SMITH & NEPHEW PLC AGM Date: 2013-04-11

1 Receive the Annual Report **For**

2 Approve the Remuneration Report **Oppose**

All elements of each director's cash remuneration are disclosed. All share incentive awards are fully disclosed with award dates and prices. Pension contributions and entitlements are fully disclosed. Pay policy aims are fully explained in terms of the company's objectives. The intended balance of the pay package is fully described. There is information on the composition of the NEDS' remuneration and how it is determined. Duration of contracts and company liabilities on termination are given. Quantified performance conditions and performance against past targets for annual bonuses paid stated. Maximum potential awards under annual bonus is also stated. Performance conditions and targets for long term incentives are disclosed. Maximum awards for long term incentive schemes disclosed. Vesting scale for long term incentive schemes is clear. There is a significant concern over the policy on recruitment arrangements. The Committee believes that it needs to retain the ability to compensate new hires for any bonus or share awards they give up in choosing to leave another employer to join Smith & Nephew. This policy is not considered an appropriate pay practice and it is noted that this was applied when Julie Brown was appointed as the new CFO. Maximum and minimum vesting targets are not challenging relative to performance required. Vesting scales are neither sufficiently broad nor geared towards better performance. Total potential rewards under all incentive schemes are excessive. Directors are required to build up a significant shareholding, however no time frame has been provided to achieve the same. All executive directors have contracts with 12 months notice. On termination of the contract, the remuneration committee has the discretion to pay executive directors a sum equivalent to the salary and benefits including a proportion of the bonus that would have received had they worked their 12 months notice. However, going forward, new contracts will not contain such provisions, and it is noted that Ms Brown's contract are according to best practice. Mitigation statement is provided.

3 Approve the dividend **For**

4 To re-elect Ian Barlow **For**

5 To re-elect Olivier Bohuon **For**

6 To re-elect The Rt Hon Baroness Bottomley of Nettlestone DL **For**

7 To re-elect Julie Brown **For**

8 To re-elect Sir John Buchanan **For**

9 To re-elect Richard De Schutter **Abstain**

Senior Independent Director. Independent by the company but not considered independent as he has been on the board longer than nine years. Although there is sufficient independence on the Board, there are concerns over his aggregate time commitments.

10 To re-elect Michael Friedman **For**

11 To re-elect Dr Pamela Kirby **For**

12 To re-elect Brian Larcombe **For**

13 To re-elect Joseph Papa **For**

14 To re-elect Ajay Piramal **For**

15 Appoint the auditors **Oppose**
Ernst & Young LLP proposed. Non-audit fees amounted to $1.0 million and represented 33% of the statutory audit fees both during the year under review and on a three year aggregate basis. This raises concerns over the Auditors' independence.

16 Allow the board to determine the auditors remuneration **For**

17 Issue shares with pre-emption rights **For**

18* Issue shares for cash **For**

19* Authorise Share Repurchase **For**

20* Meeting notification related proposal **For**