

**FirstGroup Plc – Section 430(2B) Companies Act 2006 Statement****11 October 2021****Departure of Matthew Gregory**

FirstGroup plc announced on 27 July 2021 that Matthew Gregory will step down from his position as Chief Executive and as a Director of the Company at the conclusion of the Company's AGM on 13 September 2021. The following arrangements comply with FirstGroup's Directors' Remuneration Policy approved by the shareholders at the 2018 AGM.

**Payment and benefits**

From 13 September 2021 (when David Martin will assume the interim role of Executive Chairman), Matthew will provide assistance in relation to ongoing projects and work closely with David to ensure a smooth transition. Matthew will continue to receive his current salary, pension and other benefits (including car allowance, private medical insurance and life assurance) in accordance with his service contract until his notice expires on 27 July 2022 (or until terminated earlier in accordance with Matthew's service agreement). The monthly cost of such salary, pension and other benefits is currently £62,021. If the termination date is earlier than 27 July 2022, any payments made in respect of the unexpired notice period will be made in instalments, which will be subject to mitigation and reduced in the event Matthew takes up alternative employment.

Matthew will receive a capped contribution of up to £9,500 (excluding VAT) towards legal fees incurred in connection with his departure, and a capped contribution of up to £75,000 (excluding VAT) towards other professional fees related to outplacement. In each case, the actual amount payable will (subject to the cap) be based on fees actually incurred. Details of any payment made will be included in the Company's next Directors' Remuneration Report.

**Bonus**

Matthew remains eligible to participate in the 2021/2022 annual bonus programme, the amount of which will be determined by the Remuneration Committee in the usual way following the end of the financial year taking into account performance achieved and pro-rated to reflect his period of employment. Any such bonus paid will be part-deferred into shares in the usual way. The maximum bonus level is 150% of salary. Matthew will not be eligible for participation in any bonus scheme which relates to the 2022/2023 financial year.

**Share awards**

The Remuneration Committee, having considered the matter carefully, has determined that:

Matthew's deferred bonus under the FirstGroup plc Executive Annual Bonus Plan (EABP), awarded in 2019 (which relates to 138,406 shares) and any deferred bonus awarded in 2022 (as part deferral of any bonus for the 2021/2022 financial year, as referred to above), will not lapse by reason of his leaving employment, and will remain eligible to vest on their respective normal vesting dates in accordance with the rules of the EABP.

Matthew's unvested awards under the FirstGroup Long-Term Incentive Plan (LTIP), awarded in 2019 (in relation to 1,079,748 shares) and 2020 (in relation to 3,164,556 shares) will not lapse by reason of his leaving employment, and will remain eligible to vest on their respective normal vesting dates in accordance with the rules of the LTIP subject to the satisfaction of performance conditions and pro-rating for his period of employment. On vesting, the resulting shares are subject to a further two-year holding period. No further LTIP awards will be made to Matthew.

### **This statement**

The information contained in this statement is provided in accordance with section 430(2B) of the Companies Act 2006. It will be made available on FirstGroup's website until the Company's next Directors' remuneration report is made available.