

Notice of Annual General Meeting 2023

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you are recommended to seek financial advice from your stockbroker, bank manager, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if you reside elsewhere, another appropriately authorised financial adviser. If you have sold or otherwise transferred all your shares in Marston's PLC, please forward this notice, and accompanying documents (except any personalised form of proxy) to the purchaser or transferee, or to the person who arranged the sale or transfer, so they can pass these documents to the person who now holds the shares.



7 December 2022

Dear Shareholder,

I am pleased to invite you to the 135th Annual General Meeting (the "AGM") to be held on Tuesday, 24 January 2023 at 10:00am at The Farmhouse at Mackworth, The Folly Suite, 60 Ashbourne Road, Derby DE22 4LY.

The Board considers the AGM to be an important event in our calendar as it provides us with an opportunity to present the Company's performance to, and engage with, our shareholders.

If you wish to attend the AGM, I would request that you register your intention to do so to enable us to monitor the number of attendees and make appropriate arrangements. The Notice of Meeting appears on page 3 (the "Notice") and details of how to register can be found in Part B of the Notice.

You will again be able to register any questions about the business of the meeting in advance and I strongly encourage you to take the opportunity to do so. We will however allow questions to be asked at the meeting.

Any changes to the arrangements for the AGM will be communicated via the investor section on our website www.marstonpubs.co.uk/investors ("Website") and, where appropriate, by RNS announcement.

Most of our shareholders have now elected not to receive hard copy documents. Thank you for helping the Company to reduce its environmental impact, as well as the associated costs. You are now able to view or download the 2022 Annual Report and Accounts and Notice on our Website.

Business of the meeting

The Notice can be found overleaf in Part A on pages 3 to 7. This sets out the business to be considered at the AGM and provides explanatory notes for each resolution proposed.

General administrative notes relating to the AGM are set out in Part B, on pages 8 to 11. Explanatory notes relating to the Sharesave Scheme and LTIP are set out in Part C, on pages 12 to 16.

Voting

We value your vote and encourage you to exercise your voting rights by either completing and returning the enclosed form of proxy or by registering the appointment of a proxy at www.sharevote.co.uk

(follow the link to Marston's PLC). CREST members should use the CREST proxy appointment service and Institutional investors may also be able to appoint a proxy via the Proxymity platform – please go to www.proxymity.io for further information. The Board strongly recommends that you appoint the Chair of the meeting as your proxy.

Please note that all proxy appointments and instructions must be received by our registrar, Equiniti, by no later than 10:00am on Friday 20 January 2023.

At the meeting, voting on each resolution will be by way of a poll. This allows all shareholders to vote (whether present in person, by proxy or unable to attend), on all resolutions in proportion to their shareholding. The voting results will be announced the next business day after the AGM; on the Website and through a Regulatory News Service.

The Board

The Board appointed Nick Varney as a Non-executive Director with effect from 1 July 2022, subject to shareholder approval at the AGM. Nick brings a wealth of experience and insight to the Board and further information is set out on page 3. Nick Varney is accordingly seeking appointment by the shareholders.

In accordance with UK Corporate Governance Code 2018, all other Directors will be submitting themselves for re-election at the AGM. Following a Board evaluation process, I am satisfied that each Non-executive Director standing for re-election is independent and each Director continues to make an effective and valuable contribution to the Company. The Board is satisfied that each Non-executive Director remains independent in character and judgement.

Recommendations

The Board considers that the resolutions proposed at the AGM to be in the best interests of the Company and its shareholders as a whole and unanimously recommend that you vote FOR these resolutions.

The Directors unanimously intend to vote FOR all resolutions in respect of their own beneficial holdings, which, as at 5 December 2022, amount in aggregate to 1,223,304 ordinary shares, representing approximately 0.19% of the total voting rights.

On behalf of the Board, I thank you for your continued support.

Yours faithfully

William Rucker
Chair

Contents and expected timetable for AGM related events

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Expected timetable for AGM related events

Latest time for receipt of Forms of Proxy and CREST proxy instructions to be valid at the AGM	10:00am on 20 January 2023
Submission of questions relating to the business of the AGM	10:00am on 20 January 2023
Inspections of documents	5:00pm on 20 January 2023
AGM	10:00am on 24 January 2023

Submission of questions

We invite shareholders to register their questions in advance of the meeting via email agm@marstons.co.uk. Shareholders will receive a direct response to their question and questions that are relevant to the business of the AGM will be answered at the meeting. Answers to all questions answered at the meeting will be made available on the Website.

Inspection of documents

The following documents will be available for inspection at the registered office of the Company during normal business hours on any weekday (excluding public holidays) until the day before the AGM and at The Farmhouse at Mackworth, The Folly Suite, 60 Ashbourne Road, Derby DE22 4LY from 15 minutes prior to the start of the AGM until it ends:

- Copies of the Executive Directors' service contracts
- Copies of the letters of appointment of the Non-executive Directors
- The new Long Term Incentive Plan rules
- The new Sharesave Scheme rules

Part A

Notice of Annual General Meeting

and explanatory notes to each of the resolutions

Notice is hereby given that the 135th Annual General Meeting ("AGM") of Marston's PLC (the "Company") will be held at 10:00am on Tuesday 24 January 2023 at The Farmhouse at Mackworth, The Folly Suite, 60 Ashbourne Road, Derby DE22 4LY for the following purposes:

Resolutions

Resolutions 1 to 15 (inclusive) are proposed as ordinary resolutions which means that, for each of those resolutions to be passed, more than 50% of the votes cast must be in favour of the resolution.

Resolutions 16 to 18 (inclusive) are proposed as special resolutions which means that, for each of those resolutions to be passed, at least 75% of the votes cast must be in favour of the resolution.

The resolutions to be proposed to the meeting appear in bold text below with explanatory notes for each resolution underneath.

Annual Report and Accounts

1. To receive and adopt the Company's audited accounts and the reports of the Directors of the Company and the Independent Auditors for the 52 week period ended 1 October 2022.

The Directors are required to present to shareholders at the AGM the Company's audited accounts and the Directors' and Independent Auditors' reports for the 52 week period ended 1 October 2022.

Remuneration Policy

2. To approve the Directors' Remuneration Policy to take effect from 24 January 2023.

As a UK listed company, the Company is required to seek shareholders' approval of its remuneration policy, at least every three years (or when the policy changes). This vote is binding. The current policy was approved by shareholders at the 2020 AGM. The new Directors' Remuneration Policy can be found on pages 78 to 86 of the Annual Report and Accounts 2022 and provides details of the Company's proposed policy on Directors' remuneration. Subject to approval, the policy will take effect from the close of the AGM on 24 January 2023.

Remuneration Report

3. To approve the Annual Report on Remuneration for the period ended 1 October 2022.

UK listed companies are required to put before shareholders a resolution inviting them to approve the Annual Report on Remuneration. This is an advisory vote. The Annual Report on Remuneration, which can be found on pages 87 to 94 of the Annual Report and Accounts 2022, gives details of the Directors' pay and benefits (and performance outcomes) for the period ended 1 October 2022.

KPMG LLP have audited those parts of the Directors' Remuneration Report as highlighted and their report can be found on page 105 of the Annual Report and Accounts 2022.

In accordance with the 2018 UK Corporate Governance Code (the "Code"), each Director will stand for election or re-election at the AGM.

Election of Director joining the Board since the last AGM

4. To elect Nick Varney as Director of the Company

Nick has recently retired as Chief Executive Officer of Merlin Entertainments. He has over 30 years' experience in the Leisure sector, having started his career in consumer goods marketing, with Nestlé Rowntree and then with Reckitt & Colman plc. He went on to hold senior positions within The Tussauds Group (Pearson PLC), prior to becoming Managing Director of Vardon Attractions and a Main Board Director of Vardon plc. In 1999, Nick led the management buyout of Vardon Attractions to form Merlin Entertainments, driving the company's dynamic growth strategy which sees it today as European market leader and the world's second largest location based entertainment company. Nick is also a Board member of UK Hospitality, the trade body representing the UK's hospitality and tourism industry.

Re-election of Directors

To re-elect the following Directors who are seeking annual re-election in accordance with the 2018 UK Corporate Governance Code:

5. Andrew Andrea

6. Bridget Lea

7. Hayleigh Lupino

8. Octavia Morley

9. Matthew Roberts

10. William Rucker

A biographical summary of each Director appears on pages 58 and 59 of the Annual Report and Accounts 2022, with additional details set out below. All of the Non-executive Directors ("NED") standing for re-election are considered independent of the Company under the Code.

Both Andrew Andrea and Hayleigh Lupino are standing for re-election as an Executive Director. Details of their service contracts with the Company appear on page 86 of the Annual Report and Accounts 2022.

Andrew Andrea joined the Company in 2002 as Divisional Finance Director of Marston's Beer Company and in 2006 he became Operations Director for Marston's Pub Company. Andrew was appointed to the Board as Finance Director in March 2009. His role was expanded to Chief Financial and Corporate Development Officer in 2016 and he was appointed Chief Executive Officer on 3 October 2021. Andrew has over 23 years' experience within the pub and brewing industry and, in addition to his financial credentials, he has extensive commercial and operational expertise gained from his time at Marston's and outside the Group. He is currently a Non-executive

Notice of Annual General Meeting continued

Director at Portmeirion Group PLC and has previously worked in various financial and commercial roles with Guinness Brewing Worldwide, Bass Brewers Limited and Dolland & Aitchison.

Andrew is a qualified Chartered Accountant and brings a wealth of experience to the Board including strategy and leadership, risk management and mergers and acquisitions gained in financial and commercial roles.

Bridget is currently Managing Director – Commercial at BT Group having previously held the role of Managing Director (North) at J Sainsbury PLC. She has held senior positions, spanning a wide range of disciplines including sales, operations, marketing, supply chain and digital, within retail corporates. Previously, as Director of Stores, Online and Omnichannel at O2, she led the re-engineering of the store experience, development of an industry-leading digital experience and the omnichannel transformation.

Bridget's operational experience working across multiple leading retail brands, great customer empathy and experience of running large teams supports the Board's focus on the performance of people in driving business success.

Hayleigh was appointed as CFO on 3 October 2021. She has strong operational and commercial credentials, as well as extensive knowledge of both Marston's and the wider pub and brewing sector. A qualified ACMA, Hayleigh joined Marston's in 2003 and, since then, she has held a number of senior roles within the Group including Director of Finance for Marston's Beer Company, culminating in her appointment as Director of Group Finance for the Group earlier this year. She has both helped to develop the strategy and, following the acquisition of Thwaites beer business and Charles Wells Beer Business, led the integration plans, which saw a transformation of the beer business over the last 10 years.

She played a key role in the sale of Marston's Beer Company into the partnership with Carlsberg and is currently a Non-executive Director of CMBC. Hayleigh is also a Trustee Board Director at the Wolverhampton Grand Theatre.

Octavia has extensive experience in both executive and non-executive roles in retail and multisite companies having held various senior operational and strategic roles across all areas of retail at companies including Asda Stores Limited, Laura Ashley Holdings PLC and Woolworths plc. Octavia became Chief Executive Officer, and then Chair, at the retail company LighterLife UK Limited. She was subsequently appointed Managing Director at Crew Clothing Co Ltd before being appointed Chief Executive at OKA Direct Limited, furthering her retail and operational expertise. Octavia is currently Senior Independent Director at Card Factory PLC and Crest Nicholson Holdings PLC, Non-executive Director at Ascensos Ltd and Chair of Banner Group.

She was formerly a Non-executive Director of John Menzies PLC and Chair of Spicers-Office Team Group Ltd. Octavia brings significant PLC, strategic and retail experience to the Board, allowing her to contribute and challenge effectively in Board discussions and from her wider Non-executive Director roles.

Matthew Roberts was Chief Executive of Intu Properties plc until June 2020, having previously served as Chief Financial Officer from 2010 to April 2019. Prior to that he was Chief Financial Officer of Gala Coral Group Ltd from 2004 to 2008. Matthew held a number of senior roles within The Burton Group from 1989 to 1998, spanning investor relations, group finance and corporate development, during which time he led the demerger of Debenhams in 1998. He was Finance Director of Debenhams from 1996 to 2003.

Matthew is a qualified Chartered Accountant (FCA), and has recent and relevant financial experience, enabling him to contribute effectively to the Company as the chair of the Audit Committee. Matthew also has real estate and retail experience.

William Rucker is a Chartered Accountant with many years' experience in banking and financial services and was appointed as Chair of the Board with effect from 1 October 2018. He is Chair of Lazard in the UK and brings a wealth of knowledge and experience of financial markets, corporate finance and strategy to his leadership of the Board. William has recently been appointed Chair of ICG PLC, with effect from 31 January 2023 and is also currently Chair of the UK Dementia Research Institute. Previously, he was Chair of Crest Nicholson PLC, Chair of Quintain Estates and Development plc; and, a Non-executive Director of Rentokil Initial plc.

William's City and financial experience, together with strong stakeholder engagement credentials, ability to help businesses grow and his previous (and current) Chair roles make him ideally placed to be Chair of Marston's.

Auditors

11. To re-appoint KPMG LLP as Independent Auditors, until the conclusion of the next AGM of the Company in 2024 (the "2024 AGM").

The Company is required to appoint auditors at each AGM at which audited accounts are presented to shareholders. The Audit Committee has reviewed KPMG's effectiveness and recommends their re-appointment. Resolution 11 proposes the re-appointment of KPMG LLP ("KPMG") as the Company's Independent Auditors until the conclusion of the 2023 AGM.

12. To authorise the Audit Committee of the Company to agree the Independent Auditors' remuneration.

It is normal practice for the Audit Committee to be authorised to determine the level of the auditors' remuneration for the ensuing year. This resolution proposes to give such authority to the Audit Committee in respect of the Independent Auditors.

Sharesave Scheme

13. THAT the rules of the Marston's PLC Sharesave Scheme in the form produced to the AGM and initialled by the Chair of the AGM for the purposes of identification (the "Sharesave Scheme"), be and are hereby approved and the Directors of the Company be and are hereby authorised to do all such acts

and things as they may, in their absolute discretion, consider necessary or expedient to continue to operate the Sharesave Scheme including using newly issued shares to satisfy the exercise of options granted under the Sharesave Scheme before the date of this meeting.

The new Sharesave Scheme ("Sharesave Scheme") was adopted by the Board on 10 May 2022 to replace the Company's existing 'Save As You Earn' scheme which was established in 2012 and which reached the end of its ten-year life in 2022. The new Sharesave Scheme is an all-employee arrangement, under which participation must be offered to all qualifying employees. A summary of the principal terms of the new Sharesave Scheme is set out in the Appendix to this Notice. The rules of the new Sharesave Scheme will be available for inspection from the date of this Notice on the national storage mechanism and will also be available for inspection at the place of the AGM for at least 15 minutes before and during the AGM.

Approval of a new Long Term Incentive Plan ("LTIP")

14. That the rules of Marston's Long Term Incentive Plan in the form produced to the meeting and initialled by the Chair of the meeting for the purpose of identification (the "LTIP"), the principal terms of which are summarised on pages 14 to 16 of the Notice, be and are hereby approved and the Directors of the Company be and are hereby authorised to adopt the LTIP and do all acts and things which they may, in their absolute discretion, consider necessary or expedient to give effect to the LTIP.

The Company's current LTIP was adopted by shareholders in 2014 and reaches the end of its ten-year life in 2024. Therefore, after extensive consultation with major shareholders, as part of the Directors' Remuneration Policy review, the Company is seeking shareholder approval for the Marston's LTIP a year early. A summary of the key terms of the LTIP is set out on pages 14 to 16 of the Notice and details of the awards proposed to be granted in 2022 are described in the Directors' Remuneration Report for the period ended 1 October 2022.

Authority to allot shares

15. THAT the Directors be generally and unconditionally authorised to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company:

- a. Up to a nominal amount of £15,589,484 (such amount to be reduced by any allotments or grants made under paragraph 15.b. below in excess of £15,589,484); and
- b. Comprising equity securities (as defined in section 560(1) of the 2006 Companies Act (the "Act")) up to a nominal amount of £31,178,968 (such amount to be reduced by any allotments made under paragraph 15.a. above) in connection with an offer by way of a rights issue:

- i to holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings; and
- ii. to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in or under the laws of any territory or any other matter.

This authority shall (unless renewed, varied or revoked by the Company) expire on the date of the 2024 AGM (or, 23 April 2024, whichever is sooner) save that the Company may make offers and enter into agreements before this authority expires which would, or might, require equity securities to be allotted or subscription or conversion rights to be granted after the authority ends and the Directors may allot equity securities or grant rights to subscribe for or convert securities into ordinary shares under any such offer or agreement as if the authority had not ended. This authority replaces all previous authorities.

The Directors consider that this authority is desirable to allow the Company flexibility to allot shares in accordance with company law and The Investment Association Guidelines, although they have no present intention of exercising this authority other than to satisfy options under the Company's share option schemes. This authority will expire on the date of the 2024 AGM or 23 April 2024 (whichever is sooner).

If passed, the Directors will be able to issue up to two-thirds* of the Company's existing issued share capital (excluding treasury shares) by way of a rights issue or, up to one third** of the Company's issued share capital in any other case.

*Two-thirds of the nominal amount of the Company's issued share capital is £31,178,968 (representing 422,765,667 ordinary shares of 7.375 pence each), (excluding treasury shares) as at 1 December 2022. This maximum is reduced by the nominal amount of any allotment out of the one third issue.

**One third of the nominal amount of the Company's issued share capital is £15,589,484 excluding treasury shares. This maximum is reduced by the nominal amount of any allotment out of the two-thirds issue in excess of £15,589,484.

The Company held 26,213,676 ordinary shares in treasury which represents approximately 3.97% of the Company's issued ordinary shares as at the close of business on 5 December 2022¹.

Authority to disapply pre-emption rights

16. THAT, subject to the passing of resolution 15 in this Notice, the Directors be authorised to allot equity securities (as defined in section 560 of the Act) for cash, under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act

¹ 5 December 2022 being the latest practicable date prior to the publication of this document.

Notice of Annual General Meeting continued

did not apply to any such allotment or sale, provided that such authority shall be limited:

- a. To the allotment of equity securities and sale of treasury shares in connection with an offer of, or invitation to apply for, equity securities (but, in the case of the authority granted under Resolution 15.b. above, by way of a rights issue only):
 - i. to the holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings; and
 - ii. to holders of other equity securities, as required by the rights of those securities or as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

In the case of the authority granted under Resolution 15.a. above and/or in the case of any sale of treasury shares, to the allotment of equity securities or sale of treasury shares (otherwise than under section (a.) of this resolution) up to a nominal amount of £2,338,422 and shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on the date of the 2024 AGM, (or, 23 April 2024, whichever is sooner), save that the Company may make offers, and enter into agreements which would, or might, require equity securities to be allotted (or treasury shares to be sold) after the authority ends and the Directors may allot equity securities (or sell treasury shares) under any such offer or agreement as if the authority had not ended.

A company is generally not permitted to issue new shares (or other equity securities) or to sell treasury shares for cash (other than in connection with an employee share scheme), without first offering those shares to existing shareholders in proportion to their existing holdings (known as pre-emption rights).

This special resolution seeks authority for the Directors to issue a limited number of ordinary shares (or other equity securities) or to sell treasury shares for cash without offering them to existing shareholders in proportion to their existing shareholding first. The Directors consider that this authority will provide the flexibility to finance business opportunities by the issue of ordinary shares without a pre-emptive offer to existing shareholders.

If approved, the resolution will authorise the Directors to issue shares in connection with pre-emptive offers, or otherwise to issue shares for cash up to an aggregate nominal amount of £2,338,422 (representing 31,707,425 ordinary shares) which includes the sale on a non-pre-emptive basis of any treasury shares for cash. This aggregate nominal amount represents approximately 5% of the Company's issued ordinary share capital².

This resolution is in line with the Pre-Emption Group's Statement of Principles and the associated template resolutions. The Directors confirm that they do not intend to issue shares for cash representing more than 7.5% of the Company's issued ordinary share capital in any rolling three-year period other than to existing shareholders, without first notifying and consulting with shareholders in advance.

The authority contained in this resolution will expire on the date of the 2024 AGM or 23 April 2024 (whichever is sooner). The Directors confirm that they have no present intention of exercising this authority.

Authority to purchase own shares

17. THAT the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 7.375 pence each in the capital of the Company, subject to the following conditions:

- a. the maximum number of ordinary shares which may be purchased is 63,414,851;
- b. the minimum price (exclusive of expenses) which may be paid for an ordinary share is 7.375 pence;
- c. the maximum price (exclusive of expenses) which may be paid for each ordinary share is the higher of: (i) an amount equal to 105% of the average of the middle market quotations of an ordinary share of the Company as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased; and (ii) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading System; and
- d. the authority conferred by this resolution shall expire at the conclusion of the 2024 AGM or, if earlier, at the close of business on the date which is 18 months from the date on which this resolution is passed (except in relation to the purchase of shares the contract for which was made before the expiry of this authority and which might be concluded wholly or partly after such expiry).

This resolution will give the Company authority to purchase its own ordinary shares in the market up to a maximum of 63,414,851 ordinary shares) being 10% of the Company's issued ordinary share capital and sets the minimum and maximum prices that can be paid for those shares.

2 Excluding treasury shares, as at 5 December 2022.

The Directors have no present intention of exercising the authority to make such purchases but will keep the matter under review. Further, the Directors will only exercise this authority after taking into account the effects on earnings per share and the benefit to shareholders generally. Any shares purchased under this authority may either be cancelled or held as treasury shares (treasury shares may subsequently be cancelled, sold for cash or used to satisfy options issued to employees pursuant to the Company's employee' share schemes).

As at 5 December 2022³ there were options over 15,425,960 ordinary shares in the capital of the Company which represent 2.43% of the Company's issued ordinary share capital (excluding treasury shares) at that date. If the authority to purchase the Company's ordinary shares were to be exercised in full, these options would represent 2.70% of the Company's issued ordinary share capital (excluding treasury shares).

The authority conferred by this resolution will expire on the date of the 2024 AGM or 23 April 2024 (whichever is sooner).

General meetings

18. THAT a general meeting of the Company, other than an annual general meeting, may be called on not less than 14 clear days' notice.

Annual general meetings must give at least 21 clear days' notice and the Company will continue to do this. Other general meetings also require 21 clear days' notice unless the Company:

- a. has gained shareholder approval for the holding of general meetings on 14 clear days' notice by passing a special resolution at the most recent AGM; and
- b. offers the facility for all shareholders to vote by electronic means.

This resolution seeks shareholder approval for the Company to continue to hold general meetings on 14 clear days' notice, other than annual general meetings. The Company does not intend to use this authority as a matter of routine, but only in limited circumstances, for example, where the business of the meeting is time sensitive and would be to the advantage of shareholders as a whole.

The approval will expire on the date of the 2024 AGM, when it is intended that renewal of this authority will be sought.

By order of the Board

Bethan Raybould

General Counsel & Company Secretary

7 December 2022

Marston's PLC
Registered No. 00031461, England
Registered Office: Marston's House Brewery Road Wolverhampton
WV1 4JT⁴

³ 5 December 2022 being the last practicable date prior to the publication of this document.

⁴ We will be moving to our new office in early 2023, when our registered office will change to: St Johns House, St Johns Square, Wolverhampton WV2 4BH.

Part B

Administrative notes relating to the AGM

If you are planning to attend the AGM

9:00am Doors to registration area open – tea and coffee will be available on arrival.

10:00am AGM begins

11:00am End of AGM

Only shareholders, their authorised representatives or proxies, and carers of disabled shareholders will be entitled to attend the meeting.

Admission

You may be asked to provide proof of identity, as well as your attendance card. If you do not have your attendance card, you will be asked to provide two forms of identity. If you have been appointed as proxy for a shareholder entitled to vote, please let the admission team know. You should bring proof of identity with you and you will also be asked to confirm the details of the shareholder you are representing.

About the AGM

The resolutions set out on pages 3 to 7 will be considered at the AGM. You will be asked to vote on these resolutions. Voting on each resolution will be conducted by way of poll.

How to get there

The Farmhouse at Mackworth is situated on the outskirts of Derby, on the A52 Ashbourne Road. Upon arrival, please use the carpark for the 'Folly' identified by a sign and located on your left as you arrive at the Farmhouse. The Folly has its own entrance located at the front of the building. Please follow the signs where our marshals will guide you to the registration area.

Parking

Complimentary parking is available at the venue on the left-hand side of the building as you arrive. Again, follow the sign for the Folly.

By train

The nearest railway station is Derby station which is approximately a 10 minute drive from the Farmhouse. There are taxis available outside the station. As a result of the recent industrial action, we would advise you to check with the train operator before you travel.

By bus

For details of local bus routes please visit: <https://www.arrivabus.co.uk/midlands/bus-travel-in-derby>

Notes 1 to 13 below give further explanation as to the proxy, voting and attendance procedures at the AGM.

1. About the AGM

The AGM will be held at The Farmhouse at Mackworth, 60 Ashbourne Road, Derby DE22 4LY on Tuesday 24 January 2023 at 10:00am. Shareholders may attend if they so wish. We also ask that shareholders please exercise their votes by completing the hard copy form of proxy or by registering the appointment of a proxy electronically, as set out in Notes 4 and 5 below and submit their questions via email to agm@marstons.co.uk.

The Board strongly recommends that shareholders appoint the Chair of the AGM as their proxy. In the interests of safety, any (i) proxy who is not the Chair of the AGM; or (ii) a shareholder attending the AGM in person, will be denied access to the AGM.

Should it become necessary or appropriate to revise the current arrangements for the AGM, this will be notified to shareholders on our Website and, where appropriate, by RNS announcement.

2. Attending the meeting in person

Please pre-register your intention to attend by emailing agm@marstons.co.uk no later than 10:00am on 20 January 2023.

In order to be able to facilitate the attendance of shareholders, please note that additional guests (other than carers attending with shareholders) will not be permitted to attend. Further, the AGM will be for the formal business of the meeting only.

3. Entitlement to appoint and appointment of proxies

A shareholder entitled to attend, speak and vote at the AGM is also entitled to appoint one or more proxies to exercise all or any of his/her rights to attend, speak and vote instead of the shareholder, provided that, if more than one proxy is appointed, each proxy is appointed to exercise rights attaching to different shares held by that shareholder. As described in Note 1 above, the Board strongly recommends that shareholders appoint the Chair of the AGM as their proxy and no one else.

A shareholder may only appoint a proxy or proxies by:

- a. completing and returning the form(s) of proxy accompanying this Notice in accordance with the instructions contained therein and return it/them to the Company's Registrar, Equiniti at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA;
- b. going to www.sharevote.co.uk using the Voting ID, Task ID and Shareholder Reference Number set out in the form(s) of proxy and following the instructions provided; or

- c. if you are a user of the CREST system (including CREST personal members), having an appropriate CREST message transmitted (see Note 4).

To appoint more than one proxy, you may either photocopy the form(s) of proxy accompanying this Notice or contact Equiniti on 0371 384 2274⁵ to request additional personalised form(s) of proxy. If more than one proxy appointment is returned in respect of the same holding of shares, either by paper or electronic communication, that proxy received last by Equiniti before the latest time for the receipt of proxies will take precedence. To be valid, the completed form(s) of proxy and any power of attorney or other authority under which (it is/they are) executed (or a certified copy thereof) must be deposited with Equiniti or received via www.sharevote.co.uk or lodged via the CREST proxy service (in each case) not later than 10:00am on 20 January 2023, or 48 hours (excluding non-working days) before the time appointed for holding any adjourned AGM.

4. Electronic proxy appointment through Crest

- a. CREST members who wish to appoint a proxy or proxies through the CREST proxy service may do so for the AGM to be held on 24 January 2023 and any adjournment(s) thereof by using the procedures described in the CREST Manual (available at www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- b. In order to appoint a proxy or to give or amend an instruction to a previously appointed proxy using the CREST proxy service, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA 19) not less than 48 hours (excluding non-working days) before the time appointed for the AGM. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

⁵ UK callers should dial 0371 384 2274. Lines are open from 8:30 am to 5:30 pm, Monday to Friday (excluding UK public holidays in England and Wales). Non-UK callers should dial +44(0) 121 415 7047.

Administrative notes relating to the AGM continued

- c. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions.

It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

- d. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) of the Uncertificated Securities Regulations 2001.
- e. If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to **www.proxymity.io**. Your proxy must be lodged by 10:00 am on 20 January 2023 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

5. Entitlement to vote

In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, the Company gives notice that only those shareholders entered in the register of members of the Company at 6:30pm on 20 January 2023 or, in the event that the meeting is adjourned, in the register of members by 6:30pm two days (excluding non-working days) before any adjourned AGM, will be entitled to vote at the AGM in respect of the number of shares registered in their name at that time.

Changes to entries in the register after 6:30pm on 20 January 2023 or, in the event that the AGM is adjourned, in the register of members by 6:30pm two days (excluding non-working days) before any adjourned AGM, will be disregarded in determining the rights of any person to vote at the AGM.

Voting on all of the proposed resolutions at the meeting will be conducted on a poll vote. This reflects current best practice and ensures that shareholders who are not able to attend the AGM, but who have appointed the Chair of the AGM as their proxy, have their votes fully taken into account. When appointed as proxy, the Chair of the AGM will cast shareholder votes as directed by the shareholder(s).

The poll results will be published via a Regulatory Information Service and on the Website as soon as practical after the conclusion of the AGM.

6. Corporate representatives

Any corporation which is a member can appoint one or more corporate representative(s) who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

7. Nominated persons

Any person to whom this Notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statement of the rights of shareholders in relation to the appointment of proxies at Note 3 above does not apply to Nominated Persons. The rights described in that paragraph can only be exercised by shareholders of the Company.

8. Voting rights

As at 5 December 2022 (being the latest practicable date prior to the publication of this document), 660,362,194 ordinary shares of 7.375 pence each and 75,000 preference shares of £1 each were in issue. 26,213,676 of the ordinary shares were held in treasury and no preference shares were held in treasury. On a poll vote, a shareholder has one vote for every 25 pence of nominal value of share capital (of whatever class) of which he/she is the holder. Accordingly, the maximum total number of voting rights attached to the Company's issued ordinary shares (excluding treasury shares) as at 5 December 2022 was 187,073,812 and the maximum total number of voting rights attached to the Company's issued preference shares was 300,000.

9. Right to ask questions

As described in Note 1 above, we strongly encourage shareholders to register their questions and share their views prior to the meeting. All questions submitted in advance will receive a direct reply. Shareholders may send their questions in advance of the AGM via email **agm@marstons.co.uk**.

Please note that, in certain circumstances prescribed by section 319A(2) of the Act, the Company need not answer a question.

10. Shareholder requests under section 527 of the Act

Shareholders meeting the threshold requirements set out in section 527 of the Act have the right to require the Company to publish on a Website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the last AGM. The Company may not require the shareholders requesting any such Website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act,

it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required to publish on a website, under section 527 of the Act.

11. Communicating with the Company in relation to the AGM

Except as provided above, members who wish to communicate with the Company in relation to the AGM should do so using the following means:

- a. by writing to the General Counsel & Company Secretary at the Company's new office St Johns House, St Johns Square, Wolverhampton WV2 4BH⁶ or
- b. by writing to the Registrars, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA.

No other methods of communication will be accepted.

In particular, you may not use any electronic address provided either in this Notice or in any related documents (including, without limitation, the Annual Report and Accounts 2022 and form(s) of proxy) to communicate with the Company for any purpose other than those expressly stated.

12. Voting results

The results of the voting of the AGM will be announced through a Regulatory Information Service and will appear on our Website on the next business day.

13. Website

A copy of this Notice, and all other information required by section 311A of the Act, can be found on our Website www.marstonpubs.co.uk/investors.

⁶ We will be moving to our new office in early 2023, when our registered office will change to: St Johns House, St Johns Square, Wolverhampton WV2 4BH.

Part C

Notes on Sharesave Scheme and LTIP

SUMMARY OF MARSTON'S SHARESAVE SCHEME

A summary of the principal terms of the Marston's PLC Sharesave Scheme (the "SAYE Scheme") is set out below. The SAYE Scheme is intended to meet all of the requirements of Schedule 3 to the UK Income Tax (Earnings and Pensions) Act 2003 ("Schedule 3") necessary to operate as a tax-advantaged Save-As-You-Earn scheme.

The Scheme replaces the Marston's PLC Savings Related Share Option Scheme 2012 ("2012 SAYE Scheme"). The SAYE Scheme contains similar terms to the 2012 SAYE Scheme.

1. General

The SAYE Scheme shall be administered by the Directors or a duly authorised committee. The Scheme will give employees the opportunity to save between £5 and £500 per month (or such other amounts permitted under the relevant legislation from time to time) in a savings contract for 3 or 5 years ("Sharesave Contract"). The proceeds of the Sharesave Contract can be used to exercise an option to acquire shares in the Company ("Shares") at an option price set at the time of invitation, which shall not be less than 80% (or such other percentage as may be permitted by the relevant legislation) of the market value of a Share at the date of invitation. Benefits under the Scheme will not be pensionable.

2. Invitations to apply for options

Any invitation under the SAYE Scheme to apply for options must be made to all UK resident employees (including executive directors who work more than 25 hours a week) of the Company and other companies in its Group who have been in employment for a minimum period determined by the Directors (not exceeding five years), and any other employees nominated by the Directors.

Invitations may, ordinarily, be made within 42 days after the day after the Company announces its results for any period; the SAYE Scheme being registered with HMRC; changes to legislation impacting the Scheme or any day on which a new Sharesave Contract prospectus is announced or takes effect. In exceptional circumstances, invitations may be issued at other times.

3. Limit on the issue of Shares

The SAYE Scheme will be subject to an overall limit on the number of new Shares which may be subscribed. In any ten year period, not more than ten per cent of the issued ordinary share capital of the Company from time to time may be issued or issuable pursuant to rights under the Scheme and any other employees' share scheme adopted by the Company. Treasury Shares will count as new issue shares for these purposes while it remains best practice for them to be so counted.

In addition, the Company can place a limit on the maximum number of shares under option which can be applied for pursuant to any offer of options under the SAYE Scheme. If any such limit is exceeded, the SAYE Scheme rules provide a procedure for scaling down the number of shares over which options will be granted.

4. Source of shares

The SAYE Scheme allows the satisfaction of options through the allotment and issue of shares, re-issue of treasury shares, or shares held by an employee benefit trust.

5. Exercise of options

Ordinarily, an option may be exercised within six months of the maturity of the Sharesave Contract. Earlier exercise is permitted if an employee leaves employment by reason of death, injury, disability, redundancy or retirement. Options may be exercised early in the event of a takeover or winding-up of the Company or if the entity which employs a participant is transferred out of the Group.

6. Amendments

The Directors may amend the SAYE Scheme. However, the approval of shareholders is required for amendments to the advantage of employees to the provisions related to eligibility, the number of Shares that may be subscribed, the maximum entitlement for an employee, the determination of the option price, the basis for determining an employee's entitlement to and the terms of Shares and the adjustment of options in the event of a variation of capital. The approval of shareholders is not required for any minor amendment to benefit the administration of the Scheme, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any Company in the Group.

In the event of a variation in the ordinary share capital of the Company, the Directors may, adjust the number of Shares subject to any option and/or the option price, provided that the value of the Shares under option and the total amount payable to exercise the option must be substantially the same.

Amendments which would result in the Scheme ceasing to be a tax-advantaged Schedule 3 SAYE Scheme shall not be permitted unless the Committee has specifically determined that the SAYE Scheme should cease to be a tax-advantaged Schedule 3 SAYE Scheme.

7. Participants' rights

Options will not confer any shareholder rights (including in relation to dividend entitlement and voting rights) until the options have been exercised and the participants have been registered as owners of the shares.

8. Documents on display

The rules of the SAYE Scheme will be available for inspection at the AGM for at least 15 minutes before and during the meeting and on the national storage mechanism from the date of this Notice.

SUMMARY OF THE MARSTON'S LONG TERM INCENTIVE PLAN

A summary of the principal terms of the Marston's Long Term Incentive Plan (the "LTIP") is set out below.

1. Eligibility

Any employee (including an Executive Director) of Marston's PLC (the "Company") or any of its subsidiaries will be eligible to participate in the LTIP at the discretion of the Remuneration Committee.

2. Form of Awards

Awards under the LTIP may be in the form of:

- a. a conditional right to acquire ordinary shares in the Company ("Shares") at no cost to the participant ("Conditional Award");
- b. an option to acquire Shares at no cost to the participant ("Nil-Cost Option");
- c. a right to receive a cash amount which relates to the value of a certain number of notional Shares ("Cash Award").

As noted in section 13 below, the LTIP will also permit the grant of Nil-Cost Options in conjunction with a Tax-Advantaged Option (a "Linked Nil-Cost Option") as described in section 13. Conditional Awards, Nil-Cost Options, Tax-Advantaged Options and Cash Awards are together referred to as "Awards" and each an "Award".

References in this summary to Shares include notional Shares to which a Cash Award relates, where appropriate.

Awards may (where permissible) carry a right to a separate payment (in cash or shares) equal to the value of dividends that would have been received on the Shares over which the Award vests (or in the case of a Linked Nil Cost Option, would have vested) had those Shares been held by the participant during the period from the date the Award was granted until the date it vests.

3. Performance conditions

Unless the Remuneration Committee determines otherwise, Awards will be subject to the satisfaction of one or more performance conditions which will determine the proportion (if any) of the Award which will vest at the end of a performance period, which will usually be at least three years long. Awards granted to Executive Directors of the Company will always be granted subject to the satisfaction of performance conditions, other than awards granted in accordance with the Company's policy on directors' remuneration in connection with the recruitment of an executive director which are to "buy out" incentive arrangements forfeited on leaving a previous employer.

4. Individual limit

Awards will not be granted to a participant under the LTIP over Shares with a market value (as determined by the Remuneration Committee) in excess of 200% per cent of salary in respect of any financial year. Awards granted to Executive Directors of the Company will be at a level consistent with the Company's policy on directors' remuneration. If an Award is granted as a Linked Nil-Cost Option as referred to in section 13 below, the Shares subject to the Tax-Advantaged Option to which it is linked will not count towards this limit for the reasons set out in section 13.

5. Grant of Awards

Awards may only be granted within the six-week period following the announcement of the Company's results for any period or, on any day on which the Remuneration Committee determines that exceptional circumstances exist.

Notes on Sharesave Scheme and LTIP continued

6. Terms of Awards

Awards may be granted over newly issued Shares, treasury Shares or Shares purchased in the market. Awards are not transferable (other than on death). No payment will be required for the grant of an Award. Awards will not form part of pensionable earnings.

7. Overall limits

The LTIP is subject to the following overall limits:

- a. in any 10 year period, the number of Shares which may be issued under the LTIP and under any other discretionary share plan adopted by the Company may not exceed 5 per cent. of the issued ordinary share capital of the Company from time to time; and
- b. in any 10 year period, the number of Shares which may be issued under the LTIP and under any other employees' share plan adopted by the Company may not exceed 10 per cent. of the issued ordinary share capital of the Company from time to time.

Treasury Shares will be treated as newly issued for the purpose of these limits until such time as guidelines published by institutional investor representative bodies determine otherwise.

8. Malus and Clawback provisions

The Remuneration Committee may, in its absolute discretion, determine at any time prior to the vesting of an Award (other than a Tax-Advantaged Option) to:

- a. reduce the number of Shares to which an Award relates;
- b. cancel an Award; or
- c. impose further conditions on an Award; in circumstances in which the Remuneration Committee considers such action is appropriate.

Such circumstances include, but are not limited to: a. a material misstatement of the Company's audited financial results; b. a material failure of risk management by, or corporate failure of, the Company, any member of the Company's group ("Group") or a relevant business unit; c. the Remuneration Committee determining that the relevant Participant or former Participant has been guilty of serious misconduct; d. serious reputational damage to the Company, any Group member or a relevant business unit as a result of the participant's misconduct or otherwise, or e. an error in assessing a Performance Condition applicable to the Award.

If any such circumstances occur, the Remuneration Committee may at any time between the vesting of an Award and the second anniversary of vesting reduce or cancel other awards held by or bonuses otherwise payable to a Participant, require a Participant or former Participant to transfer for nil consideration some or all of the Shares delivered to him or her under the Award or make a cash payment to the Company in respect of some or all of the Shares or cash delivered to him or her under the Award.

9. Vesting and Exercise

Awards that are subject to a performance condition will normally vest on the third anniversary of the date of grant (or on such other date as the Remuneration Committee determines) and then only to the extent that any performance condition has been satisfied. Where Awards are granted without a performance condition, they may vest on such date as the Remuneration Committee determines).

Nil-Cost Options will then normally be exercisable until the tenth anniversary of the grant date. The vesting of a Conditional Award or the exercise of a Nil-Cost Option is subject to obtaining any necessary approvals or consents from the FCA, the Company's share dealing policy and any other applicable laws or regulations. At any time before Shares have been acquired by a participant in satisfaction of the vesting (and, in respect of Nil-Cost Options, the exercise) of their Award (other than a Cash Award, Tax-Advantaged Option or Linked Nil-Cost Option), the Remuneration Committee may decide to pay a participant a cash amount equal to the value of the Shares they would otherwise have received. Any Shares or cash that are to be issued, transferred or paid (as appropriate) to a participant in respect of a vested Award or an exercised Nil-Cost Option (including a Cash Award) will be issued, transferred or paid (as appropriate) within 30 days of the date of vesting or exercise (as appropriate).

10. Cessation of employment

If a participant dies, any unvested Award he holds will, unless the Remuneration Committee determines otherwise, vest as soon as reasonably practicable after the participant's death to the extent that the Remuneration Committee determines, taking into account the satisfaction of any performance condition and, if the Remuneration Committee so determines, the period of time that has elapsed since the Award was granted until the date of death. Where Awards vest in these circumstances, Nil-Cost Options will normally be exercisable for 12 months after vesting.

If a participant ceases to be employed by the Group by reason of ill-health, injury, disability or any other reason at the Remuneration Committee's discretion (except where a participant is summarily dismissed), any unvested Award he holds will usually continue until the normal vesting date unless the Remuneration Committee determines that the Award will vest as soon as reasonably practicable following the date on which the participant ceases to be employed by the Group.

The Remuneration Committee will decide the extent to which an unvested Award vests in these circumstances, taking into account the extent to which any performance condition is satisfied at the end of any performance period or, as appropriate, at the date on which the participant ceases to be employed by the Group. Unless the Remuneration Committee in its discretion determines otherwise, the proportion of the relevant performance period which has elapsed will also be taken into account.

Where Awards vest in these circumstances, Nil-Cost Options will normally be exercisable for six months after vesting. If a participant ceases employment for one of these "good leaver" reasons whilst holding vested Nil-Cost Options, he will normally have six months from cessation within which to exercise those Nil-Cost Options. If a participant ceases employment with the Group in any other circumstances any Award he holds shall lapse on the date on which the participant ceases employment.

11. Corporate events

In the event of a change of control of the Company, the Remuneration Committee will decide the extent to which Awards will vest taking into account the extent to which any performance condition has been (or would have been) satisfied, and, unless the Remuneration Committee determines otherwise, the proportion of the relevant performance period which has elapsed as at the date of the relevant event. Nil-Cost Options will then be exercisable for a period of one month or, if the Remuneration Committee so decides, participants can be requested to give notice exercising their Nil-Cost Options with effect from immediately before the change of control and options will lapse to the extent unexercised on the change of control. Alternatively, the Remuneration Committee may permit or, in the case of an internal reorganisation, or if the Board so determines any other event, require Awards to be exchanged for equivalent awards which relate to shares in a different company.

If other corporate events occur such as a winding-up of the Company, demerger, delisting, special dividend or other event which, in the opinion of the Remuneration Committee may affect the current or future value of Shares, the Remuneration Committee may determine that Awards will vest taking into account the satisfaction of any relevant performance condition and, unless the Remuneration Committee determines otherwise, pro-rating to reflect the proportion of the relevant performance period which has elapsed as at the date of the event. The Remuneration Committee will determine in these circumstances the length of time during which Awards structured as Nil-Cost Options can then be exercised.

12. Adjustments

In the event of a variation of the Company's share capital or a demerger, delisting, special dividend, rights issue or other event, which may, in the Remuneration Committee's opinion, affect the current or future value of Shares, the number of Shares subject to an Award and/or any performance condition attached to Awards, may be adjusted.

13. Tax-Advantaged Options

The LTIP will contain a schedule under which Tax-Advantaged 'CSOP' options may be granted ("Tax-Advantaged Options").

Tax-Advantaged Options will have a per Share exercise price equal to the market value of a Share at the date of grant and will be subject to the rules of the LTIP as described in this Appendix, modified as the Company considers necessary or desirable, for example to take account of the relevant tax legislation. For example, the malus provision will not apply to Tax-Advantaged Options, and the leaver provisions are slightly different. Tax-Advantaged Options become exercisable in a slightly different way on a change of control, or death, and there will be no cash alternative or dividend equivalent.

As noted above, a Tax-Advantaged Option may be granted in conjunction with a Linked Nil-Cost Option. Where this is the case, the Linked Nil-Cost Option will vest to the extent any performance condition to which it is subject is met. The value of the Shares over which it vests will be first delivered to the Participant under the Tax-Advantaged Option to the extent possible, with any 'excess' value delivered under the Linked Nil-Cost Option. The vesting of the Linked Nil-Cost Option will be scaled back to the extent value is delivered under the Tax-Advantaged Option so the aggregate pre-tax value of the gain on the Tax-Advantaged Option and the pre-tax value of the Linked Nil-Cost Option will not exceed what would have been delivered under a 'standalone' Nil-Cost Option. If the value which needs to be delivered to the participant is less than the value of the potential gain on exercise of the Tax-Advantaged Option, the Tax-Advantaged Option will lapse to the relevant extent and the Linked Nil-Cost Option will lapse in full).

This linking arrangement gives the participant and the Group the opportunity to benefit from the tax treatment available in respect of Tax-Advantaged Options without increasing the pre-tax value delivered to the participant.

Notes on Sharesave Scheme and LTIP continued

14. Amendment and termination

The Remuneration Committee may amend the LTIP at any time, provided that prior approval of the Company's shareholders in a general meeting will be required for amendments to the advantage of employees relating to eligibility, limits, the basis for determining a participant's entitlement to, and the terms of, the Shares or cash comprised in an Award and the impact of any variation of capital. However, any minor amendment to benefit the administration of the LTIP, to take into account legislative changes, or to obtain or maintain favourable tax treatment, exchange control or regulatory treatment may be made by the Remuneration Committee without shareholder approval. No amendment may be made to the material disadvantage of participants in the LTIP unless consent is sought from the affected participants and given by a majority of them.

The LTIP will usually terminate on the tenth anniversary of its approval by shareholders, but the rights of existing participants will not be affected by any termination.

15. Legal entitlement

Participation in the Plan does not form part of the terms of a participant's contract of employment.

16. Governing Law

The LTIP will be governed in accordance with the laws of England and Wales and the parties submit to the exclusive jurisdiction of the Courts of England and Wales.

17. Documents on display

The rules of the LTIP will be available for inspection at the AGM for at least 15 minutes before and during the meeting and on the national storage mechanism from the date of this Notice.