

S430 (2B) Statement

Statement pursuant to S.430(2B) of the Companies Act 2006 – Dr Michael Edelman

As announced on 1 September 2020, Michael Edelman will step down as a director of Nanoco Group plc (the “Company”) on 1 September 2020. In accordance with the terms of his service agreement and the Company’s directors’ remuneration policy, details of changes in Michael’s remuneration arrangements are as follows:

Base salary - Dr Edelman will continue to receive his base salary through to the end of his notice period on 29 March 2021. This will continue to be subject to the 20% reduction applied to all Executives on 1 April 2020. During the period to 29 March 2021, Dr Edelman’s notice period has been shortened to one month with the earliest release date being 1 December 2020. In his role as Special Adviser he will receive \$35,000 per annum (approximately £26,600) and the notice period will be six months.

Pension - Dr Edelman will continue to receive his 5% company pension contribution through to the end of his notice period on 29 March 2021, calculated on his unreduced base salary (in line with all staff and Executives on reduced salaries). No pension contributions are payable during the Special Adviser role.

Annual bonus - No annual bonus is payable in respect of the year ending 31 July 2020 and none shall be payable for the year ending 31 July 2021. The Special Adviser role attracts no annual bonus.

Benefits - Dr Edelman will continue to benefit from the Company life assurance scheme throughout his employment, with any benefit linked to the salary being paid at the relevant time. Family medical insurance will be payable for up to one year from 30 March 2021.

Options under LTIP and DBP plans - Since he remains an employee, all of Dr Edelman’s existing LTIPs and DBP options will continue in place (see table below). It is intended that Dr Edelman will receive an LTIP award equal to approximately 150% of his pro rated salary for the year ending 31 July 2021. This award will be made as Dr Edelman will have an important role to play as Special Adviser to the Litigation Sub-Committee where a successful outcome to the litigation could have a material impact on shareholder value.

Interests in share options:

Date granted	Vested / Performance testing	Exercise price	Number
25 Nov 2011	Vested	50.00p	500,000
22 Oct 2012	Vested	57.00p	1,000,000
7 Nov 2018	To be tested 31 July 2021	Nil	923,824
1 Nov 2019	DBP release 1 November 2021	Nil	731,151
10 Dec 2019	DBP release 10 December 2021	Nil	731,151

These awards will remain capable of vesting at the normal time subject to achievement of the applicable performance conditions.

The Company will pay up to \$6,000 in respect of legal fees incurred by Dr Edelman. Full details of all payments made to and receivable by Dr Edelman will be disclosed in the Directors’ Remuneration Report within the Company’s Annual Report and Accounts for the year ending 31 July 2020, and subsequent years as appropriate.