

## Directors' Remuneration report

ALISON WOOD  
Chair



### Committee membership:

Alison Wood (Chair), Neil Carson, Nigel Sheinwald, Hannah Nichols and Rowena Innocent.

### Key responsibilities of the Committee:

- Determining the Policy for Executive Directors and senior leadership.
- Considering and determining the components and total remuneration packages for the Executive Directors.
- Determining the Policy for pension arrangements, service agreements, recruitment terms and termination payments for Executive Directors.
- Designing effective performance-related incentive plans aligned, for Executive Directors and senior leaders, to the business strategy and the wider workforce.
- Approving the structure and targets for all performance-related remuneration plans for executives as well as the overall payments made under such plans.
- Reviewing and noting Policy and trends across the Group and considering the Executive Directors' remuneration within this context.

### Dear Shareholder,

I am pleased to introduce the Directors' Remuneration Report for the year ended 31 March 2026. The report sets out our remuneration strategy, together with the key activities and decisions made by the Remuneration Committee during the year.

The report is presented in the following sections:

- My annual statement as Chair, summarising the work of the Committee during the year.
- At-a-glance summaries of the key remuneration outcomes for the year, and proposed Executive Director remuneration for 2026/27.
- The future Directors' Remuneration Policy, to be proposed to shareholders at the 2026 AGM (the 'new Policy' or the '2026/27 Policy').
- The Annual Report on Remuneration, detailing the remuneration outcomes for the year ended 31 March 2026 and the implementation of the Policy for the year ahead. The current Policy operated as intended during the year with no changes and the Committee did not exercise discretion.

### Business context

The Group delivered a strong second half, with full-year performance slightly ahead of expectations despite significant disruption arising from a challenging geopolitical environment.

Underlying operating margin increased by 150 basis points, driven by strategic actions, operational efficiencies and cost reductions. Adjusted operating profit was £73.7m, following significant improvement in the second half ending down 1.6% on an organic constant currency basis, while adjusted earnings per share was 100.7p.

The year also saw meaningful strategic progress. Our simplified operating model, stronger commercial execution and operational excellence transformation have helped the business deliver resilient performance in a demanding external environment.

The divestment of NanoScience, completion of the UK defined benefit pension buy in, and extension of our share buyback programme were important milestones that further enhanced our financial flexibility, supporting our capital allocation priorities and sharpened our strategic focus. The divestment generated £42.4m of net cash, supported margin improvements and delivered significant shareholder value, with the share price increasing by 61% from announcement to the date of this report, compared with 8% growth in the FTSE 250 Index over the same period.

The Group exited the year with good momentum across structurally growing markets, a strong order book and a robust balance sheet. In Imaging & Analysis, new product innovation is further consolidating our technological lead and expanding commercial market opportunities. In Advanced Technology, our market-leading and differentiated technology positions us well to capture attractive market share opportunities and deliver sustainable profitable growth.

Against this backdrop, the Committee has proactively reviewed the executive remuneration framework to ensure it supports the next phase of the Group's strategy, centred on attractive organic growth and margin progression, and continues to align leadership with the principles of long-term value creation and shareholder outcomes.

## Directors' Remuneration report continued

### Operation of the Remuneration Policy in 2025/26 and incentive plan outcomes

#### Annual Bonus

The outcome for the 2025/26 annual bonus scheme was based on a combination of profit before tax (50%), adjusted operating profit margin (16.7%), cash conversion (16.7%) and non-financial strategic objectives (16.7%).

Against the stretching financial performance targets set, profit before tax was between threshold and target, operating profit margin achieved the maximum target and cash conversion was between target and maximum. Overall, this resulted in a payout, relating to the financial elements of the scheme, of 65.3% of salary for the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO), out of the maximum opportunity of 150% of salary.

The non-financial strategic targets were based on (i) evolution of the business portfolio, and (ii) progress of our operational transformation programme. The CFO had a further objective in respect to the future ERP strategy. Having considered each element carefully, we determined achievement of 25% out of 25% of base salary opportunity for the CEO and 20% out of 25% of base salary opportunity for the CFO. The overall bonus achieved was therefore 90.3% and 85.3% of salary for the CEO and CFO respectively. One-third of the annual bonus will be paid in shares, which must be retained for three years. The former CFO also received a pro-rata award for the period of the year worked based wholly on financial performance in accordance with the exit arrangement. Details of the awards are included on page 158.

#### Vesting of LTIP awards made in 2023

Awards granted in 2023 under the Long-Term Incentive Plan (LTIP) to the CEO and the former CFO were based on Earnings Per Share (EPS) (30%), Return on Capital Employed (ROCE) (30%), Total Shareholder Return (TSR) (25%) and sustainability-related measures (15%).

Over the three-year period to 31 March 2026, EPS growth was slightly ahead of the threshold performance target. In the final year of the performance period, ROCE was midway between the threshold and maximum performance targets. TSR, whilst positive, was slightly below the median rank for threshold vesting. Performance against the sustainability measures was strong, achieving the maximum performance targets. As a result of this performance, the 2023 LTIP grant will vest at 42.8% overall. A two-year holding period applies to the vested award. The current Chief Financial Officer did not participate in this award.

The Committee believes that the variable pay outcomes provide a robust link between reward and performance, as well as alignment with investor returns. We are satisfied that the Policy has operated as intended and the remuneration outcomes are appropriate, considering the relativities between outcomes for employees and Executive Directors, and the wider stakeholder experience as set out above.

#### Committee decision making

The Committee has consistently received strong shareholder support, reflecting our disciplined approach to remuneration design and outcomes. We have aspired to position remuneration at mid-market levels, ensuring a competitive position while avoiding excess. When the current Policy was approved in 2023, with 98% of shareholder votes, we took steps to modernise our framework and strengthen our ability to attract, retain and motivate high-calibre leadership in a responsible and transparent way.

Throughout my tenure as Committee Chair, we have maintained a clear and consistent link between pay and performance. We have not applied upward discretion and hold a high bar for the application of judgement in ensuring that incentive outcomes are fair, reflective of the performance delivered and aligned with shareholder interests.

This discipline is central to upholding the integrity of our remuneration framework and the trust placed in us by shareholders.

Remuneration continues to play an important role in supporting the long-term sustainability of the Group and aligning leadership with the delivery of long-term shareholder value.

#### Reviewing and strengthening our Remuneration Policy

This year, the Committee undertook a comprehensive review of the Remuneration Policy to ensure that it remains fit for purpose and fully aligned with the company's strategic priorities over the next three years.

The review was conducted against a backdrop of a fully established leadership team, a stabilised business, and a clearly defined next phase of our strategy. Over the last three years, the Policy has successfully supported the transition of both the CEO and CFO and has underpinned strong strategic progress.

While the current Policy has enabled the company to attract key executive talent, market benchmarking shows that CEO remuneration has now fallen below mid-market levels and that existing incentive opportunities are operating at their maximum permitted levels.

#### Engagement and governance

The Committee received advice from its independent Remuneration Adviser and undertook extensive engagement with the company's largest shareholders and proxy advisory bodies as part of the review process. Feedback from this engagement played a critical role in shaping proposed changes and refining the implementation of the Policy for 2026/27 and beyond.

## Directors' Remuneration report continued

The Committee believes that this engagement has strengthened the alignment between the interests of shareholders and the proposed remuneration framework.

### Linking reward to strategy and shareholder value

The Committee considers that executive remuneration should be closely aligned with the delivery of long-term shareholder value. As the company's strategy increasingly focuses on organic growth, margin progression and value creation opportunities, the Committee believes there is a clear opportunity to deliver enhanced long-term shareholder value and to further strengthen the connection between executive reward outcomes and strategic delivery.

We continue to believe that performance and value creation are best assessed using a range of measures that reflect both financial outcomes and the overall shareholder experience. Retaining and motivating our Executive Directors remains critical to translating the strong platform they have established into sustained long-term value creation.

### Remuneration structure

As part of the Policy review, the Committee revisited its core remuneration principles to confirm that they remain appropriate for the company's next phase of development. While alternative remuneration structures were considered, including hybrid share plans combining performance-based and time-based restricted shares, we ruled them out. These alternatives were considered overly complex and risked diluting the strong link between pay and performance.

The Committee therefore reaffirmed that remuneration arrangements should be simple, transparent and performance-driven, with a clear emphasis on long-term outcomes and alignment with shareholder interests.

We believe that the combination of an annual bonus and a performance-based long-term incentive plan remains the most effective approach to motivate executives, promote retention within senior leadership and support delivery of our strategy over the long term.

The Committee is satisfied that the existing remuneration framework aligns with recognised best practice and good governance principles. Annual bonuses are subject to deferral, and the LTIP has a three-year performance period followed by a two-year holding period post-vesting. In addition, minimum shareholding guidelines apply both during employment and following cessation of employment.

To support our strategic ambitions, the remuneration framework must remain market-competitive, reinforce alignment with shareholder value creation through strategic delivery, and provide appropriate opportunities for exceptional rewards when exceptional performance is delivered.

### Incentive opportunity

The primary enhancement under the new Policy relates to the LTIP maximum opportunity. The Committee intends to retain the current typical annual award level for Executive Directors of 200% of base salary, while introducing discretion to grant awards of up to 300% of base salary where appropriate.

The Committee believes that this enhanced flexibility better supports the creation of excellent long-term shareholder value through the execution of our highly attractive strategy, while maintaining a clear link between exceptional performance and the opportunity for exceptional rewards.

Where award levels are above the typical annual award level of 200% of salary, the Committee will apply appropriately higher levels of performance stretch when setting LTIP performance targets. This approach ensures that any additional compensation is directly linked to exceptional outperformance and the shareholder experience, demonstrating our continued commitment to robust pay-for-performance principles.

To facilitate this change, an additional resolution will be proposed at the 2026 AGM to amend the individual limit in the LTIP rules from 200% of salary to align to the limit in the Remuneration Policy, 300% of salary for this policy period.

The Annual Bonus structure will remain unchanged in terms of overall maximum opportunity, which will continue to be capped at 150% of salary, with an on-target award level at 75% of salary. However, to introduce greater flexibility and ensure appropriate incentivisation, the bonus payable for achieving the threshold performance target has been increased from up to 10% of the maximum bonus opportunity to up to 20% of the maximum.

## Directors' Remuneration report continued

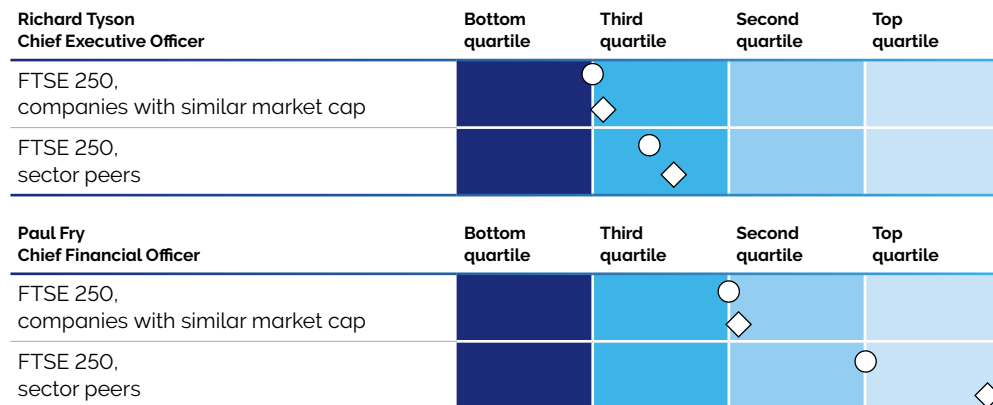
### Operation of the Remuneration Policy in 2026/27

#### Base salary

As part of our holistic review of executive remuneration, we periodically review the competitive position of Director pay. The Committee considers market practice from a range of perspectives to ensure a fair and balanced approach:

- Market capitalisation: A peer group comprising the 20 companies ranked above and below Oxford Instruments based on market capitalisation, consisting of FTSE 250 constituents.
- Sector peers: A peer group comprising of eight companies operating in the same or similar sectors to Oxford Instruments and of a broadly similar structure, complexity and size in terms of market capitalisation.

CEO remuneration, since appointment in October 2023, has fallen toward lower quartile benchmarks as a result of a lower base salary position. CFO remuneration is competitively positioned. The following chart shows the relative position of 2025/26 target and maximum total compensation for the Executive Directors.



○ Positioning of *current target* total remuneration relative to market benchmarks.

◇ Positioning of *current maximum* total remuneration relative to market benchmarks.

Note: Sector peers include; Morgan Advanced Materials plc, Avon Technologies plc, Senior plc, Vesuvius plc, Bodycote plc, Chemring Group plc, Renishaw plc, Rotork plc.

Given the aim of the Policy review is to ensure that our remuneration packages enable us to attract and retain the very best talent, the CEO base salary should be adjusted to a fair and appropriately competitive level reflecting Richard's strong sustained performance in role since appointment.

In finalising Executive Director salary adjustments, we reviewed the recommendations regarding base salary increases for employees where the average salary increase across the UK workforce is expected to be 3.5%. Following shareholder consultation, supportive feedback and the changes to the Policy, the Committee concluded it is appropriate to adjust the CEO salary by a further 4.5% beyond the average UK workforce increase (a total increase of 8%). The CEO salary will therefore increase from £601,778 to £650,000. Following this increase, target total remuneration will be competitively positioned relative to the sector group but will remain below mid-market capitalisation benchmarks. The salary of the CFO will be increased by 3.5% in line with the UK workforce from £471,500 to £488,003.

#### Annual bonus

The annual bonus maximum opportunity will remain at 150% of salary. Performance will continue to be assessed against the same measures, with simplified weightings: profit (40%), cash conversion (20%), adjusted operating profit margin (20%) and strategic objectives (20%). One-third of any bonus payable will be delivered in shares, which must be held for three years.

#### Long-Term Incentive Award

The Committee believes there is now a clear opportunity to strengthen the alignment of our Executive Directors with the delivery of sustained, long-term shareholder value. The 2026 awards under the LTIP will therefore be set at 300% of salary for the CEO and CFO. The award will comprise two elements: (i) a Core award of 200% of salary, and (ii) a Strategic Stretch award of an additional 100% of salary, designed to reward truly exceptional performance.

The Core award will retain the same broad mix of performance measures used in the previous three years, to provide a rounded overall assessment of performance. The measures will therefore be EPS (30%), ROCE (30%), TSR (25%) and a sustainability-related measure (15%).

EPS performance will be calculated by using fixed foreign exchange rates to calculate the profit for the currencies of the major trading countries to whom we export. With more than 95% of our sales overseas, the company's financial performance is unusually impacted by movements in exchange rates and significant currency volatility can weaken the effectiveness of the incentive.

The EPS measure will require compound annual growth of between 5% and 11% over three years and the ROCE measure will be based on a target range of 26% to 30% in 2028/29. TSR will be measured relative to the companies comprising the FTSE 250 Index excluding Investment Trusts, financial services and commodities, requiring median performance for threshold vesting and upper quartile for maximum vesting.

## Directors' Remuneration report continued

### Long-Term Incentive Award continued

The sustainability target will require reduction in absolute Scope 1 and 2 market-based carbon emissions in 2028/29 by 45% (threshold) to 70% (maximum) from the FY24 baseline to drive achievement of net zero in our own operations by 2030.

The Strategic Stretch award will be based on two equally weighted financial performance measures, EPS and AOP margin, reflecting their critical role in driving exceptional organic growth through sustained improvements in profitability and earnings strength. The Committee considers this focus to be central to the delivery of material and sustained shareholder value, by strengthening earnings, enabling disciplined reinvestment to accelerate growth, and increasing the company's capacity to deliver enhanced returns to shareholders. The EPS performance range will be extended from the maximum 11% compound annual growth target under the Core award to 15% over the same three years. AOP margin will be based on a target range of 18.5% to 20% in FY29, mirroring the requirement for the delivery of exceptional performance. Both measures under the Strategic Stretch award will be assessed on a constant currency basis. The EPS stretch target equates to 50%+ growth over the three-year period. The adjusted operating profit margin target aligns with our mid-term aspiration at the top end and sustained stretching margin progression at entry. In setting the margin targets, the Committee was mindful not to set the entry target at a level that may prevent the investment needed to drive long-term sustainable top-line and bottom-line growth beyond the three-year performance period.

A majority of consulted shareholders agreed that these measures are critical to both driving and unlocking sustainable and exceptional long-term shareholder value. The Committee is mindful of the trust placed in it and, before confirming any vesting outcomes under the Strategic Stretch award, will undertake a holistic assessment of performance over the period and the shareholder experience. In particular, the Committee shall consider total shareholder return (TSR), EPS growth in the context of AOP margin growth, and the sustainability and quality of earnings. Where the Committee considers that the formulaic level of vesting under the Strategic Stretch element does not appropriately reflect performance and is not aligned with the long-term interests of shareholders, it may exercise its discretion to adjust the formulaic outcome.

We believe this change provides an appropriate level of incentivisation for the effort required to deliver sustained exceptional performance. The Committee expects further opportunities to deliver exceptional performance over the Policy period and therefore intends to grant LTIP awards to the Executive Directors in 2027 of up to 300% of salary.

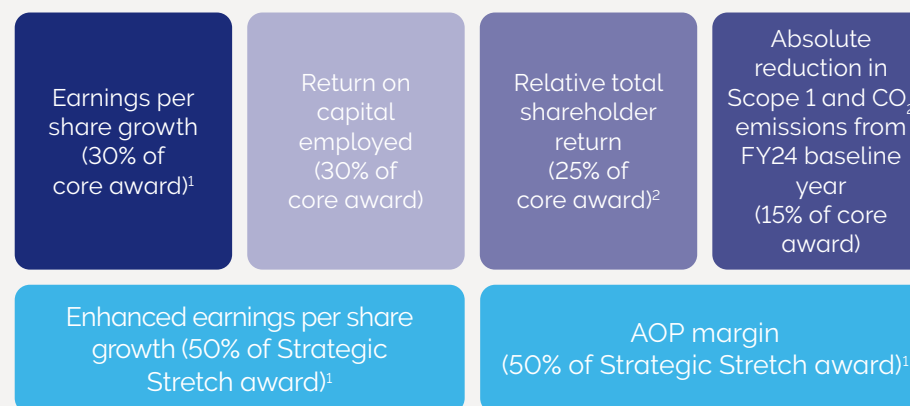
The Committee will determine, ahead of the 2027 awards and thereafter, whether such an award level remains appropriate and in shareholders' interests.

### 2026/27 Variable pay

Annual bonus opportunity: 150% of salary, 75% of salary at target



LTIP opportunity: 300% of salary  
(Core award: 200%, Strategic Stretch award: 100% of salary)



Notes:

1 Assessed at constant currency.

2 Relative TSR compared to the FTSE 250 excluding Investment Trusts, Financial Services and Commodities.

## Directors' Remuneration report continued

### Importance of shareholder feedback

The Committee is committed to ongoing dialogue with shareholders and institutional advisory bodies on remuneration matters and it welcomes feedback as it helps to inform decision making.

The Committee takes an active interest in voting and feedback on Annual General Meeting resolutions on remuneration matters and is pleased with the high level of support received historically for its Annual Reports on Remuneration and Remuneration Policy renewals.

The Committee has actively engaged with major shareholders and investor bodies concerning the proposed changes to the Remuneration Policy, and the implementation of the Policy in 2026/27 and beyond. We received feedback from a large proportion of investors and representative bodies, the majority were supportive of our aims, positively tested our thinking and improved our plans for Executive Director remuneration. We are grateful for the constructive engagement on the proposed Directors' Remuneration Policy for FY27–29 and its implementation in the years ahead.

### Broader employee remuneration considerations

Our people are a key differentiating factor of our competitive advantage and are fundamental to delivering sustained shareholder value. The Committee seeks to ensure that the underlying principles which form the basis for decisions on Executive Directors' pay are consistent with those on which pay decisions for the rest of the workforce are taken.

During the year, the Committee reviewed an update on workforce remuneration, including the general salary increases, share schemes and incentives. These updates were taken into consideration in deciding the pay of Executive Directors and senior management. The Committee was pleased to see progress made to enhance the pay for performance culture and to improve employee share ownership.

Engagement and feedback from a broad cross-section of the senior leadership team directly informed refinements to both the short and long-term incentive arrangements, ensuring continued alignment with wider workforce practices.

Throughout the year, the Committee received regular updates and insights from the Chief HR Officer, and Committee members also met independently with a cross-section of employees as part of the annual Board engagement cycle. These discussions provided valuable, candid feedback on the company's remuneration policies and how they are experienced across the workforce.

### Non-Executive Directors' (NED) fees

Following a periodic review to ensure that NED fees appropriately reflect the time commitments of the roles, and support the attraction and retention of individuals with the experience and expertise required for a company of our size, scale and growth opportunity, fees are proposed to be increased to mid-market competitive levels. This results in an increase at a rate higher than that awarded to the wider UK workforce.

The NED base fee and chair fee are positioned at the lower quartile, the NED base fee will be increased from £60,608 to £68,000 and the Senior Independent Director/Committee Chair fee will be increased from £10,558 to £15,000. The Committee concluded that the Chair fee will increase in line with the UK workforce by 3.5% from £217,978 to £225,607.

### Committee performance review

During the year, an internal performance review of the effectiveness of the Committee was conducted as part of the wider review of the Board and the Board Committees. More information can be found on page 121. The review found that the Committee functions effectively.

### Conclusion

The Committee has carefully considered the new Policy, the remuneration outcomes for 2025/26 and the operation of the new Policy for 2026/27, to ensure strong alignment between executive remuneration and the experience of shareholders, employees and our wider stakeholders.

The Committee believes that the CEO salary increase is proportionate and reflects the sustained performance delivered since appointment, while supporting the positioning of typical annual remuneration at a more appropriate level relative to comparative mid-market benchmarks. The new Policy further reinforces the focus on long-term business performance and excellent value creation through the delivery of the strategy, with executive reward outcomes clearly aligned to the achievement of exceptional performance and sustainable shareholder returns.

We hope that you will be supportive of the annual advisory vote to approve the Annual Report on Remuneration, the binding vote to approve the new Policy and the vote to update our LTIP rules, at our AGM on 23 July 2026.

**ALISON WOOD**  
Chair of the Remuneration Committee

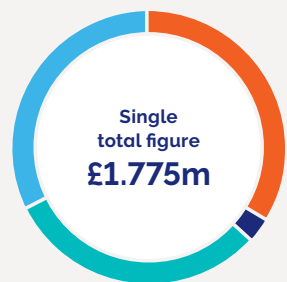
8 June 2026

## 2026 Remuneration at a glance

### Total remuneration in 2025/26

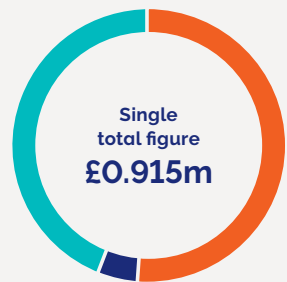
- Base salary
- Pension & benefits
- Annual bonus
- Long-term incentives

#### Chief Executive Officer Richard Tyson



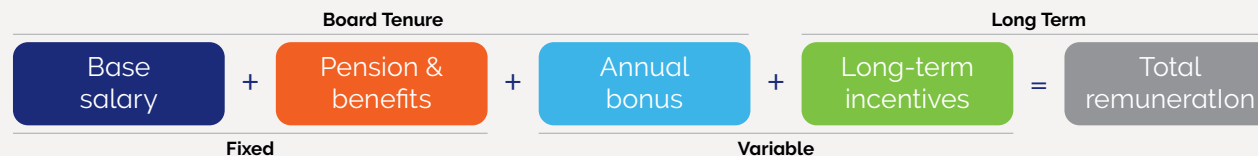
**36.9%**  
Fixed pay  
63.1%  
Variable pay

#### Chief Financial Officer Paul Fry



**56.0%**  
Fixed pay  
44.0%  
Variable pay

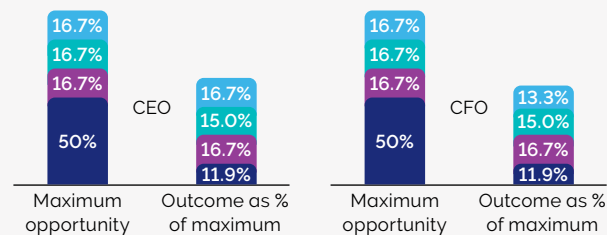
### Remuneration structure



### Variable remuneration outcomes in 2025/26 (CEO and CFO)

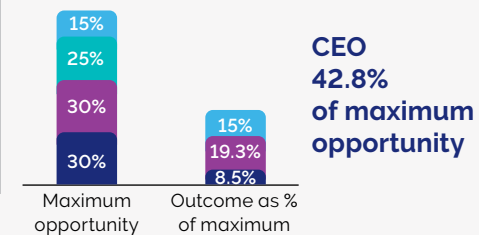
#### Annual bonus

- Profit before tax
- Cash conversion
- Adjusted operating profit margin
- Strategic objectives

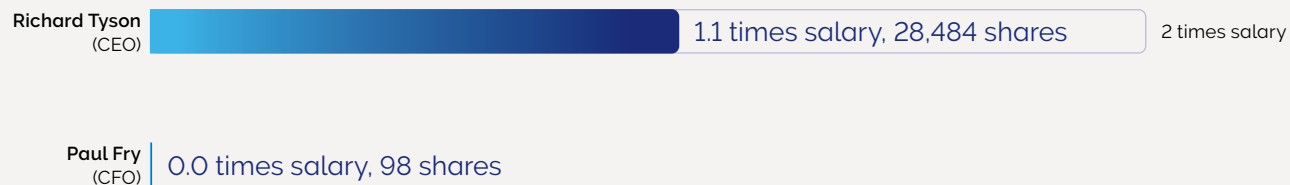


#### Long-term incentives

- EPS
- TSR
- ROCE
- Sustainability



### Share ownership



## Statement of Implementation of Remuneration policy in 2026/27

### Base salary

Richard Tyson (CEO):

**£650,000**

8% increase

UK wider workforce increase of 3.5%

Paul Fry (CFO):

**£488,003**

3.5% increase

### Pension

Richard Tyson (CEO):

**6%**

of base salary

Paul Fry (CFO):

**6%**

of base salary

### Benefits

Benefits package consisting of healthcare, insurances and car benefit

Benefits package consisting of healthcare, insurances and car benefit

### Annual bonus (maximum opportunity)

Richard Tyson (CEO):

**150%**

of base salary

Paul Fry (CFO):

**150%**

of base salary

Performance measure	Weighting
Profit	40%
Profit margin	20%
Cash Conversion	20%
Strategic Objectives	20%

- One-third of annual bonus deferred into shares for three years
- Strategic objectives focus on organic growth and margin progression
- Specific targets are considered to be commercially sensitive and will be disclosed retrospectively

### Long-term incentive (LTIP)

Richard Tyson (CEO):

**300%**

of base salary

Paul Fry (CFO):

**300%**

of base salary

Core award: 200% of salary, Performance measure	Weighting	Threshold	Maximum
EPS at constant currency (CAGR)	30%	5%	11%
ROCE	30%	26%	30%
TSR (FTSE250 excl. Investment Trusts, Financial Services & Commodities)	25%	Median	Upper quartile
Scope 1&2 CO <sub>2</sub> emission reduction over FY24 baseline	15%	45%	70%

Stretch award: 100% of salary, Performance measure	Weighting	Entry	Strategic Stretch
EPS at constant currency (CAGR)	50%	11.1%	15%
Profit margin at constant currency	50%	18.5%	20%

- 25% of the Core award vests at threshold. Stretch award vesting is subject to a holistic performance assessment and starts at 0% for entry performance
- Two-year post-vesting holding period applies

### Shareholding requirements

Executive Directors should build a minimum shareholding of 200% of salary, equivalent to the Core LTIP opportunity, and are required to hold shares equivalent to their full in-employment shareholding guideline, or actual holding if lower, for two years post-employment.

### Performance measures and link to strategy

Element	Outcome	Bonus	LTIP	
Financial KPIs	Attractive end markets	Profit	✓	
	Leading businesses	Profit margin	✓	
	Operational excellence	Return on capital employed	✓	
	Customer relationships	Cash flow conversion	✓	
		EPS growth		✓
Strategic & Non-financial KPIs	Purpose, values and Ways of Working	Scorecard of strategic measures key to Group and business performance	✓	
	High performance culture			
	Reach net zero	Scope 1 & 2 carbon emission reduction	✓	
	Invest behind growth	Relative total shareholder return	✓	

## Directors' Remuneration policy

This section of the Directors' Remuneration Report sets out the proposed Remuneration Policy for the company and has been prepared in accordance with Schedule 8 to the UK Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended), the Companies (Miscellaneous Reporting) Regulations 2018 (the 2018 regulations), the Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019 (the 2019 regulations) and the disclosure requirements set out in the Listing Rules of the UK Financial Conduct Authority. The policy has been developed taking into account the principles of the 2024 UK Corporate Governance Code.

This policy is subject to a binding shareholder vote at the 2026 AGM, from when it will take effect, and is intended to apply until the 2029 AGM and covers the financial years 2026/27, 2027/28 and 2028/29. The new Policy is set out in full on pages 149 to 155.

### 2026/27 Remuneration Policy changes

Element	Proposed changes to Policy	Rationale
Annual bonus	Bonus threshold	The bonus payable for achieving the threshold performance target has been increased from up to 10% of the maximum opportunity to up to 20% of the maximum.
Long-Term Incentive Plan	Opportunity	<p>The maximum award opportunity under the policy will increase from 200% to 300% of base salary:</p> <ul style="list-style-type: none"> <li>The normal award limit will remain 200% of base salary.</li> <li>This limit may be exceeded at the Committee's discretion up to 300% of salary.</li> </ul>
	Linked options	The ability for LTIP awards to be granted in conjunction with a tax-advantaged option (a Linked Option) will be removed.

### Policy review process

#### Scope of the review

- Remuneration Policy
- Implementation of the Policy over the next three years
- Full holistic review

#### Committee 1-2-1s

- Remuneration principles
- Market and governance developments
- Review of existing Policy
- Considerations to ensure remuneration remains fit for purpose
- Reviewing different remuneration structures

#### Draft proposals

- Review collective feedback and preferences
- Agree Policy requirements for the next three years
- Draft Policy changes
- Draft FY27 implementation of Policy

#### Stakeholder consultation

- Key shareholders
- Key shareholder advisory bodies
- OI leadership group

#### Finalise proposals

- Review stakeholder feedback
- Refined and improved proposals
- Approval of revised Policy
- Implementation of the Policy in the year ahead

## Directors' Remuneration Policy continued

### Policy overview

The company has a strategy focused on delivering significant shareholder value through sustained organic growth and margin progression. In support of this, the Committee aims to reward executives fairly and responsibly, with remuneration reflecting both Group performance and individual contribution. Ensuring that reward outcomes align with performance is essential for motivation, retention and the long-term success of the business.

The Committee carefully assesses incentives to ensure they are effective and do not create unintended consequences, including in relation to governance, environmental or social issues. More broadly, the Committee ensures that the overall Policy does not encourage inappropriate risk-taking and continues to promote sustainable value creation.

The Committee undertook a comprehensive review of the Policy during the year to ensure that it remains aligned with the company's strategy, supports long-term sustainable value creation and continues to reflect shareholder expectations and good practice. Furthermore, the Committee sought to ensure that the Policy provides sufficient flexibility to support opportunities to deliver exceptional long-term shareholder value.

### How the views of shareholders are taken into account

The Committee considered the guidelines issued by bodies representing institutional shareholders and feedback from shareholders on the Group's remuneration policies and practices. It also proactively consulted with our largest shareholders, representing 65% of the company, and a number of the shareholder adviser bodies, prior to finalising proposed changes to the current Remuneration Policy. Stakeholders were invited to provide any feedback they had and were offered the opportunity to discuss the proposals with the Committee Chair. The Committee was pleased with the high level of engagement. Feedback received was positive and has been instrumental in shaping the final proposals. The Committee took account of the views expressed and considered refinements to certain aspects of the Policy in response to the consultation process. The key themes and outcomes from the consultation are shown opposite:

Element	Feedback	Incorporation of feedback
Annual bonus deferral	Stakeholders expressed mixed views on reducing bonus deferral once Executive Directors have achieved their shareholding guideline.	Taking account of feedback on share ownership, the Committee concluded: <ul style="list-style-type: none"> <li>not to proceed with the proposal. Bonus deferral therefore remains unchanged, preserving ongoing share ownership and strong shareholder alignment; and</li> <li>that the existing 200% of salary guideline remains appropriate and aligned to the ongoing typical LTIP award level of 200%. The 2026 LTIP award at 300% is not intended to set a new annual level.</li> </ul>
Share ownership requirement	A limited number of shareholders noted that market practice often aligns Executive Director share ownership guidelines with the maximum LTIP opportunity.	

Feedback was also received on the implementation of the Policy in 2026/27, helping to test and refine proposals. The Committee thanks shareholders for their considered feedback and engagement.

The Committee is committed to shareholder consultation, and the Committee Chair will actively engage with shareholders on significant changes, giving careful consideration to their views, including feedback received prior to and during the Annual General Meeting.

### How the views of employees are taken into account

The Committee is provided with an overview of workforce remuneration each year and this was taken into consideration in deciding the pay of Executive Directors and senior management.

Although the Committee does not directly consult with employees on Directors' remuneration, the Committee does take into consideration the pay and employment conditions of all employees when setting the policy for Directors' remuneration.

In ensuring alignment of workforce pay practices and enabling feedback on Director pay proposals, a broad cross-section of the senior leadership team directly informed refinements to both the short and long-term incentive arrangements for the wider workforce for 2026/27.

Salary increases are normally in line with the general increase for the broader UK workforce, and pension contributions for Executive Directors are aligned to the level available for the majority of the UK workforce. The Committee is also mindful of any changes to the pay and benefit conditions for employees more generally when considering the policy for Directors' pay. When determining incentive outcomes, including whether discretion should be applied, the Committee also considers workforce pay and broader incentive outcomes.

## Directors' Remuneration Policy continued

### 2026/27 Remuneration Policy for Directors

The Policy represents an evolution rather than a wholesale change. It strengthens the alignment between Executives and shareholders, enhances the link to long-term performance, and ensures the company can continue to attract and retain the high-calibre leadership that are needed to deliver our strategic ambitions.

The following table summarises the key aspects of the Remuneration Policy for Executive Directors.

### Remuneration Policy

Element, purpose and link to strategy	Operation	Maximum opportunity
<b>Base salary</b>		
<ul style="list-style-type: none"> <li>To provide a competitive and appropriate level of basic fixed pay to recruit and retain executives of a suitable calibre for the roles and duties required.</li> <li>Set at a level to avoid excessive risk taking that might otherwise result from an overreliance on variable remuneration.</li> </ul>	<ul style="list-style-type: none"> <li>Normally reviewed annually with any increase usually effective 1 July.</li> <li>Takes account of experience, performance and responsibilities as well as the performance of the Company, the complexity of the role within the Group and salary increases for employees generally.</li> <li>Set with regard to market data for comparable positions in similar companies in terms of size, internationality, business model, structure and complexity, including within the industry.</li> <li>Pay rises typically aligned with or below that of the workforce.</li> </ul>	<ul style="list-style-type: none"> <li>There is no minimum or maximum annual increase.</li> <li>Higher increases than the average percentage for the workforce may be appropriate; for example, where an individual changes role or their responsibilities increase, where the complexity of the Group changes, where an individual is materially below market comparators or is appointed on a below market salary with the expectation that his/her salary will increase with experience and performance.</li> </ul>
<b>Benefits</b>		
<ul style="list-style-type: none"> <li>Provide market-competitive benefits.</li> </ul>	<ul style="list-style-type: none"> <li>Currently include, but are not limited to, the cost of: <ul style="list-style-type: none"> <li>life assurance;</li> <li>private medical insurance; and</li> <li>company car benefit (car, driver, car allowance, fuel); and/or overnight hotel accommodation where necessary to enable the executive to carry out his duties efficiently at the Head Office and other company sites.</li> </ul> </li> <li>Executive Directors are also eligible to receive long service awards in line with other employees.</li> <li>The benefits provided may be subject to amendment from time to time by the Committee within this Policy.</li> <li>Relocation costs and other incidental expenses may be provided as necessary and reasonable.</li> <li>Benefits are not part of pensionable earnings.</li> </ul>	<ul style="list-style-type: none"> <li>The value of benefits varies from year to year depending on the cost to the company and is not subject to a specific cap.</li> <li>Benefit costs are monitored and controlled and represent a small element of total remuneration costs.</li> </ul>

## Directors' Remuneration Policy continued

### Remuneration Policy continued

Element, purpose and link to strategy	Operation	Maximum opportunity
<b>Pension</b>		
<ul style="list-style-type: none"> <li>● Provide market-competitive benefits.</li> </ul>	<ul style="list-style-type: none"> <li>● Company contributions to a money purchase pension scheme and/or salary supplement.</li> </ul>	<ul style="list-style-type: none"> <li>● Pension contributions (or salary supplement in lieu) are aligned to the maximum employer contribution applying to the majority of the UK workforce, currently 6% of salary.</li> </ul>
<b>Annual bonus</b>		
<ul style="list-style-type: none"> <li>● To encourage and reward the successful delivery of the Group's short-term objectives.</li> <li>● Targets set at the start of the year with performance normally assessed over a one-year period.</li> </ul>	<ul style="list-style-type: none"> <li>● Performance targets based on the key performance indicators and strategic objectives of the business.</li> <li>● At least 70% of the bonus is based on financial metrics and the balance on non-financial/strategic metrics.</li> <li>● One-third of any bonus earned will be paid in shares, which are beneficially owned and which must be held by the Executive Director for at least three years.</li> <li>● The Committee may use discretion to override the result of any formula-driven bonus payment.</li> <li>● Clawback and malus provisions apply for misstatement, error, misconduct, corporate failure or reputational damage, or in other circumstances at the discretion of the Committee.</li> </ul>	<ul style="list-style-type: none"> <li>● Up to 30% of salary at year end payable for achieving threshold performance.</li> <li>● 75% of salary at year end payable at target performance.</li> <li>● 150% of salary at year end payable for maximum performance.</li> </ul>

## Directors' Remuneration Policy continued

### Remuneration Policy continued

Element, purpose and link to strategy	Operation	Maximum opportunity
<p><b>Long-Term Incentive Plan (LTIP)</b></p> <ul style="list-style-type: none"> <li>● To encourage and reward the successful delivery of the Group's long-term strategic objectives.</li> <li>● To align the Directors' interests with those of shareholders.</li> <li>● Facilitates share ownership to provide further alignment with shareholders and to assist with retention.</li> </ul>	<ul style="list-style-type: none"> <li>● Annual awards of performance shares with vesting subject to achievement of performance targets. Both the vesting and performance period will normally be over a three-year period.</li> <li>● Awards structured as options may have a zero exercise price or an exercise price equivalent to the par value of an ordinary share.</li> <li>● The Committee will set targets each year linked to the long-term business strategy and may be based on financial performance, a stock market-based metric and non-financial performance.</li> <li>● Vested awards must be held for a further two years before sale of the shares (other than to pay tax).</li> <li>● The Committee may use discretion to override the result of any formula-driven payment.</li> <li>● Clawback and malus may be applied for misstatement, error, misconduct, corporate failure or reputational damage, or in other circumstances at the discretion of the Committee.</li> </ul>	<ul style="list-style-type: none"> <li>● The normal award limit is 200% of salary. This limit may be exceeded at the Committee's discretion up to a limit of 300% of salary.</li> <li>● Up to 25% of the awards will vest at threshold performance under each performance condition.</li> <li>● In a recruitment situation the limit may be exceeded to facilitate a buy-out award (see further details in the 'Recruitment and promotion policy for Executive Directors' section on page 154).</li> <li>● Dividend equivalents may accrue on the LTIP awards over the vesting and holding period and would normally be paid out as shares in respect of the number of shares that have vested.</li> </ul>
<p><b>All-employee share schemes</b></p> <ul style="list-style-type: none"> <li>● To encourage share ownership and align the interests of employees with shareholders.</li> </ul>	<ul style="list-style-type: none"> <li>● The company may from time to time operate tax-approved share schemes (such as the HMRC approved Share Incentive Plan (SIP)) for which Executive Directors could be eligible.</li> <li>● The SIP is open to all UK permanent staff.</li> </ul>	<ul style="list-style-type: none"> <li>● The schemes are subject to the limits set by tax authorities.</li> </ul>

## Directors' Remuneration Policy continued

### Remuneration Policy continued

Element, purpose and link to strategy	Operation	Maximum opportunity
<b>Share ownership guideline</b>		
<ul style="list-style-type: none"> <li>To increase the alignment of interests between Executive Directors and shareholders.</li> </ul>	<ul style="list-style-type: none"> <li>The Committee has established shareholding guidelines which encourage the Executive Directors to build and retain a holding of company shares equivalent to 200% of base salary (the normal LTIP award limit).</li> <li>Until the guideline is met, Executive Directors are expected to retain or acquire shares equivalent to the value of 50% of the net amount realised from exercise/vesting of share awards as appropriate after allowing for tax payable.</li> <li>Post cessation of employment there will be a requirement to retain the lower of the level of shareholding at that time, or 200% of base salary, for two years (unless by genuine exception, eg, serious ill health). At the Committee's discretion, shares which have been purchased voluntarily may be excluded, so as not to discourage further self-purchases.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>
<b>Non-Executive Director (NED) fees</b>		
<ul style="list-style-type: none"> <li>To provide a competitive and appropriate level of remuneration to attract and retain a high-calibre Chair and NEDs.</li> <li>Fees may be in the form of cash and/or shares.</li> </ul>	<ul style="list-style-type: none"> <li>The Committee (excluding the Chair) is responsible for evaluating and determining the fees payable to the Chair.</li> <li>The Chair and CEO are responsible for evaluating and making recommendations to the Board on fees payable to the NEDs within an aggregate limit approved from time to time by shareholders.</li> <li>The Chair is currently paid a single inclusive fee for the role.</li> <li>The policy is to pay NEDs a basic fee for membership of the Board and additional fees to the Senior Independent Director and Committee Chairs to recognise the additional responsibilities and time commitment of these roles. Additional fees may be paid to reflect additional Board or Committee responsibilities or time commitments as appropriate.</li> <li>Fees are determined, and typically reviewed annually, taking into account time commitment, experience, knowledge and responsibilities of the role as well as market data for comparable roles in other companies of a similar size and/or business to Oxford Instruments.</li> <li>NEDs based outside the UK may receive additional fees, taking into account additional travel and time commitment associated with their role.</li> <li>Out of pocket expenses including travel may be reimbursed by the company in accordance with the company's expenses policy including tax thereon grossed up as appropriate.</li> </ul>	<ul style="list-style-type: none"> <li>There is no prescribed maximum or maximum annual increase.</li> </ul>

## Directors' Remuneration Policy continued

### Malus and clawback

The payment of any bonus is at the ultimate discretion of the Remuneration Committee, which also retains an absolute discretion to reclaim or withhold some, or all, of any annual bonus paid in exceptional circumstances, such as misstatement of results, an error in the calculation of the performance targets and/or award size, misconduct of the participant, reputational damage, failure of risk management or corporate failure. The period over which these recovery provisions can be applied is three years from the award date.

The Committee has similar power in respect of the LTIP and may exercise discretion to reclaim or withhold some, or all, of a vested LTIP award in exceptional circumstances. The period over which these recovery provisions can be applied is three years from the vesting date. In each instance, the Remuneration Committee has assessed that the periods are suitable for the company as they are considered to be sufficiently long for the audit procedures to identify any circumstances that would give rise to the operation of malus or clawback.

### Discretion

The Committee may adjust the formula-driven outturn for an annual bonus or LTIP performance condition if it considers the quantum to be inappropriate in light of wider company performance or overall shareholder experience. Any such use of discretion would be detailed in the Annual Report on Remuneration and in the Annual Statement of the Committee Chair.

The Committee operates the Group's incentive plans according to their respective rules and in accordance with HMRC rules, where relevant. To ensure the efficient administration of these plans, it may apply certain operational discretions, including:

- selecting the participants in the plans;
- determining the timing of grants and/or payments;
- determining the quantum of grants and/or payments;
- determining the extent of vesting based on the assessment of performance;
- determining 'good leaver' status and, where relevant, the extent of vesting in the case of the share-based plans;
- where relevant, determining the extent of vesting in the case of share-based plans in the event of a change of control;
- making the appropriate adjustments required in certain circumstances (eg, rights issues, corporate restructuring events, variation of capital and special dividends); and
- the annual review of weighting of performance measures and setting targets for the annual bonus plan and discretionary share plans from year to year.

The Committee may adjust the targets and/or set different measures and alter weightings for existing annual bonus plans and share-based awards only if an event occurs which causes the Committee to reasonably consider that the performance conditions would not without alteration achieve their original purpose and the varied conditions are no less difficult to satisfy than the original conditions. Any changes, and the rationale for those changes, will be set out clearly in the Annual Report on Remuneration in respect of the year in which they are made.

### Legacy arrangements

In approving this Policy, authority is given to the company to honour any commitments entered into with current or former Directors (such as the vesting or exercise of past share awards) that have been disclosed to and approved by shareholders in previous remuneration reports. Details of any payments to former Directors will be set out in the Annual Report on Remuneration as they arise.

### Differences in remuneration policy for Executive Directors compared to other employees

We use the same principles (as set out in this report) to determine pay for our Executive Directors and everyone else who works at Oxford Instruments. Arrangements are designed to be competitive, aligned with local market practice and enable all employees to share in the success they help to create through incentives.

The Committee considers the general basic salary increase for the broader employee population when determining the annual salary review for the Executive Directors and the pension is aligned with that offered to the majority of the workforce in the UK.

Overall, the remuneration policy for the Executive Directors is more heavily weighted towards variable pay than for other employees. This ensures that there is a clear link between value created for shareholders and remuneration received by Executive Directors.

Remuneration arrangements and performance targets cascade down the organisation to ensure alignment with the company strategy. The structure of senior management bonuses and LTIPs broadly reflect those of the Executive Directors, with some measures being Group-wide and others specific to their remit. Outside senior management, a variety of complementary bonus plans are operated linked to the performance of their business and/or their contribution.

In order to support retention within key roles or critical knowledge and skills that are important to the company, employees may be granted share-based incentives.

## Directors' Remuneration Policy continued

### Approach to recruitment and promotions

In setting total remuneration levels and in considering quantum for each element of the package for a new Executive Director, the Committee takes into account the skills and experience of the individual, the market rate for a candidate of that experience and the importance of securing the relevant individual.

The company seeks to align the remuneration package with the Policy approved by shareholders. Salary is provided at such a level as required to secure the most appropriate candidate. For new appointments, base salary and total remuneration may be set initially at below normal market rates on the basis that it may be increased once expertise and performance has been proven and sustained.

Specific variable remuneration performance targets can be introduced for an individual where necessary for the first year of appointment if it is appropriate to do so to reflect the individual's responsibilities and the point in the year in which they joined the Board.

Flexibility is retained to offer additional cash and/or share-based payments on appointment in respect of deferred remuneration or benefit arrangements forfeited on leaving a previous employer (ie, a buy-out award). The Committee would look to replicate the arrangements being forfeited as closely as possible and, in doing so, will take account of relevant factors including the nature of the remuneration forfeited, performance conditions, attributed expected value and the time over which they would have vested or been paid. Such awards may be made under the terms of the LTIP (which, when combined with a normal annual LTIP award, may exceed the 'normal' 200% of salary award level or the maximum 300% of salary limit per annum) or as permitted under the Listing Rules.

For an internal appointment, any variable pay element awarded in respect of the prior role may be allowed to continue to pay out according to its terms, adjusted as relevant to take into account the appointment. In addition, any other ongoing remuneration obligations existing prior to appointment may continue.

For external and internal appointments, the Committee may agree that the company will meet certain relocation, legal and any other incidental expenses as appropriate.

### Service contracts and policy on payments for loss of office

Details of contractual terms and the policy on cessation of employment are summarised in the table below. Payments to departing Directors can only be made in line with the Policy:

Contractual provision	Detailed terms
Notice period	12 months by the company or by the Director.
Termination payment	<p>A Director's service contract may be terminated without notice and without any further payment or compensation, except for sums accrued up to the date of termination, in the event of gross misconduct.</p> <p>For termination in other circumstances, the company has a right to pay salary in lieu of the notice period (or part thereof) if it so determines.</p> <p>In addition, any statutory entitlements in connection with the termination would be paid as necessary, and, at the Committee's discretion if deemed necessary and appropriate, outplacement, legal fees and settlement of claims or potential compensation claims.</p>
Remuneration entitlements	Pro rata bonus may also become payable for the period of active service based on the satisfaction of performance conditions and usually payable at the normal time, along with vesting for outstanding share awards or deferred bonus shares (in certain circumstances – see below).
Change of control	No Executive Director's contract contains additional provisions in respect of a change of control. Any applicable share plan rules address the treatment of unpaid and unvested awards.

Any share-based entitlements granted to an Executive Director under the company's share plans will be determined based on the relevant plan rules. The default treatment for existing awards is that any unvested awards lapse on cessation of employment. However, in certain prescribed circumstances, such as death, injury, ill health, disability, retirement or other circumstances at the discretion of the Committee, 'good leaver' status may be applied. Under the LTIP, awards to good leavers will vest on the normal vesting date, subject to the satisfaction of the relevant performance conditions at that time and will normally be scaled back to reflect the proportion of the original vesting period or performance period actually served.

## Directors' Remuneration Policy continued

### Service contracts and policy on payments for loss of office continued

In the event of a good leaver there would be no early release from a post-vest holding period (again, unless by genuine exception, for example, serious ill health). The Committee has discretion in exceptional circumstances to disapply time pro rating, to measure performance to, and vest awards at, the date of cessation. Vesting at cessation would be the default position where a participant dies. Deferred bonus shares are beneficially owned by the executive from the time of the bonus payment, so are not at risk of forfeiture (other than in relation to clawback).

### Non-Executive Directors

For the appointment of a new Chair or Non-Executive Director, the fee arrangements would be in accordance with the Policy.

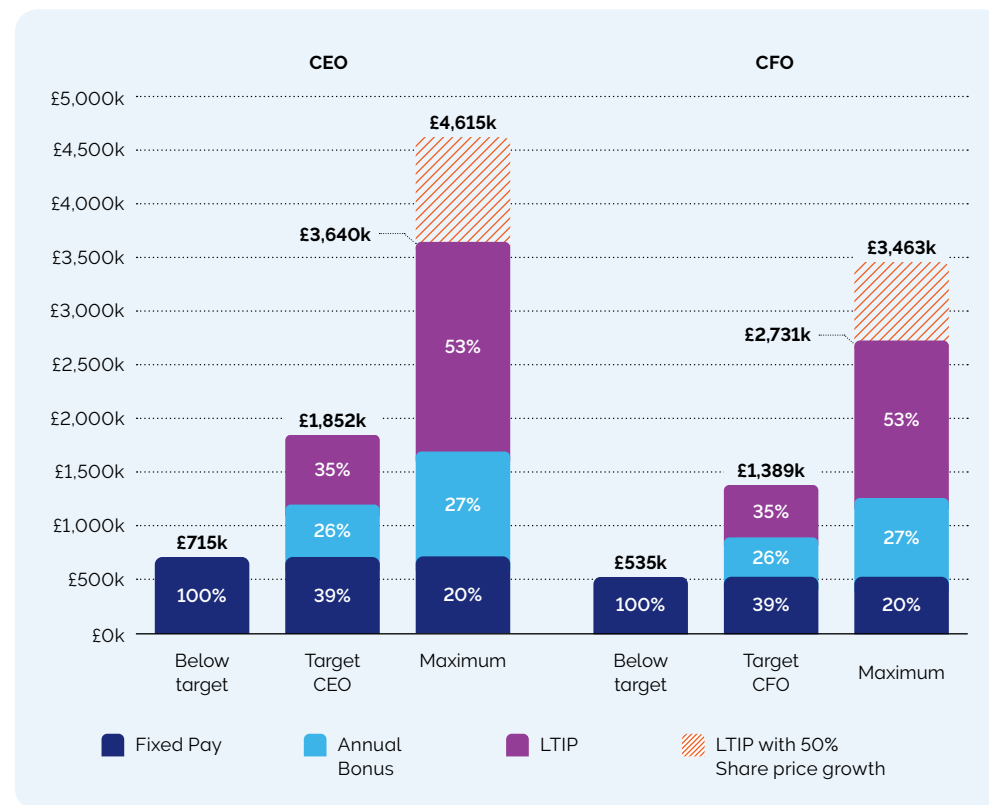
The Chair and Non-Executive Directors do not have service contracts; they serve under letters of appointment and in line with governance best practice, the company proposes all Directors for annual re-election by shareholders at the AGM. The term of appointment for the Chair and Non-Executive Directors is three years. The Chair is subject to termination on six months' notice and Non-Executive Director appointment letters provide for termination without notice and with no compensation payable on termination. In the event of the termination of their position, they are entitled to reimbursement of any outstanding fees and expenses due.

### Remuneration scenarios for Executive Directors

The Group's normal policy results in a significant portion of remuneration received by Executive Directors being dependent on performance. The chart opposite shows how 2026/27 remuneration outcomes for Executive Directors would vary under different performance scenarios – Minimum, Target, Maximum, and Maximum plus 50% share price growth.

### Assumptions

- Fixed pay comprises salary levels as at 1 July 2026, pension of 6% of salary and the value of benefits received in 2025/26 for the CEO and CFO.
- The on-target level of bonus is 75% of salary.
- The on-target level of vesting under the LTIP is taken to be 50% of the face value of the Core award at grant.
- The maximum level of bonus is 150% of salary, the typical LTIP award level is 200% of salary for the CEO and the CFO and the maximum LTIP award level is 300% of salary.
- To show the impact of potential share price growth on the value of an Executive Director's package, the impact of share price growth of 50% on the LTIP is used.



## Annual Report on Remuneration

This part of the Directors' Remuneration Report has been prepared in accordance with Part 3 and Part 8 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations (as amended), the Companies Act 2006 and UK Listing Rule 6.6.6R, and explains how Oxford Instruments' current Remuneration Policy has been implemented during the year. The Annual Statement and Annual Report on Remuneration will be put to a single advisory vote at the AGM on 23 July 2026.

### Role of the Remuneration Committee

The principal role of the Remuneration Committee is to establish the policy for remuneration of the Executive Directors, the Executive Leadership Team and the Chair, which is aligned with the long-term success of the company and its shareholders. It also oversees the principles and structure of remuneration arrangements for all employees across the Group.

The Chair and the Executive Directors are responsible for determining the remuneration of the Non-Executive Directors, and the Remuneration Committee, in the absence of the Chair, is responsible for determining the remuneration of the Chair.

### Membership of the Remuneration Committee

The Committee comprises a majority of independent Non-Executive Directors. Alison Wood has held the role of Chair of the Committee since 26 January 2021 and has significant prior remuneration committee experience, in particular, chairing remuneration committees at other listed companies, and is sufficiently experienced to undertake this role in line with Provision 32 of the UK Corporate Governance Code 2024.

The Committee members have no personal financial interest, other than as shareholders, in matters to be decided, no potential conflicts of interests arising from cross-directorships and no day-to-day involvement in running the business. The Non-Executive Directors are not eligible for pensions and do not participate in the Group's bonus or share schemes. The Committee's terms of reference can be found on the Group website.

The Remuneration Committee holds a minimum of two meetings annually, as required under its terms of reference, and this year held six meetings. Standing attendees at meetings may include the Chief Executive Officer, Chief Financial Officer and Chief HR Officer. Other members of senior management may also attend as required. The Company Secretary is the secretary to the Committee. No Director or the Company Secretary or the Chief HR Officer took part in discussions relating to their own remuneration and/or benefits. The Committee also has an independent remuneration consultant to provide advice on all aspects of executive remuneration as required by the Committee.

### Priorities and activities of the Remuneration Committee during 2025/26

#### Reviewed the appropriateness of the current Remuneration Policy

- As described in the Committee Chair annual statement and the proposed enhancements to the Remuneration Policy, the Committee carefully evaluated the design of the remuneration package and its ability to support the delivery of long-term shareholder value creation. The Committee evaluated the alignment of all remuneration elements with the long-term experience of shareholders, the company's strategy, culture and pay principles.
- As part of the review, the Committee considered corporate governance developments, guidance from institutional investors, external remuneration trends and external benchmarking, to ensure our remuneration structures reflect good practice and our pay for performance principles.

#### Reviewed the application of the current Remuneration Policy in relation to remuneration arrangements for 2025/26, to ensure a package that is proportionate and aligned with shareholder interests

- Reviewed all elements of the current Remuneration Policy, in order to ensure that all elements remain fit for purpose and align with good governance, the shareholder experience and our pay for performance principles.

#### Determine pay outcomes that are performance driven and reflective of the shareholder experience

- Determined the bonus performance outcomes against 2024/25 targets and approved bonus payments.
- Determined the LTIP vesting outcome against the 2022 performance targets and approved vesting.
- Reviewed incentive plan outcomes for the application of malus and/or clawback.
- Reviewed incentive plan outcomes and evaluated whether it was appropriate for discretion to be applied.

#### Set pay at a competitive level against the external market and ensured remuneration remained affordable and fair in the context of pay for all employees

- Considered corporate governance developments, guidance from institutional investors and external remuneration trends, to ensure our remuneration structures reflect good practice and our pay for performance principles.
- Reviewed the pay arrangements for employees across the Group and considered how these relate to those for our senior leaders.

## Annual Report on Remuneration continued

Set pay at a competitive level against the external market and ensured remuneration remained affordable and fair in the context of pay for all employees continued

- Set basic salary increases for the Executive Directors in line with the approach for setting workforce pay.
- Reviewed the fee payable to the Chair.

Ensure pay is motivating, simple, transparent and aligned to shareholder interests

- Reviewed and considered shareholder feedback on the implementation of the Policy in 2026/27.
- Reviewed the terms of the annual bonus, selected the performance measures and set the performance targets for the Executive Directors' and other members of senior management's bonus schemes for 2026/27.
- Approved the Executive Directors' personal strategic objectives for the 2026/27 bonus.
- Reviewed the terms of the LTIP plans and the award levels for Executive Directors and other members of senior management. Reviewed the performance measures and performance targets.

Maintain transparency and clarity in everything we do

- Engaged shareholders on the proposals for the future Remuneration Policy with a clear articulation of the link to shareholder value. Providing all shareholders with a summary of those discussions and any revisions to final proposals.
- Approved the 2025/26 Directors' Remuneration Report and recommended that shareholders vote in favour of this report, the new Policy and the new LTIP rules at the company's 2026 Annual General Meeting.

### Single figure of remuneration for 2025/26 and 2024/25 (audited)

The remuneration paid to the Directors during the year under review and the previous year is summarised in the following tables:

#### Executive Directors (audited)

Executive Directors <sup>1</sup>		Salary £'000	Benefits <sup>2</sup> £'000	Annual Bonus <sup>3</sup> £'000	Long-term incentive Awards <sup>4</sup> £'000	Pension <sup>5</sup> £'000	Other <sup>6</sup> £'000	Total fixed £'000	Total variable £'000	Total £'000
Richard Tyson	2025/26	598	26	544	576	31	–	655	1,120	1,775
	2024/25	583	26	828	–	31	–	640	828	1,468
Paul Fry <sup>7</sup>	2025/26	469	17	402	–	26	–	512	403	915
	2024/25	–	–	–	–	–	–	–	–	–

1 No operation of malus or clawback operated in the year for these or previous directors.

2 Benefits comprise car allowance and/or benefit in kind of a company car, private medical insurance, other insurance benefits, overnight hotel accommodation where necessary to carry out duties at the Head Office of the company.

3 Annual bonus represents the gross annual bonus for the year to March 2026 and would usually be paid in the July 2026 payroll. Of the total bonus amounts payable, £181,167 and £134,089, equal to one-third, will be paid in shares for Richard Tyson and Paul Fry, respectively, which must be held for three years.

4 Long-term incentive awards are those awards where the vesting is determined by performance periods ending in the year under review and therefore reports the value of the LTIP award granted on 14 November 2023. Awards will vest in July 2026 and, as such, the value has been determined using an indicative share price of £24.6508 (being the average closing price over the three months to 31 March 2026). This award will be restated in next year's report. The share price used on grant of the 2023 LTIP award was £21.50, therefore the value of the LTIP award that has been attributable to share price growth is £71,520 for Richard Tyson. Dividend equivalents have been added to arrive at the total figure included in the table above.

5 Comprises contribution to a money purchase pension scheme and/or payments in lieu of pension contribution.

6 The company operates a Share Incentive Plan (SIP) which is open to all UK permanent staff employed for at least six months. For Richard Tyson and Paul Fry, 'Other' is the value of matching SIP shares attributable to the year, the company offers a 1:5 match for partnership shares purchased by employees and this amounted to £369 and £347 each of matching shares for Richard Tyson and Paul Fry, respectively.

7 Paul Fry was appointed Chief Financial Officer on 1 April 2025.

## Annual Report on Remuneration continued

### Chair and Non-Executive Directors (audited)

Non-Executive Director		Fees £'000	Benefits £'000	Total £'000
Neil Carson	2025/26	217	-	217
	2024/25	211	-	211
Alison Wood	2025/26	81	-	81
	2024/25	79	-	79
Sir Nigel Sheinwald	2025/26	71	-	71
	2024/25	69	-	69
Hannah Nichols	2025/26	71	-	71
	2024/25	66	-	66
Rowena Innocent <sup>1</sup>	2025/26	60	-	60
	2024/25	7	-	7

1 Rowena Innocent was appointed as a Non-Executive Director effective 17 February 2025.

### Executive Director pension arrangements (audited)

Executive Directors are entitled to receive a contribution to a money purchase pension scheme and/or cash payments in lieu of pension contribution for a fixed value of 6% of base salary, which is the maximum percentage amount payable to the majority of the UK workforce. Cash payments in lieu of pension contribution are taxed as income and, in line with the policy for all UK employees, this cash payment is reduced to cover employer's national insurance costs.

### Payments to past Directors and for loss of office (audited)

As explained in the 2025 Annual Report, Gavin Hill was treated as a good leaver when he stepped down from the Board and his role as CFO on 31 March 2025, and remained actively employed until 10 June 2025 to ensure a smooth transition. The remuneration approach, which is in line with the Policy, is as follows:

**Salary, pension and benefits** – Gavin continued to receive his contractual salary of £412,000 per annum, pension and benefits until the end of his notice period on 7 January 2026 (£347k in aggregate).

**Annual bonus** – Gavin remained eligible to participate in the 2025/26 annual bonus plan, pro-rated for the period of his active service, ie, up to 10 June 2025, payable at the usual time in cash and deferred shares, and wholly subject to financial performance measures. The outturn, in line with the achievement of the financial measures disclosed in this report, of 52.3% of the maximum, equates to an award of £68,310 for the period 1 April 2025 to 10 June 2025.

**Long-Term Incentive Plan** - Gavin retained his unvested Performance Share Plan and Long-Term Incentive Plan awards which will vest at their normal vesting dates, subject to performance testing and time pro-rata reduction to the end of his notice period ie, 7 January 2026. The two-year post-vesting holding periods will continue to apply. The final vested value of the LTIP award granted on 20 June 2022 was £203,418. The LTIP award granted on 25 September 2023 will vest at 42.8% of the maximum, which will result in 14,939 shares vesting, including 419 dividend shares, in July 2026; the value of these shares is £368,254 based on the average share price over the three months to 31 March 2026, £24.6508.

**Share Incentive Plan** – Gavin participated in the SIP and received matching shares on the same basis as all participants. The value of the matching shares amounted to £269.

**Share ownership guidelines** – Gavin is subject to a post-employment shareholding requirement which requires him to retain a shareholding on cessation of employment, equivalent to 200% of base salary, for two years commencing from the end of his notice period ie, 7 January 2026.

## Annual Report on Remuneration continued

### Details of annual bonus earned in year (audited)

As in previous years, the Committee set stretching performance targets for the annual bonus which are clearly linked to the strategy and financial performance of the Group. Executive Director on-target bonus opportunity was 75% of salary and the maximum opportunity was 150% of salary. The targets set and the achievement against them are set out in the table below.

Measure (% of salary maximum)	Targets <sup>1</sup>			Actual Performance	Payout % of salary
	Threshold	Target	Maximum		
Adjusted profit before tax <sup>2</sup> (75%)	£78.2m	£82.3m	£86.4m	£79.6m	17.8%
Adjusted organic operating profit margin <sup>2</sup> (25%)	17.1%	17.5%	17.8%	18.1%	25.0%
Cash conversion (25%)	80.0%	85.0%	90.0%	89%	22.5%
Strategic objectives (25%)	See below			CEO:	25.0%
				CFO:	20.0%
Total				CEO:	90.3%
				CFO:	85.3%

1 10% of the element is payable for achieving threshold performance and 50% is payable for achieving target performance.

2 Calculated on a constant currency basis.

## Annual Report on Remuneration continued

### Details of annual bonus earned in year (audited) continued

The non-financial strategic objectives were set at the start of the year. The CEO and CFO were set the same two main strategic objectives and the CFO was set one additional objective.

Details of the objectives and an assessment as to their achievement are set out below:

Strategic objectives	Objective detail and rationale	Weighting CEO	Weighting CFO	Outcome as % of salary CEO	Outcome as % of salary CFO
Progress evolution of the portfolio in line with agreed Group strategy	<p>NanoScience divestment completed in January 2026 to improve quality of the Group. Final net proceeds of £42.4m. Facilitated second £50m share buyback.</p> <p>Portfolio strategy reviewed during the year with various options explored. Pipeline of M&amp;A opportunities refreshed and reviewed alongside wider transformation opportunities, no options deemed appropriate.</p> <p>Capital deployment plans updated, alongside second share buyback and increased investment into R&amp;D.</p>	✓	✓	12.5%	6.25%
Progress operational excellence transformation programme	<p>NanoScience programme fully delivered in early FY26 with identification of further margin improvement possibilities, key to supporting divestment.</p> <p>Andor programme well advanced and expanded into product strategy. Significant improvements in efficiency and productivity key to improvements in operating margin. Further transformation activities scheduled.</p> <p>Plasma programme advancing and delivering improvements. Further opportunities identified potential to create clean room capacity for new business samples and restructure standards for simpler supply chain and assembly processes.</p> <p>Materials &amp; Analysis plans under way to improve Engineering NPI processes and to improve manufacturing flexibility between sites.</p> <p>Continued improvement in forecast delivery across the Group.</p>	✓	✓	12.5%	6.25%
Establish the future ERP strategy	<p>Strategic review complete with approach agreed by the Board.</p> <p>Investment and implementation plans under way. Project progressed to full scoping during FY27.</p>		✓		7.5%
Total outcome				25%	20%

## Annual Report on Remuneration continued

### Details of annual bonus earned in year (audited) continued

The actual bonuses payable for the Executive Directors for the year ended 31 March 2026 are set out below.

Executive Director	Actual bonus payable (% of salary)	Actual bonus payable (% of maximum)	Actual bonus payable for 2025/26 <sup>1</sup>
Richard Tyson	90.3%	60.2%	£543,501
Paul Fry	85.3%	56.9%	£402,265

<sup>1</sup> Bonus is calculated on salary as at 31 March 2026. Of the amounts disclosed, £181,167 and £134,089 will be paid in shares to Richard Tyson and Paul Fry respectively, which must be held for three years.

## Annual Report on Remuneration continued

### Long-term incentive plans (audited)

The performance targets, performance against them and the resulting value in respect of the long-term incentive awards where vesting is determined by a performance period ending in 2025/26 are as follows:

### LTIP awards vesting based on performance to 31 March 2026 (audited)

The LTIP awards granted in 2023 had a three-year performance period, which ran from 1 April 2023 to 31 March 2026, were subject to the following performance targets:

Measure	Weighting	Performance period	Threshold target (25% vesting) <sup>1</sup>	Maximum target (100% vesting)	Performance outcome	Vesting outcome (% of weighting)
EPS growth over the 2022/23 baseline <sup>2</sup>	30%	01/04/2023 – 31/03/2026	4%	10%	4.3%	8.5%
					Performance between threshold and maximum	
ROCE in the final year of the three-year performance period <sup>2,3</sup>	30%	01/04/2023 – 31/03/2026	30%	34%	32.1%	19.3%
					Performance between threshold and maximum	
TSR relative to the FTSE 250 excl. Investment Trusts	25%	01/04/2023 – 31/03/2026	Median rank	Upper quartile rank	44th percentile	0%
					Performance below threshold	
Absolute reduction in Scope 1 & 2 CO <sub>2</sub> emissions (market-based) from 2022/23 (2019 baseline)	7.5%	01/04/2023 – 31/03/2026	2% reduction	9% reduction	34.7% reduction	7.5%
					Performance at maximum	
Improved female representation in senior leadership positions	7.5%	01/04/2023 – 31/03/2026	35%	40%	41.5% representation	7.5%
					Performance at maximum	

1 For performance between threshold and maximum, awards vest on a pro-rata basis.

2 EPS is defined on a constant currency basis.

3 ROCE is summarised as adjusted operating profit less amortisation of acquired intangibles divided by the average of capital employed in the current and the prior annual reporting periods. Acquisitions during the performance period are excluded.

The award will vest at 42.8% of the maximum. The Committee believes that, in line with its pay-for-performance principles, the vesting appropriately reflects performance over the three-year performance period and the shareholder experience.

## Annual Report on Remuneration continued

### 2023 LTIP award

	Date award granted	Total number of shares granted	Percentage of award vesting	Number of shares vesting	Value <sup>1</sup> of shares vesting	Number of shares awarded as dividend equivalent <sup>2</sup>	Value <sup>1</sup> of shares vesting including dividend equivalent
Richard Tyson	14 November 2023	53,023	42.8%	22,699	559,548	654	575,670

- As the awards vest after the date of this report, value has been calculated using the average mid market closing price of the company's shares over the three-month period ending 31 March 2026, £24.6508. This will be restated for the actual value on vesting in next year's report.
- Dividend equivalents have been calculated based on dividends paid up until the date of this report. If dividends are payable between the date of this report and the vesting date, additional dividend equivalents will be awarded and the value will be updated in next year's report.

### Share awards granted during the financial year (audited) LTIP awards (audited)

Awards made under the LTIP during the financial year ended 31 March 2026 are set out below.

Director	Date award granted	Total number of shares granted	Percentage of salary	Face value of award at grant date	Share price at date of grant <sup>1</sup>	Vesting date
Richard Tyson	19 June 2025	68,151	200%	£1,203,556	£17.66	31 July 2028
Paul Fry	19 June 2025	53,397	200%	£943,000	£17.66	31 July 2028

- The share price used to determine the number of shares under award was the average share price over the three trading days prior to grant.

The awards are nominally priced options of £0.05 and are subject to the following performance conditions:

Performance measure	Weighting	Performance targets
<b>Earnings Per Share (EPS)</b>	30%	3% pa (25% vesting) to 10% pa (100% vesting) CAGR over three financial years measured from the FY25 year-end EPS.
<b>Return on Capital Employed (ROCE)</b>	30%	26% in the final year of the performance period (FY28) (25% vesting) to 30% (100% vesting).
<b>Relative Total Shareholder Return (TSR)</b>	25%	Median (25% vesting) to Upper quartile (100% vesting) over three financial years commencing with FY2026 relative to the companies comprising the FTSE 250 Index (minus Investment Trusts) at the start of the performance period.
<b>Sustainability – absolute reduction in Scope 1 &amp; 2 CO<sub>2</sub> emissions (market-based) over the 2023/24 baseline</b>	15%	45% reduction in the final year of the performance period (FY28) (25% vesting) to 65% reduction (100% vesting).

## Annual Report on Remuneration continued

### Summary of outstanding share awards held by Executive Directors (audited)

As at 31 March 2026, the outstanding options for Richard Tyson and Paul Fry under the LTIP<sup>1</sup> were as follows:

Scheme	1 Apr 2025	Granted in the year	Lapsed in the year	Exercised in the year	Dividend equivalents <sup>1</sup>	Awards held at 31 March 2026	Exercise price <sup>2</sup>	Share price on date of grant	Date of grant	Earliest exercise	Latest exercise
<b>Richard Tyson</b>											
LTIP	13,521	-	-	13,521	-	-	£0.05	£20.55	14/11/2023	16/03/2024	15/03/2031
LTIP <sup>2</sup>	53,023	-	-	-	-	<b>53,023</b>	£0.05	£20.55	14/11/2023	31/07/2026	13/11/2033
LTIP	48,222	-	-	-	-	<b>48,222</b>	£0.05	£24.35	22/07/2024	31/07/2027	21/07/2034
LTIP	-	68,151	-	-	-	<b>68,151</b>	£0.05	£17.56	19/06/2025	31/07/2027	18/06/2035
Total	114,766	68,151	-	13,521	-	<b>169,396</b>					
<b>Paul Fry</b>											
LTIP	-	53,397	-	-	-	<b>53,397</b>	£0.05	£17.56	19/06/2025	31/07/2027	18/06/2035
Total	-	53,397	-	-	-	<b>53,397</b>					

1 Dividend equivalents are awarded on vesting of LTIP awards, for the period to vesting, in respect of the actual number of shares vesting.

2 The performance conditions relating to this award have been tested and the award will vest at 42.8%.

## Annual Report on Remuneration continued

### Shareholding requirements (audited)

Executive Directors are required to build and retain a shareholding in the company equivalent in value to 200% of basic salary. Until the requirement is met, the Executive Directors are expected to retain or purchase shares equivalent to the value of 50% of the net amount realised on exercise of long-term incentive awards after allowing for tax payable. The value of vested but unexercised LTIP awards may count towards the shareholding level, calculated at the net of tax value.

Directors' shareholdings as at 31 March 2026 (or date of resignation if relevant) are shown in the table below.

	Beneficially owned shares <sup>1</sup>	Share option awards vested but unexercised	Percentage of salary shareholding achieved <sup>2</sup>	Guideline met as at 31 March 2026	Share option awards unvested and subject to performance <sup>3</sup>
Richard Tyson	28,484	–	114%	No	169,396
Paul Fry <sup>4</sup>	98	–	0%	No	53,397
Neil Carson	24,000	–	N/A	N/A	–
Alison Wood	–	–	N/A	N/A	–
Nigel Sheinwald	–	–	N/A	N/A	–
Hannah Nichols	–	–	N/A	N/A	–
Rowena Innocent <sup>5</sup>	–	–	N/A	N/A	–

1 Includes shares held by connected persons, SIP partnership shares, SIP matching shares released from the three-year trust period and vested LTIP awards and their dividend equivalents.

2 The notional tax rate used to determine the net value of the vested share awards is 47%. Shares valued using the market price of the shares on 31 March 2026: £24.00.

3 Award granted in 2023 will vest at 42.8% in July 2026. Awards granted in 2024 and 2025 remain subject to performance conditions.

4 Paul Fry was appointed Chief Financial Officer on 1 April 2025.

5 Rowena Innocent was appointed as a Non-Executive Director effective 17 February 2025.

There has been no change in the directors' interests in the ordinary share capital of the company between 31 March 2026 and the date of this report.

## Annual Report on Remuneration continued

### Performance graph and CEO's remuneration

The graph below shows for the ten years ended 31 March 2026 the total shareholder return (TSR) on a holding of the company's ordinary shares compared with the TSR of an equivalent value invested in the FTSE 250 and FTSE 350 Electronic and Electrical Equipment indices. These indices have been chosen as they are considered to be the most appropriate comparator groups for the company.

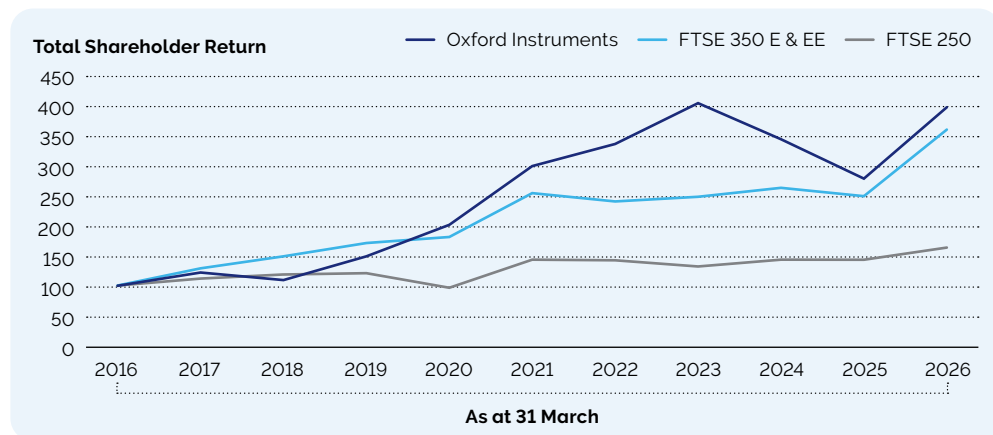
The total remuneration of the CEO over the last ten years is shown in the table below. The annual bonus payout and LTI vesting level as a percentage of the maximum opportunity are also shown.

Year ending 31 March	2017 <sup>1</sup>		2018	2019	2020	2021	2022	2023	2024 <sup>3</sup>		2025	2026
	Jonathan Flint	Ian Barkshire							Ian Barkshire	Richard Tyson		
Total remuneration (£000)	64	620	791	1,957	1,967	2,244	2,087	2,135	1,321	1,392	1,468	<b>1,775</b>
Annual bonus outcome (%)	0%	56.3%	63.7%	94.4%	62.9%	100%	74.2%	80.56%	60%	60%	94%	<b>60.2%</b>
LTI <sup>2</sup> vesting (%)	0%	N/A	N/A	92.8%	100%	100%	100%	100%	97.5%	N/A	N/A	<b>42.8%</b>

1 FY17: remuneration shown separately for Jonathan Flint who was CEO from 1 April to 11 May 2016 and Ian Barkshire who was CEO from 12 May 2016 to 31 March 2017.

2 LTI vesting across ESOS/SELTIS/PSP/LTIP (%). Executive Directors were last granted ESOS (market value share options) and SELTIS (nil-cost options) in June 2014. PSP awards were granted from June 2014 to June 2022. LTIP awards have been granted since September 2023.

3 FY24: remuneration shown separately for Ian Barkshire who was CEO from 1 April 2023 to 1 October 2023 and Richard Tyson who was CEO from 1 October 2023 to 31 March 2024.



## Annual Report on Remuneration continued

### Percentage change in the remuneration of the Directors

The table below shows the percentage change in each of the Director's salaries, taxable benefits and annual bonus earned between 2020/21 to 2025/26 compared to that for the average UK based employee of the Group (on a per capita full-time equivalent basis).

Directors during the year ended 31 March 2026	2024/25 to 2025/26 % change			2023/24 to 2024/25 % change			2022/23 to 2023/24 % change			2021/22 to 2022/23 % change			2020/21 to 2021/22 % change		
	Salary	Benefits	Bonus <sup>6</sup>	Salary	Benefits	Bonus <sup>7</sup>	Salary	Benefits	Bonus	Salary	Benefits	Bonus	Salary	Benefits	Bonus
Richard Tyson <sup>1</sup>	2.6	0.3	(34.4)	104.5	96.8	223.6	N/A	N/A	-	N/A	N/A	-	N/A	-	-
Paul Fry <sup>2</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
Neil Carson	2.6	-	-	3.5	-	-	5.0	-	-	4.3	-	-	8.0	-	-
Alison Wood	2.6	-	-	4.1	-	-	8.6	100	-	9.3	-	-	N/A	-	-
Nigel Sheinwald	2.6	-	-	4.4	-	-	7.0	-	-	N/A	-	-	N/A	-	-
Hannah Nichols <sup>3</sup>	7.6	-	-	369.7	-	-	N/A	N/A	-	N/A	N/A	-	N/A	-	-
Rowena Innocent <sup>4</sup>	815.0	-	-	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 employee pay <sup>5</sup>	9.8	17.5	40.3	2.7	(1.0)	46.5	1.7	(11.0)	(29.3)	10.3	9.01	(4.7)	4.2	(8.4)	(23.1)

1 Richard Tyson joined the Board on 1 October 2023 and the 2023/24 year does not reflect an equivalent full year of salary, benefits and bonus.

2 Paul Fry was appointed as Chief Financial Officer on 1 April 2025.

3 Hannah Nichols joined the Board on 1 January 2024 and was appointed Chair of the Audit and Risk Committee on 25 July 2024.

4 Rowena Innocent joined the Board on 17 February 2025. Rowena received fees of £7,391 for the period served in 2024/25.

5 Average employee pay includes all UK employees in service on 31 March 2026 for the 2024/25 to 2025/26 comparison, but excludes those who were on maternity leave, long-term sick leave and those who started or ended employment within the period.

6 The value of the average employee bonus for the year ended 31 March 2026 (to be paid in July 2026) was not fully known at the time the Annual Report was approved and consequently the number included is management's best estimate of the bonus that will be paid.

7 The 2023/24 to 2024/25 change in average employee bonus has been restated for actual bonuses paid in July 2025.

### Relative importance of the spend on pay

The following table shows the Group's employee costs relative to dividends:

	Year ended 31 March 2026	Year ended 31 March 2025	% change
Employee costs (£m)	159.9	166.6	(4.0)%
Dividends (£m)	13.0	12.1	7.4%

## Annual Report on Remuneration continued

### Ratio of CEO pay to that of employees

The table below shows the ratio of the CEO's total remuneration for 2025/26 and the lower, median and upper quartile full-time equivalent remuneration of the Group's UK employees. Historical pay ratios are shown for comparison. The ratios have been calculated in accordance with Option A under the relevant regulations, as it provides the most statistically accurate method for identifying the pay ratios. Option A requires a company to calculate the total full-time equivalent pay and benefits of all its UK employees for the relevant financial year (using the same methodology as for CEO pay) in order to identify and rank the 25th, 50th and 75th percentiles. The total remuneration for employees includes salaries, taxable benefits, bonuses, share-based payments remuneration and pensions. The period of analysis is between 1 April 2025 and 31 March 2026. The analysis included colleagues employed at 31 March 2026.

Financial year	Method	25th percentile	50th percentile	75th percentile
2025/26	A	45:1	34:1	25:1
2024/25	A	40:1	31:1	23:1
2023/24	A	77:1	58:1	43:1
2022/23	A	66:1	49:1	37:1
2021/22	A	65:1	49:1	36:1
2020/21	A	73:1	55:1	40:1
2019/20	A	63:1	48:1	33:1

The aggregated payment made in respect of the CEO who served during the year, and the employees at the percentiles for the 2025/26 ratio are set out below:

	CEO	25th percentile	50th percentile	75th percentile
Salary	£598,109	£35,700	£47,398	£65,038
Total pay	£1,774,594	£39,167	£51,462	£70,575

For the purpose of calculating the pay ratio, the CEO's remuneration is based on the single figure table. Details of colleague bonus payments for the year ended 31 March 2026 (to be paid in July 2026) was not known at the time the Annual Report was approved and consequently the number included is management's best estimate of the bonus that will be paid. The 2024/25 pay ratios have been restated to reflect the actual bonuses paid.

The Committee considers the median pay ratio consistent with the Group's wider policies on employee pay, reward and progression. For example, the Committee reviewed workforce remuneration practices which were taken into consideration when deciding the pay of Executive Directors and Senior Management. Changes in total remuneration for the CEO are reflective of the Committee's pay for performance principles and the performance delivered, with the majority of CEO remuneration opportunity being performance-related variable pay. The CEO's pay ratio, is therefore, heavily dependent on the outcomes of the annual bonus and LTIP. It is expected that there could be considerable year-to-year changes in the ratio. The increase in the pay ratio for 2025/26 compared to the prior year reflects the inclusion of an LTIP vesting for the CEO this year. Whilst the annual bonus outcome for 2025/26 is lower than 2024/25, the total variable pay outcome this year for the CEO with the inclusion of the LTIP vesting is higher, resulting in a slight increase to the ratio at all percentiles.

The Committee is satisfied that the pay ratios are appropriate and consistent with the pay, reward and progression policies in place for all employees.

## Annual Report on Remuneration continued

### Executive Directors' service contracts and Non-Executive Directors' terms of engagement

A summary of the operation of the Executive Directors' service contracts and policy on payments for loss of office is set out within the overview of the Remuneration Policy. The Chair and Non-Executive Directors do not have service contracts; they serve under letters of appointment and are subject to annual re-election by shareholders at the AGM. The term of appointment for Non-Executive Directors and the Chair is three years, the Chair has a six-month notice period and Non-Executive Directors terms provide for termination without notice. In the event of the termination of their position, they are entitled to reimbursement of any outstanding fees and expenses due. The dates of appointment and date of service contract (in the case of Executive Directors) or date of letter of appointment (in the case of Non-Executive Directors) for those Directors seeking re-election at the 2026 AGM are set out below. The service contracts and letters of appointment may be viewed at the company's registered office and at the company's AGM.

### Executive Directors' service contracts

Executive Director	Date of appointment to the Board	Date of service contract	Notice period (rolling)
Richard Tyson	1 October 2023	1 October 2023	12 months by either party
Paul Fry	1 April 2025	8 January 2025	12 months by either party

### Non-Executive Directors' terms of appointment

	Date of appointment to the Board	Notice period	Unexpired term
Neil Carson	1 December 2018	Six months by either party	2027 AGM
Alison Wood	8 September 2020	None	2029 AGM
Sir Nigel Sheinwald	22 September 2021	None	2027 AGM
Hannah Nichols	1 January 2024	None	2027 AGM
Rowena Innocent	17 February 2025	None	2028 AGM

## Annual Report on Remuneration continued

### Non-Executive Directors' fees

The Committee and the Board, as appropriate, have reviewed the fees for the Chair and Non-Executive Directors. The Chair fee will increase by 3.5% effective from 1 July 2026. The fees payable to the Non-Executive Directors were reviewed during the year and will be realigned to better reflect the time commitments, skills and experience required in the roles.

	2025/26	2026/27	% increase
Board Chair	£217,978	£225,607	3.5%
Basic fee	£60,608	£68,000	12.2%
Additional fee for Senior Independent Director	£10,558	£15,000	42.1%
Additional fee for Committee Chair	£10,558	£15,000	42.1%

Note: The fees shown for 2025/26 and 2026/27 are the annual rates as at 1 July 2025 and 1 July 2026, respectively.

### Statement of shareholder voting

The resolution to approve the Policy was passed at the 2023 AGM and received the following votes from shareholders:

Resolution	Votes for	Votes against	% for	% against	Votes marked as abstain
To approve the Directors' Remuneration Policy	43,129,297	862,318	98.04	1.96	4,077

The resolution to approve the Annual Report on Remuneration at the 2025 AGM received the following votes from shareholders:

Resolution	Votes for	Votes against	% for	% against	Votes marked as abstain
To approve the Annual Report on Remuneration	47,389,001	323,788	99.32	0.68	176,195

## Annual Report on Remuneration continued

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### Committee advisers

During the year, the Committee received support and advice on all aspects of executive remuneration from its independent remuneration consultant, Korn Ferry. Korn Ferry is a signatory to the Remuneration Consultants' Code of Conduct and has confirmed to the Committee that it adheres to the Code. During the year, Korn Ferry had discussions with the Committee Chair on remuneration matters relevant to the company and on how best its team can work with the Committee to meet the company's needs, including the review of the Remuneration Policy. The Committee is satisfied that the advice it received from Korn Ferry for the year ended 31 March 2026 was objective and independent.

The total fees paid to Korn Ferry for the advice provided to the Committee during the year were £78,978 (excluding VAT). Fees are charged predominantly on the basis of time and expenses.

#### ALISON WOOD

Chair of the Remuneration Committee

8 June 2026