

SMITH & NEPHEW PLC
Form 6-K
September 13, 2010

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of
1934

September 10, 2010

Commission File Number 001-14978

SMITH & NEPHEW plc
(Registrant's name)

15 Adam Street
London, England WC2N 6LA
(Address of registrant's principal executive offices)

[Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.]

| | |
|---|------------------------------------|
| Form 20-F <input checked="" type="checkbox"/> | Form 40-F <input type="checkbox"/> |
| --- | --- |

[Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1).]

| | |
|------------------------------|--|
| Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| --- | --- |

[Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7).]

| | |
|------------------------------|--|
| Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| --- | --- |

[Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing information to the Commission pursuant to Rule 12g3-2 (b) under the Securities Exchange Act of 1934.]

| | |
|------------------------------|--|
| Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| --- | --- |

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2 (b) : 82- n/a.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Smith & Nephew Plc
(Registrant)

Date: September 10, 2010

By: /s/ Susan Henderson

Susan Henderson

Company Secretary

Smith & Nephew Plc (the "Company")

Employee Share Plans - Announcement of transaction in ordinary shares of US\$0.20 each and American Depository Shares (ADSs) representing five ordinary shares of US\$0.20 each.

The Company announces that on 9 September 2010 conditional awards were made under the Company's Global Share Plan 2010, 2004 Performance Share Plan and 2004 Executive Share Option Plans to Executive Directors/persons discharging managerial responsibility ("PDMRs") as detailed in the tables below. No consideration is payable for the awards.

1. 2004 PERFORMANCE SHARE PLAN ("PSP")

| Name | Director/PDMR | Number of shares subject to award | Total Number of Shares over which awards held under the PSP following Notification |
|-------------------|-------------------------|-----------------------------------|--|
| David Illingworth | Chief Executive | 50,166 ADSs | 686,450 ordinary shares (which includes 103,528 ADSs) |
| Adrian Hennah | Chief Financial Officer | 146,408 ordinary shares | 428,259 ordinary shares |

Notes:

There are performance conditions attached to the release of awards under the 2004 Performance Share Plan. These awards will vest on 9 September 2013, subject to the achievement of the performance conditions which are measured from 1 January 2010 to 31 December 2012.

2. 2004 EXECUTIVE SHARE OPTION PLAN

| Name | Director/PDMR | Number of shares subject to award | Option Price | Total Number of Shares over which Options held following Notification |
|-------------------|-------------------------|-----------------------------------|--------------|---|
| David Illingworth | Chief Executive | 33,223 ADSs | \$42.35 | 720,757 ordinary shares (including options over 68,798 ADS) |
| Adrian Hennah | Chief Financial Officer | 97,605 ordinary shares | 543p | 390,493 ordinary shares |

Notes:

There are performance conditions attached to the release of awards under the 2004 Executive Share Option Plan. These awards will vest, subject to the achievement of the performance conditions, on 9 September 2013. Any options which vest will be exercisable from 9 September 2013 to close of business 8 September 2020.

3. GLOBAL SHARE PLAN 2010

i) OPTIONS

| Name | Type of PDMR award | Number of Ordinary shares subject to award | Option Price | Total Number of Shares over which Options held following Notification |
|-------------------|--------------------|--|--------------|---|
| Mark Augusti | PDMR Option | 55,816 | 538p | 263,193 ordinary shares (including options over 12,500 ADS) |
| John Campo | PDMR Option | 57,616 | 538p | 204,795 ordinary shares |
| Joseph DeVivo | PDMR Option | 61,817 | 538p | 187,868 ordinary shares |
| Michael Frazzette | PDMR Option | 58,816 | 538p | 205,019 ordinary shares |
| R. Gordon Howe | PDMR Option | 47,413 | 538p | 191,495 ordinary shares (including options over 4,000 ADS) |
| Charles Pendle | PRMR Option | 40,000 | 538p | 110,413 ordinary shares |
| Roger Teasdale | PDMR Option | 51,115 | 538p | 136,562 ordinary shares |
| Naseem Amin | PDMR Option | 63,197 | 538p | 86,291 ordinary shares |

Notes:

The Options vest in equal annual tranches over three years following the award date and will be exercisable from vesting until close of business on 8 September 2020.

The UK Approved Options will vest three years from the award date and will be exercisable from 9 September 2013 to close of business on 8 September 2020.

ii) PERFORMANCE SHARE AWARDS

| Name | Number of shares PDMR subject to award | Total Number of Shares over which awards held under the PSP following Notification |
|---------------|--|--|
| Naseem Amin | PDMR 47,397 ordinary shares | 64,718 ordinary shares |
| Mark Augusti | PDMR 8,399 ADSs | 22,701 ADSs |
| John Campo | PDMR 8,670 ADSs | 23,328 ADSs |
| Joseph DeVivo | PDMR 9,302 ADSs | 24,948 ADSs |
| | PDMR 8,851 ADSs | 23,700 ADSs |

| | | |
|----------------------|--------------------------------|------------------------|
| Michael Frazzette | | |
| R. Gordon | PDMR 7,135 ADSs | 19,238 ADSs |
| Howe | | |
| Roger Teasdale | PDMR 38,336 ordinary shares | 83,675 ordinary shares |

Notes:

There are performance conditions attached to the release of awards under the Performance Share Plan. These awards will vest on 9 September 2013, subject to the achievement of the performance conditions which are measured from 1 January 2010 to 31 December 2012.

- 1) 1 ADS is equal to 5 Ordinary Shares.
- 2) The transaction took place in London, UK.
- 3) This announcement is made in accordance with Disclosure & Transparency Rule 3.1.2.

Contact:
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Deputy Company Secretary
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