

SECTION 430(2B) COMPANIES ACT STATEMENT

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

Following the takeover of GKN plc by Melrose Industries plc, Mr. M. J. Sclater resigned and stepped down from the Board on 19 April 2018. Remuneration payments in respect of Mr. Sclater's severance are set out below.

- Notice payment of £639,116 comprising salary (£500,000), car allowance (£12,000) fuel allowance (£2,116) and retirement benefit allowance (£125,000).
- BUPA membership will continue for the duration of Mr. Sclater's notice period (12 months), with the annual premium being £857.
- A payment of £57,692 in respect of accrued untaken holiday entitlement during 2018 (30 days including 5 days in lieu).
- A payment of £479,337 for the annual bonus award (STVRS) in respect of 2018. This is the On Target amount for time served in 2018 plus the notice period to end of 2018.
- A non-contractual compensation payment of £90,000 being the amount negotiated by Mr. Sclater for the swift removal from his position, plus £6,760 compensation for 12 months life cover premium.

The following shares were released to him on 19 April 2018 under the GKN share incentive plans:

- 72,635 core award shares and 14,526 sustainability award shares granted in March 2016 under the GKN Sustainable Earnings Plan (SEP). The shares were released based on a sale price of 475.3329p per share. The number of shares released reflects the extent to which the relevant performance conditions were met and pro-rated for time served from the start of the relevant performance period to 19 April 2018.
- 27,435 shares and 23,114 shares granted in March 2017 and March 2018 respectively under the SEP. The shares were released based on a value of 477.60p per share. The number of shares released reflects the extent to which the relevant performance conditions were met and pro-rated for time served from the start of the relevant performance period to 19 April 2018.
- 6,677 shares and 2,168 shares granted in March 2017 and March 2018 respectively under the GKN Deferred Bonus Plan (DBP). The shares were released based on a value of 475.3329p per share. These awards were not subject to a performance condition or pro-rated for time served.
- 59,064 shares granted in July 2017 under the GKN Share Incentive and Retention Plan (SIRP) based on a sale price of 475.3329p per share. This award was not subject to a performance condition or pro-rated for time served.
- Dividend equivalents for the 2016 and 2017 SEP awards and the 2017 and 2018 DBP awards were delivered as a cash payment totalling £17,470.88 subject to normal withholding liabilities. No dividend equivalent was due for the 2018 SEP award.
- Shares under the GKN plc 2017 Sharesave Plan (SAYE) may be exercised for a period of 1 month from 19 April 2018. If they are not exercised by the end of the compulsory acquisition period (which started on 29 April 2018), they will lapse at that point. The SAYE award may be exercised with the contributions made at the time of exercise.
- Shares under the GKN plc 2017 Share Incentive Plan (SIP) are held by the SIP trustee and are subject to the Melrose offer.