainties, detailed on pages 42 to 45 of the Strategic Report, the Directors have applied appropriate sensitivities in their going concern assessment. They modelled a range of downside scenarios, including a 20% reduction in the Group's gross margin percentage and corresponding cash flows. No significant structural changes to the Group were assumed in these scenarios, and no mitigating actions were assumed.

In each downside scenario, the Group maintained headroom with respect to both covenants and liquidity through to 31 March 2027. It is noted that EBITDA would need to fall by over 56% to breach the net leverage covenant test and by over 54% to breach the interest coverage test, based on the net debt and interest projection at the end of the forecast period. As a result, the Directors are confident that the Group and Company will have sufficient cash reserves and committed debt facilities to withstand reasonably plausible downside scenarios and continue to meet their liabilities as they fall due during the period ending 31 March 2027 and therefore prepared the financial statements on a going concern basis.



Directors

The names and biographical details of the Directors of the Company who served during the year, and as at the date of signing this report are set out on pages 64 to 65.

Further information on Board composition, responsibilities, commitments and re-election of Directors can be found on pages 66 to 73.

The interests of the Directors in shares during the year are set out on page 87 in the Directors' Remuneration Report.

Directors' indemnities

To the extent permitted in its articles of association, the Directors have the benefit of an indemnity – which is a third-party indemnity provision – as defined in section 234 of the Companies Act 2006. The Company also purchased and maintained throughout the financial year, Directors' and Officers' liability insurance cover for the directors and officers of the Company and of all Group subsidiary companies.

Corporate governance

Further information about the Audit, Nomination and Remuneration Committees and details of the Company's Remuneration Policy are set out on pages 74 to 87.

Employment of disabled persons

It is Company policy that people with disabilities should have the same consideration as others with respect to recruitment, retention and personal development. People with disabilities, depending on their skills and abilities, enjoy the same career prospects as other employees and the same scope for realising their potential.

Employee engagement

The Company's policy is to consult and discuss with employees matters likely to affect employee interests. This includes building common awareness of the financial and economic factors affecting the Group's performance through newsletters, all-colleague emails, quarterly all-colleague calls with the CEO and CFO and local 'town hall' meetings with senior leadership. The Company is committed to a policy of recruitment and promotion on the basis of aptitude and ability irrespective of age, sex, race or religion. All Group companies endeavour to provide equal opportunities in recruiting, training, promoting and developing the careers of all employees.

Fostering good relationships with stakeholders

Understanding what matters to our stakeholders is achieved by building strong, constructive relationships and engaging regularly. We value the diverse perspectives that our broad range of stakeholders bring to our decision making. We recognise that engagement with stakeholders is a vital part in the execution of our long-term strategy. Our shareholders, colleagues, clients, suppliers and our local communities are our key stakeholder groups.

Please refer to pages 58 to 61, and 63 for further information on engagement with stakeholders.

Directors' authorities in relation to share capital

At the 11 February 2025 Annual General Meeting, the Directors were generally and unconditionally authorised to allot shares in the Company up to an aggregate nominal value of £1,229,059 (being approximately one third of the Company's then issued share capital) or up to an aggregate nominal value of £2,458,119 (representing approximately two thirds of the Company's then issued share capital) in respect of a strictly pro-rata issue.

At the 2025 AGM, the Directors were also granted additional powers to allot ordinary shares for cash (i) up to a nominal value of £368,717 (being approximately 10% of the Company's then issued share capital) and (ii) up to a further nominal value of £368,717, in each case without regard to the pre-emption provisions of the Companies Act 2006, provided that the authority under (ii) can only be used in connection with an acquisition or specified capital investment.

These authorities are valid until the conclusion of the next following AGM.

The Directors propose to seek equivalent authorities at the 2026 AGM. The Directors have no immediate plans to make use of these authorities, if granted, other than to satisfy the exercise of options or vesting of awards under the Company's employee share schemes.

As at the date of this report, the Company does not hold any ordinary shares in the capital of the Company in treasury.

Authority to purchase own shares

At the 2025 AGM, shareholders gave the Company authority to make market purchases of up to 36,871,700 of its own ordinary shares (representing 10% of the Company's then issued share capital). This authority expires at the conclusion of the next following AGM. No shares were purchased under this authority during the year ended 30 September 2025.

Employee share option schemes

The Company operates a number of employee share option schemes. Details of outstanding share options are given in Note 22 to the consolidated financial statements on pages 140 to 143.

Major shareholdings

As at 30 September 2025, insofar as it is known to the Company by virtue of notifications made in accordance with DTR 5, the table below sets out holders of notifiable interests representing 3% or more of the issued ordinary share capital of the Company (such holdings may have changed since notification to the Company):

Substantial shareholder	% of issued share capital	Number of ordinary shares
Andrew Brode	24.4	90,174,060
Richard Griffiths	8.72	32,258,802
Octopus Investments	6.12	22,624,260
Jupiter Asset Management	5.06	18,744,593
Lombard Odier	4.99	18,464,392
Spreadex Ltd	4.21	15,651,574

Research and development

RWS is constantly engaged in research and development activities to improve the quality of the services offered to customers and to optimise the operation of the Group. See Notes 5 and 13 for further details.

Greenhouse gas emissions, energy consumption and energy efficiency

Details of the Group's annual greenhouse gas emissions, energy consumption and energy efficiency are shown in the 'Task Force on Climate-related Financial Disclosures' section of the Strategic Report on pages 46 to 57.

Political donations

The Company made no political donations during the year ended 30 September 2025.

Branches

RWS is a global business and our activities and interests are operated through subsidiaries and associated branches which are subject to the laws and regulations of many different jurisdictions. Our subsidiary undertakings and associated branches are listed in Note 7 to the Parent Company financial statements on pages 150 to 154.

Subsequent events

For details of post balance sheet events please refer to page 41 of the Chief Financial Officer's Review.

Financial instruments

Information about the use of financial instruments by the Group is given in Note 20 to the financial statements.

Business ethics

We take a zero tolerance approach to bribery, corruption, and other financial crime.

Tax transparency

RWS is committed to being a responsible corporate citizen within each jurisdiction in which it operates and does not use 'tax haven' countries or other tax avoidance arrangements as part of its tax planning.

RWS is straightforward, transparent and co-operative in all its dealings with tax authorities, ensuring that it is in compliance with all local taxation legislation and meets all applicable filing and payment deadlines.

As an employer of more than 7,649 colleagues across 52 locations in 31 countries, RWS also makes significant tax payments in respect of payroll taxes, value-added taxes and business/premises taxes.

The RWS tax strategy is available to read on our website www.rws.com.

Annual General Meeting

The 2026 AGM will be held on 11 February 2026, at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY. Details of how shareholders can attend the meeting are set out in the Notice of AGM. Shareholders will be able to vote at the AGM in person or by submitting their proxy in advance of the AGM and to appoint the Chairman of the AGM as their proxy with their voting instructions.

Auditors

Ernst & Young LLP have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the 2026 AGM.

Statement of disclosure of information to auditors

Each of the persons who is a Director at the date of approval of this report confirms that:

- So far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware.
- The Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any information relevant to the audit and to establish that the auditors are aware of that information. As far as each of the Directors is aware, the auditors have been provided with all relevant information.

This confirmation is given, and should be interpreted, in accordance with the provisions of section 418 of the Companies Act 2006.

This Directors' Report was approved by the Board on 10 December 2025.

On behalf of the Board

Benjamin Faes | Chief Executive Officer
10 December 2025



Statement of Directors' responsibilities in respect of financial statement.

The Directors are responsible for preparing the annual report and the Group and Parent Company financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group financial statements in accordance with UK-adopted international accounting standards ("IFRSs"), and the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101")) and applicable law. 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 the Parent Company and of the profit or loss of the Group and the Parent Company for that period.

In preparing these financial statements the Directors are required to:

- Select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information.
- Provide additional disclosures when compliance with the specific requirements in IFRSs (and in respect of the Parent Company financial statements, FRS 101) is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group and Parent Company financial position and financial performance.
- In respect of the Group financial statements, state whether UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- In respect of the Parent Company financial statements, state whether applicable UK Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Parent Company and the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and the Group and enable them to ensure that the Parent Company and the Group financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Parent Company and hence for taking reasonable steps for the prevention and detection of 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 each comply with the relevant law and regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Directors' responsibility statement

Each of the Directors confirm, to the best of their knowledge:

- That the Group financial statements, prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Parent Company and undertakings included in the consolidation taken as a whole
- That the annual report, including the strategic report, includes a fair review of the development and performance of the business and the position of the Parent Company and undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.
- That they consider the annual report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Parent Company's position, performance, business model and strategy. For the details of the process that was followed to enable the Board to make this statement, please refer to the Audit Committee Report on pages 74 to 76.

For and on behalf of the Board of Directors

Benjamin Faes | Chief Executive Officer

10 December 2025

Financial statements.

2025

RWS Holdings plc



Independent auditors’ report to the members of RWS Holdings plc.

Opinion

In our opinion:

- RWS Holdings plc’s group financial statements and Parent Company financial statements (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 30 September 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 United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of RWS Holdings Plc (the ‘Parent Company’) and its subsidiaries (the ‘group’) for the year ended 30 September 2025 which comprise:

Group	Parent Company
Consolidated statement of financial position as at 30 September 2025	Balance sheet as at 30 September 2025
Consolidated statement of comprehensive income for the year then ended	Statement of changes in equity for the year then ended
Consolidated statement of changes in equity for the year then ended	Related Notes 1 to 13 to the financial statements including material accounting policy information
Consolidated statement of cash flows for the year then ended	
Related Notes 1 to 27 to the financial statements, including material accounting policy information	

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 “Reduced Disclosure Framework” (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the

UK, including the FRC’s Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group and Parent Company's ability to continue to adopt the going concern basis of accounting included:

- understanding management's process and controls related to the assessment of going concern;
- assessing the adequacy of the going concern assessment period until 31 March 2027, considering whether any events or conditions foreseeable after the period indicated a longer review period would be appropriate;
- obtaining management's going concern models which included a base case and downside scenarios of the going concern assessment period. These forecasts include an assessment of liquidity including assessment of compliance with the covenant requirements of the Group's external debt;
- checking the arithmetical accuracy of the cash flow forecast models and assessing the Group's historical forecasting accuracy, comparing these conclusions to the downside scenarios prepared by management;
- confirming the continued availability of debt facilities by examining executed documentation including clauses relating to covenants. Further we performed a review of executed documentation (including key clauses relating to covenants) for the amendment and extension of the Revolving Credit Facility (RCF), which was extended to October 2029;
- considering the downside scenarios identified by management and independently assessing whether there are any other scenarios which should be considered, and recalculated the impact on the available cash flows and covenant compliance of the downside scenarios in the going concern period;
- considering whether the Group's forecasts in the going concern assessment were consistent with other forecasts used by the Group in its accounting estimates, including goodwill impairment and deferred tax asset recognition;

- evaluating what reverse stress testing scenarios could lead either to a breach of the Group's banking covenants or liquidity shortfall, and considering whether these scenarios were plausible;
- challenging management's assumptions within the cash flow forecasts in relation to the forecast growth rates in the going concern period, including comparison to internal and external economic forecasts;
- comparing management's forecasts to actual results through the subsequent events period and performing enquiries to the date of this report; and
- assessing if the going concern disclosures in the financial statements are appropriate and in accordance with the revised ISA UK 570 going concern standard.

We observed that the Group continues to remain profitable at an adjusted operating profit level (2025: £66.1 million, 2024: £112.3 million) and the Group generates positive operating cashflows (2025: £68.1 million, 2024: £75.3 million), which are the key measures for covenant and liquidity compliance respectively. The Group has access to a committed revolving credit facility of \$285 million, which expires in 2029. The covenant compliance necessary under both covenant test ratios within the RCF have been modelled as part of the going concern forecast.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and Parent Company's ability to continue as a going concern for a period to 31 March 2027.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Overview of our audit approach

Audit scope	<ul style="list-style-type: none"> • We performed an audit of the complete financial information of 7 components and audit procedures on specific balances for a further 9 components and central procedures on cash, provisions, alternative performance measures, investment in subsidiaries (Parent Company), goodwill, share based payments and consolidation adjustments.
Key audit matters	<ul style="list-style-type: none"> • Revenue recognition • Impairment of goodwill and acquired intangibles and impairment of Parent Company investment in subsidiaries • Capitalisation and impairment of development costs
Materiality	<ul style="list-style-type: none"> • Overall group materiality of £2.8m which represents 5% profit before tax adjusted for exceptional items, impairment losses, acquisition costs and amortisation of acquired intangibles.

An overview of the scope of the Parent Company and group audits

Tailoring the scope

In the current year our audit scoping has been updated to reflect the new requirements of ISA (UK) 600 (Revised). We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures, with input from our component auditors, to identify and assess risks of material misstatement of the Group financial statements and identified significant accounts and disclosures. When identifying components at which audit work needed to be performed to respond to the identified risks of material misstatement of the Group financial statements, we considered our understanding of the Group and its business environment, the potential impact of climate change, the applicable financial framework, the group's system of internal control at the entity level, the existence of centralised processes, applications and any relevant internal audit results.

We determined that centralised audit procedures can be performed on cash, provisions, alternative performance measures, investment in subsidiaries (Parent Company), goodwill, share based payments and consolidation adjustments.

We then identified 7 components as individually relevant to the Group due to materiality or financial size of the component relative to the group. These were key trading entities of the group and the Parent Company. We then identified an additional 9 components as individually relevant to the group based on the materiality of specific accounts relative to the group or due to the presence of significant events or conditions underlying the identified risks of material misstatement of the group financial statements. These comprise of a number of the group's other trading entities.

For those individually relevant components, we identified the significant accounts where audit work needed to be performed at these components by applying professional judgement, having considered the group significant accounts on which centralised procedures will be performed, the reasons for identifying the financial reporting component as an individually relevant component and the size of the component's account balance relative to the group significant financial statement account balance.

Having identified the components for which work will be performed, we determined the scope to assign to each component.

Of the 16 components selected, we designed and performed audit procedures on the entire financial information of 7 components ("full scope components"). For 9 components, we designed and performed

audit procedures on specific significant financial statement account balances or disclosures of the financial information of the component ("specific scope components").

Our scoping to address the risk of material misstatement for each key audit matter is set out in the Key audit matters section of our report.

Involvement with component teams

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the Group audit engagement team, or by component auditors operating under our instruction. The Group audit engagement team were responsible for the testing of 6 of the full scope components and 9 specific scope components. The remaining full scope component was the responsibility of our component team in Czechia.

During the current year's audit cycle, visits were undertaken by the primary audit team to the component team in Czechia. These visits involved review of the component's audit work and meeting with business unit management. The Group audit team interacted regularly with the component team where appropriate during various stages of the audit, reviewed relevant working papers and were responsible for the scope and direction of the audit process. Where relevant, the section on key audit matters details the level of involvement we had with component auditors to enable us to determine that sufficient audit evidence had been obtained as a basis for our opinion on the Group as a whole.

This, together with the additional procedures performed at Group level, gave us appropriate evidence for our opinion on the Group financial statements.

Climate change

Stakeholders are increasingly interested in how climate change will impact RWS Holdings plc. The Group has determined that the most significant future impacts from climate change on their operations will be from business interruption driven by extreme climate. These are explained on pages 46 to 57 in the Task Force on Climate Related Financial Disclosures and on pages 42 to 45 in the principal risks and uncertainties. All of these disclosures form part of the "Other information," rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on "Other information".

In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its financial statements.

As explained in Note 1, the basis of preparation, consideration of climate change impact on the judgements in the accounts is not considered to have a material impact at this time. Governmental and societal responses to climate change risks are still developing, and are interdependent upon each other, and consequently financial statements cannot capture all possible future outcomes as these are not yet known. The degree of certainty of these changes may also mean that they cannot be taken into account when determining asset and liability valuations and the timing of future cash flows under the requirements of UK adopted International Accounting Standards.

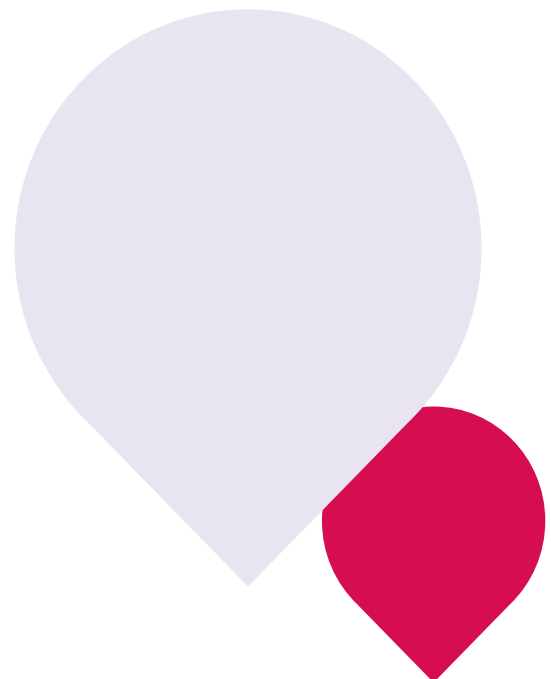
Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating management's assessment of the impact of climate risk, physical and transition, their climate commitments and confirming the effects of material climate risks disclosed do not have a material impact on the financial statements. As part of this evaluation, we performed our own risk assessment to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit.

We also challenged the Directors' considerations of climate change risks in their assessment of going concern and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work we have not identified the impact of climate change on the financial statements to be a key audit matter or to impact a key audit matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included 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. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.



Risk	Our response to the risk
<p>Revenue Recognition (2025: £690.1m, 2024: £718.2m)</p> <p><i>Refer to the Audit Committee Report (page 76); Accounting policies (page 108); and Note 3 of the Consolidated Financial Statements (page 112)</i></p> <p>In “Our response to the risk” and “Key Observations” sections, we have disaggregated revenue into two streams, being Technology revenue (relating to revenue recognised within the Language and Content Technology segment) and Services revenue (being revenue recognised within all other segments). Refer to Note 3 for further details.</p> <p>There is a cut-off risk that revenue earned around the year-end date is inappropriately recognised in the period in order to meet budgets and market expectations. This can apply to both point in time and over time revenue recognition, arising from the sale of both technology and services to customers.</p> <p>In addition, recognition of revenue may include an allocation of transaction price, specifically for bundled or bespoke technology deals where there are multi-element arrangements. There is a risk that the transaction price is incorrectly allocated to each performance obligation and/or recognised inappropriately (point in time or over time).</p>	<p>Our audit procedures comprised the following:</p> <p>We understood the process for recognition of revenue transactions and assessed the design effectiveness of key controls.</p> <p>Cut-off:</p> <p>For all revenue streams, we tested a sample of revenue transactions recognised around the balance sheet date to validate the correct timing of revenue recognition.</p> <p>Where applicable, we vouched to supporting documentation including proof of completed works and acceptance documentation.</p> <p>For services revenue, we understood the underlying process for identifying and measuring accrued income and performed analytical procedures to identify any specific risks. Further, we identified material or unusual accrued income balances, for which we performed the following procedures, where applicable:</p> <ul style="list-style-type: none"> • obtaining orders/contracts and supporting documentation to verify amounts, for example purchase invoices for costs incurred to date and completion documentation where applicable; • for services revenue, meeting with project managers to challenge the valuation of accrued income; • reviewing post year-end accrued income schedules to identify unusual movements in accrued income balances; and • Obtaining post-year end invoices raised <p>We considered each component's application of IFRS 15 through review of underlying contracts and terms and conditions, particularly in relation to the timing and quantum of revenue recognition around the balance sheet date to validate that the “over time” or “point in time” recognition policy was appropriate and in line with the nature and characteristics of the services provided.</p> <p>We reviewed the Group's disclosures in relation to revenue recognition made in the financial statements to confirm the adequacy of disclosure of the Group's revenue recognition policy.</p> <p>Multi-element arrangements:</p> <p>We tested a sample of technology revenue contracts by performing the following:</p> <ul style="list-style-type: none"> • agreeing revenues to contracts, purchase orders or software licence agreements; • agreeing the revenue to subsequent payment as evidence of collectability; • checking evidence, such as licence keys or evidence of filing of patents to support that performance obligation has been fulfilled prior to revenue recognition; • reviewing terms and conditions to establish whether all performance obligations have been identified and for any conditions that would impact the timing of revenue recognition and in turn the completeness of contract liabilities; • ensuring appropriate allocation of the fair value and recognition of revenue for other deliverables included within the contract based on relative standalone selling price; • we obtained management's assessment of the determination of standalone selling price and validated this assessment to evidence obtained through our test of details above.

Risk

Our response to the risk

Key observations communicated to the Audit Committee

We concluded that revenue recognised was materially correct in accordance with IFRS 15. We concluded based on our procedures performed that the standalone selling price of multi-element arrangements has been calculated and recorded materially correctly in the Technology division.

Based on the procedures we performed we concluded that the accounting policy and associated disclosures are in line with IFRS 15.

How we scoped our audit to respond to the risk

We performed centralised procedures, full and specific scope audit procedures over this risk in 13 locations, which covered 97% of the risk amount.

Risk

Our response to the risk

Impairment of goodwill and acquired intangibles (2025: £485.9m goodwill and £199.5m acquired intangibles; 2024: £570.8m goodwill and £239.8m acquired intangibles) and Parent Company investment in subsidiaries (2025: £455.4m; 2024: £732.3m)

Refer to the Audit Committee Report (page 76); Accounting policies (page 108); and Note 12 of the Consolidated Financial Statements (pages 123-125); and Note 7 of the Parent Company Financial Statements (pages 150-154)

Impairment of goodwill and acquired intangibles:

Management applies judgement in assessing the valuation of acquired intangibles and goodwill, particularly in estimating future cash flows and deriving the appropriate discount rates. There is a risk that impairments are not identified, and the value of goodwill or acquired intangibles is overstated.

Impairment of Parent Company investment in subsidiaries:

Management applies judgement in performing an impairment test for investment in subsidiaries, particularly in estimating future cash flows and deriving the appropriate discount rates. There is a risk that impairments are not identified, and the value of investments is overstated.

Our audit procedures in relation to the impairment of goodwill and acquired intangibles comprised the following:

- We understood the annual goodwill and acquired intangible impairment process and assessed the design effectiveness of key controls. We confirmed that management's process and methodology meet the requirements of IAS 36 'Impairment of Assets'.
- We reviewed management's paper identifying the cash generating units (CGUs) to which impairment should be considered and assessed whether the CGU allocation is appropriate.
- We validated the mathematical accuracy of management's impairment models.
- We engaged EY specialists to determine if the discount rates and long-term growth rates applied for each CGU are within an acceptable range.
- We challenged management as to the robustness of the process performed by discussing potential external and internal sources of indicators of impairment, and updates made to the cash flow forecast to reflect these. We challenged management in relation to the key assumptions included within the forecast through inquiries of local management, commercial finance and product development teams, as well as external market data. We ensured consistency of key assumptions (including revenue growth rates) with forecasts used in other management assessments, including going concern.
- We searched for any contradictory evidence, including whether any indicators of impairment were omitted from management's assessment.
- We assessed adequacy of sensitivity analysis performed and performed additional sensitivities.
- We assessed the historical accuracy of management's forecasting process through reviewing forecast versus actuals analyses for the current year.
- We assessed the measurement and appropriateness of the impairments recorded within the Languages Services and Regulated Industries CGUs, taking into account the results of other procedures performed
- We reviewed the Group's disclosures in accordance with the requirements of IAS 36 and IAS 1, including in relation to the impairment recognised in the financial statements, to confirm the adequacy of disclosure.
- Further, we evaluated the results of management's assessment of the carrying value of the Parent Company's investment in subsidiaries, which considered the results of the Value in Use calculation of the group. This included assessing the disclosures required under United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Risk	Our response to the risk
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Key observations communicated to the Audit Committee

Impairment of Goodwill and Acquired Intangibles:

We consider management’s assessment appropriately reflects the requirements of IAS 36 and appropriately captures the risks to the future cash flows.

Management have recorded impairments of Goodwill of £65.4m in the Languages Services CGU and of £22.6m in the Regulated Industries CGU. We have concluded the remaining goodwill and intangible asset balance recognised in relation to these CGUs is supported.

We concluded that the goodwill and intangible asset balance within remaining CGUs (being Language and Content Technology and IP Services) was supported by the Value in Use calculated by management.

We concluded that that the disclosures, including key assumptions and sensitivities within Note 2 to the Consolidated Financial Statements, are appropriate.

Impairment of the Parent Company investment in subsidiaries:

We consider management’s assessment appropriately reflects the requirements of United Kingdom Accounting Standards, including FRS 101 “Reduced Disclosure Framework” (United Kingdom Generally Accepted Accounting Practice) and appropriately captures the risks to the future cash flows.

Management have recorded an impairment of £279.5m in the carrying value of the investment in subsidiaries. We have concluded that the remaining investment in subsidiaries balance is supported.

We concluded that that the disclosures, including key assumptions and sensitivities within Note 3 to the Parent Company financial statements, are appropriate.

How we scoped our audit to respond to the risk

We performed centralised procedures in relation to the impairment of goodwill, acquired intangibles and Parent Company investment in subsidiaries, covering 100% of the balances impacted by the risk identified.

Risk	Our response to the risk
<p>Capitalisation and impairment of development costs (2025: £22.2m additions; 2024: £40.5m additions)</p> <p><i>Refer to the Audit Committee Report (page 76); Accounting policies (page 108); and Note 13 of the Consolidated Financial Statements (pages 126-127)</i></p> <p>The Group capitalises eligible costs in the development of its software products and internal systems. There is a risk of inappropriate capitalisation of these development costs, which require significant judgement as to whether the costs meet the capitalisation criteria per IAS 38.</p>	<p>Our audit procedures comprised the following:</p> <ul style="list-style-type: none">• Our audit procedures comprised the following:• We performed walkthroughs of the capitalised development cost process and assessed the design effectiveness of key controls.• We selected a sample of development cost business cases, supporting additions, to understand the nature of the costs, and to assess whether the items have been appropriately capitalised in accordance with IAS 38. We specifically challenged this with respect to capitalisation of costs incurred on products already in use, in order to validate managements judgements around whether the costs were likely to give rise to incremental economic benefit.• We performed analytical procedures, including comparison of capitalization and amortization to prior year.• Further to this, we challenged management on the useful economic life of assets capitalised, including validating that additions are amortised over the remaining useful life of the underlying asset to which they relate.• We audited capitalised costs to supporting documentation including 3rd party invoices. We also performed specific HR testing to validate salary information to supporting documentation.• We reviewed the Group’s disclosures in relation to capitalised development costs made in the financial statements to confirm the adequacy of disclosure of the Group’s capitalisation policy.• We assessed the impairment of assets in use and those still under development in accordance with IAS 36 by considering whether there were any indicators of impairment, including obsolescence of technology and changes to underlying business and market trends.

Key observations communicated to the Audit Committee

We concluded that remaining development costs capitalised under IAS 38 are materially correct and that it is reasonable that no impairment has been recorded on these assets as at 30 September 2025.

How we scoped our audit to respond to the risk

We performed full and specific scope audit procedures over this risk in 4 locations, which covered 100% of the risk amount.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be £2.8 million (2024: £5.4 million), which is 5% (2024: 5%) of profit before tax adjusted for exceptional items, impairment losses, acquisition costs and amortisation of acquired intangibles. We believe that profit before tax adjusted for exceptional items, impairment losses, acquisition costs and amortisation of acquired intangibles provides us with an appropriate basis for materiality as it represents the primary measure used by shareholders in assessing the performance of the Group, as it is a reflection of the underlying performance of the Group. The reduction in materiality compared to 2024 is as a result of the decrease in the materiality base during the period.

We determined materiality for the Parent Company to be £11.5million (2024: £11.1 million), which is 1% (2024: 1%) of total assets.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 50% (2024: 50%) of our planning materiality, namely £1.4m (2024: £2.7m). We have set performance materiality at this percentage due to a combination of risk factors.

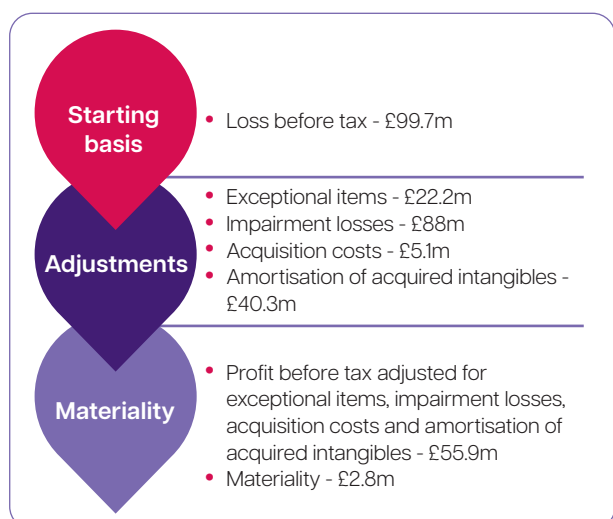
Audit work was undertaken at component locations for the purpose of responding to the assessed risks of material misstatement of the group financial statements. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was £0.3m to £1m (2024: £0.5m to £1.3m).

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £0.1m (2024: £0.3m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.



Other information

The other information comprises the information included in the annual report set out on pages 1 to 92, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us 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 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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 92, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors 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 for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and determined that the most significant are those related to the reporting framework (international accounting standards in conformity with the requirements of the Companies Act 2006, FRS 101, and the Companies Act 2006) and the relevant tax compliance regulations in the components
- We understood how RWS Holdings plc is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes, discussions with the Audit Committee and any correspondence received from regulatory bodies.
- We assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud. We also considered performance targets and their influence on efforts made by management to manage earnings or influence the perceptions of analysts. Where this risk was considered to be higher, we performed audit procedures to address each identified fraud risk. The key audit matters section above addresses procedures performed in areas where we have concluded the risks of material misstatement are highest (including where due to the risk of fraud). These procedures included testing manual journal entries.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of Board minutes to identify non-compliance with such laws and regulations, review of reporting to the Audit Committee on compliance with regulations and enquiries of management.

- All full and specific scope components were instructed to perform procedures in the identification of instances of non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the

Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

Jose Yglesia (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor
Reading

10 December 2025

Consolidated statement of comprehensive income

for the year ended 30 September 2025

	Note	2025 £m	2024 £m
Revenue	3	690.1	718.2
Cost of sales		(390.8)	(381.7)
Gross profit		299.3	336.5
Administrative expenses		(393.1)	(270.7)
Operating (loss)/profit	5	(93.8)	65.8
Analysed as:			
Adjusted operating profit:		66.1	112.3
Amortisation of acquired intangibles	13	(40.3)	(40.8)
Impairment of goodwill and intangible assets	12,13	(88.0)	(11.7)
Impairment of property, plant and equipment	14	-	(10.5)
Acquisition costs	6	(5.1)	(7.2)
Share-based payment expense	22	(4.3)	(2.9)
Profit on disposal of business	6	-	30.0
Exceptional items	6	(22.2)	(3.4)
Operating (loss)/profit		(93.8)	65.8
Finance income	8	0.8	0.9
Amortisation of capitalised exceptional finance costs	8	(0.2)	(0.2)
Finance costs	8	(6.5)	(6.5)
(Loss)/profit before tax		(99.7)	60.0
Taxation	9	(0.1)	(12.5)
(Loss)/profit for the year attributable to the owners of the Parent		(99.8)	47.5
Other comprehensive income/(expense)			
Items that may be reclassified to profit or loss:			
(Loss)/gain on retranslation of quasi equity loans (net of tax)		(2.3)	1.7
Gain/(loss) on retranslation of foreign operations		7.8	(64.1)
Gain on hedging (net of deferred tax)		-	0.4
Total other comprehensive income/(expense)		5.5	(62.0)
Total comprehensive expense attributable to owners of the Parent		(94.3)	(14.5)
Basic earnings per ordinary share (pence per share)	11	(27.0)	12.8
Diluted earnings per ordinary share (pence per share)	11	(27.0)	12.8

The Notes on pages 108 to 145 form part of these financial statements.

Consolidated statement of financial position

for the year ended 30 September 2025

	Note	2025 £m	2024 £m
Non-current assets			
Goodwill	12	485.9	570.8
Intangible assets	13	276.7	317.0
Property, plant and equipment	14	9.0	13.5
Right-of-use assets	18	19.7	22.7
Non-current income tax receivable		2.1	2.2
Deferred tax assets	9	1.7	2.0
		795.1	928.2
Current assets			
Trade and other receivables	15	204.3	211.2
Assets held for sale	24	3.5	-
Income tax receivable		5.4	5.6
Cash and cash equivalents	23	32.6	61.5
		245.8	278.3
Total assets		1,040.9	1,206.5
Current liabilities			
Trade and other payables	17	137.6	127.7
Lease liabilities	18	5.6	8.5
Income tax payable		10.6	14.3
Provisions	19	10.3	7.9
		164.1	158.4
Non-current liabilities			
Loans	16	58.0	74.4
Lease liabilities	18	16.9	18.7
Trade and other payables	17	0.1	0.4
Provisions	19	1.4	1.5
Deferred tax liabilities	9	37.2	53.5
		113.6	148.5
Total liabilities		277.7	306.9
Total net assets		763.2	899.6
Capital and reserves attributable to owners of the Parent			
Share capital	21	3.7	3.7
Share premium		56.0	54.5
Share-based payment reserve		9.3	8.1
Reverse acquisition reserve		(8.5)	(8.5)
Other reserve		0.1	0.1
Merger reserve		624.4	624.4
Foreign currency reserve		(26.3)	(31.8)
Retained earnings		104.5	249.1
Total equity		763.2	899.6

The Notes on pages 108 to 145 form part of these financial statements. The financial statements on pages 104 to 145 were approved by the Board of Directors and authorised for issue on 10 December 2025 and were signed on its behalf by:

Candida Davies | Chief Financial Officer

Consolidated statement of changes in equity

for the year ended 30 September 2025

	Note	Share capital £m	Share premium account £m	Other reserves (see below) £m	Retained earnings £m	Total attributable to owners of Parent £m
At 30 September 2023		3.8	54.5	651.4	277.6	987.3
Profit for the year		-	-	-	47.5	47.5
Gain on hedging		-	-	0.4	-	0.4
Gain on retranslation of quasi equity loans		-	-	1.7	-	1.7
Loss on retranslation of foreign operations		-	-	(64.1)	-	(64.1)
Total comprehensive income/(expense) for the year		-	-	(62.0)	47.5	(14.5)
Deferred tax on unexercised share options	9	-	-	-	(0.1)	(0.1)
Dividends	10	-	-	-	(45.5)	(45.5)
Purchase of own shares		(0.1)	-	0.1	(30.4)	(30.4)
Equity-settled share-based payments charge	22	-	-	2.9	-	2.9
Deferred tax on share-based payments		-	-	(0.1)	-	(0.1)
At 30 September 2024		3.7	54.5	592.3	249.1	899.6
Loss for the year		-	-	-	(99.8)	(99.8)
Loss on retranslation of quasi equity loans		-	-	(2.3)	-	(2.3)
Gain on retranslation of foreign operations		-	-	7.8	-	7.8
Total comprehensive income/(expense) for the year		-	-	5.5	(99.8)	(94.3)
Issue of shares		-	1.5	-	-	1.5
Dividends	10	-	-	-	(45.9)	(45.9)
Exercise of share options		-	-	(2.6)	1.1	(1.5)
Equity-settled share-based payments charge	22	-	-	3.8	-	3.8
At 30 September 2025		3.7	56.0	599.0	104.5	763.2

	Share-based payment reserve £m	Other reserve £m	Reverse acquisition reserve £m	Merger reserve £m	Foreign currency reserve £m	Hedge reserve £m	Total other reserves £m
Other reserves							
At 30 September 2023	5.3	-	(8.5)	624.4	33.7	(3.5)	651.4
Other comprehensive (expense)/income for the year	-	-	-	-	(62.4)	0.4	(62.0)
Fair value (losses)/gains on net investment hedge taken to currency reserve	-	-	-	-	(3.1)	3.1	-
Equity-settled share-based payments charge	2.9	-	-	-	-	-	2.9
Purchase of own shares	-	0.1	-	-	-	-	0.1
Deferred tax on share-based payments	(0.1)	-	-	-	-	-	(0.1)
At 30 September 2024	8.1	0.1	(8.5)	624.4	(31.8)	-	592.3
Other comprehensive income for the year	-	-	-	-	5.5	-	5.5
Exercise of share options	(2.6)	-	-	-	-	-	(2.6)
Equity-settled share-based payments charge	3.8	-	-	-	-	-	3.8
At 30 September 2025	9.3	0.1	(8.5)	624.4	(26.3)	-	599.0

Consolidated statement of cash flow

for the year ended 30 September 2025

	Note	2025 £m	2024 £m
Cash flows from operating activities			
(Loss)/profit before tax		(99.7)	60.0
Adjustments for:			
Depreciation of property, plant and equipment	14	4.6	6.3
Amortisation of intangible assets	13	63.6	54.8
Impairment of goodwill and intangible assets	12,13	88.0	11.7
Impairment of property, plant and equipment	14	-	10.5
Depreciation of right-of-use assets	18	6.8	8.2
Equity settled share-based payment expense	22	3.8	2.9
Profit on disposal of business	6	-	(30.0)
Lease modification	18	(0.4)	(1.6)
Net finance costs	8	5.9	5.8
Operating cash flow before movements in working capital		72.6	128.6
Decrease/(increase) in trade and other receivables		1.7	(6.8)
Increase/(decrease) in trade and other payables and provisions		11.8	(26.3)
Cash generated from operations		86.1	95.5
Income tax paid		(17.3)	(20.2)
Net cash inflow from operating activities		68.8	75.3
Cash flows from investing activities			
Interest received		0.8	0.9
Disposal proceeds	6	5.0	25.0
Acquisition of subsidiary, net of cash acquired		-	(0.5)
Purchases of property, plant and equipment	14	(3.4)	(2.6)
Purchases of intangibles	13	(22.2)	(40.5)
Net cash outflows from investing activities		(19.8)	(17.7)
Cash flows from financing activities			
Net (repayment)/proceeds from borrowings		(17.2)	22.9
Interest paid		(5.0)	(4.6)
Lease liability payments (including interest charged of £1.1m (2024: £1.1m))	18	(8.6)	(9.5)
Purchase of own shares		-	(30.4)
Dividends paid	10	(45.9)	(45.5)
Net cash outflow from financing activities		(76.7)	(67.1)
Net decrease in cash and cash equivalents		(27.7)	(9.5)
Cash and cash equivalents at beginning of the year		61.5	76.2
Exchange losses on cash and cash equivalents		(1.2)	(5.2)
Cash and cash equivalents at end of the year	23	32.6	61.5

Notes to the consolidated financial statements.

1. Accounting policies

Basis of accounting and preparation of financial statements

RWS Holdings plc ("the Parent Company") is a public company, limited by shares, incorporated and domiciled in England and Wales whose shares are publicly traded on AIM, the London Stock Exchange regulated market.

The consolidated financial statements consolidate those of the Company and its subsidiaries ("the Group"). The Parent Company financial statements present information about the Company as a separate entity and not about its Group.

The consolidated financial statements have been prepared in accordance with UK-adopted International Financial Reporting Standards ('IFRS') as required by the Companies Act 2006.

The consolidated financial statements have been prepared under the historical cost convention as modified, where applicable, by the revaluation of financial assets and financial liabilities held at fair value through profit or loss or through other comprehensive income.

The principal accounting policies adopted in the preparation of the consolidated financial statements are set out below and within the Notes to which they relate to provide context to users of the financial statements. The policies have been consistently applied to both years presented, unless otherwise stated.

The potential climate change-related risks and opportunities to which the Group is exposed, as identified by Management, are disclosed in the Group's Task Force on Climate-related Financial Disclosures ("TCFD") on pages 46 to 57. Management has assessed the potential financial impacts relating to the identified risks and exercised judgement in concluding that there are no further material financial impacts of the Group's climate-related risks and opportunities on the financial statements. These judgements will be kept under review by Management as the future impacts of climate change depend on environmental, regulatory and other factors outside of the Group's control which are not all currently known.

New accounting standards, amendment and interpretations

The International Accounting Standards Board (IASB) issued the following amendments, which have been endorsed by the UK Board, for annual periods beginning on or after 1 January 2024.

- Amendments to IAS 1, Classification of liabilities as current and non-current liabilities with covenants;
- Amendments to IFRS 16, Lease liability in a sale and leaseback;
- Amendments to IAS 7 and IFRS 7, Supplier finance agreements;
- Amendments to IAS 21, The effects of changes in foreign exchange rates.

These changes have not had a material impact on the Group.

On 19 July 2023, the UK endorsed the amendments to IAS 12 Income Taxes, issued by the International Accounting Standards Board on 23 May 2023, which grants companies a temporary exemption from applying IAS 12 to the International Tax Reform: Pillar Two Model Rules. The Group has adopted the amendments to IAS 12 and applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The following are accounting standards to be adopted by the Group in future reporting periods; they have not yet been endorsed by the UK Endorsement Board.

- IFRS 18, Presentation and Disclosure in Financial Statements, published by the IASB on 9 April 2024 and effective for accounting periods commencing 1 January 2027; and
- IFRS 19, Subsidiaries without Public Accountability, published by the IASB on 9 May 2024 and effective for accounting periods commencing 1 January 2027.

The Group will assess the impact of these new accounting standards in due course following endorsement by the UK Endorsement Board.

The Group has not early adopted any standard, interpretation or amendment that was issued but is not yet effective. The Group does not expect these amendments to have a material impact on the Group's consolidated financial statements.

The list of amendments considered in relation to the above are as follows:

- Amendments to IFRS 9 and IFRS 7, Classification and Measurement of Financial Instruments;
- Annual Improvements to IFRS Accounting Standards – Volume 11.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and subsidiaries controlled by the Parent Company, drawn up to 30 September 2025.

Subsidiary undertakings are entities that are directly or indirectly controlled by the Group. The Group controls an entity when it is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Results of subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. The separable net assets, including intangible assets of newly acquired subsidiaries, are incorporated into the consolidated financial statements based on their fair values at the effective date of control.

All intra-group transactions are eliminated as part of the consolidation process.

Audit exemption for subsidiaries

The Company has, in line with prior year, opted not to apply the audit exemption under s479A of the Companies Act 2006 for certain of its UK subsidiaries.

Going concern

The financial statements have been prepared on a going concern basis, as outlined in the Directors' report. The Directors have conducted an assessment of the Group's ability to continue as a going concern for a period of at least twelve months from the date of approval of the accounts.

In making this assessment, the Directors considered the Group's current financial position, as well as forecasted earnings and cash flows for the 18-month period ending 31 March 2027. The business plan supporting this evaluation is based on the Board-approved budget.

The Directors' assessment also considered the Group's existing debt levels, committed funding, liquidity position under its debt covenants, and its ongoing ability to generate cash through trading activities. As of 30 September 2025, the Group had net debt of £47.9m (2024: £40.1m), which includes the Group's US\$220m revolving credit facility ("RCF") of which £59.0m was drawn at year-end (2024: £76.0m), lease liabilities of £22.5m (2024: £27.2m), offset by cash and cash equivalents of £32.6m (2024: £61.5m). The RCF matures in October 2029, after an Amend and Extend of the existing facility was completed in October 2025. See Note 27 to the financial statements for further information. At year-end, the Group's net leverage ratio, as defined by the RCF agreement, was 0.5 EBITDA (2024: 0.3), while the interest coverage ratio was 19 EBITDA (2024: 24), both of which are well within the limits set by the Group's RCF agreement.

In view of the Group's principal risks and uncertainties, detailed on pages 42 to 45 of the Strategic Report, the Directors have applied appropriate sensitivities in their going concern assessment. They modelled a range of downside scenarios, including a 20% reduction in the Group's gross margin percentage and corresponding cash flows. No significant structural changes to the Group were assumed in these scenarios, and no mitigating actions were assumed.

In each downside scenario, the Group maintained headroom with respect to both covenants and liquidity through to 31 March 2027. It is noted that EBITDA would need to fall by over 56% to breach the net leverage covenant test and by over 54% to breach the interest coverage test, based on the net debt and interest projection at the end of the forecast period. As a result, the Directors are confident that the Group and Company will have sufficient cash reserves and committed debt facilities to withstand reasonably plausible downside scenarios and continue to meet their liabilities as they fall due during the period ending 31 March 2027 and therefore prepared the financial statements on a going concern basis.

Business combinations

The acquisition method of accounting is applied to business acquisitions, with the acquisition cost measured as the aggregate fair value of the consideration paid. The identifiable assets, liabilities, and contingent liabilities of the acquiree that meet the recognition criteria under IFRS 3 "Business Combinations" are recognised at their fair values on the date the Group gains control of the acquiree.

Where applicable, the acquisition consideration includes assets or liabilities arising from contingent consideration, which is initially measured at fair value at the date control is obtained. Subsequent changes in fair value are adjusted against the acquisition cost if they qualify as measurement period adjustments. All other subsequent changes in the fair value of contingent consideration, classified as either an asset or liability, are recognised in profit or loss and accounted for in accordance with relevant IFRS standards. The excess of the acquisition cost over the fair value of the Group's share of the net assets acquired is recorded as goodwill.

Acquisition-related costs are expensed as incurred and reported under administrative expenses in the Consolidated Income Statement.

Contingent payments dependent on continued employment are accounted for as post-combination remuneration expenses in accordance with IAS 19 employment benefits.

Foreign currencies

Pounds Sterling is the ultimate Parent Company's functional and presentation currency, hence its adoption as the Group's functional and presentation currency.

Transactions in foreign currencies are translated to the functional currency of the Group at the exchange rate on the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into functional currency at the rates of exchange quoted at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Translation differences on monetary items are taken to the consolidated income statement.

Transactions in foreign currencies are recorded in the functional currency at an average rate for the period in which those transactions take place, which is used as a reasonable approximation to the exchange rates prevailing at the dates of the transactions.

The assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated using average exchange rates, which approximate to actual rates, for the relevant accounting period. Exchange differences arising, if any, are classified as other comprehensive income and recognised in the foreign currency reserve in the consolidated statement of financial position.

Notes to the consolidated financial statements continued

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 exchange rates prevailing on the reporting date. The Group has elected to treat goodwill and fair value adjustments arising on acquisitions before the date of transition to IFRS as Sterling-denominated assets and liabilities.

Exchange differences arising on the translation of the net investment in overseas subsidiaries are recorded through other comprehensive income. On disposal of the net investment, the cumulative exchange difference is reclassified from equity to operating profit. All other currency gains and losses are dealt with in the income statement.

Derivative financial instruments and hedging

The Group uses derivative financial instruments to manage its exposure to foreign exchange volatility arising from operational activities.

Derivative financial instruments are initially measured at fair value (with direct transaction costs being included in the statement of comprehensive income as an expense) and are subsequently remeasured to fair value at each reporting date. Changes in the carrying value are also recognised in profit or loss in the statement of comprehensive income unless part of a designated hedging arrangement.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and certain non-derivative liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in fair value of the derivative is recognised in other comprehensive income and accumulated in the hedge reserve. The effective portion of changes in the fair value of the derivative that is recognised in other comprehensive income is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss in the Statement of Comprehensive Income.

The amount accumulated in the hedging reserve is reclassified to profit or loss in the statement of comprehensive income in the same period the hedged expected future cash flows affect the Group's profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. If the hedged future cash flows are no longer expected to occur, then the amount accumulated in the hedge reserve is reclassified to profit or loss in the statement of comprehensive income immediately.

The Group hedges the net investment in certain foreign operations by borrowing in the currency of the operations' net assets. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income. Gains and losses accumulated in equity are included as part of the gain or loss on disposal in the consolidated statement of comprehensive income on loss of control of the foreign operation.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits held at call with banks and highly liquid investments with original maturities of three months or less.

Trade and other payables

Trade and other payables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

2. Critical judgements and accounting estimates in applying the Group's accounting policies

The preparation of financial statements in accordance with generally accepted accounting principles requires Management to make certain judgments, estimates, and assumptions that affect the reported amounts of assets, liabilities, income, and expenses. These judgments and estimates are evaluated on a regular basis and reflect Management's best estimates, drawing from historical experience and other relevant factors, including reasonable expectations of future events. Revisions to estimates are recognised prospectively. However, actual results may differ from these estimates due to unforeseen events or actions, and such differences could be material.

Judgements

In the process of applying the Group's accounting policies, Management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Revenue - multi-element arrangements

Due to the complexity of multi-element contracts which often include the provision of products and services, Management judgment is required to determine the appropriate revenue recognition. Management assesses whether the contract should be accounted for as a single performance obligation or as multiple performance obligations.

Judgment is applied in establishing the criteria for determining when revenue related to multiple elements should be recognised and in determining the stand-alone selling price of each element. The Group typically determines the stand-alone selling prices of elements based on prices that are not directly observable, relying on stand-alone list prices which are then subject to discounts. These prices are reviewed annually and adjusted as necessary. This process is undertaken alongside a fair value assessment of the stand-alone selling prices to ensure the reasonableness of the transaction price allocation. Further details regarding the determination of stand-alone selling prices for the purpose of allocating the transaction price in multi-element arrangements can be found in Note 3.

The judgement could materially affect the timing and quantum of revenue and profit recognised in each period. Licence revenue in the year amounted to £63.7m (2024: £60.0m).

Capitalised development costs

The Group capitalises development costs relating to product development in line with International Accounting Standard ('IAS') 38 'Intangible Assets'. Management applies judgement in determining if the costs meet the criteria and are therefore eligible for capitalisation. Significant judgements include the technical feasibility of the development, recoverability of the costs incurred, economic viability of the product, and potential market available considering its current and future customers and when, in the development process, these milestones have been met. Where software products are already in use, Management applies judgement in determining whether further development spend increases the economic benefit and whether any previously capitalised costs should be expensed. Development costs capitalised during the year amounted to £9.7m (2024: £11.2m) (see Note 13).

Estimates and assumptions

The key assumptions and estimates concerning the future and other key sources of estimation uncertainty at the reporting date, that have significant risk of causing a material adjustment to the carrying amount of the assets and liabilities within the next financial year are discussed below:

Acquisition accounting

Judgement is often required in determining the identifiable intangible assets acquired as part of a business combination that must be recognised in the Group's consolidated financial statements. Estimation is required in determining both the fair value of all identified assets, liabilities acquired, any contingent consideration and in particular intangible assets. In determining these fair values, a range of assumptions are used, including forecast revenue, discount rates, and attrition rates that are specifically related to the intangible asset being valued. The useful economic lives of these assets is being

estimated using Management's best estimates and reassessed annually.

Other estimates and assumptions

The consolidated financial statements include other estimates and assumptions. Whilst Management do not consider these to be significant accounting estimates, the recognition and measurement of certain material assets and liabilities are based on assumptions which, if changed, could result in adjustments to the carrying amounts of assets and liabilities.

Revenue - rendering of services

Management estimates the total costs to be incurred on a contract-by-contract basis, and these estimates are reviewed on an ongoing basis to ensure that the revenue recognised accurately reflects the proportion of work completed as of the balance sheet date. All contracts are of a short-term nature, with the majority of services being invoiced upon completion. As at the year end, the value of work in progress amounted to £58.3m (2024: £56.0m). Changes in the estimated total costs of contracts could, in aggregate, have a material impact on the carrying amount of accrued income at the balance sheet date.

Impairment of goodwill and intangible assets

An impairment test of goodwill and other intangible assets, requires estimation of the value in use ('VIU') of the cash generating units ('CGUs') to which goodwill and other intangible assets have been allocated. The VIU calculation requires the Group to estimate the future cash flows expected to arise from the CGUs, for which the Group considers revenue growth rates and EBITDA margin to be significant estimates. The estimated future cash flows derived are discounted to their present value using a pre-tax discount rate that reflects estimates of market risk premium, asset betas, the time value of money and the risks specific to the CGU. See Note 12 and 13 for further details.

Key assumptions used by Management in estimating VIU are

Discount rates - Pre tax discount rates which are based on the Weighted Average Cost of Capital (WACC) of a typical market participant and reflect market volatility in risk free rate and equity risk premium inputs. The discount rates have increased reflecting market volatility in risk free rate and equity risk premium inputs. See Note 12 for details.

Forecast cash flows - based on assumptions from the approved budget and 5-year plan which incorporate Management's best estimates of future cash flows and take into account future growth and price increases, have proved to be reliable guides in the past and the Directors believe the estimates are appropriate. See Note 12 for details of long term growth rates used outside of the plan period.

Notes to the consolidated financial statements continued

Terminal growth rates - 2.0% (2024: 2.0%) was used for cash flows outside the plan projections. This rate is conservative and is considered to be lower than the long-term historic growth rates in the underlying territories in which the CGUs operate and the long-term growth rate prospects of the sectors in which the CGUs operate.

Taxation - uncertain tax positions

Uncertainties exist in respect of interpretation of complex tax regulations, including transfer pricing, and the amount and timing of future taxable income. Given the nature of the Group's operating model, the wide range of international transactions and the long-term nature and complexity of contractual agreements, differences arising between the actual results and assumptions made, or future changes to assumptions, could necessitate future adjustments to taxation already recorded. The Group considers all tax positions on a separate basis, with any amounts determined by the most appropriate of either the expected value or most likely amount on a case by case basis.

Most deferred tax assets are recognised because they can offset the future taxable income from existing taxable differences (primarily on acquired intangibles) relating to the same jurisdiction or entity. Where there are insufficient taxable differences, deferred tax assets are recognised in respect of losses and other deductible differences where current forecasts indicate profits will arise in future periods against which they can be deducted. The total value of uncertain tax positions ('UTPs') was £4.7m (2024: £6.4m), see Note 9.

3. Revenue from contracts with customers

Accounting policy

Revenue represents transaction prices to which the Group expects to be entitled in return for delivering goods or services to its customers. The Group applies the five-step model in IFRS 15 Revenue from Contracts with Customers ("IFRS 15"). Prescriptive guidance in IFRS 15 is followed to deal with specific scenarios requiring Management judgement. The approach taken to evaluate revenue recognition is consistent across all divisions, although each contract is considered on a case-by-case basis.

Group contracts have single or multi-elements performance obligations. Multi-element arrangements revenue is allocated to each performance obligation based on stand-alone selling price, regardless of any separate prices stated within the contract. Some contracts include performance obligations in respect of the licences, support and maintenance, hosting services and professional services. Software licences are either perpetual, term or software as a service (SaaS) in nature.

Contract revenue is billed in advance and revenue is deferred where the performance obligation is satisfied over time. The Group's revenue contracts do not include

any material future vendor commitments and thus no allowances for future costs are made.

The Group applies IFRS 15 when accounting for contract modifications and variable consideration. A contract modification is a change in the scope or price (or both) of a contract that is approved by the parties. When a modification occurs, the Group assesses whether it should be treated as a separate contract or as part of the existing contract. This depends on whether the additional goods or services are distinct and whether the price reflects their standalone selling price. If not accounted for as a separate contract, the transaction price and progress toward completion are updated on a cumulative catch-up basis. Variable consideration, such as discounts or rebates, is estimated at contract inception and updated as circumstances change. The Group includes variable consideration in the transaction price only to the extent that it is highly probable that a significant reversal of revenue will not occur when the uncertainty is resolved.

The following provides information about the nature and timing of the satisfaction of performance obligations in contracts and the related revenue recognition policies, categorised by reporting segments:

1) Language and Content Technology

Identification of performance obligations

The Group's Language and Content Technology contracts typically include multi-elements performance obligations in respect of licences, support and maintenance, hosting services and professional services. Identification of the performance obligations in such arrangements involves judgement, more details of the nature and impact of the judgement are included in Note 2.

The Group provides professional services to customers including training, implementation and installation services alongside certain contracts for software licences. These services are sold in units of consultant time and are therefore measured on an output method basis.

Determining transaction prices

At the inception of a contract, a transaction price is agreed, being the amount the Group expects to be entitled over the expected duration of the contract. Such expected amounts are only included to the extent that it is highly probable no revenue reversal will occur.

Allocation of transaction prices to performance obligations

The service contracts typically consist of multiple components and typically have more than one obligation, each with its own contract duration as adjudged by management. Management applies judgement to allocate the consideration specified in the contract with the customer to each performance obligation based on the stand-alone selling price. See below for details.

Revenue recognition

The Group's contracts for term licences are recognised upfront when performance obligations are delivered in the

same manner as a perpetual licence sale but, typically, are billed annually and do not follow the same billing pattern as the Group's contracts for perpetual licences, instead billing follows more closely that of a SaaS licence contract.

The Group's perpetual and term licences are accounted for at a point in time when the customer obtains control of the licence, occurring either where the goods are shipped or, more commonly, when electronic delivery has taken place and there is no significant future vendor obligation.

Perpetual and term software licences have significant standalone functionality and the Group has determined that none of the criteria that would indicate the licence is a right to access apply. In addition, the Group has identified no other performance obligations under their contracts for these licences which would require the Group to undertake significant additional activities which affects the software. The Group therefore believes the obligation is right to use the licence as it presently exists and therefore applies the point in time pattern of transfer. Transaction price is allocated to licences using the residual method based upon other components of the contract. The residual method is used because the prices of licences are highly variable and there is no discernible standalone selling price from past transactions.

'SaaS' licences have material ongoing performance obligations associated with them. The Group has identified that this creates a right to access the intellectual property, instead of a right to use. Accordingly, the associated licence revenue is recognised over time, straight line for the duration of the contract. As with other licences, the Group utilises the residual method to allocate transaction price to these performance obligations.

Support and maintenance contracts have obligation to provide additional services to the Group's licence customers over the period of support included in the contract. The Group measures the obligation by reference to the standalone selling price, based upon internal list prices subject to discount. The pattern of transfer is deemed to be over time on the basis that this is a continuing obligation over the period of support undertaken and accordingly, recognised as revenue on a straight line basis over the course of the contract.

Hosting services contract revenue is recognised over time for the duration of the agreement. Transaction price from the contract is allocated to hosting services obligations based upon a cost plus method.

Professional services are sold in units of consultant time and are therefore measured on an output method basis. Revenue is therefore recognised on these engagements based on the units of time delivered to the end customer. Transaction price is allocated based upon the standalone selling price, calculated by reference to the internal list prices for consultant time subject to any discounts. A small number of the Group's professional services contracts are on a fixed price contract and the output method is used based on an appraisal of applicable milestones.

2) IP Services

Identification of performance obligations

The Group's Patent Filing Contracts have one performance obligation, which is to deliver patent filing and translation services.

Determining transaction prices

The transaction price is based on the value of services rendered.

Allocation of transaction prices to performance obligations

Transaction price is assigned to a single performance obligation.

Revenue recognition

Revenue is recognised at a point in time for patent filing services and over time for language translation services.

3) Language Services

Identification of performance obligations

The contracts provide for the Group to be reimbursed for translation services.

Determining transaction prices

The transaction price is the consideration specified in the contract.

Allocation of transaction prices to performance obligations

Each contract has a single performance obligation and so the whole contract price is assigned to that single obligation.

Revenue recognition

The Group recognises revenue over time and measures the completeness of this performance obligation using input method (cost incurred to date as a proportion of total costs).

4) Regulated Industries

Identification of performance obligations

Regulated Industries services contracts provide for the Group to be reimbursed for specialist translation services provided.

Determining transaction prices

The transaction price is as stipulated in the contract.

Allocation of transaction prices to performance obligations

Contract price is allocated to the sole performance obligation in the contract.

Revenue recognition

The Group recognises revenue over time and measures the completeness of this performance obligation using input methods. The relevant input method is the cost incurred to date as a proportion of total costs, in determining the progress.

Notes to the consolidated financial statements continued

Revenue from contracts with customers

The Group generates all revenue from contracts with its customers for the provision of translation and localisation, intellectual property support solutions and the provision of software. Revenue from providing these services during the year is recognised both at a point in time and over time as shown in the table below:

Timing of revenue recognition for contracts with customers	2025 £m	2024 £m
At a point in time	16.5	22.4
Over time	121.9	119.9
Language and Content Technology	138.4	142.3
At a point in time	30.6	30.7
Over time	65.9	71.6
IP Services	96.5	102.3
Over time	326.7	327.1
Language Services	326.7	327.1
Over time	128.5	146.5
Regulated Industries	128.5	146.5
Total revenue from contracts with customers	690.1	718.2

See Note 4 for information on revenue disaggregation by geographical location.

Capitalised contract costs

Capitalised contract costs primarily relate to sales commission costs capitalised under IFRS 15 and are amortised over the length of the contract. The Group has taken advantage of the practical expedient to recognise, as an expense, any costs which would be recognised in fewer than 12 months from being incurred. This primarily relates to the Group's language services commissions and point in time technology revenue related commissions. The value of capitalised contract costs at year-end was £1.5m (2024: £1.5m). Capitalised contract costs are recognised within other debtors on the statement of financial position.

Receivables, contract assets and contract liabilities with customers

	Notes	2025 £m	2024 £m
Net trade receivables	15	124.6	125.9
Net contract assets (accrued income)	15	58.3	56.0
Contract liabilities (deferred income)	17	(47.3)	(41.6)

Contract assets are recognised where performance obligations are satisfied over time until the point at which the Group's right to consideration is unconditional when these are classified as trade receivables which is generally the point of final invoicing.

For performance obligations satisfied over time, judgement is required in determining whether a right to consideration is unconditional. In such situations, a receivable is recognised for the transaction price of the non-cancellable portion of the contract when the Group starts satisfying the performance obligation. The Group recognises revenue for partially satisfied performance obligations as 'Accrued Income', which is presented in Note 15 to these financial statements.

The total value of the transaction price allocated to unsatisfied or partially unsatisfied performance obligations at the year-end is £58.3m (2024: £56.0m). Support and maintenance is a stand ready obligation discharged straight line over the duration of the Group's software contracts, the period over which this is recognised can be identified based on the value of current and non-current deferred income. Unsatisfied performance obligations in respect of language and professional services are all short-term and expected to be recognised in less than one year.

The Group offsets any contract liabilities with any contract assets that may arise within the same customer contract, typically, this only applies to the Group's licence and support and maintenance revenue contracts. In all material respects there are no significant changes in the Group's contract asset or liability balances other than business-as-usual movements during the year.

Revenue recognised in the year that was included in deferred revenue at 1 October 2024 was £41.2m (2024: £47.6m).

4. Segment Information

The chief operating decision maker for the Group is identified as the Group's Board of Directors collectively. The Board reviews the Group's internal reporting in order to assess performance and allocates resources. The Board divides the Group into four reportable segments and assesses the performance of each segment based on the revenue and adjusted profit before tax. These measures are reconciled to the financial statements on page 157.

The four reporting segments, which match the operating segments, are explained in more detail below:

- **Language and Content Technology ("L&CT"):** Revenue is generated through the provision of a range of translation technologies and content platforms to clients. This was enhanced by the acquisition of Propylon Holdings Ltd in July 2023.
- **IP Services:** The Group's IP Services segment provides high quality patent translations, filing services and a broad range of intellectual property ("IP") search services.
- **Language Services:** The revenues are derived by providing localisation services which include translation and adaptation of content across a variety of media and materials to ensure brand consistency.
- **Regulated Industries:** Revenue is generated through the translation and linguistic validation for customers who operate in regulated industries such as life sciences.

Unallocated costs reflect corporate overheads and other expenses not directly attributed to segments.

Segment results for the year ended 30 September 2025

	L&CT £m	IP Services £m	Language Services £m	Regulated Industries £m	Unallocated costs £m	Group £m
Revenue from contracts with customers	138.4	96.5	326.7	128.5	-	690.1
Adjusted operating profit/(loss) before charging:	25.8	19.4	23.4	9.3	(11.8)	66.1
Amortisation of acquired intangibles	(15.0)	-	(13.6)	(11.7)	-	(40.3)
Impairment losses (see Note 13,14)	-	-	(65.4)	(22.6)	-	(88.0)
Acquisition costs	-	-	-	-	(5.1)	(5.1)
Exceptional items (see Note 6)	0.8	(3.7)	(11.9)	(5.5)	(1.9)	(22.2)
Share-based payment expense	(0.5)	(0.4)	(1.3)	(0.3)	(1.8)	(4.3)
Operating profit/(loss) from operations	11.1	15.3	(68.8)	(30.8)	(20.6)	(93.8)
Net finance expense						(5.9)
Loss before taxation						(99.7)
Taxation						(0.1)
Loss for the year						(99.8)

Segment results for the year ended 30 September 2024

	L&CT £m	IP Services £m	Language Services £m	Regulated Industries £m	Unallocated costs £m	Group £m
Revenue from contracts with customers	142.3	102.3	327.1	146.5	-	718.2
Adjusted operating profit/(loss) before charging:	34.2	26.9	39.6	19.8	(8.2)	112.3
Amortisation of acquired intangibles	(14.9)	-	(14.0)	(11.9)	-	(40.8)
Impairment losses (see Note 13,14)	-	(22.2)	-	-	-	(22.2)
Acquisition costs	-	-	-	-	(7.2)	(7.2)
Profit on disposal of business	-	30.0	-	-	-	30.0
Exceptional items (see Note 6)	(0.3)	(0.9)	1.0	(1.6)	(1.6)	(3.4)
Share-based payment expense	(0.5)	(0.5)	(1.2)	(0.4)	(0.3)	(2.9)
Operating profit/(loss) from operations	18.5	33.3	25.4	5.9	(17.3)	65.8
Net finance expense						(5.8)
Profit before taxation						60.0
Taxation						(12.5)
Profit for the year						47.5

Notes to the consolidated financial statements continued

The table below shows revenue by the geographic market in which clients are located.

Revenue by client location	2025 £m	2024 £m
UK	61.6	75.4
Continental Europe	164.3	171.0
United States of America	382.7	382.8
Rest of the World	81.5	89.0
Total	690.1	718.2

The Group does not place reliance on any specific customer and had no individual customers that generated more than 10% or more of its total Group revenue.

The following is an analysis of revenue by the geographical area in which the Group's undertakings are located.

Revenue by subsidiary location	2025 £m	2024 £m
UK	167.1	184.8
Continental Europe	152.5	146.7
United States of America	296.3	315.3
Rest of the World	74.2	71.4
Total	690.1	718.2

The table below presents the Group's operating assets by geographical location. Goodwill and acquired intangible assets are excluded, as they support all four divisions across all countries where the Group operates (see Note 12 and 13 for further details on goodwill and intangible assets).

Operating assets by geography	2025 £m	2024 £m
UK	163.8	209.8
Continental Europe	63.1	64.3
United States of America	125.8	115.3
Rest of the World	42.6	47.9
Total	395.3	437.3
Goodwill	485.9	570.8
Acquired intangible assets	159.7	198.4
Current liabilities	(164.1)	(158.4)
Non-current liabilities	(113.6)	(148.5)
Net assets	763.2	899.6

5. Operating profit

Operating (loss)/ profit has been arrived at after charging/(crediting):	2025 £m	2024 £m
Total staff costs (before the capitalisation of internal development costs) (Note 7)	359.4	353.9
Research and development expenditure (included in total staff costs)	32.6	38.0
Depreciation of property, plant and equipment (Note 14)	4.6	6.3
Depreciation of right of use assets (Note 18)	6.8	8.2
Amortisation of intangible assets (Note 13)	63.6	54.8
Impairment of goodwill and intangible assets (Note 12,13)	88.0	11.7
Impairment of property, plant and equipment (Note 14)	-	10.5
Foreign exchange losses/(gain)	5.1	(5.2)
Expected credit loss expense (Note 15)	-	1.6
Gain on changes in fair values on derivative contracts	-	(0.4)
Operating lease rentals:		
- Property (Note 18)	1.8	1.4
- Plant and equipment (Note 18)	0.4	0.5
Auditor's remuneration		
Fees payable to the Company's auditor for the audit of the Group's annual financial statements	1.3	1.4
- The audit of subsidiaries of the Company	0.7	0.7
Total audit fees	2.0	2.1

The audit of subsidiary Companies amount includes £nil (2024: £0.2m) of fees relating to subsidiary audits for prior financial years. Non audit fees of £17k (2024: £17k) were incurred in the period in respect of assurance related services.

Research and development costs

Management continually review development expenditure to assess whether any costs meet the criteria for capitalisation. In addition to the amounts charged to the income statement, the Group has capitalised £9.7m (2024: £14.0m) of development costs in the year, further details can be found in Note 13.

6. Exceptional items

Accounting policy

Exceptional items are those items that in Management's judgement should be disclosed separately by virtue of their size, nature or incidence, in order to provide a better understanding of the underlying results* of the Group. In determining whether an event or transaction is exceptional, Management considers qualitative factors such as frequency or predictability of occurrence. Examples of exceptional items include the costs of integration, severance and restructuring costs which Management do not believe reflect the business's trading performance and therefore are adjusted to present consistency between periods.

	2025 Pre-tax £m	2025 Tax impact £m	2025 Total £m	2024 Pre-tax £m	2024 Tax impact £m	2024 Total £m
Group transformation programme	(0.3)	0.1	(0.2)	(1.4)	0.3	(1.1)
Strategic project costs	(1.7)	0.4	(1.3)	-	-	-
Restructuring & integration related costs	(20.2)	5.2	(15.0)	(2.2)	0.6	(1.6)
Legacy payment arrangements	-	-	-	1.7	-	1.7
Total exceptional items - operating	(22.2)	5.7	(16.5)	(1.9)	0.9	(1.0)
Amortisation of exceptional finance (Note 8)	(0.2)	0.1	(0.1)	(0.2)	-	(0.2)
Disposal costs	-	-	-	(1.3)	-	(1.3)
Total exceptional items - excluding profit on disposal of business	(22.4)	5.8	(16.6)	(3.4)	0.9	(2.5)
Profit on disposal of business	-	-	-	30.0	-	30.0
Total exceptional items	(22.4)	5.8	(16.6)	26.6	0.9	27.5

* Underlying results are performance measures that exclude one-off charges or non-recurring events, offering a clearer reflection of the core financial performance without the influence of unusual or extraordinary items.

Notes to the consolidated financial statements continued

A description of the principal items included is provided below:

Transformation costs - £0.2m was incurred in relation to the implementation of a Group EPM system, £0.1m was incurred in relation to other Group transformation projects. A total of £0.3m of these costs were paid during the period.

Strategic projects - £1.4m was incurred in relation to corporate development including the purchase of the intellectual property of Papercup and £0.3m was incurred in relation to the Group's rebranding. A total of £1.6m of these costs were paid during the period.

Restructuring costs - £18.8m was incurred in respect of severance and termination payments (and related costs) related to the Group's cost reduction plans. A total of £12.5m of these costs were paid during the period. £13.0m expected to be charged and paid in 2026 along with £5.8m currently provided for. The project will conclude in FY26.

Integration costs - £0.7m was incurred in relation to corporate restructuring and £0.7m was incurred in relation to the two office properties the Group has vacated and currently holds for sale. A total of £1.4m of these costs were paid during the period.

Legacy payments - No cost was recognised in the period in respect of ongoing liabilities related to historic agreements with former owners of the business and their respective families. Payments of £1.7m were paid during the period.

Finance costs - £0.2m was incurred related to amortisation expense associated with a gain on debt modification recognised in previous accounting periods.

In the prior period, operating exceptional items included £1.4m of Group transformation costs, £1.4m of restructuring related costs, £0.8m of integration related costs and a £1.7m credit for legacy payment arrangements. In total £1.9m was charged during the prior period.

Acquisition-related costs

Acquisition-related costs totalled £5.1m (2024: £7.2m) and include a £0.3m (2024: £0.3m) contingent payment linked to continued employment as part of the ST Communications acquisition, contingent consideration of £4.7m (2024: £5.6m) in relation to the acquisition of Propylon and £0.1m of other acquisition related expenses. In the prior year costs totalling £1.2m were charged in relation to the acquisition of Fonto. All contingent consideration expenses relate to acquisitions from prior years and these amounts are accounted for in compliance with IFRS 3 Business Combinations and IAS 19 Employee Benefits.

7. Employee costs

Accounting policy

Pension cost

The Group operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the Group in independently administered funds. Contributions to defined contribution pension schemes are recognised in profit or loss in the Consolidated Statement of Comprehensive Income in the period to which they become payable.

	2025 £m	2024 £m
Wages and salaries	284.3	291.5
Reorganisation costs	18.4	1.2
Social security costs	41.8	42.1
Pension costs	10.6	10.5
Share-based payment expense (Note 22)	4.3	2.9
Total employee costs	359.4	348.2

Details of Directors' remuneration and pension contributions are disclosed in the Directors' Remuneration Report on pages 80 to 87. Key Management's remuneration disclosures are disclosed as part of Related Party Transactions in Note 25. Staff costs above are stated before the capitalisation of staff costs in respect of the Group's research and development activities, the total value of staff costs capitalised were £11.9m (2024: £17.1m).

The Group operates a defined contribution pension scheme, making payments on behalf of employees to their personal pension plans. Payments of £10.6m (2024: £10.1m) were made in the year. The amount charged to profit and loss in the Consolidated Statement of Comprehensive Income in the year was £10.6m (2024: £10.5m). At the year-end there were unpaid amounts included in other payables totalling £2.7m (2024: £2.7m).

The monthly average staff numbers, including full-time and part-time employees, were:

	2025 No	2024 No
Production staff	7,924	6,094
Administrative staff	2,079	1,846
	10,003	7,940

8. Finance income and costs

	2025 £m	2024 £m
Finance income		
Return on short term deposits	0.8	0.9
	0.8	0.9
Finance costs		
Bank interest payable	(5.0)	(4.7)
Lease interest	(1.1)	(1.1)
Amortisation of borrowing costs	(0.4)	(0.7)
Finance costs excluding exceptional amortisation	(6.5)	(6.5)
Amortisation of borrowing costs - Exceptional (Note 6)	(0.2)	(0.2)
	(6.7)	(6.7)
Net finance cost	(5.9)	(5.8)

9. Taxation

Accounting policy

The charge for current taxation is based on the results for the year as adjusted for items which are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date. Current tax assets and liabilities are offset when the relevant tax authority permits net settlement and the group intends to settle on a net basis.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes where this differs.

Deferred tax is not recognised for temporary differences related to investments in subsidiaries and associates where the Group is able to control the timing of the reversal of the temporary difference and it is probable that this will not reverse in the foreseeable future; on the initial recognition of non-deductible goodwill; and on the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, does not affect the accounting or taxable profit.

Deferred tax is measured on an undiscounted basis, and at the tax rates that have been enacted or substantively enacted by the reporting date that are expected to apply in the periods in which the asset or liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used and are reviewed at each reporting date.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority, when the Group intends to settle its current tax assets and liabilities on a net basis and that authority permits the Group to make a single net payment.

Current and deferred tax is recognised in the income statement except when it relates to items credited or charged directly to other comprehensive income or equity, in which case the current or deferred tax is also recognised within other comprehensive income or equity respectively (for example share-based payments).

Notes to the consolidated financial statements continued

Uncertain tax positions

The Group operates in numerous tax jurisdictions around the world. At any given time, the Group is involved in disputes and tax audits and will also have a number of tax returns potentially subject to audit. These tax audits may give rise to significant tax issues that take several years to resolve. In estimating the probability and amount of any tax charge, Management takes into account the views of internal and external advisers and updates the amount of tax provision whenever necessary. The ultimate tax liability may differ from the amount provided depending on interpretations of tax law, settlement negotiations or changes in legislation. As referenced in Note 2, the Group considers all tax positions separately and uses either the most likely or expected value method of calculation on a case by case basis.

VAT

Revenues, expenses and assets are recognised net of the amount of VAT except where the VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and trade receivables and payables are stated with the amount of VAT included. The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Taxation recognised in income and equity is as follows:	2025 £m	2024 £m
Current tax charge		
UK corporation tax at 25% (2024: 25%)	-	1.9
Overseas current tax charge	17.6	17.4
Adjustment in respect of previous years	(1.4)	(4.0)
Deferred tax charge		
Origination and reversal of temporary differences	(17.2)	(7.5)
Rate change impact	0.2	1.3
Adjustment in respect of previous years	0.9	3.4
Total tax expense in profit or loss	0.1	12.5
Total tax charge in equity	-	0.1
Total tax in other comprehensive income	(0.8)	(0.2)
Total tax charge for the year	(0.7)	12.4

Reconciliation of the Group's tax charge to the UK statutory rate:	2025 £m	2024 £m
(Loss)/profit before taxation	(99.7)	60.0
Tax (credit)/charge at corporation tax rate of 25% (2024: 25%)	(24.9)	15.0
Effects of:		
Expenses not deductible for tax purposes	2.1	2.7
Income treated as non taxable	-	(7.5)
Impact of impairment losses	22.0	1.9
Adjustments in respect of previous years	(0.5)	(0.6)
Changes in recognition of deferred tax	1.2	-
Rate change	0.2	1.3
Impact of overseas tax rates	-	(0.3)
Tax charge as per the income statement	0.1	12.5
Effective tax rate	(0.1)%	20.8%

Factors that may affect future tax charges

The Group's taxation strategy is aligned to its business strategy and operational needs. The Directors are responsible for tax strategy supported by a global team of tax professionals and advisers. RWS strives for an open and transparent relationship with all tax authorities and are vigilant in ensuring that the Group complies with current tax legislation. The Group's effective tax rate for the year is distorted due to the loss before tax, as well as the impact of non deductible acquisition costs and withholding tax suffered of intragroup dividends. The Group's tax rate is also sensitive to the geographic mix of profits and reflects a combination of higher rates in certain jurisdictions, such as Germany and Japan, and a lower rate in Czechia with other rates that lie in between.

The adjustments in respect of prior periods includes a release of historic uncertain tax positions, offset by new risks identified and provided for during the period.

Transfer pricing

Tax liabilities are recognised when it is considered probable that there will be a future outflow of funds to a tax authority. The methodology used to estimate liabilities is set out in Note 2. In common with other multinational companies and given the Group has operations in 31 countries, transfer pricing arrangements are in place covering transactions that occur between Group entities.

The Group periodically reviews its historic UTPs for transfer pricing and whilst it is not possible to predict the outcome of any pending tax authority investigations, adequate provisions are considered to be included in the Group accounts to cover any expected estimated future settlement. In carrying out this review, and subsequent quantification, Management has made judgements, taking into account: the status of any unresolved matters, strength of technical argument and clarity of legislation, external advice, statute of limitations and any expected recoverable amounts under the Mutual Agreement Procedure ('MAP'). During the period the Group reduced the provision for liabilities that are expected to no longer be sought by tax authorities on the basis that the relevant statute of limitations has expired.

The current tax liability of £10.6m on the balance sheet comprises £5.2m of UTPs, although it is not expected that these will be cash settled within 12 months of the year-end date. The deferred tax liability of £37.2m is net of deferred tax assets and liabilities arising on UTPs of £0.5m.

Pillar Two

On 20 June 2023 the UK enacted Pillar Two legislation which imposes a global minimum tax rate of 15%. The Group is within the Pillar Two rules for the period ended 30 September 2025.

The Group has adopted the amendments to IAS 12 which was amended in response to the OECD's BEPS Pillar Two rules, which includes a mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules. RWS has applied the mandatory exception and is not recognising any deferred tax impact.

The Group has sought to assess whether any Pillar Two top up taxes apply in the periods based on its current jurisdictional profits and losses, which concluded that the Republic of Ireland is the only jurisdiction where top up taxes would apply. A provision of £0.2m has therefore been included in the tax provisions for top up taxes payable in Ireland.

Deferred tax	Share-based payments £m	Accelerated capital allowances £m	Other temporary differences £m	Acquired intangibles £m	Tax losses £m	Total £m
At 30 September 2023	0.5	(1.9)	10.0	(69.1)	4.0	(56.5)
Adjustments in respect of prior years	-	(0.6)	(0.5)	0.6	(2.9)	(3.4)
Acquisitions	-	-	-	(0.2)	-	(0.2)
Credited to income	0.5	0.7	(0.9)	7.3	(0.1)	7.5
Transfers to current taxes	-	-	(0.1)	(1.2)	-	(1.3)
Charged to equity / OCI	(0.1)	-	-	-	-	(0.1)
Foreign exchange differences	-	-	(0.5)	3.1	(0.1)	2.5
At 30 September 2024	0.9	(1.8)	8.0	(59.5)	0.9	(51.5)
Adjustments in respect of prior years	0.1	(3.6)	1.0	0.7	0.9	(0.9)
Credited to income	-	0.4	4.3	8.2	4.3	17.2
Rate change	-	-	-	(0.2)	-	(0.2)
Foreign exchange differences	-	(0.1)	0.2	(0.2)	-	(0.1)
At 30 September 2025	1.0	(5.1)	13.5	(51.0)	6.1	(35.5)

Deferred tax assets and liabilities are presented on the balance sheet after jurisdictional netting as follows:

	2025 £m	2024 £m
Deferred tax assets	1.7	2.0
Deferred tax liabilities	(37.2)	(53.5)
Net deferred tax liability	(35.5)	(51.5)

Notes to the consolidated financial statements continued

Deferred tax assets and liabilities

Deferred tax is calculated using tax rates that are expected to apply in the period when the liability has been settled or the asset realised based on tax rates that have been enacted or substantively enacted at the reporting date. Most deferred tax assets are recognised because they can offset the future taxable income from existing taxable differences (primarily on acquired intangibles) relating to same jurisdiction or entity. Where there are insufficient taxable differences, deferred tax assets are recognised in respect of losses and other deductible differences where current forecasts indicate profits will arise in future periods against which they can be deducted.

Losses

At the balance sheet date the Group has unused tax losses of £115.7m (2024: £95.7m) available for offset against future profits. A deferred tax asset of £6.1m (2024: £0.9m) has been recognised in respect of £24.4m (2024: £4.5m) of such losses. The increase in recognised losses is due to current year losses generated that are expected to unwind in future periods on reversal of recognised deferred tax liabilities and future expected profits. Recognised losses have also been impacted by the unwind of deductions arising on corresponding adjustments that could be claimed on settlement of uncertain tax positions, as well as a classification of available deductions as a reduction to the current tax liability, as accounted for under International Financial Reporting Interpretations Committee 23 ('IFRIC 23').

No deferred tax asset has been recognised in respect of the remaining £91.3m (2024: £91.2m) as these can only be used to offset limited types of profits and as it is not considered probable that there will be the required type of future trading or non-trading profits available in the correct entities necessary to permit offset and recognition.

The unrecognised deferred tax asset on losses is £21.1m (2024: £21.2m).

Recognised deferred tax assets principally relate to UK and US activities.

The Group has recognised deferred tax assets on losses in the US which have a 20 year expiry date and expects to use these losses in this period. The earliest date these losses expire is 31 December 2033 and at the year-end losses amounted to £1.7m (2024: £2.7m).

Unremitted earnings

Dividends received from subsidiaries are largely exempt from UK tax but may be subject to dividend withholding taxes levied by the overseas tax jurisdictions in which the subsidiaries operate. The gross temporary differences of those subsidiaries affected by such potential taxes is £67.8m.

The Group has recognised a deferred tax liability of £0.8m (2024: £0.9m) in respect of expected tax liabilities on remittance of these undistributed earnings to the parent entity. The amount has been determined based on the Group's current intention to remit a portion of these earnings in the foreseeable future.

Since the Group is able to control the timing of reversal of these temporary differences, deferred tax liabilities of £3.1m have not been recognised where no distributions are expected to be paid in the foreseeable future.

10. Dividends to shareholders

Accounting policy

Dividends payable to the Parent Company's shareholders are recognised as a liability in the Group's financial statements in the period in which dividends are approved by the Parent Company's shareholders.

	2025 £m	2024 £m
Final ordinary dividend for the year ended 30 September 2024 was 10.0p (2023: 9.8p)	36.9	36.4
Interim ordinary dividend, paid 18 July 2025 was 2.45p (2024: 2.45p paid 12 June 2024)	9.0	9.1
	45.9	45.5

The Directors recommend a final dividend in respect of the financial year ended 30 September 2025 of 4.6 pence per ordinary share, to be paid on 20 February 2026 to shareholders who are on the register at 16 January 2026. This dividend is not reflected in these financial statements as it does not represent a liability at 30 September 2025. The final proposed dividend will reduce shareholders' funds by an estimated £17.0m.

11. Earnings per share

Accounting policy

Basic earnings per share

Basic earnings per share is calculated using the Group's profit after tax and the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share

Diluted earnings per share is calculated by adjusting the basic earnings per share for the effects of share options and awards granted to employees. These are included in the calculation when their effects are dilutive.

Adjusted earnings per share

Adjusted earnings per share is a trend measure, which presents the long-term profitability of the Group, excluding the impact of specific transactions that Management considers affects the Group's short-term profitability. The Group presents this measure to assist investors in their understanding of trends. Adjusted earnings is the numerator used for this measure. Adjusted earnings and adjusted earnings per share are therefore stated before amortisation of acquired intangibles, impairment of other assets, acquisition costs, share-based payment expenses and exceptional items, net of any associated tax effects.

The reconciliation between the basic and adjusted earnings per share is as follows:

	2025 £m	2024 £m	2025 Basic earnings per share pence	2024 Basic earnings per share pence	2025 Diluted earnings per share pence	2024 Diluted earnings per share pence
(Loss)/profit for the year	(99.8)	47.5	(27.0)	12.8	(27.0)	12.8
Adjustments:						
Amortisation of acquired intangibles	40.3	40.8				
Impairment losses	88.0	22.2				
Acquisition costs	5.1	7.2				
Share-based payments expense	4.3	2.9				
Capitalised finance costs	0.2	0.2				
Exceptional items	22.2	(26.6)				
Tax effect of adjustments	(15.6)	(14.1)				
Adjusted earnings	44.7	80.1	12.1	21.6	12.1	21.6
					2025 Number	2024 Number
Weighted average number of ordinary shares in issue for basic earnings					369,463,383	371,315,586
Dilutive impact of share options					559,084	490,640
Weighted average number of ordinary shares for diluted earnings					370,022,467	371,806,226

12. Goodwill

Cost and net book value

	2025 £m	2024 £m
At 1 October	570.8	608.6
Additions	-	0.3
Impairment	(88.0)	-
Exchange adjustments	3.1	(38.1)
At 30 September	485.9	570.8

Accounting policy

Goodwill arising on business combinations (representing the excess of fair value of the consideration given over the fair value of the separable net assets acquired) is capitalised, and its subsequent measurement is based on annual impairment reviews, with any impairment losses recognised immediately in profit or loss in the statement of comprehensive income. Direct costs of acquisition are recognised immediately in profit or loss in the statement of comprehensive income as an expense.

Notes to the consolidated financial statements continued

At least annually, or when otherwise required, the Directors review the carrying amounts of the Group's property, plant and equipment and intangible assets to determine whether there is any indication of an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. A full impairment review is performed annually for goodwill regardless of whether an indicator of impairment exists.

The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing 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 as well as risks specific to the asset or CGU for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately in profit or loss in the consolidated statement of comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not beyond the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately as income in the Consolidated Statement of Comprehensive Income, although impairment losses relating to goodwill may not be reversed.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its CGU. Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from the synergies of the combination giving rise to the goodwill. Goodwill is allocated at the lowest level monitored by Management, and no higher than an operating segment.

Key assumptions for the value in use - 30 September 2025

	Long-term growth rate	Discount rate	Average revenue growth	Average EBITDA margin
IP Services	2.0%	14.4%	10.2%	26.8%
Regulated Industries	2.0%	14.4%	2.9%	16.3%
Language Services	2.0%	14.3%	2.4%	11.6%
Language and Content Technology	2.0%	16.6%	5.0%	33.3%

Key assumptions for the value in use - 30 September 2024

	Long-term growth rate	Discount rate	Average revenue growth	Average EBITDA margin
IP Services	2.0%	13.0%	4.6%	23.2%
Regulated Industries	2.0%	13.3%	2.0%	19.0%
Language Services	2.0%	13.3%	3.4%	17.5%
Language and Content Technology	2.0%	14.5%	6.7%	31.4%

The Group has four CGUs, which match the four reporting segments detailed in Note 4, and in accordance with IAS 36, Management performed a value in use impairment test at 30 September 2025. The key assumptions for the value-in-use calculations are those regarding discount rates and revenue growth rates. All of these assumptions have been reviewed during the year. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risk specific to each CGU. This has resulted in a range of discount rates being used within the value in use calculations.

Determination of key assumptions

The long-term growth rate is the rate applied to determine the terminal value on year five cash flows. This rate is determined by the long-term compound annual growth rate in adjusted operating profit as estimated by Management with reference to external benchmarks.

The discount rate is the pre-tax discount rate calculated by Management based on a series of inputs starting with a risk-free rate based on the return on long-term, zero-coupon government bonds. The risk-free rate is adjusted with a beta to reflect sensitivities to market changes, before consideration of other factors such as a size premium.

Revenue growth is the average annual increase in revenue over the five-year projection period. The revenue growth rate is determined by Management based on the most recently prepared budget for the future period and adjusted for longer term developments within operating segments where such developments are known and possible to reliably forecast.

The trading projections for the five-year period underpinning the value-in-use reflect assumptions for EBITDA margins. The EBITDA margin is based on a number of elements of the operating model over the longer-term, including pricing trends, volume growth and the mix of complexity of translation activity and assumptions regarding cost inflation.

As part of the value-in-use calculation, Management prepares cash flow forecasts derived from the most recent financial budgets and 5-year plan as approved by the Board of Directors.

The Group has conducted sensitivity analyses on the value in use/recoverable amount of each of the CGUs. Based on the result of the value in use calculations undertaken, the Directors conclude that the allocation of goodwill to each of the CGUs is as shown in the table below:

The allocation of goodwill to each CGU is as follows:	2025 £m	2024 £m
IP Services	30.7	30.8
Regulated Industries	110.7	133.1
Language Services	142.9	208.1
Language and Content Technology	201.6	198.8
At 30 September	485.9	570.8

Goodwill assessment

The value-in-use calculations performed confirm that the recoverable goodwill amount for IP Services and Language and Content Technology CGUs exceed their asset carrying value. The calculation for the Regulated Industries and Language Services CGUs gave a value-in-use result of £164.6m and £282.4m respectively. This was below their asset carrying values and resulted in an impairment loss of £22.6m for Regulated Industries and £65.4m for Language Services being recognised.

This impairment loss has been recognised within administrative expenses in the Consolidated statement of comprehensive income in the period. The impairment has arisen primarily due to the market transition experienced this year on the core localisation business, including the underperformance in the Linguistic Validation business, the shift in investments and focus to support the new transition to a technology first proposition, and the rise in discount rates due to macroeconomic factors. Whilst the Group expects long-term growth from the technology first strategy, the accounting standard (IAS 36) for impairment assessments does not allow forecasts to be used where assumptions cannot be evidenced or have not yet been fully implemented (e.g. cost savings). As a result, whilst the Group is focused on committing to delivering its new growth strategy, the evidence to demonstrate this future growth as at the balance sheet date is not yet available. Consequently, the full extent of potential longer-term gains are not reflected in the impairment modelling.

Sensitivity analysis

Additionally, the Group has considered other changes to the assumptions underpinning the valuations that would need to occur and which would cause an impairment or change to the existing calculations as follows:

For the Language and Content Technology CGU, the recoverable amount is £332.7m which exceeds the carrying amount by £36.6m based on current assumptions. A reasonably possible change of a decrease in projected revenue growth rates by 373bps would result in an impairment of approximately £13m. Projected revenue growth would need to reduce by 273bps in order for the unit's recoverable amount to be equal to its carrying amount. A reasonably possible change of a decrease in projected EBITDA margin by 418bps would result in an impairment of approximately £12m. Projected EBITDA margin would need to reduce by 318bps in order for the unit's recoverable amount to be equal to its carrying amount. No impairment is currently recognised, but these changes illustrate the sensitivity of the valuation to key assumptions.

For the Regulated Industries CGU, the recoverable amount is £164.6m which is below the carrying amount by £22.6m based on current assumptions. A decrease in projected revenue growth rates by 100bps would increase the impairment by approximately £7m. A decrease in projected EBITDA margin by 100bps would increase the impairment by approximately £11m. Adjusting the discount rate to the top of the acceptable range, an increase of 218bps would increase the impairment by approximately £26m.

For the Language Services CGU, the recoverable amount is £282.4m which is below the carrying amount by £65.4m based on current assumptions. A decrease in projected revenue growth rates by 100bps would increase the impairment by approximately £15m. A decrease in projected EBITDA margin by 100bps would increase the impairment by approximately £29m. Adjusting the discount rate to the top of the acceptable range, an increase of 213bps would increase the impairment by approximately £50m.

13. Intangible assets

Accounting policy

Intangible assets are carried at cost less accumulated amortisation and impairment losses. Intangible assets acquired from a business combination are initially recognised at fair value. An intangible asset acquired as part of a business combination is recognised outside goodwill if the asset is separable or arises from contractual or other legal rights.

Where computer software is not an integral part of a related item of computer hardware, the software is classified as an intangible asset. The capitalised costs of software for internal use include external direct costs of materials and services consumed in developing or obtaining the software, and directly attributable payroll and payroll-related costs arising from the assignment of employees to implementation projects. Capitalisation of these costs ceases when the software is substantially complete and ready for its intended internal use.

Intangible assets are amortised using the straight-line method over their estimated useful lives as follows:

Trade names	5 to 8 years
Clinician database	10 years
Supplier database	13 years
Technology	3 to 7 years
Non-compete clauses	5 years
Trademarks	5 years
Client relationships	7 to 20 years

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These assets are amortised using the straight-line method over their estimated useful lives which range from one to five years, these costs are recognised in administrative expenses within the consolidated statement of comprehensive income.

Research and development

Research costs are expensed as incurred. Development expenditure is capitalised when Management is satisfied that the expenditure being incurred meets the recognition criteria from IAS 38. Specifically, this is at the point which Management believe they can demonstrate:

- The technical feasibility of completing the asset
- The intention to complete the asset for use or sale
- The ability to use or sell the asset
- The future benefits expected to be realised from the sale or use of the asset
- The availability of sufficient resources to enable completion of the asset
- Reliable measurement for the costs incurred during the course of development

Where these criteria are not met the expenditure is expensed to the income statement.

Following the initial capitalisation of the development expenditure the cost model is applied, requiring the asset to be carried at cost less any accumulated amortisation and impairment losses. Any expenditure capitalised is amortised over the period of expected future economic benefit from the related project. For capitalised development costs this period is 3 to 7 years.

The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use or more frequently when an indicator of impairment arises during the reporting period indicating that the carrying value may not be recoverable.

Development costs that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

	Trade names £m	Clinician & supplier databases £m	Technology £m	Non-compete & trademarks £m	Client relationships & order books £m	Software £m	Internally generated software £m	Total £m
Cost								
At 30 September 2023	1.1	7.0	158.5	2.3	351.6	15.2	36.1	571.8
Additions	-	-	11.2	-	-	0.1	29.2	40.5
Transfers	-	-	-	-	-	(11.2)	11.2	-
Disposals	-	-	-	-	-	-	(4.0)	(4.0)
Currency translation	(0.1)	(0.6)	(1.3)	(0.2)	(25.0)	(0.7)	1.4	(26.5)
At 30 September 2024	1.0	6.4	168.4	2.1	326.6	3.4	73.9	581.8
Additions	-	-	9.7	-	-	0.1	12.4	22.2
Disposals	-	-	-	-	-	(1.2)	(3.3)	(4.5)
Currency translation	-	-	0.1	-	0.6	0.2	1.2	2.1
At 30 September 2025	1.0	6.4	178.2	2.1	327.2	2.5	84.2	601.6
Accumulated amortisation and impairment								
At 30 September 2023	0.1	4.9	62.8	2.3	126.2	10.6	5.5	212.4
Amortisation charge	0.2	0.6	22.6	-	25.8	0.3	5.3	54.8
Impairment	-	-	-	-	-	-	11.7	11.7
Disposals	-	-	-	-	-	-	(4.0)	(4.0)
Transfers	-	-	-	-	-	(7.4)	7.4	-
Currency translation	-	(0.4)	(0.6)	(0.2)	(10.3)	(0.5)	1.9	(10.1)
At 30 September 2024	0.3	5.1	84.8	2.1	141.7	3.0	27.8	264.8
Amortisation charge	0.2	0.6	27.9	-	25.2	0.2	9.5	63.6
Disposals	-	-	-	-	-	(1.2)	(3.3)	(4.5)
Currency translation	-	-	0.1	-	(0.2)	0.1	1.0	1.0
At 30 September 2025	0.5	5.7	112.8	2.1	166.7	2.1	35.0	324.9
Net book value								
At 30 September 2023	1.0	2.1	95.7	-	225.4	4.6	30.6	359.4
At 30 September 2024	0.7	1.3	83.6	-	184.9	0.4	46.1	317.0
At 30 September 2025	0.5	0.7	65.4	-	160.5	0.4	49.2	276.7

Amortisation of acquired intangibles was £40.3m (2024: £40.8m) and amortisation of other intangibles was £23.3m (2024: £14.0m). The £23.3m amortisation of other intangibles includes £9.5m on internally developed intangibles (2024: £5.3m) and £13.8m (2024: £8.4m) of technology which related to the SDL business. The Group has identified intangible assets which are individually material as follows:

- SDL technology products acquired of £25.7m (2024: £38.0m) with a remaining useful life of 2 years
- SDL's Helix platform of £5.7m (2024: £7.9m) with a remaining useful life of 2 years
- SDL's customer relationships of £74.9m (2024: £86.8m) with a remaining useful life of 6 years
- Moravia's customer relationships of £66.5m (2024: £72.3m) with a remaining useful life of 12 years
- Life Science's customer relationships of £3.1m (2024: £5.3m) with a remaining useful life of 2 years
- Dynamics 365 finance systems of £16.4m with a remaining useful life of 7 years
- Dynamics 365 HR systems of £10.9m with a remaining useful life of 7 years

The Group's Dynamics 365 finance and HR systems are internally generated software which reached 100% completion during the year and is now being amortised over their estimated useful lives. No other classes of intangible assets or assets under construction hold individually material items.

14. Property, plant and equipment

Accounting policy

Property, plant and equipment are stated at cost less accumulated depreciation, where cost includes the original purchase price of the asset and the costs attributable to bring the asset to its working condition for intended use. The Group depreciates the cost of each item of property, plant and equipment (less its estimated residual value) using the straight-line method over their estimated useful lives as follows:

Freehold land	Nil
Buildings	50 years
Leasehold land, buildings and improvements	Shorter of useful economic life and lease term
Furniture and equipment	3 to 10 years
Motor vehicles	6 years

All items of property, plant and equipment are tested for impairment when there are indications that the carrying value may not be recoverable. Any impairment losses are recognised immediately in profit or loss in the statement of comprehensive income. Any assets which have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. The gain or loss on disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying value of the asset and is recognised in profit or loss in the statement of comprehensive income.

There was no freehold land at 30 September 2025 (2024: £5.1m) included within property, plant and equipment. There were no gains or losses on disposal in the year, no assets included in property plant and equipment were subject to any specific security or contractual commitments (2024: None).

	Freehold land and buildings £m	Leasehold land, buildings and improvements £m	Furniture and equipment £m	Motor vehicles £m	Total £m
Cost					
At 30 September 2023	17.0	8.0	35.7	0.1	60.8
Currency translation	-	(0.4)	(1.9)	-	(2.3)
Additions	-	0.2	2.4	-	2.6
Disposals	-	(0.6)	(2.2)	-	(2.8)
At 30 September 2024	17.0	7.2	34.0	0.1	58.3
Currency translation	-	0.3	0.7	-	1.0
Additions	-	0.6	2.8	-	3.4
Disposals	-	(0.3)	(1.5)	-	(1.8)
Reclassified as asset held for sale	(17.0)	-	-	-	(17.0)
At 30 September 2025	-	7.8	36.0	0.1	43.9
Accumulated depreciation					
At 30 September 2023	2.7	4.7	25.8	0.1	33.3
Currency translation	-	(0.2)	(2.3)	-	(2.5)
Depreciation charge	0.2	1.2	4.9	-	6.3
Impairment	10.5	-	-	-	10.5
Disposals	-	(0.6)	(2.2)	-	(2.8)
At 30 September 2024	13.4	5.1	26.2	0.1	44.8
Currency translation	-	-	0.8	-	0.8
Depreciation charge	0.1	1.1	3.4	-	4.6
Disposals	-	(0.3)	(1.5)	-	(1.8)
Reclassified as asset held for sale	(13.5)	-	-	-	(13.5)
At 30 September 2025	-	5.9	28.9	0.1	34.9
Net book value					
At 30 September 2023	14.3	3.3	9.9	-	27.5
At 30 September 2024	3.6	2.1	7.8	-	13.5
At 30 September 2025	-	1.9	7.1	-	9.0

In FY24, the Group recorded a £10.5m impairment on its revalued freehold building at 1-3 Chalfont St Peter after a revaluation lowered its value from £14.0m to £3.5m. The revaluation took place as part of a Group property portfolio review, where different options, including the disposal of certain freehold interests, were considered. The valuation was carried out by a third-party valuer and was a level 3 valuation as it was based on spot market value on the valuation date. In FY25, the freehold building was reclassified as assets held for sale.

15. Trade and other receivables

Accounting policy

Trade and other receivables are carried at amortised cost less expected credit losses. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non current assets. Trade receivables are non-interest bearing and generally on terms ranging from 30 to 120 days. Due to their short maturities, the carrying amount of trade and other receivables approximates to their fair value.

The Group has no significant concentration of credit risk, with exposure spread over a large number of customers and geographies.

Accrued income relates to the Group's rights to consideration for work performed but not billed at the reporting date for language and professional services. Accrued income balances are transferred to trade receivables when there is an unconditional right to consideration, generally, when an invoice is issued to the customer.

Both trade receivables and accrued income amounts are initially stated at fair value and subsequently at amortised cost using the effective interest method less an estimate made for expected credit losses. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. In order to estimate the expected credit losses, the Group reviews outstanding amounts at year-end based on historical rates of default adjusted for forward looking information where material.

Upon reviewing the outstanding balance of other receivables, management determined that these receivables do not present a credit risk due to their short life expectancy and the nature of their contractual terms.

Other receivables represent security deposits held in respect of office leases, recoverable taxes and capitalised contract costs.

	2025 Gross	2025 Provisions	2025 Net	2024 Gross	2024 Provisions	2024 Net
Trade receivables	128.0	(3.4)	124.6	129.3	(3.4)	125.9
Other receivables	5.0	-	5.0	10.7	-	10.7
Prepayments	16.3	-	16.3	18.6	-	18.6
Accrued income	58.4	-	58.4	56.1	(0.1)	56.0
At 30 September	207.7	(3.4)	204.3	214.7	(3.5)	211.2

Trade receivables net of allowances are held in the following currencies at the reporting date:

	2025 £m	2024 £m
Sterling	7.5	4.3
Euros	28.1	30.3
Japanese Yen	2.0	2.3
US Dollars	81.1	81.5
Swiss Francs	1.5	1.8
Other	4.4	5.7
	124.6	125.9

Notes to the consolidated financial statements continued

The following table provides information about the exposure to credit risk for trade receivables at 30 September 2025:

	Gross amount £m	Loss allowance £m	Net amount £m
Not past due	101.6	-	101.6
Past due 1-30 days	12.8	-	12.8
Past due 31-60 days	3.8	-	3.8
Past due 61-90 days	2.2	-	2.2
Past due > 90 days	7.6	(3.4)	4.2
	128.0	(3.4)	124.6

The following table provides information about the exposure to credit risk for trade receivables at 30 September 2024:

	Gross amount £m	Loss allowance £m	Net amount £m
Not past due	93.2	-	93.2
Past due 1-30 days	14.3	-	14.3
Past due 31-60 days	5.5	-	5.5
Past due 61-90 days	4.6	-	4.6
Past due > 90 days	11.7	(3.4)	8.3
	129.3	(3.4)	125.9

Movement in expected credit loss provisions:

	Trade debtors 2025	Accrued income 2025	Trade debtors 2024	Accrued income 2024
At 1 October	3.4	0.1	1.8	0.5
Utilised	(0.1)	(0.1)	-	-
Released	-	-	-	(0.4)
Charge for the year	-	-	1.7	-
Exchange adjustment	0.1	-	(0.1)	-
At 30 September	3.4	-	3.4	0.1

16. Loans

Accounting policy

Loans are recognised initially at fair value, less directly attributable transaction costs. Subsequent to initial recognition, loans are stated at amortised cost using the effective interest method. Loans are classified as current, unless the Group has the discretion to roll over an obligation for a period of at least 12 months under an existing loan facility.

Directly attributable transaction costs are capitalised into the loans to which they relate and are amortised using the effective interest rate method.

Borrowings are derecognised from the Consolidated Financial Statements when the contractual obligation is discharged, canceled, or expires. Any difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Consolidated Income Statement as either Other Income or Finance Expense.

If an existing financial liability is replaced with a new one from the same lender under substantially different terms, or if the terms of an existing liability are significantly modified, the transaction is treated as the derecognition of the original liability and the recognition of a new liability. The resulting difference in carrying amounts is recorded in the Consolidated Income Statement.

	2025 £m	2024 £m
Due in more than one year		
Loan	59.0	76.0
Issue costs	(1.0)	(1.6)
At 30 September	58.0	74.4

Analysis of net debt 30 September 2025	At 1 October £m	Acquired £m	Cash flows £m	Non-cash charges £m	At 30 September £m
Cash and cash equivalents	61.5	-	(27.7)	(1.2)	32.6
Issue costs	1.6	-	-	(0.6)	1.0
Loans (current and non-current)	(76.0)	-	17.2	(0.2)	(59.0)
Net debt excluding lease liabilities ("Net debt")	(12.9)	-	(10.5)	(2.0)	(25.4)
Lease liabilities	(27.2)	-	8.6	(3.9)	(22.5)
Net debt including lease liabilities	(40.1)	-	(1.9)	(5.9)	(47.9)

Analysis of net debt 30 September 2024	At 1 October £m	Acquired £m	Cash flows £m	Non-cash charges £m	At 30 September £m
Cash and cash equivalents	76.2	-	(9.5)	(5.2)	61.5
Issue costs	2.1	-	-	(0.5)	1.6
Loans (current and non-current)	(54.7)	-	(22.9)	1.6	(76.0)
Net debt excluding lease liabilities ("Net debt")	23.6	-	(32.4)	(4.1)	(12.9)
Lease liabilities	(33.5)	-	9.5	(3.2)	(27.2)
Net debt including lease liabilities	(9.9)	-	(22.9)	(7.3)	(40.1)

Non-cash charges against the loan balance represent the effects of foreign exchange on the financial liability.

On 3 August 2022, the Group entered into an Amendment and Restatement Agreement ("ARA") with its banking syndicate which amended its existing US\$120m RCF maturing on 10 February 2024, to a US\$220m RCF Facility maturing on 3 August 2026 with an option to extend maturity to 3 August 2027.

Under the terms of the ARA, the Group's interest margin over the Secured Overnight Financing Rate ("SOFR") or Sterling Overnight Index Average ("SONIA") reference interest rate ranges from 95bps to 195bps and is dependent on the Group's net leverage. Commitment fees are payable on all committed, undrawn funds at 35% of the applicable interest margin. The ARA also contains a US\$100m uncommitted accordion facility.

On 3 August 2024, the Group exercised its option to extend the maturity of its US\$220m Revolving Credit Facility by one year, moving the loan's maturity date from August 3, 2026, to August 6, 2027. The terms of the facility, including the interest rate, remained unchanged. This extension did not qualify as a significant loan modification under IFRS 9.

There were no extensions or any other changes made to the Group's ARA during the year ended 30 September 2025.

All transaction costs incurred in amending and re-stating the RCF were capitalised and are being amortised over the extended maturity period of the facility on a straight-line basis. Group borrowings under the RCF are denominated in US Dollars or Sterling.

Notes to the consolidated financial statements continued

17. Trade and other payables

	2025 £m	2024 £m
Due in less than one year		
Trade payables	22.1	25.1
Other taxes and social security costs	3.1	1.8
Other payables	13.6	11.2
Accruals	51.4	46.6
Contingent consideration	0.2	1.8
Deferred income	47.2	41.2
At 30 September	137.6	127.7

The FY25 contingent consideration of £0.2m related to the acquisition of ST Comms.

The FY24 contingent consideration of £1.8m comprised of £1.5m for the acquisition of Propylon and £0.3m for the acquisition of ST Comms. These amounts were accrued on a straight-line basis and were payable on the anniversary of the respective transactions. These amounts were settled during the period.

The carrying amount of trade and other payables approximates to their fair value. Trade payables normally fall due within 30 to 60 days.

	2025 £m	2024 £m
Due in more than one year		
Deferred income	0.1	0.4
At 30 September	0.1	0.4

18. Leases

Accounting policy

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities and right-of-use assets representing the right to use the specified assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the designated asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of certain leasehold property and motor vehicles (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term property leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Lease modifications

Where factors arise which give rise to a modification of a lease and to re-measure a lease liability, the Group calculates the required re-measurement based on the revised discounted lease payments under the modified lease agreement with the lessor. Any re-measurement adjustments identified are recognised with a corresponding entry against the carrying value of the right of use asset unless the lease is being fully terminated where any gain or loss is recognised in profit or loss.

Nature of the leased assets

The property assets under lease are offices where our employees work. Office equipment includes photocopiers and software.

Group as a lessee

The Group has entered into leases across the business, relating to property. Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year.

Right-of-use assets	Total £m
At 1 October 2023	27.5
Additions	2.9
Depreciation expense	(8.2)
Re-measurement adjustments	1.6
Currency adjustment	(1.1)
At 30 September 2024	22.7
Additions	1.0
Depreciation expense	(6.8)
Re-measurement adjustments	2.6
Currency adjustment	0.2
At 30 September 2025	19.7

Notes to the consolidated financial statements continued

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Lease liabilities	2025 £m	2024 £m
At 1 October	27.2	33.5
Additions	1.0	2.9
Accretion of interest	1.1	1.1
Re-measurement adjustments	1.6	0.4
Repayments	(8.6)	(9.5)
Currency adjustment	0.2	(1.2)
At 30 September	22.5	27.2
Current	5.6	8.5
Non-current	16.9	18.7

The maturity analysis of lease liabilities is disclosed in Note 20.

	2025 £m	2024 £m
Depreciation expense on right of use assets	6.8	8.2
Interest expense on lease liabilities	1.1	1.2
Expense relating to short term leases*	1.8	1.4
Expense relating to leases of low value assets*	0.4	0.5
Total amount recognised in profit or loss	10.1	11.3

* The expenses in respect of short term property leases and low value leases are recognised in administrative expenses. The cash outflows in respect of short term property leases and low value leases are presented within cash flows from operating activities in the Statement of Cash Flows.

The Group had total cash outflows for leases of £8.6m (2024: £9.5m). The Group had £1.0m of non-cash additions to right-of-use assets and lease liabilities in the year (2024: £2.9m). There are no future cash outflows relating to leases not yet commenced to disclose separately.

The Group has several lease contracts that include scheduled rent reviews or rent increases based on future indices. Index linked payment increases are typically in respect of changes in the Consumer Price Index for leases in the United Kingdom, or similar indexes outside of the United Kingdom. These agreements represent standard commercial terms for several locations in which leases are held. The impact of index linked rent increases was not material for the Group in the period. The Group also has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs.

The property leases held by the Group have varying terms and renewal rights. Management applies judgement in determining whether it is reasonably certain that a renewal or termination option will be exercised by considering factors such as leasehold improvements. The Group's leasehold improvements are most heavily concentrated in its highest value leases, each of which has a lease term significantly above the Group's average lease term.

The Group has concluded that on this basis, there is no reasonable certainty regarding the exercising of extension options and there is reasonable certainty of not exercising early termination options within these leases. The Group's default position is that the lease term at inception of the lease, excluding any options, is the most probable duration over which that lease will be held. This is then overridden where facts and circumstances make it clear this is no longer reasonably certain, such as for key leases in certain locations where longer term investment may be required. The cashflows associated with leases within the next 12 months are £6.9m (2024: £8.9m). Further information on the maturity profile of the Group's leases is shown in Note 20. The Group has concluded that this is not a significant judgement by virtue of the low number and value of leases due to expire near-term and the future cash outflows associated with such leases are not material for the Group.

19. Provisions

Accounting policy

A provision is recognised when the Group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, expected future cash flows are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. The expense relating to any provision is presented in profit or loss in the consolidated statement of comprehensive income net of any reimbursement. Where discounting is used, the increase in the provision due to unwinding the discount is recognised as a finance expense.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

Reconciliation of movement in provisions	Indirect tax related £m	Dilapidations £m	Severance £m	Other provisions £m	Total £m
At 1 October	2.8	1.3	1.8	3.5	9.4
Charged in the period	0.4	0.2	5.6	0.7	6.9
Utilised	-	(0.2)	(1.5)	(1.6)	(3.3)
Released	(1.0)	-	(0.1)	(0.2)	(1.3)
At 30 September 2025	2.2	1.3	5.8	2.4	11.7
Due in less than one year	2.2	-	5.8	2.3	10.3
Due in greater than one year	-	1.3	-	0.1	1.4
At 30 September 2025	2.2	1.3	5.8	2.4	11.7
Due in less than one year	2.8	0.3	1.8	3.0	7.9
Due in greater than one year	-	1.0	-	0.5	1.5
At 30 September 2024	2.8	1.3	1.8	3.5	9.4

Indirect tax related provisions comprise £0.1m in respect of uncertain recoverable VAT in Norway, and £0.1m in respect of Service Tax Declarations made by the Group's Brazilian subsidiary for periods that are still open to audit.

A further £2.0m of the Indirect tax related provisions relates to potential interest that would be payable in respect of the Group's uncertain tax provisions as well as estimated interest that would be due in relation to ongoing tax enquiries. The timing of the payment is uncertain at the reporting date.

The majority of the dilapidation provisions relate to leased properties and are associated with the requirement to return properties to either their original condition, or to enact specific improvement activities in advance of exiting the lease. Dilapidations associated with leased properties are held as a provision until such time as they fall due, with the longest running lease ending in April 2032.

Included within Other Provisions are the following:

Provisions for future severance liabilities, totalling £5.8m, remain in relation to redundancies to be incurred as part of the Group's continuing transformation and cost reduction programmes. These amounts have been recorded in accordance with the criteria defined in IAS37 and are expected to be settled within the next 12 months.

£0.3m relates to ongoing historic agreements with the former owners of the business and their respective families. £1.3m relates to TFR severance liabilities required under Article 2120 of the Italian Civil Code. This provision has been valued in accordance with the requirements of IAS 19 as it represents long term benefits payable to employees of the Group's Italian subsidiary. The timing of the payment is uncertain at the reporting date.

20. Financial instruments and financial risk management

Categories of financial instruments

All financial assets and liabilities, other than derivatives and contingent consideration, are held at amortised cost ("AC").

	2025 £m	2024 £m
Financial assets		
Trade and other receivables	188.0	193.3
Cash and cash equivalents	32.6	61.5
	220.6	254.8
Financial liabilities		
Loans	58.0	74.4
Trade and other payables	87.3	86.1
Lease liabilities	22.5	27.2
	167.8	187.7

The carrying amount of the Group's trade and other receivables and accrued income, trade and other payables and cash and cash equivalents are considered to be a reasonable approximation of their fair value. The fair value of the Group's loan at 30 September 2025 is £59.0m (2024: £76.0m), this is as per Level 2 of the fair value hierarchy.

Financial risk management objectives and policies

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's CFO.

The overall objective of the Board is to set policies that seek to reduce risk, as far as possible, without unduly affecting the Group's competitiveness and flexibility. Group borrowings have a number of financial covenants which are tested bi-annually. The principal financial risks to which the Group is exposed are those of liquidity, interest rate, credit, foreign currency and capital. Each of these is managed as set out below.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient cash resources to meet its liabilities as and when they fall due and payable.

In addition to the Group's cash and cash equivalents, which at 30 September 2025 amounted to £32.6m (2024: £61.5m), the Group has an overdraft facility of £1.5m (2024: £1.5m) which is unsecured. The reference interest rate on this facility is SONIA with the margin being 200 basis points. This overdraft was undrawn as at year end.

The majority of surplus funds are invested in Pound Sterling or US Dollar deposits, with maturities not exceeding three months.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross, undiscounted, and include contractual interest payments.

Contractual cash flows at 30 September 2025	Carrying amount £m	Total £m	Less than 12 months £m	1-2 years £m	2-5 years £m	More than 5 years £m
Non-derivative financial liabilities						
Revolving Credit Facility	58.0	65.6	3.6	62.0	-	-
Trade and other payables	87.3	87.3	87.3	-	-	-
Lease liabilities	22.5	25.0	6.9	6.4	9.8	1.9
	167.8	177.9	97.8	68.4	9.8	1.9

Contractual cash flows at 30 September 2024	Carrying amount £m	Total £m	Less than 12 months £m	1-2 years £m	2-5 years £m	More than 5 years £m
Non-derivative financial liabilities						
Revolving Credit Facility	74.4	90.3	5.0	5.1	80.2	-
Trade and other payables	86.1	86.1	86.1	-	-	-
Lease liabilities	27.2	29.8	8.9	5.9	11.6	3.4
	187.7	206.2	100.0	11.0	91.8	3.4

Interest rate risk

The majority of the Group's cash balances are held with its principal bankers, earning interest at variable rates of interest. To the extent the Pound Sterling overdraft is utilised, it attracts an interest rate of base rate plus a margin of 200 basis points.

The Group's US\$220m Revolving Credit Facility ("RCF") matures on 6 August 2027 and incurs interest at a rate based on Secured Overnight Financing Rate ("SOFR") or Sterling Overnight Index Average ("SONIA") plus a margin which fluctuates based on the Group's net leverage. More details can be found in Note 1 and Note 16. The Group elected not to hedge its interest rate risk.

Exposure to interest rate risk

Interest rate profile of interest-bearing assets and liabilities - Variable rate instruments	2025 £m	2024 £m
Financial assets - Cash and cash equivalents		
Sterling	1.6	3.9
US Dollars	5.2	14.3
Euros	7.3	9.9
Yen	1.2	6.1
Swiss Francs	0.3	1.5
Other	17.0	25.8
	32.6	61.5
Financial liabilities - Loan		
Sterling	58.0	74.4
	58.0	74.4

If interest rates changed by 500 bps it is estimated that Group profit before tax would change by £2.9m (2024: £3.7m).

On 3 August 2022, the Group entered into an Amendment and Restatement Agreement ("ARA") with its banking syndicate which amended its existing US\$120m RCF maturing on 10 February 2024, to a US\$220m RCF maturing on 3 August 2026 with an option to extend maturity to 3 August 2027. During the year ended 30 September 2024, the Group exercised this option to extend maturity and a final extended maturity date of 6 August 2027 was agreed.

Under the terms of the ARA, the Group's interest margin over the SOFR or SONIA reference interest rate ranges from 95bps to 195bps and is dependent on the Group's net leverage. Commitment fees are payable on all committed, undrawn funds at 35% of the applicable interest margin. The ARA also contains a US\$100m uncommitted accordion facility.

Notes to the consolidated financial statements continued

Credit risk

Credit risk is the risk of a financial loss to the Group if a client or counterparty to a financial instrument fails to meet its contractual obligations and arises from the Group's cash and cash equivalents and trade and other receivables.

The Group's cash and cash equivalents of £32.6m at 30 September 2025, are predominantly held with financial institutions who hold Standard & Poor's long term credit ratings of between A+ and A-. The Group considers that its cash and cash equivalents have a low credit risk based on the external credit ratings of the counterparties.

Trade receivable exposures are mitigated by each division's management team where they arise. The Group's clients are large international corporations or self-regulated bodies such as patent agents and legal firms. In accordance with IFRS 9, the Group has applied the simplified model specified for expected credit losses, based on historical default rates experienced across the Group as well as forward looking information where material. Consideration has also been given to the appropriateness of applying these historical default rates to the Group's future trade and other receivables. Expected credit losses are not material to the Group, no collateral is held in respect of trade receivables and the maximum potential credit loss is equal to asset carrying value. See Note 15 for further details.

No client accounted for more than 10% of Group turnover in the current year (2024: nil).

Foreign currency risk

The Group's policy is, where possible, to allow Group entities to settle liabilities denominated in the functional currency, with cash generated in that currency from their own operations. Transaction exposures arise from non-local currency sales and purchases with gains and losses on transactions arising from fluctuations in exchange rates being recognised in the statement of comprehensive income. Where we have a material or recurring exposure, the policy is to seek to mitigate the risk using forward foreign exchange contracts.

Approximately ~68% (2024: ~66%) of Group external sales in the reporting period were denominated in US Dollars, while a further ~19% were denominated in Euros (2024: ~20%). Similarly, the Group's cost base was ~36% in US Dollars (2024: ~33%) and ~20% in Euros (2024: ~21%).

The Group has a number of intercompany loans designated as quasi equity at inception. This designation is made where loan transactions between Group companies represent, in substance, long term investments in that subsidiary rather than intercompany loan transactions. These loans are often denominated in a currency other than the functional currency of at least one of the counterparties. Foreign currency translation on these loans is recognised in Other Comprehensive Income in the Statement of Comprehensive Income until the investment is disposed of at which point they are recognised in Profit or Loss in the Statement of Comprehensive Income.

Assets and liabilities of Group entities located overseas are principally denominated in their respective currencies and are therefore not materially exposed to currency risk. On translation to Sterling, gains or losses arising are recognised directly in equity.

Moravia IT s.r.o. as discussed below designates its forward foreign exchange contracts as cash flow hedges in accordance with IFRS 9 to hedge its operating costs.

The carrying amounts of the Group's material foreign currency denominated monetary assets and liabilities at the reporting date are as follows:

	Assets 2025 £m	Assets 2024 £m	Liabilities 2025 £m	Liabilities 2024 £m
Euros	36.9	43.6	17.8	13.9
US Dollars	124.1	137.8	15.3	15.0
	161.0	181.4	33.1	28.9

Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 500bps (2024: 2000bps) increase and decrease in Sterling against the major currencies listed in the table above. The sensitivity analysis includes only the outstanding denominated monetary items and adjusts their translation at the end of the period for a 500bps (2024: 2000bps) change in the Sterling exchange rate. A positive number below indicates an increase in profit where Sterling weakens against the relevant currency. For a 500bps (2024: 2000bps) strengthening of Sterling against the relevant currency, there would be an equal and opposite impact on profit, and the balances would be negative.

	Profit and loss impact 2025 £m	Profit and loss impact 2024 £m
Euros	0.9	4.9
US Dollars	5.2	20.5
	6.1	25.4

If the exchange rate on uncovered exposures were to move significantly between the year-end and the date of payment or receipt, there could be an impact on the Group's profit. As all financial assets and liabilities are short-term in nature, this risk is not considered to be material.

Hedging

The Group applies cash flow hedge accounting for foreign exchange forward contracts entered into by Moravia IT s.r.o and Propylon Limited to hedge exposure to expected future operating costs in Czech Koruna/Euro and US Dollar, respectively. This treatment is applied as a large proportion of Moravia IT s.r.o.'s revenue and receivables and Propylon Limited's trading activity is in US Dollars, rather than in their respective operating currencies.

At the year-end the Group had no cash flow hedges, which take the form of forward foreign exchange contracts, in place.

	Assets 2025 £m	Assets 2024 £m	Liabilities 2025 £m	Liabilities 2024 £m
Forward foreign currency exchange contracts	-	-	-	-

Hedging reserve	2025	2024
At 1 October 2024	-	(3.5)
Cashflow hedges - fair value movement	-	-
Transfer to currency reserve	-	3.1
Net investment hedge	-	0.4
At 30 September 2025	-	-

Capital risk

The Group considers its capital to comprise its ordinary share capital, share premium, other reserves and accumulated retained earnings. In managing its capital, the Group's primary objective is to ensure its continued ability to provide a consistent return for its equity shareholders, through a combination of capital growth and distributions. The Group has historically considered equity funding as the most appropriate form of capital for the Group, but debt financing has been introduced where it was felt that the benefits exceed the risks and costs to equity shareholders of further equity financings.

At 30 September 2025, there was £58.0m (2024: £74.4m) of external debt finance on the balance sheet. The Group is not subject to externally imposed capital requirements.

In addition, the Group held cash and cash equivalents at the year-end of £32.6m (2024: £61.5m).

The Group funds dividend payments to shareholders through the profitability of its subsidiaries which are contributed between the subsidiary and the ultimate parent company, RWS Holdings plc. The profitability of the Group ensures that there is sufficient profitability within these subsidiaries and contributions from these subsidiaries to the Parent Company and that sufficient distributable reserves exist to maintain the Group's current dividend policy.

Included within retained earnings are £184.6m relating to gain recognised on a cash-box structure utilised as part of the Moravia acquisition. These amounts are not currently distributable.

Fair value measurement of financial assets and liabilities

The Group uses the following hierarchy for determining and disclosing the fair value of its financial instruments:

- Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly (level 2)
- Inputs for the assets or liabilities that are not based on observable market data (level 3).

21. Share capital and reserves

	2025 Number	2025 £m	2024 Number	2024 £m
Authorised				
Ordinary shares of 1 pence each	500,000,000	5.0	500,000,000	5.0
Allotted, called up and fully paid				
At beginning of year	368,717,980	3.7	381,603,326	3.8
Issue of shares	1,089,666	-	-	-
Purchase of own shares	-	-	(12,885,346)	(0.1)
At end of year	369,807,646	3.7	368,717,980	3.7

During the year, 1,089,666 ordinary shares of 1p each (2024: nil) were allotted under the long term incentive plan ("LTIP").

In line with the share repurchase programme that the Company announced on 8 June 2023, a total of 12,885,346 shares were acquired on the open market and subsequently cancelled during FY24. The cost of these repurchased shares was £30.4m. No shares were acquired under the programme during FY25.

The nature and purpose of each reserve within equity is as follows:

- Share premium account represents the premium arising on the issue of equity shares.
- Share-based payment reserve is the credit arising on the share-based payment charges in relation to the Group's share option schemes.
- Foreign currency reserve is the cumulative gain or loss arising on retranslating the net assets of overseas operations into Sterling, except where the Group applies a net investment hedge.
- Hedge reserve is the fair value movement on the derivative contracts for the effective portion of the cash flow hedge and the gains and losses relating to the net investment hedge.
- Merger reserve represents the amounts of share premium that would have been recognised on a share for share exchange eligible for merger relief under the Companies Act 2006. This was created on the acquisition of SDL plc in 2021.
- Reverse acquisition reserve was created when RWS Holdings plc became the legal parent of Bybrook Limited. The substance of this combination was that Bybrook Limited acquired RWS Holdings plc.
- Retained earnings are the cumulative net gains and losses, including the capital reserve from the Parent Company balance sheet.

22. Share-based payments

Share-based payments

The Group and Parent Company provide benefits to certain employees (including certain Executive Directors), in the form of share-based payment transactions whereby employees render services in exchange for either share options (equity-settled) or cash options (cash-settled).

The equity-settled share-based transactions are measured at the fair value of the share option at the grant date. The fair value determined at the grant date of the share options is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of share options that will vest.

At each balance sheet date, the Group revises its estimate of the number of options expected to vest as a result of the effect on non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss in the Consolidated Statement of Comprehensive Income, such that the cumulative expense reflects the revised estimate with a corresponding adjustment to equity reserves. For cash-settled share-based transactions, an expense is recognised, with a corresponding increase in liabilities, over the period during which employees become entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the cash options. Any changes in the liability are recognised in profit or loss.

The Group incurred a charge of £4.3m relating to share-based payments in the year ended 30 September 2025, as follows:

Scheme	2025			2024		
	Equity-settled £m	Cash-settled £m	Total £m	Equity-settled £m	Cash-settled £m	Total £m
Save As You Earn ("SAYE") scheme	0.1	-	0.1	-	-	-
LTIPs	1.2	0.1	1.3	1.3	0.1	1.4
RSA	2.2	0.2	2.4	1.5	-	1.5
Executive Share Option Plan ("ESOP")	-	-	-	-	-	-
Executive Bonus Shares	0.3	0.2	0.5	-	-	-
	3.8	0.5	4.3	2.8	0.1	2.9

Summary of movements in awards	RSA	LTIPs	SAYE	ESOP*	Weighted average exercise price (£)
Balance at 1 October 2023	-	3,728,446	450,400	778,011	1,348
Granted during the year	1,039,043	4,325,498	499,627	-	0.192
Lapsed during the year	(117,093)	(1,370,943)	(333,017)	(210,117)	1,246
Exercised during the year	-	-	-	-	-
Balance at 30 September 2024	921,950	6,683,001	617,010	567,894	0.609
Exercisable at 30 September 2024	-	-	-	-	-
Granted during the year	1,344,593	6,654,056	607,816	-	0.103
Lapsed during the year	(202,120)	(2,808,286)	(480,277)	(483,842)	1,052
Dividend entitlement on vesting	108,092	-	-	-	-
Exercised during the year	(1,022,932)	-	-	-	-
Balance at 30 September 2025	1,149,583	10,528,771	744,549	84,052	0.156
Exercisable at 30 September 2025	-	-	-	-	-

* In the prior year a lapse of 9,621 of options granted on 9 June 2021 was incorrectly reported, these options had not lapsed and the opening balances shows the corrected balances as at 1 October 2024.

The weighted average share price at the date of exercise of shares exercised during the year was 141.1 pence per share (2024: nil pence). The weighted average remaining contractual life of outstanding options at the end of the year was 8.4 years (2024: 11.0 years). The aggregate fair value of options granted in the year was £6.4m (2024: £11.2m).

Notes to the consolidated financial statements continued

Executive Bonus Shares

As disclosed in the 2024 Annual Report, bonus share awards were granted to executive directors of the Company in respect of their 2024 bonus. A total of £232,875 was cash settled share options and 81,300 shares at a weighted average exercise price of 153.6 pence were awarded, immediately vested and exercised in January 2025.

Long term incentive plan ("LTIP")

The Company operates a long term incentive plan ("LTIP") for executive directors and senior employees. These conditional awards vest after the performance period of three years and are subject to the achievement of certain performance conditions. Executive director awards are subject to a 2 year post vesting retention period.

For LTIP grants made between 2022 and 2024, the performance conditions are consistent for both executive directors and senior employees. The only distinction is the additional two-year holding period for executive directors. More details around the conditions for these awards can be found in the Directors' Remuneration Report, pages 80-87.

In 2025, the Company revised the vesting conditions for newly granted awards. The updated performance measure relates solely to TSR performance, a market based performance condition. On 1 June 2025 the Company modified the options issued on 24 January 2025 to senior employees, the performance condition for the modified options continues to relate solely to TSR performance, a market based performance condition.

The awards are valued using Monte Carlo. In the event that the option holder's employment is terminated, the option may not be exercised unless the Remuneration Committee so permits. The options expire ten years from the date of grant. These option grants are typically settled on exercise via the issue of new ordinary shares and are subject to defined malus and claw-back provisions.

Date of grant	1 October 2024	Granted during the year	Exercised during the year	Lapsed during the year	30 September 2025	Exercise price pence	Exercise period
24/01/2022	888,656	-	-	(888,656)	-	1	24/01/2025 - 24/01/2032
24/01/2023	1,822,237	-	-	(416,566)	1,405,671	1	24/01/2026 - 24/01/2033
30/06/2023	155,583	-	-	(20,238)	135,345	1	01/07/2026 - 01/07/2033
24/01/2024	3,504,255	-	-	(767,058)	2,737,197	nil	25/01/2027 - 24/01/2034
01/07/2024	122,362	-	-	(122,362)	-	nil	25/01/2027 - 24/01/2034
23/09/2024*	189,908	-	-	-	189,908	nil	26/09/2026 - 24/09/2028
24/01/2025	-	6,059,183	-	(593,406)	5,465,777	nil	25/01/2028 - 24/01/2035
01/07/2025	-	594,873	-	-	594,873	nil	02/07/2028 - 03/07/2035
Total	6,683,001	6,654,056	-	(2,808,286)	10,528,771		

* Retention award granted to CFO without performance conditions, subject only to continued service. 40% of these have now vested and the remaining 60% will lapse on cessation of employment, see pages 86 and 87.

Restricted Share Awards ("RSA")

Under the LTIP, the Company granted Restricted Share Awards ("RSA") in the form of nil cost options. The RSA Options vest on the first anniversary of grant and are subject to the achievement of non-market performance conditions as well as continued employment at vesting date. 100% of the RSA options will vest if personal performance is satisfactory or better and 0% if personal performance is less than satisfactory. These option grants are typically settled on exercise via the issue of new ordinary shares and are subject to defined malus and claw-back provisions.

Date of grant	1 October 2024	Granted during the year	Exercised during the year	Lapsed during the year	30 September 2025	Exercise price pence	Exercise period
24/01/2024	921,950	108,092*	(1,022,932)	(7,110)	-	nil	24/01/2025 - 24/01/2034
24/01/2025	-	1,338,401	-	(195,010)	1,143,391	nil	24/01/2026 - 24/01/2035
01/07/2025	-	6,192	-	-	6,192	nil	01/07/2026 - 01/07/2035
Total	921,950	1,452,685	(1,022,932)	(202,120)	1,149,583		

* Relates to additional shares provided due to dividends.

Save As You Earn (“SAYE”) scheme

The Company operates a HMRC-approved UK SAYE scheme (“SAYE”). Under the terms of the SAYE, the Board grants options to purchase ordinary shares in the Company to eligible employees who enter into the SAYE for a term of three years. Options are granted at up to a 10% discount to the market price of the shares on the day preceding the date of offer and are normally exercisable for a period of six months after completion of the three-year term. These option grants are typically settled on exercise via the issue of new shares.

Date of grant	1 October 2024	Granted during the year	Exercised during the year	Lapsed during the year	30 September 2025	Exercise price pence	Exercise period
22/02/2021	75,469	-	-	(75,469)	-	472	01/04/2024 - 30/09/2024
17/02/2022	50,699	-	-	(3,069)	47,630	504	01/04/2025 - 30/09/2025
10/02/2023	79,054	-	-	(33,841)	45,213	361	01/04/2026 - 30/09/2026
10/02/2024	411,788	-	-	(307,030)	104,758	208	01/04/2027 - 30/09/2027
13/03/2025	-	607,816	-	(60,868)	546,948	147	01/04/2028 - 30/09/2028
Total	617,010	607,816	-	(480,277)	744,549		

Executive share option plan (“ESOP”)

Historically the Group operated an Executive share option plan (“ESOP”) for executive directors and senior employees.

These options will normally vest on the third anniversary of the grant date subject to the rules of the plan, continued employment and achievement of performance conditions. The performance conditions applicable to the options are based on the Group achieving EPS targets, each option grant being split into three tranches, each subject to an EPS target for a reporting year.

All ESOP options have vested. Vested options are exercisable, however if exercised before the fifth anniversary of the grant date, participants are not permitted to sell the ordinary shares until the fifth anniversary of grant date. All options will lapse on the tenth anniversary of the grant date, are typically settled on exercise via the issue of new shares and are subject to defined malus and claw-back provisions.

Date of grant	1 October 2024	Granted during the year	Exercised during the year	Lapsed during the year	30 September 2025	Exercise price pence	Exercise period
10/05/2019	216,556	-	-	(216,556)	-	601	10/05/2024 - 10/05/2029
22/01/2020	328,543	-	-	(267,286)	61,257	615	22/01/2025 - 22/01/2030
09/06/2021*	22,795	-	-	-	22,795	613	09/06/2026 - 09/06/2031
Total	567,894	-	-	(483,842)	84,052		

* In the prior year a lapse of 9,621 of options granted on 9 June 2021 was incorrectly reported, these options had not lapsed and the opening balances shows the corrected balances as at 1 October 2024.

The fair value of share options granted during the year under the SAYE scheme and LTIP award relating to the Non Market related performance condition were estimated using the Black-Scholes option pricing model. The share options granted under the LTIP award relating to the market performance condition (TSR performance condition) were valued using the Monte Carlo model. Equity settled options under the SAYE scheme and the LTIP scheme were valued at grant date.

Notes to the consolidated financial statements continued

The following table lists the assumptions applied to the options granted. Equity settled option grants are settled on exercise via new shares. The expected volatility reflects the assumption historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

	SAYE Scheme	24/01/25 LTIP - Senior employees	24/01/25 LTIP - Executive directors	01/06/25 LTIP - Senior employees - modification	01/07/25 LTIP - Senior employees	24/01/25 RSA - Senior employees	01/07/25 RSA - Senior employees
Weighted average share price at grant (pence)	148.8	153.6	153.6	79.8	79.8	153.6	87.6
Weighted average exercise price (pence)	147.0	nil	nil	nil	nil	nil	nil
Expected life of option (years)	3	3	3	2.6	3	1	1
Volatility (%)	46.0%	46.0%	46.0%	45.0%	45.0%	46.0%	46.0%
Dividend yield (%)	nil	nil	nil	nil	nil	nil	nil
Risk free interest rate (%)	4.0%	4.1%	4.1%	4.0%	4.0%	4.1%	4.0%
Fair value (pence)	53.0	61.4	50.4	9.1	18.0	153.6	87.6

23. Cash and cash equivalents

	2025 £m	2024 £m
Cash at bank and in hand	25.9	52.4
Short-term deposits	6.7	9.1
	32.6	61.5

The fair value of cash and cash equivalents is £32.6m (2024: £61.5m). Restricted cash at 30 September 2025 was £nil (2024: £nil).

Short-term deposits have an original maturity of three months or less depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. Management consider short-term deposits to be subject to an insignificant risk of changes in value.

24. Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts are to be realised by sale rather than through continued use. This is the case when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition.

Non-current assets and disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Once classified as held for sale, they are longer amortised or depreciated.

	2025 £m	2024 £m
Property, plant and equipment	3.5	-
	3.5	-

In FY24, the Group revalued its freehold property at 1–3 Chalfont St Peter in anticipation of its planned disposal. Following this valuation, the property's carrying amount was reduced from £14.0m to £3.5m, resulting in an impairment charge of £10.5m in FY24. The valuation was performed by an independent third-party valuer using a Level 3 fair value measurement, based on spot market conditions at the valuation date.

In FY25, the criteria for classification as an asset held for sale were met.

25. Related party transactions

On 30 October 2024, Zedra Trust Company (Guernsey) Limited, in their capacity as trustee of the Company's Employee Benefit Trust, purchased 189,908 shares to hedge the discretionary retention award made to Candida Davies, CFO, on 23 September 2024, as disclosed in the Company's 2024 Annual Report.

During the year, in the normal course of business, the Group provided translation services worth £0.4m (2024: £0.6m) to subsidiaries of Learning Technologies Group Limited (LTG), a company in which Andrew Brode (Non-executive Director), has a significant interest. An amount of £0.1m (2024: £0.1m) was due from LTG at the reporting date. The Group also provided services worth less than £0.1m (2024: £nil) to Ocado Innovation Limited, a subsidiary of Ocado Group plc. Julie Southern (Chairman) is a director of Ocado Group plc. Less than £0.1m (2024: £nil) of these services were due from Ocado Innovation Limited at the reporting date.

Key management compensation	2025 £m	2024 £m
Short-term employee benefits	4.8	5.4
Post-employment benefits	0.1	0.2
Share-based payments	1.6	1.9
	6.5	7.5

The key management compensation includes the 10 (2024: 10) Directors of RWS Holdings plc and the 10 (2024: 10) members of the Executive Team who are not Directors of RWS Holdings plc.

During the year key management were granted 3,516,864 share options with an approximate fair value of £2.1m.

Details of the Group's share-based payments and associated share option schemes can be found in Note 22.

26. Commitments and contingent liabilities

The Group had no material capital commitments contracted for, but not provided for, in the financial statements (2024: £nil).

In respect of overdraft facilities, the Parent Company, together with certain subsidiary undertakings, has given to the Group's principal bankers cross-guarantees secured by fixed and floating charges over the assets of the Group. At the end of the year, liabilities covered by these guarantees amounted to £nil (2024: £nil).

The Group's US\$220m RCF is subject to guarantees provided by material Group companies, as well as from other Group companies as necessary to ensure that all guarantors together account for more than 75% of the Group's consolidated EBITDA and gross assets.

The Group has received notification from a contracting party regarding alleged breach of a supply agreement. The Group believes it has a supportable and defensible position for strongly refuting such allegations and will defend its position vigorously. Management, in consultation with legal counsel, has determined that an outflow of economic benefits is not deemed probable at this time. Accordingly, no provision has been recognised in the financial statements.

27. Post balance sheet events

Subsequent to the year end, the Group refinanced its revolving credit facility, increasing the available commitment from US\$220m to US\$285m and extending the maturity to October 2029. This change does not impact the Group's financial position at 30 September 2025.

There are no other significant post balance sheet events.

RWS Holdings plc Parent Company financial statements.

The following Parent Company financial statements are prepared under FRS 101 and relate to the Parent Company and not to the Group.

Parent Company balance sheet position at 30 September 2025 Registered company 03002645

	Note	2025 £m	2024 £m
Non-current assets			
Investments	7	455.4	732.4
Deferred tax assets		0.2	0.2
		455.6	732.6
Current assets			
Debtors	8	700.0	373.9
Cash at bank and in hand		0.1	0.5
		700.1	374.4
Total assets		1,155.7	1,107.0
Creditors: amounts falling due within one year			
Trade creditors	10	0.9	0.8
Other creditors	10	101.4	14.2
		102.3	15.0
Net current assets		597.8	359.4
Creditors: amounts falling due after more than one year			
Loans	9	58.0	74.4
		58.0	74.4
Total liabilities		160.3	89.4
Net assets		995.4	1,017.6
Capital and reserves			
Share capital	11	3.7	3.7
Share premium		56.0	54.5
Share-based payment reserve	11	10.1	8.1
Merger reserve		624.4	624.4
Capital reserve		2.1	2.1
Retained earnings	11	299.1	324.8
Total shareholders' funds		995.4	1,017.6
Statement of Comprehensive Income: Profit after taxation		20.2	104.3

The financial statements on pages 146 to 156 were approved by the Board of Directors and authorised for issue on 10 December 2025 and were signed on its behalf by:

Candida Davies | Chief Financial Officer

10 December 2025

**Parent Company statement of
changes in equity for the year ended
30 September 2025**

	Share capital £m	Share premium £m	Share- based payment reserve £m	Merger reserve £m	Capital reserve £m	Retained earnings £m	Shareholders' funds £m
Balance at 1 October 2023	3.8	54.5	5.3	624.4	2.0	296.4	986.4
Profit for the year	-	-	-	-	-	104.3	104.3
Total comprehensive income for the year	-	-	-	-	-	104.3	104.3
Dividends	-	-	-	-	-	(45.5)	(45.5)
Purchase of own shares	(0.1)	-	-	-	0.1	(30.4)	(30.4)
Deferred consideration settlement	-	-	(0.1)	-	-	-	(0.1)
Equity-settled share-based payments charge	-	-	2.9	-	-	-	2.9
Balance at 30 September 2024	3.7	54.5	8.1	624.4	2.1	324.8	1,017.6
Profit for the year	-	-	-	-	-	20.2	20.2
Total comprehensive income for the year	-	-	-	-	-	20.2	20.2
Dividends	-	-	-	-	-	(45.9)	(45.9)
Exercise of share options	-	1.5	(1.7)	-	-	-	(0.2)
Deferred tax on share-based payment charge	-	-	-	-	-	-	-
Equity-settled share-based payment charge	-	-	3.7	-	-	-	3.7
Balance at 30 September 2025	3.7	56.0	10.1	624.4	2.1	299.1	995.4

Notes to the Parent Company financial statements.

1. General information

RWS Holdings plc is the holding company of a number of subsidiaries which provide patent translations, intellectual property support services, high-level technical and commercial translations, localisation and linguistic validation services.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements of RWS Holdings plc have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101 (where required these disclosures are included in the Group accounts):

- Paragraphs 45(b) and 46 to 52 of IFRS 2, "Share-based payment" (details of the number and weighted-average exercise prices of share options and how the fair value of goods or services received was determined).
- IFRS 7, 'Financial Instruments: Disclosures.' Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
 - Paragraph 79(a) (iv) of IAS 1
 - Paragraph 73(e) of IAS 16 "Property, plant and equipment"
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), (statement of cash flows)
 - 16 (statement of compliance with all IFRS)
 - 38A (requirement for minimum of two primary statements, including cash flow statements)
 - 38B-D (additional comparative information)
 - 111 (cash flow statement information)
 - 134-136 (capital management disclosures)

- IAS 7, 'Statement of cash flows.'
- Paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors.' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of the Group (providing any subsidiary party to the transaction is wholly owned by a member of the Group).

New accounting standards, amendment and interpretations

There were no new standards effective during the year that have a material impact to the preparation of these Parent Company financial statements.

Going concern

The Directors have prepared cash flow forecasts for the 18 month period ending 31 March 2027, which indicate that, taking account of reasonably possible downsides, the Group will have sufficient funds to meet its liabilities as they fall due in the period.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due over the period to 31 March 2027 and therefore have prepared the financial statements on a going concern basis. Note 2 to the Group Financial Statements includes more details on the Directors' assessment of going concern for the entity and for the Group.

Derivative financial instruments and hedging activities

The Parent Company enters into foreign exchange forward contracts to hedge its GBP cash outflows. The Parent Company does not apply hedge accounting for these forward contracts which are marked-to-market at each reporting date with any changes in fair values recognised in the Parent Company's statement of comprehensive income.

Investments in subsidiaries

Investments denominated in foreign currency are recorded using the rate of exchange at the date of acquisition. Investments in subsidiaries are stated at cost less any provision for impairment in value. Investments are reviewed annually for evidence of impairment.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use, where value in use is calculated as the present value of the future cash flows expected to be derived from the asset. For the

purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable income streams (CGUs).

Pension costs

The Company contributes to a Group personal pension scheme for qualifying employees whereby it makes defined contributions to independently administered personal pension schemes. The Company does not control any of the assets or have any ongoing liabilities with regard to the performance of and payments from these individual personal schemes. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Dividends

Interim dividends are recorded when they are paid, and final dividends are recorded once they have been approved by the Parent Company's shareholders.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Share-based payments

The Parent Company provides benefits to certain employees (including certain Executive Directors), in the form of share-based payment transactions, whereby employees render services in exchange for rights over shares in the form of share options (equity settled) or rights to cash in the form of cash options (cash-settled).

The equity-settled share-based transactions are measured at the fair value of the share option at the grant date. The fair value excludes the effect of non-market-based vesting conditions. Details regarding the determination of the fair value of these options can be seen in Note 22 of the Group financial statements.

The fair value determined at the grant date of the share options is expensed on a straight-line basis over the vesting period, based on the Parent Company's estimate of share options that will vest. At each balance sheet date, the Parent Company revises its estimate of the number of options expected to vest as a result of the effect of non-market based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss in the statement of comprehensive income with a corresponding adjustment to equity reserves.

For cash-settled share-based transactions, an expense is recognised, with a corresponding increase in liabilities, over the period during which employees become entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the cash options. Any changes in the liability are recognised in

profit or loss in the statement of comprehensive income in the period they occur.

Where the share options are awarded to employees of subsidiaries, the amount of the charge is passed down to the subsidiary as a capital contribution, which increases the investment in that subsidiary.

3. Critical judgements and accounting estimates in applying the Parent Company's accounting policies

The preparation of the financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and judgements that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. They are reviewed on an ongoing basis, but the future actual experience may vary materially from management's expectation.

Management have not identified any key judgements but have identified the following key estimates and assumptions.

Impairment

The determination of whether or not investment balances have been impaired requires an estimate to be made of the value in use of the investment. The value in use calculation includes estimates about the future financial performance of the investment, management's estimates of discount rates, long-term operating margins and long-term growth rates. If the results of the investment in a future period are materially adverse to the estimates used for the impairment testing, an impairment charge may be triggered. Further information on investments is included in Note 7 in the Parent Company Notes. Further information with respect to key assumptions in the assessment of impairment are detailed in Note 12 of the consolidated financial statements.

4. Derivative financial instruments

The Parent Company enters into forward foreign exchange contracts to mitigate its foreign exchange risk from foreign currency dividend payments received from its subsidiary undertakings. At 30 September 2025, there were no derivative contracts outstanding (2024: £nil).

Notes to the parent company financial statements continued

5. Parent Company profit and loss

The Parent Company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own statement of comprehensive income in these financial statements. The Parent Company's profit after tax for the year ended 30 September 2025 was £20.2m (2024: £104.3m).

Audit fees payable in relation to the audit of the financial statements of the Parent Company are £20,000 (2024: £20,000). Fees paid to the Group's auditor and its associates for non-audit services to the Parent Company itself are not disclosed in the individual financial statements of RWS Holdings plc. These are disclosed on a consolidated basis in Note 5 of the Group's financial statements.

6. Directors and employees' costs

	2025 £m	2024 £m
Wages and salaries	3.2	3.6
Social security costs	0.5	0.5
Pension costs	0.1	-
Share-based payment expense	1.5	0.3
Total employee costs	5.3	4.4

During the year, the Parent Company had ten (2024: ten) Directors, including seven Non-executive Directors and fourteen other employees (2024: fourteen), providing services to the Group.

Three Directors (2024: two) received pension allowance payments. Nine employees received employer contributions to their personal pension schemes (2024: ten).

Details of the Directors' remuneration and pension contributions are disclosed in the Directors' Remuneration Report on pages 80 to 87. The values above are lower than the key management remuneration disclosure in Note 25 of the Group's accounts as not all key management are remunerated through the Parent Company.

7. Investments

	2025 £m	2024 £m
Cost and net book value at beginning of year	732.4	729.8
Increase in investments	2.5	2.6
Impairment	(279.5)	-
Cost and net book value at end of year	455.4	732.4

At 30 September 2025, the carrying amount of the company's net assets exceeded the Group's market capitalisation of £340m. As a result, management performed an impairment test of the company's major investments in line with the requirements of FRS101 Impairment of Assets. An impairment analysis compared the combined value in use of the Group's four CGUs with the carrying value of investments in RWS Holdings plc's separate financial statements, and management concluded that an impairment was required. An impairment charge of £279.5m was recognised against RWS Holdings plc, leaving £98.1m of distributable reserves.

Sensitivity Analysis

The Group also considered other scenarios that would have impacted the valuations which would cause a change to the existing calculations as follows: a decrease in projected revenue growth rates in each CGU by 100 bps would increase the impairment by approximately £48m, a decrease in projected EBITDA margin in each CGU by 100 bps would increase the impairment by approximately £63m, and increasing the discount rate in each CGU to the top of the acceptable range would increase the impairment by approximately £119m.

The Company charges subsidiaries the amounts recognised as share-based payments relating to awards to their employees. These are recognised as an increase in the investment in relevant subsidiaries in accordance with IFRS 2 "Share-based Payment". For details of the share-based payments that have increased the Company's investments, see Note 22 to the consolidated financial statements.

The Directors consider that the value of the Parent Company's fixed asset investments, which are listed below, is supported by the subsidiary undertakings profitability. Key assumptions for value in use calculations are detailed in Note 12.

Jurisdiction	Subsidiary undertakings	Registered address	Nature of business
Australia	Inovia Holdings Pty Limited	Deloitte, Quay Quarter Tower, Level 7, 50 Bridge Street, Sydney NSW 2000 Australia	Patent filing
Belgium	SDL Belgium NV	Sluisstraat 79, Leuven, 3000, Belgium	Localisation services
Brazil	SDL do Brasil Global Solutions Ltda	Rua Barão do Triunfo 73, Brooklin Paulista, São Paulo, Brazil	Localisation services
Canada	Alpha Translations Canada Inc.	421-7th Avenue SW Calgary Alberta T2P 4K9 Canada	Technical and legal translations
Canada	SDL International (Canada) Inc	1550 Metcalfe Street, Suite 800, Montreal, QC, H3A 1X6, Canada	Localisation and technology services
Chile	SDL Chile SA	Suecia 211, piso 8, office 801 Providencia, Región Metropolitana, Santiago, 7510153 Chile	Localisation services
China	Beijing RWS Science & Technology Information Consultancy Co. Ltd	Room 1102-1103A, 11F, Building 22, No. 5A Shuguang Xili, Phoenix Place, Tower H, Chaoyang District, Beijing, China 100192	Patent, technical and legal translations
China	Moravia IT (Nanjing) Co., Ltd	4F Zhongnan International Mansion, no 129 Zhongshan Road, Nanjing, 210005 Jiangsu, China	Localisation services
China	SDL Software Technology (Shenzhen) Co. Ltd	Room 4, 20F, Kingdee Software Park, Gaoxin 12th Road South, Nanshan District, Shenzhen City, Guangdong, China	Localisation and technology services
Colombia	RWS Moravia Colombia S.A.S.	Carrera 43 A 150 Torre 2 of 864, Medellin, Antioquia, Colombia	Localisation services
Croatia	SDL Zagreb d.o.o.	Bednjanska 14/II, 10 000 Zagreb, Croatia	Localisation services
Czechia	Moravia IT s.r.o.*	Vlněna 526/1, Trnita, 602 00 Brno, Czechia	Localisation services
Czechia	SDL CZ s.r.o.	Nerudova 198, Hradec Králové, 50002 Czechia	Localisation services
France	SDL France SARL	44-46 Rue Alphonse Penaud, Paris, 75020, France	Localisation services
Germany	Trados GmbH	Waldburgstraße 21, 70563 Stuttgart, Germany	Technology services
Greece	SDL Hellas Efarmoges Pliroforikis Limited	396 Mesogeion Avenue, 153 41 Agia Paraskevi, Attica, Athens, Greece	Localisation services
Hong Kong	SDL Hong Kong Limited	Suite 1017, 10th Floor, Champion Tower, 3 Garden Road, Central, Hong Kong	Localisation and technology services
Hungary	Moravia IT Hungary Kft.	Horvát utca 14-24, 1027 Budapest, Hungary	Localisation services
Hungary	SDL Magyarország Szolgáltató Kft	Arboc u 6 III, Budapest, Hungary	Localisation services
India	RWS Moravia India Private Limited	Unit 1319, 13 Floor, Building A1, Rupa Solitaire Sector 1, Millenium Business Park, Navi, Mumbai, Mumbai City, MH 400710, Maharashtra, India	Technology services
India	SDL Multilingual Solutions Private Ltd	312, Vardaan House, 7/28 Ansari Road Darya Ganj, New Delhi, Central Delhi, India	Localisation and Translation services
India	SDL Technologies India Private Limited	Building 4, Block A, 7th Floor, 77 Town Centre, Yemalur Main Road, Off Old Airport Road, Bangalore - 560 037, India	Information and Technology Services
Ireland	Iconic Translation Machines Ltd (in liquidation)	Invent Building, DCU Campus, Glasnevin, Dublin 9, Ireland	Machine translation
Ireland	Propylon Holdings Limited	36 Blackburne Square, Rathfarnham Gate, Dublin 14, Rathfarnham, Dublin, Ireland	Holding company
Ireland	Propylon Limited	36 Blackburne Square, Rathfarnham Gate, Dublin 14, Rathfarnham, Dublin, Ireland	Content authoring

Notes to the parent company financial statements continued

Jurisdiction	Subsidiary undertakings	Registered address	Nature of business
Ireland	SDL Global Solutions (Ireland) Limited	2 Shelbourne Buildings, Crampton Avenue, Shelbourne Road, Dublin 4, Ireland	Localisation services
Italy	SDL Italia Srl Unipersonale	Legale Tributario, Via 20 Settembre n 5 00187 Roma, Italy	Localisation services
Japan	Horn & Uchida Patent Translations Ltd	6-11, Kitihami 2-Chome, Chuo-ku, Osaka-shi, Japan	Patent translation and filing
Japan	KK RWS Group	Jimbocho Kita Tokyu Building, 4F 3-1-16 Kanda-Misakicho, Chiyoda-ku, Tokyo, 101-0061, Japan	Patent, technical and legal translations
Japan	SDL Japan KK	Jimbocho Kita Tokyu Building, 1-16 Kanda-Misakicho 3-chome, Chiyoda-ku, Tokyo, 101-0054, Japan	Localisation and technology services
Japan	SDL Tridion KK	Jimbocho Kita Tokyu Building, 1-16 Kanda-Misakicho 3-chome, Chiyoda-ku, Tokyo, 101-0054, Japan	Technology services
Luxembourg	SDL Luxembourg SARL	40, Boulevard Joseph II, L-1840, Grand Duchy of Luxembourg, Luxembourg	Localisation services
Netherlands	Fonto Group B.V.	40 Lange Kleiweg, 2288 GK Rijswijk, Netherlands	Content authoring
Netherlands	Liones B.V. (Dissolved 30 September 2025)	40 Lange Kleiweg, 2288 GK Rijswijk, Netherlands	Content authoring
Netherlands	Liones Groep B.V. (Dissolved 30 September 2025)	40 Lange Kleiweg, 2288 GK Rijswijk, Netherlands	Content authoring
Netherlands	Liones Holdings B.V. (Dissolved 30 September 2025)	40 Lange Kleiweg, 2288 GK Rijswijk, Netherlands	Content authoring
Netherlands	SDL Holdings BV	40 Lange Kleiweg, 2288 GK Rijswijk, Netherlands	Holding company
Netherlands	SDL Media Manager B.V. (Dissolved 30 September 2025)	40 Lange Kleiweg, 2288 GK Rijswijk, Netherlands	Technology
Netherlands	SDL Netherlands B.V.	40 Lange Kleiweg, 2288 GK Rijswijk, Netherlands	Localisation and technology
Netherlands	SDL Xopus B.V.	40 Lange Kleiweg, 2288 GK Rijswijk, Netherlands	Technology
Poland	SDL Poland Sp. z o.o.	ul.Fordonska 246, 85 766 Bydgoszcz, Poland	Localisation services
Portugal	SDL Portugal Unipessoal LDA	Rua Santo António Contumil, nº 130, Porto, Portugal	Localisation services
Romania	SDL Language Weaver srl	Scala Office Building, 34 Someşului Street, Cluj-Napoca, Cluj County, Romania	Localisation and technology services
Russia	LLC SDL Rus	Zanevsky prospect 71, building 2, letter A, office 1301, 195112, St. Petersburg, Russia	Localisation services
Singapore	SDL Multi-Lingual Solutions (Singapore) PTE Ltd *	600 North Bridge Road, #23-01 Parkview Square, Singapore 188778	Localisation and technology services
Slovenia	SDL d.o.o Ljubljana	Dunajska cesta 167, 1000 Ljubljana, Slovenia	Localisation services
South Africa	STComms Language Specialists Proprietary Limited	Unit E8 Westlake Business Square, 1 Westlake Drive, Westlake, Western Cape, 7985, South Africa	Localisation services
Spain	Software Development Language Solutions Hispania, SL	Claudio Coello, 37, 28001 Madrid, Spain	Localisation services
Sweden	SDL Sweden AB *	C/O BDO Mälardalen AB, Skatt, Box 6343, 102 35 Stockholm, Sweden	Localisation services
Sweden	SDL Tridion AB	C/O BDO Mälardalen AB, Skatt, Box 6343, 102 35 Stockholm, Sweden	Technology services
Switzerland	RWS Life Sciences International SA	Avenue Mon-Repos 14 1005 Lausanne Switzerland	Translation and linguistic validation

Jurisdiction	Subsidiary undertakings	Registered address	Nature of business
Türkiye	SDL ÇEVİRİ HİZMETLERİ LİMİTED ŞİRKET	Barbaros Mah. Kardelen Sk. Palladium Tower Blok No: 2 İç Kapı No: 41 Ataşehir, İstanbul, Türkiye	Localisation services
UK	Alterian Holdings Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Dormant
UK	Alterian Technology Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Holding company
UK	Automated Language Processing Services Ltd	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Holding company
UK	Blackburne Holdings Limited *	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Holding company
UK	Corporate Translations Inc (UK) Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Translation and linguistic validation
UK	Interlingua Group Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Dormant
UK	Intrepid Consultants Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Holding company
UK	RWS (Overseas) Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Holding company
UK	RWS Global Holdings Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Holding company
UK	RWS Group Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Holding company
UK	RWS Information Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	IP searches
UK	RWS Language Solutions Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Technical and legal translations
UK	RWS Translations Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Patent translation and filing
UK	RWS UK Holding Co. Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Holding company
UK	SDL (Newbury) Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Technology services
UK	SDL Global Holdings Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Holding company
UK	SDL Limited *	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Localisation & technology services
UK	SDL Nominees Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Dormant
UK	SDL Sheffield Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Localisation & technology services
UK	SDL Tridion Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Localisation services
UK	XyEnterprise Limited	RWS Compass House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB, UK	Technology services
Ukraine	LLC SDL Ukraine	Business center SP Hall, 28 A (letter G), Stepana Bandery avenue Kiev, 04073, Ukraine	Technology services
USA	Alterian Holdings Inc (Dissolved 24 September 2025)	Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware, 19801, USA	Holding company
USA	RWS Information US LLC	426 Industrial Avenue Suite 150, Williston VT 5495 USA	IP information searches

Notes to the parent company financial statements continued

Jurisdiction	Subsidiary undertakings	Registered address	Nature of business
USA	Corporate Translations Inc	101 East River Drive East Hartford, Connecticut CT 06108 USA	Translation and linguistic validation
USA	Inovia LLC	251 Little Falls Drive, City of Wilmington, County of Newcastle, Delaware, USA 19808	Patent translations and filing
USA	Lawyers' and Merchants' Translation Bureau Inc.	101 East River Drive East Hartford, Connecticut CT 06108 USA	Patent translations and filing
USA	LUZ, Inc.	555 Montgomery Street Suite 720 San Francisco CA 94111 USA	Translation and linguistic validation
USA	Moravia IT, LLC	223 E Thousand Oaks Blvd, Suite 314, Thousand Oaks CA 91360 USA	Localisation services
USA	Moravia US Holding Company, Inc.	Corporation Service Company, 2711 Centerville Road, Suite 400, City of Wilmington, County of New Castle, Delaware 19808 USA	Holding company
USA	Moravia US Intermediate Holding Company, LLC	Corporation Service Company, 2711 Centerville Road, Suite 400, City of Wilmington, County of New Castle, Delaware 19808 USA	Holding company
USA	Propylon Inc.	Registered Agent Solutions, Inc. 9 E. LOOCKERMAN STREET SUITE 311, DOVER, Kent, DE, 19901, United States of America	Content authoring
USA	RWS Data Services LLC ^{*1}	201 Edgewater Drive, Suite 225, Wakefield, MA 01880-1296 USA	Employment company
USA	RWS Information US LLC	426 Industrial Avenue Suite 150, Williston VT 5495 USA	IP information searches
USA	RWS Life Sciences Inc	Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801 USA	Translation and linguistic validation
USA	RWS US Holding Co. Inc.	251 Little Falls Drive, City of Wilmington, County of Newcastle, Delaware, USA 19808	Holding company
USA	SDL Government Inc	Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801 USA	Technology services
USA	SDL Inc [*]	201 Edgewater Drive, Suite 225, Wakefield, MA 01880-1296 USA	Localisation and technology services
USA	SDL XyEnterprise LLC	201 Edgewater Drive, Suite 225, Wakefield, MA 01880-1296 USA	Technology services
USA	Webdunia Technologies Inc.	223 E Thousand Oaks Blvd, Suite 314, Thousand Oaks CA 91360 USA	Localisation and technology services
Vietnam	SDL Vietnam Limited	REE Tower, No. 9 Doan Van Bo Street, ward 12 district 4, Ho Chi Minh city, Vietnam	Localisation services

^{*} Moravia IT s.r.o. also has branches operating in Argentina, Ireland, Japan and Poland. SDL Limited also has branches operating in Lebanon, Germany and Taiwan. SDL Inc also has branches in Korea and Thailand. SDL Multi-Lingual Solutions (Singapore) PTE Ltd also has a branch operating in Malaysia. SDL Sweden AB also has branches operating in Denmark, Finland and Norway.

^{*1} Entities incorporated in FY25.

All subsidiary undertakings, except RWS Global Holdings Limited, are held indirectly.

All subsidiary undertakings are 100% owned.

8. Debtors

	2025 £m	2024 £m
Amounts owed by Group undertakings	699.7	373.7
Prepayments	0.3	0.2
Amounts due in one year	700.0	373.9

Included within amounts owed by Group undertakings is an amount of £nil (2024: £nil) that is due after more than one year. Included in amounts owed by Group undertakings is £298.6m (2024: 273.1m), representing loans receivable with

subsidiary undertakings which are unsecured, interest bearing and repayable on demand. The interest on these loans is charged at a rate of 1.55% above the Bank of England base rate. All other amounts owed by Group undertakings are unsecured, interest free and repayable on demand.

The Company uses the general approach under IFRS 9 to calculate ECL, considering probability of default based on financial position of counterparties, loss given default assuming no collateral and exposure at default including accrued interest. Balances are assessed individually due to their size and nature. All counterparties are Group entities with strong financial support; therefore, credit risk is considered low. Management has considered the balances owed by Group undertakings and forward-looking information. No balances are credit-impaired at year end.

9. Loans

	2025 £m	2024 £m
Loans due in more than one year	58.0	74.4

On 3 August 2022, the Group entered into an Amendment and Restatement Agreement ("ARA") with its banking syndicate which amended its existing US\$120m RCF maturing on 10 February 2024, to a US\$220m RCF Facility maturing on 3 August 2026 with an option to extend maturity to 3 August 2027. During the year ended 30 September 2024, the Group exercised this option to extend maturity and a final extended maturity date of 6 August 2027 was agreed.

Under the terms of the ARA, the Group's interest margin over the Secured Overnight Financing Rate ("SOFR") or Sterling Overnight Index Average ("SONIA") reference interest rate ranges from 95bps to 195bps and is dependent on the Group's net leverage. Commitment fees are payable on all committed, undrawn funds at 35% of the applicable interest margin. The ARA also contains a US\$100m uncommitted accordion facility.

On 3 August 2024, the Group exercised its option to extend the maturity of its US\$220m Revolving Credit Facility by one year, moving the loan's maturity date from August 6, 2026, to August 6, 2027. The terms of the facility, including the interest rate, remained unchanged. This extension did not qualify as a significant loan modification under IFRS 9.

There were no extensions or any other changes made to the Group's ARA during the year ended 30 September 2025.

All transaction costs incurred in amending and re-stating the RCF have been capitalised and are being amortised over the extended maturity period of the facility on a straight-line basis. Currently all Group borrowings under the RCF are denominated in Sterling.

10. Trade and other payables

	2025 £m	2024 £m
Amounts owed to Group undertakings	97.1	11.9
Other taxes and social security costs	0.1	0.1
Other payables	0.1	(0.3)
Accruals	1.5	0.9
Corporation Tax Payable	2.6	1.6
Total other creditors	101.4	14.2
Trade creditors	0.9	0.8
Amounts due within one year	102.3	15.0

Included in amounts owed to Group undertakings is a £23.5m inclusive of interest (2024: £7.3m) loan drawn down, from an available US\$50.0m facility agreement. Interest is charged at a rate of 1.55% per annum above the Federal Reserve System. The loan is repayable on demand.

Also included in amounts owed to Group undertakings is £35.3m inclusive of interest (2024: £28.2m), representing loans with subsidiary undertakings which are unsecured, interest bearing and repayable on demand.

Remaining amounts owed to Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Notes to the parent company financial statements continued

11. Share capital, reserves and share-based payments

Details of the share capital of the Parent Company can be found in Note 21 of the Group's financial statements.

Details of the dividend payments within the year can be found in Note 10 of the Group's financial statements.

During 2025, the total share-based payment charge amounted to £4.3m (2024: £2.9m). The Company has taken the exemption available under FRS101 available in respect of disclosures relating to IFRS 2 share-based payments in respect of Group settled payments. For details of the Group's share-based payment transactions, see Note 22 of the Group Financial Statements. Most share-based payments are equity settled by the Parent Company.

Included within retained earnings are £184.6m relating to gain recognised on a cash-box structure utilised as part of the Moravia acquisition. These amounts are not currently distributable.

12. Guarantees and other financial commitments

In respect of overdraft facilities, the Parent Company, together with certain subsidiary undertakings, has given to the Group's principal bankers cross-guarantees secured by fixed and floating charges over the assets of the Group. At the end of the year, liabilities covered by these guarantees amounted to £nil (2024: £nil).

The Group's RCF, to which the Parent Company is a borrower, is secured by guarantees provided by the material subsidiaries of the Parent Company's subsidiary undertakings.

13. Post balance sheet events

Subsequent to the year end, the Group refinanced its revolving credit facility, increasing the available commitment from US\$220m to US\$285m and extending the maturity to October 2029. This change does not impact the Group's financial position at 30 September 2025.

There are no other significant post balance sheet events.

Alternative performance measures

RWS uses adjusted results as a key performance indicator, as the Directors believe that these provide a more consistent measure of the Group's operating performance. Adjusted profit is therefore stated before charging amortisation of acquired intangibles, impairments of other assets considered material and one off in nature, acquisition costs, share-based payment expense and exceptional items. The table below reconciles the statutory profit before tax to the adjusted profit before tax.

Reconciliation of statutory profit before tax to adjusted profit before tax:	2025 £m	2024 £m
Statutory (loss)/profit before tax	(99.7)	60.0
Amortisation of acquired intangibles	40.3	40.8
Impairment losses (Note 12,13,14)	88.0	22.2
Acquisition costs	5.1	7.2
Share-based payment expense	4.3	2.9
Profit on sale of PatBase	-	(30.0)
Exceptional items (Note 6)	22.2	3.4
Exceptional finance costs (Note 8)	0.2	0.2
Adjusted profit before tax	60.4	106.7

Reconciliation of adjusted operating profit to statutory operating profit:	2025 £m	2024 £m
Adjusted operating profit	66.1	112.3
Amortisation of acquired intangibles	(40.3)	(40.8)
Impairment losses (Note 12,13,14)	(88.0)	(22.2)
Acquisition costs	(5.1)	(7.2)
Share-based payment expense	(4.3)	(2.9)
Exceptional items (Note 6)	(22.2)	26.6
Statutory operating (loss)/ profit	(93.8)	65.8

Cash conversion:

	2025 £m	2024 £m
Adjusted profit before tax	60.4	106.7
Adjusted tax charge	(15.7)	(26.6)
Adjusted net income	44.7	80.1
Net cash inflow from operating activities	68.8	75.3
Exceptional cash flows	25.7	21.6
Purchase of PPE	(3.4)	(2.6)
Purchase of intangibles	(22.2)	(40.5)
Net interest	(4.2)	(3.7)
Lease liability payments	(8.6)	(9.5)
Free cash flow	56.1	40.6
Cash conversion	126%	51%

Operational free cash flow:

	2025 £m	2024 £m
Adjusted EBITDA	100.8	140.7
Change in working capital	13.5	(33.0)
Lease payments	(8.6)	(9.5)
Capital expenditure	(25.6)	(43.1)
Operational free cash flow	80.1	55.1

Organic revenue

Organic revenue is calculated by adjusting the prior year's revenues. This involves adding the revenues from acquisitions during the corresponding ownership period and subtracting the revenues from disposal during the same period such that prior year results are prepared on a common basis with the current year.

	2024 Reported revenue	2024 Patbase revenue at FY24 rates ¹	2024 Organic revenue	2025 Organic revenue growth/(loss)	2025 Organic revenue	2025 Organic revenue growth/ (loss) %
IP Services	102.3	(4.2)	98.1	(1.6)	96.5	(2%)
Regulated Industries	146.5	-	146.5	(18.0)	128.5	(12%)
Language Services	327.1	-	327.1	(0.4)	326.7	0%
Language & Content Technology	142.3	-	142.3	(3.9)	138.4	(3%)
Total	718.2	(4.2)	714.0	(23.9)	690.1	(3%)

¹ Excludes PatBase pre-divestment operating results

Organic revenue at constant currency

Organic revenue at constant exchange rates is calculated by adjusting the prior year's revenues. This involves adding the revenues from acquisitions during the corresponding ownership period and subtracting the revenues from disposal during the same period such that prior year results are prepared on a common basis with the current year, and applying the 2025 foreign exchange rates to both years.

	2024 Revenue at FY25 rates	2024 Patbase revenue at FY24 rates ¹	2024 Organic revenue at constant exchange rates	2025 Revenue growth	2025 Organic revenue	Organic constant currency revenue growth
IP Services	100.6	(4.2)	96.4	0.1	96.5	0%
Regulated Industries	143.0	-	143.0	(14.5)	128.5	(10%)
Language Services	316.7	-	316.7	10.0	326.7	3%
Language & Content Technology	138.6	-	138.6	(0.2)	138.4	0%
Total	698.9	(4.2)	694.7	(4.6)	690.1	(1%)

¹ Excludes PatBase pre-divestment operating results

Adjusted operating profit

Adjusted operating profit is calculated by adjusting operating profit for the impact of exceptional items, amortisation acquired intangibles, impairments of other assets considered material and one off in nature, and share-based payments. This is further analysed in Note 4 and labelled as 'Operating profit/(loss) before charging'.

Glossary.

Adjusted earnings per share or Adjusted EPS – is stated before charging amortisation of acquired intangibles, impairments of other assets considered material and one off in nature, acquisition costs, share-based payment expense and exceptional items, net of associated tax effects.

Adjusted net income – is calculated as profit for the year adjusted for amortisation of acquired intangibles, impairments of other assets considered material and one off in nature, acquisition costs, share-based payment expense and exceptional items.

Adjusted operating cash flow – is operating cash flow excluding the impact of acquisition costs and exceptional items.

Adjusted operating profit – is operating profit before charging amortisation of acquired intangibles, impairments of other assets considered material and one off in nature, acquisition costs, share-based payment expense and exceptional items. The Group uses share-based payments as part of remuneration to align the interests of senior management and employees with shareholders. These are non-cash charges and the charge is based on the Group's share price which can change. These costs are therefore added back to assist with the understanding of the underlying trading performance.

Adjusted profit before tax or Adjusted PBT – is stated before amortisation of acquired intangibles, impairments of other assets considered material and one off in nature, acquisition costs, share-based payment expense and exceptional items.

Amortisation of acquired intangibles – is the value of amortisation recognised on intangibles that were acquired as part of business combinations, net of the amortisation on those intangibles charged by the underlying business. This is reconciled to total amortisation as part of Note 13 in the financial statements.

Free cash flow – is the net cash inflow from operating activities before exceptional cash flows, less purchases of fixed assets, net interest paid and lease liabilities.

Operational Free cash flow – is the adjusted EBITDA plus change in working capital less lease payments and capex.

Cash conversion – is the free cash flow before exceptional cash flows, divided by adjusted net income.

Constant currency – constant currency measures apply consistent rates for foreign exchange to remove the impact of currency movements in financial performance.

EBITDA – is defined as the Group's profit before interest, tax, depreciation and amortisation.

Adjusted EBITDA – is EBITDA before impairment, amortisation and depreciation, exceptional items and share-based payment expenses.

Net debt – net debt is calculated by taking the Group's cash balance less any amounts under loans, borrowings and lease liabilities. The Group presents net debt both including and excluding the impact of lease liabilities as part of Note 16.

Organic – organic measures include pre-acquisition results of acquired businesses and exclude revenues from disposals during the same period such that prior year results are prepared on a common basis with the current year.

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