



ZOTEFOAMS

## Disclosure under section 430(2B) of the Companies Act 2006

### 1. Background

As announced on 26 March 2024, David Sterling has stepped down as Group CEO and as a Director of Zotefoams plc (the "**Company**") with effect from the conclusion of the Company's Annual General Meeting held on 22 May 2024 (the "**AGM**").

As required under section 430(2B) of the Companies Act 2006, details of the associated remuneration payments made or to be made to him are set out below.

### 2. Salary, bonus and benefits

During the period up to the AGM, David has continued to be paid on the same basis as disclosed in the Company's most recent Annual Report and Accounts, including in respect of any bonus arrangement. Following the AGM, alternative bonus arrangements will be agreed in respect of the period to 31 October 2024 (the "**Leaving Date**").

After stepping down as a Director of the Company, David will remain an employee of the Zotefoams Group until the Leaving Date, available to work on various strategic projects to be agreed with him from time to time. He will also continue to be entitled to the same level of contractual benefits as set out in his service agreement (save as set out in this disclosure). There will be no payment in lieu of notice.

### 3. Share based awards

David holds outstanding awards under the Company's Long Term Incentive Plan 2017 (the "**LTIP**") and Deferred Bonus Share Plan 2017 (the "**DBSP**") (together, the "**Awards**"). In accordance with the rules of the LTIP and DBSP, as applicable:

- (a) in relation to his DBSP Awards, the Remuneration committee of the Board of **Directors (the "Remuneration Committee")** will exercise its discretion under Rule 10.1 of the rules of the DBSP such that he is treated as a Good Leaver and his outstanding DBSP Awards shall continue to vest on the relevant vesting dates for those awards; and
- (b) in relation to his LTIP Awards granted in 2022 and 2023, the Remuneration Committee will exercise its discretion under Rule 11.2 of the rules of the LTIP such that he is treated as a Good Leaver and his LTIP Awards shall continue to vest on the relevant vesting dates for those awards save that the number of ordinary shares that vest will be reduced on a time-served pro-rated basis.

Any outstanding Awards, together with any earlier awards which may have vested and any bonus payments will remain subject to any malus or clawback provisions to which such awards/bonuses are subject, as set out in the rules of the LTIP, the DBSP and/or bonus under which the awards and bonuses were granted or otherwise made. No LTIP awards will be granted in 2024.

### 4. Other payments

A contribution of £3,000+VAT was made toward David Stirling's legal fees in relation to the settlement agreement.

There are no other remuneration payments or payments for loss of office in relation to David stepping down as a Director of the Company and the arrangements set out above are in line with the existing Directors' Remuneration Policy approved by the Company's shareholders at the annual general meeting held on 24 May 2023 (the "**Remuneration Policy**").



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### **5. Share retention policy**

Under the Company's share retention policy set out in the Remuneration Policy, David is required to maintain minimum, specified holdings of the Company's ordinary shares for the period of two years from ceasing to be an employee of the Company. It has been agreed that this period of retention will commence from the date of the AGM.

### **6. Further information**

The relevant remuneration details relating to David Sterling will be included in the Directors' Remuneration Report in the Annual Report and Accounts for the year ended 31 December 2024. In accordance with section 430(2B) of the Companies Act 2006, the information contained in this disclosure will be made available on the Company's website until the publication of that report.

**Dated: 22 May 2024**