

# Directors' remuneration report: introduction from the Chair



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

**Holly Van Deursen**  
Remuneration Committee Chair

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

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

## 2025 performance

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

## 2025 incentive outcomes

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

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

## Annual bonus

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

## Directors' remuneration report continued

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

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

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

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

### Performance Share Plan (PSP)

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

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

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

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

### Directors' remuneration policy

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

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

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

### Performance measures for 2026 incentives

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

#### Annual bonus

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

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

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

Directors' remuneration report continued

## PSP

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

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

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

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

## Wider workforce reward

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

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

## Committee changes

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

## Looking ahead

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

### Holly Van Deursen

Remuneration Committee Chair

30 April 2026

# Remuneration at a glance

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

## Policy for Executive Directors

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

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

### Remuneration type

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

### Base salary

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

Michael Willome £740,810

Lily Liu £501,471

### Benefits

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

### Pension

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

### Annual bonus (audited)

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

<b>20%</b> of maximum for threshold	<b>50%</b> of maximum for target performance	<b>100%</b> of maximum for out-performance.
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The Committee determines performance against strategic individual objectives in the round, taking into account performance against objectives set and each executive's overall contribution. A proportion of the bonus earned is deferred into shares for two years, until the shareholding requirement is reached. For current Executive Directors, this is one third of any bonus.

### Performance Share Plan (PSP)

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

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

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

### Shareholding requirements

CEO 220% and CFO 200% of base salary.

Requirements expected to be built up over five years.

Remuneration at a glance continued

## Incentive outturns

### Annual bonus

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

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

### PSP 2023 award

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

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

## Our key principles for Executive Directors' remuneration

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

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

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

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

# Proposed new remuneration policy

## Summary of proposed changes to the Directors' remuneration policy

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

## Setting out the Directors' remuneration policy for 2026

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

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

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

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

Proposed new remuneration policy continued

## The proposed policy in detail

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

## Proposed new remuneration policy continued

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

## Proposed new remuneration policy continued

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

## Proposed new remuneration policy continued

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

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

## Proposed new remuneration policy continued

**Applying the policy**

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

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

Awards granted under the PSP may:

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

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

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

**Performance measures and targets****Annual bonus**

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

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

**Performance Share Plan**

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

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

## Proposed new remuneration policy continued

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

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

#### Difference in policy for Executive Directors and other employees

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

#### Non-Executive Directors' fees

##### Non-Executive Directors' fees

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

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

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

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

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

##### Chair's fees

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

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

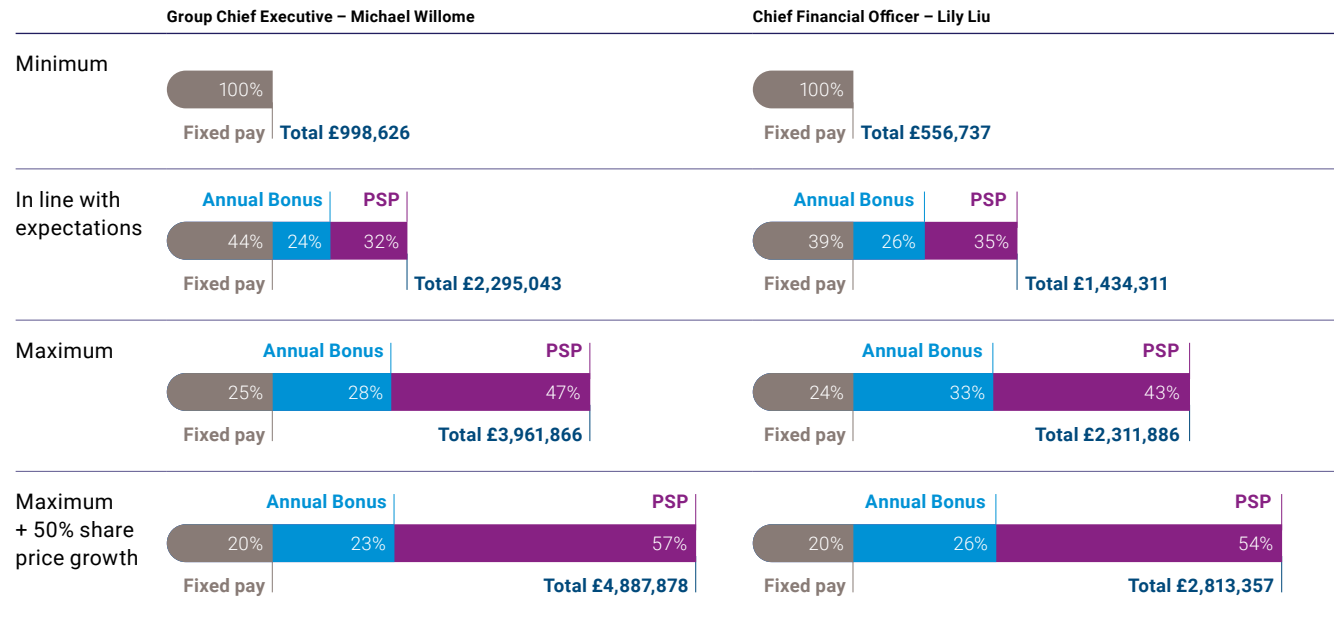
The Chair does not participate in incentive arrangements or receive pension or benefits. Non-significant additional benefits may be introduced if considered appropriate.

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

Proposed new remuneration policy continued

## How we would apply the proposed policy

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



### Fixed

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

### Variable

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

<sup>1</sup> Value of cash supplement for 2026.

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

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

<sup>4</sup> Being 50% of the primary award and 0% of the additional award.

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

Proposed new remuneration policy continued

## Recruitment policy

### Executive Directors

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

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

### Other

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

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

### Non-Executive Directors and Chairs

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

### Service contracts

The current contracts in place for Executive Directors are:

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

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

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

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

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

### Policy on payment for loss of office

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

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

## Proposed new remuneration policy continued

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

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

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

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

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

# Annual report on remuneration

## Single figure of remuneration for Executive Directors (audited)

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

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

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

## Additional information for single figure remuneration (audited)

### Benefits

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

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

### Pension entitlements (audited)

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

Annual report on remuneration continued

## Annual bonus (audited)

### 2025 award

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

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

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

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

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

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

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

#### 1. EBITDA (60%)

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

<sup>1</sup> The original targets were adjusted to reflect the sale of William Blythe.

#### 2. Operating Cash (20%)

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

#### 3. SHE (10%)

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

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

Annual report on remuneration continued

#### 4. Individual strategic and operational goals (10%)

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

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

Annual report on remuneration continued

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

Annual report on remuneration continued

### Additional information for single figure remuneration (audited)

#### Long-term incentives – PSP

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

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

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

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

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

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

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

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

<sup>1</sup> Adjusted for the share consolidation and rights issue.

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

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

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

<sup>1</sup> Adjusted for the share consolidation and rights issue.

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

Annual report on remuneration continued

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

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

1 Stepped down from the Board on 1 January 2025.

2 Stepped down from the Board on 1 May 2025.

3 Stepped down from the Board on 12 December 2025.

4 Stepped down from the Board on 12 December 2025.

5 Appointed as Chair from 1 January 2025.

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

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

Annual report on remuneration continued

## Directors' shareholding and share interests (audited)

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

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

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

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

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

Annual report on remuneration continued

### 2025 awards (audited)

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

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

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

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

#### Primary award

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

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

#### Additional award

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

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

Annual report on remuneration continued

### Operation of the Executive Director remuneration policy for 2026

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

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

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

Annual report on remuneration continued

### Payments to past directors (audited)

There were no payments made to past Directors in 2025.

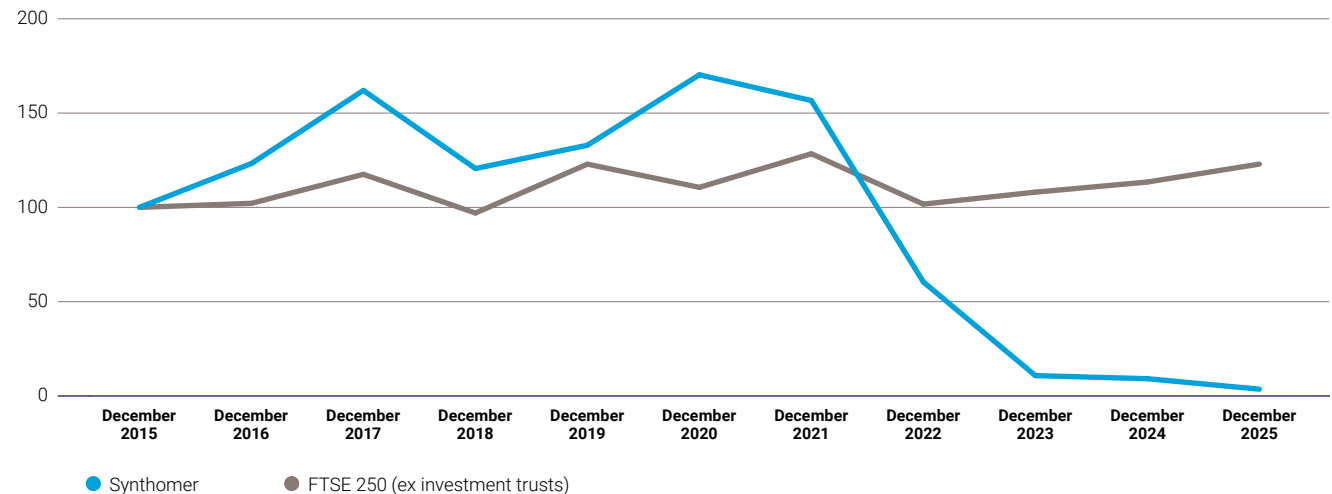
### Payments for loss of office (audited)

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

### Performance graph and table

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

#### TSR chart



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

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

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

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

Annual report on remuneration continued

### CEO pay ratio

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

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

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

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

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

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

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

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

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

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

Annual report on remuneration continued

### Percentage change in remuneration of the Directors and employees

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

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

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

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

3 M Flöel joined the Board in 2023.

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

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

### Relative importance of spend on pay

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

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

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

Annual report on remuneration continued

### External appointments

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

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

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

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

### Remuneration Committee

Remuneration Committee membership during 2025:

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HA Van Deursen (Chair)

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RC Gualdoni

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I Tyler

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M Flöel

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J Ashdown (from July 2025)

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J Silver (from July 2025)

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Attendance at Committee meetings is set out on page 77.

### Key duties of the Committee

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

### Advisers

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

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

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

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

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

### Statement of voting at the Annual General Meeting

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

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

By order of the Board

### Anant Prakash

Company Secretary

30 April 2026