Section 430 (2B) Companies Act 2006 Statement – Cessation of Office Disclosure: Anthony Grace (former Chief Financial Officer)

On 11 August 2021, Smiths News plc (the "**Company**") announced that Tony Grace would step down from the Board on 30 November 2021 and cease to be a director of the Company in light of his earlier stated intention (as announced on 5 May 2021) to retire from his executive role on 31 December 2021.

The following information is provided in accordance with section 430 (2B) of the Companies Act 2006.

In accordance with Tony Grace's service contract and the Company's directors' remuneration policy, the following has been agreed:

- Tony Grace will continue to receive his contractual salary, benefits in kind and car allowance up until 31 December 2021. No further remuneration or contractual payments will be made after his retirement date.
- Tony Grace is eligible for consideration for an annual bonus for the financial year ending 27 August 2022 (time pro-rated for the number of whole months employed during the financial year), subject to the achievement of the relevant performance targets. Half of any bonus payable shall be delivered as a deferred share award under the Deferred Bonus Plan (DBP) and required to be held for two years from the date of grant.
- Tony Grace will not be eligible for any long-term incentive award to be granted in the financial year ending 27 August 2022 in respect of the FY2022-2024 scheme.
- Subject to the rules of the Long Term Incentive Plan (LTIP) and the satisfaction of the applicable performance conditions, Tony Grace's outstanding LTIP awards granted on 13 December 2019 (in respect of the FY2020-2022 scheme) and on 27 November 2020 (in respect of the FY2021-2023 scheme) will be capable of vesting on their normal vesting dates. The number of shares capable of vesting (if any) will be reduced on a pro-rata basis to reflect the time elapsed from the start of the performance period. Any vested LTIP award must continue to be held for a further two years.
- In accordance with the Company's executive shareholding guidelines policy, for a period of two years from his retirement date (i.e. 1 January 2022 to 31 December 2023), Tony Grace will be required to retain shares at the lower of 200% of his base salary, or his actual shareholding on departure. Shares purchased voluntarily will not count towards this requirement.
- Malus and/or clawback provisions will continue to apply in respect of outstanding share awards and options in accordance with the rules of the relevant share plans.
- In accordance with the scheme rules, Tony Grace will be treated as a "good leaver" and will, therefore, be eligible to either exercise the option held or to have returned to him any savings made for the purpose of the Company's Save As You Earn Scheme.

Details of the leaving arrangements, including these payments, will be set out in the Company's Remuneration Reports for the financial year ending 29 August 2021 and 27 August 2022.