
**RULES OF THE KINGFISHER
SHARESAVE PLAN**

ADOPTED BY THE BOARD ON 15 SEPTEMBER 2022

APPROVED BY SHAREHOLDERS ON [•] 2023

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1. Definitions and Interpretation

1.1 Definitions

The words and expressions used in the Rules which have initial capital letters have the meanings set out in Appendix 1.

1.2 Interpretation

The headings in the Rules are for convenience and should be ignored when construing the Rules. Unless the context otherwise requires, words in the singular are deemed to include the plural and vice versa and words implying either gender are deemed to include both genders.

References in the Rules to any statutory provisions are to those provisions as amended or re-enacted from time to time, and include any regulations or other subordinate legislation made under them.

- 1.3 This Plan is intended to be a Schedule 3 SAYE Option Scheme for the purposes of the Act and the Plan and any Option granted under it shall be interpreted, operated and administered in a manner that is consistent with that intention and in the case of any conflict between these rules and the provisions of sections 516 to 519 of and Schedule 3 to the Act (the **legislation**), the legislation shall prevail.

2. Invitation and application for Options

2.1 Time when invitations may be made

At any time during the Plan Period, the Board may, during an Invitation Period, invite all Eligible Employees to apply for Options. The operation of the Plan in any one year in respect of one or more Participating Companies does not mean that the Board must or will operate the Plan subsequently.

2.2 Form of invitation

The Board will specify the form of the invitations to apply for Options. Invitations may be made by letter, poster, circular, advertisement, electronically or any other means or combination of means determined by the Board. For so long as the Shares are Listed, the Date of Invitation must be chosen so that each Dealing Day used to determine the Option Price is within the Invitation Period.

2.3 Option Price

The Board will decide the Option Price for an invitation, which will be communicated to Eligible Employees. The Option Price cannot be less than the higher of:

- (a) the Specified Percentage of the Market Value of a Share on the Dealing Day immediately preceding the Date of Invitation or, if the Board decides, the Specified Percentage of the average of the Market Values of a Share on the three consecutive Dealing Days immediately preceding

the Date of Invitation or the Specified Percentage of the Market Value at such other time or times agreed in advance with HMRC; and

- (b) if the Shares are to be subscribed, their nominal value, but subject to any adjustment under Rule 9.

2.4 Applications

An Eligible Employee may apply for an Option in the form specified by the Board. The application will contain any undertakings and/or declarations from Eligible Employees that the Board requires for the purposes of the Plan. The application form must be accompanied by a completed proposal form to enter into a Savings Contract with the Savings Body. An Eligible Employee must apply for an Option within 21 days following the Date of Invitation (or any shorter period determined by the Board, not being less than 14 days) (the *Invitation Close Date*).

2.5 Bonus available

The Board may allow Eligible Employees when applying for an Option to elect for the Three Year Bonus or the Five Year Bonus (or for such other standard periods as may be available under the HM Treasury savings arrangement specifications in force at the relevant time). If the Board does not specify in the invitation documents, Eligible Employees may only elect for the Three Year Bonus.

2.6 Employee's specification

An Eligible Employee must specify:

- (a) the Monthly Contribution which, subject to Rules 2.8 and 3, the Eligible Employee wishes to make; and
- (b) subject to Rule 2.5, whether the Savings Contract Repayment is to include the Three Year Bonus or the Five Year Bonus.

2.7 Shares available

The Board may specify a maximum number of Shares available under an invitation.

2.8 Limit on participation

A Participant cannot contribute monthly to Savings Contracts:

- (a) more than the Maximum Contribution. Any Option which is purported to be granted in excess of the limits under this Rule 2.8(a) shall take effect as an Option which would not exceed those limits; and
- (b) less than the Minimum Contribution. Any application form specifying a proposed Monthly Contribution of less than the Minimum Contribution will be void and the Board will not grant an Option to the Eligible Employee in respect of that application form.

2.9 Cancelled Savings Contracts

Prior to any Date of Invitation, the Board may determine that, for the purposes of calculating the limit imposed by Rule 2.8(a), any Monthly Contributions under Savings Contracts entered into in connection with Options granted on one or more Dates of Grant (as determined by the Board) that the Participant has cancelled will be deemed to be Monthly Contributions being made by the Participant at the Date of Invitation.

2.10 Late applications

The Board may, in its absolute discretion, treat all late applications as valid provided they are received no more than one business day after the Invitation Close Date.

3. Scaling down

3.1 Method

If there are insufficient Shares available to satisfy valid applications for Options, the Board may use the following successive methods to scale down applications to the extent necessary to eliminate the excess:

- (a) treat the bonus of each Eligible Employee as excluded from the Savings Contract Repayment; or
- (b) treat all applications for a Five Year Bonus as applications for a Three Year Bonus; or
- (c) reduce pro rata the proposed Monthly Contribution of each Eligible Employee which is in excess of an amount chosen by the Board (though such amount may not, unless determined otherwise by the Board before the Date of Invitation, exceed £50); or
- (d) reduce pro rata the proposed Monthly Contribution of each Eligible Employee, provided that the reduced amount is not less than the Minimum Contribution; or
- (e) select applications by lot, each based on a Monthly Contribution equal to the Minimum Contribution and no bonus in the Savings Contract Repayment.

3.2 Applications modified

If scaling down is necessary each application will be deemed to have been modified or withdrawn in accordance with the method chosen under Rule 3.1 and the Board will complete or amend, as appropriate, each Savings Contract proposal form to reflect any reduction in Monthly Contributions. The Board will then grant Options under Rule 4, but the period of 30 days in Rule 4.2 will be increased to not more than 42 days.

3.3 Insufficient Shares

If the number of Shares available is insufficient to enable an Option based on monthly savings contributions of the Minimum Amount and the inclusion of no bonus in the repayment under the Savings Contract to be granted to each

Eligible Employee making a valid application, the Board may, as an alternative to selecting by lot, determine that no Options shall be granted on that occasion.

4. Grant of Options

4.1 Option grant

Subject to Rule 3, Options will be granted to each Eligible Employee who has applied for an Option over the largest whole number of Shares that can be acquired at the Option Price with the Savings Contract Repayment related to their respective application. An Option will be granted so that it constitutes a binding contract between the Company and the Participant. There will be no payment for the grant of an Option.

4.2 Time of grant

Subject to Rule 3, Options will be granted within 30 days after the date on which the Option Price is determined or, if the Option Price is determined over consecutive Dealing Days, within 30 days after the earliest of those Dealing Days.

4.3 Notification of grant

A Participant will be notified of the grant of an Option and may be issued with an option certificate specifying the Date of Grant, the number of Shares under the Option, the Option Price and the Bonus Date of the Option. Alternatively, a Participant may be advised where that information can be accessed, or be given the opportunity to obtain the information electronically.

4.4 Options personal to Participants

An Option may not, nor may any rights in respect of it, be transferred, assigned, charged or otherwise disposed of to any person, except that, on the death of a Participant, an Option may be transmitted to the Participant's personal representatives.

5. Limit on Shares

5.1 The 10 per cent limit over 10 years

The number of Shares that may be allocated under the Plan on any day cannot, when added to the aggregate of the number of Shares that:

- (a) could be issued on the exercise of any other subsisting share options, awards or other rights granted during the preceding ten years under the Plan or any other Employees' Share Plan; and
- (b) have been issued on the exercise of any share options, awards or other rights granted during the preceding ten years under the Plan or any other Employees' Share Plan,

exceed the number of Shares that is equal to 10 per cent of the ordinary share capital of the Company in issue at that time.

5.2 Exclusion from limit

In calculating the limit in Rule 5.1, any Shares where the right to acquire them was released or lapsed without being exercised will be disregarded. Partnership shares awarded under any Share Incentive Plan operated by the Company will also be disregarded.

5.3 Meaning of allocation

Reference in Rule 5 to the allocation of Shares means, in the case of a share option plan, the placing of unissued shares or treasury Shares under option and, in relation to other types of Employees' Share Plan, means the issue and allotment of Shares or the transfer of Shares out of treasury. However, the placing of treasury Shares under option or the transfer of Shares out of treasury may be disregarded if the share incentive scheme guidelines of the UK institutional shareholders are amended to permit such shares to be disregarded.

5.4 Grants in excess

If an Option is granted on terms which do not comply with this Rule 5, the number of Shares over which that Option has been granted will, together with the number of Shares over which all other Options have been granted on the same Date of Grant, be reduced pro rata to the largest lower number that complies with this Rule 5. An adjusted Option will take effect from the Date of Grant as if it had been granted on the adjusted terms and, for the purposes of Rule 8.2, the amount of the repayment made under the Participant's related Savings Contract will be deemed to be adjusted as appropriate.

5.5 Adjustment of Shares to be taken into account

Where Shares issued under the Plan or any other Employees' Share Plan of the Company are to be taken into account for the purposes of the limit in Rule 5.1 and a Variation in the equity share capital of the Company has taken place between the date of issue of those Shares and the date on which the limit is to be calculated, then the number of Shares taken into account for the purposes of the limit will be adjusted in the manner the Board considers appropriate to take account of the Variation.

6. Time of exercise of Options

6.1 General rules for exercise

An Option may, except as provided in Rule 6.2, only be exercised by a Participant while he or she is a director or employee of a Participating Company or an Associated Company.

6.2 Timing of exercise

Subject to Rule 7, an Option can be exercised at any time during the period of six months commencing on the earliest of:

- (a) the applicable Bonus Date; and
- (b) the Participant ceasing to be a director or employee of a Participating Company or an Associated Company:

- (i) by reason of retirement;
- (ii) by reason of injury, disability, Redundancy;
- (iii) because of a relevant transfer within the meaning of TUPE;
- (iv) because the Participating Company of which the Participant is a director or employee ceases to be an associated company (as defined in paragraph 35(4) of Schedule 3) of the Company by reason of a change of control (as determined in accordance with sections 450 and 451 of the Corporation Tax Act 2010);
- (v) because the business (or part of a business) in which the Participant is employed is transferred to a person who is not an Associated Company where the transfer is not a relevant transfer within the meaning of TUPE; or
- (vi) more than three years after the Date of Grant for any reason (except for dismissal for misconduct).

6.3 Death

Any Option held by a Participant who dies can be exercised by the Participant's personal representatives within 12 months of the earlier of the date of the Participant's death or the Bonus Date of the Option (if death occurs within six months after the Bonus Date). Notwithstanding any provision of Rules **Error! Reference source not found.** to 6.8 to the contrary, if any Option has become exercisable under this Rule 6.3 and time is running under one of the 12-month periods specified herein, such Option shall lapse only on the expiry of the relevant 12-month period under this Rule 6.3 and not under any period specified in Rules **Error! Reference source not found.** to 6.8.

6.4 Cessation of scheme-related employment

- (a) For the purposes of Rule 6.2(b), a Participant will not be treated as ceasing to be an employee or director of a Participating Company until the Participant no longer holds an office or employment with the Company or an associated company (as defined in paragraph 35(4) of Schedule 3).
- (b) For the purposes of Rules 6 and 7, a Participant who is a director or employee who is absent from work wholly or partly because of maternity, paternity leave or shared parental leave (as appropriate), shall not be treated as ceasing to be a director or employee of a Participating Company until he or she ceases to be entitled to exercise any statutory or contractual right to return to work.

6.5 Voluntary winding-up

If notice is duly given of a resolution for a voluntary winding-up of the Company then a Participant may exercise his or her Options within the period of two months following the date on which the resolution is passed, failing which exercise the Options shall lapse automatically upon the expiry of such

two month period PROVIDED THAT an Option may not be exercised more than six months after the relevant Bonus Date.

6.6 General offer

Subject to Rule 7 and provided the Option is not to be exchanged under Rule 6.9, an Option can be exercised during the period of six months commencing on the date on which an offeror (together with others, if any, acting in concert with the offeror) obtains Control of the Company as a result of making a general offer (in respect of which any condition to which it is made is satisfied) to acquire all of the issued ordinary shares of the Company or all of the shares of the Company which are of the same class as the Shares and which, in either case, are not at the time owned by the offeror or any company Controlled by the offeror and/or persons acting in concert with the offeror. For the purposes of this Rule **Error! Reference source not found.** the general offer referred to this Rule **Error! Reference source not found.** may be made to different shareholders by different means.

6.7 Compulsory acquisition

Subject to Rule 7 and provided the Option is not to be exchanged under Rule 6.9, if a person becomes bound or entitled to acquire Shares under sections 979 to 982 (inclusive) or sections 983 to 985 (inclusive) of the Companies Act 2006 (or overseas legislation regarded as comparable by HMRC), or would be so entitled but for the fact that there were no dissenting shareholders, any Option may be exercised at any time for as long as that person remains so bound or entitled.

6.8 Scheme of arrangement under section 899

Subject to Rule 7 and provided the Option is not to be exchanged under Rule 6.9, an Option can be exercised during the period of six months commencing on the date when the court sanctions a compromise or arrangement applicable to or affecting:

- (a) all the ordinary share capital of the Company or all the Shares; or
- (b) all the shares, or all the shares of that same class, which are held by a class of shareholders identified otherwise than by reference to their employment or directorships or their participation in a Schedule 3 SAYE Option Scheme,

under section 899 of the Companies Act 2006 (or overseas legislation regarded as comparable by HMRC).

6.9 Reorganisation or merger

If a company (the *Successor Company*) has obtained Control of the Company and the shareholders of the Successor Company immediately after it has obtained Control are substantially the same as the shareholders of the Company immediately before that event, then either:

- (a) if the Successor Company consents to an exchange of Options under this Rule 6.9(a), Options will not be exercisable pursuant to Rules **Error!**

Reference source not found. to 6.8 but will be exchanged during the Appropriate Period pursuant to Rule 10 (save that references to the Acquiring Company in that Rule will be deemed to be references to the Successor Company) unless the Participant elects not to accept such an exchange. Options not exchanged by a Participant during the Appropriate Period will lapse on the date on which the exchange takes effect, as specified by the Successor Company; or

- (b) if the Successor Company does not consent to an exchange of Options in accordance with Rule 6.9(a), Options may be exercised in accordance with Rules **Error! Reference source not found.** to 6.8.

6.10 Shares not meeting the requirements of Schedule 3

- (a) If as a result of an event mentioned in Rules **Error! Reference source not found.**, 6.7, or 6.8, the Shares under Option no longer meet the requirements of paragraphs 17 to 20 (inclusive) and paragraph 22 of Schedule 3, each Participant may exercise his or her Options for the period of 20 days following the date on which the relevant event mentioned in Rules **Error! Reference source not found.**, 6.7, or 6.8 (as the case may be) occurs, notwithstanding that the Shares no longer meet the relevant requirements provided that an Option may not be exercised more than six months after the relevant Bonus Date.
- (b) Failing any permitted exercise, the Options shall, subject to Rule 6.3 and without prejudice to the operation of Rule 10, lapse automatically upon the expiry of such 20 day period.

7. Lapse of Options

7.1 Except in the case of a Participant's death, when an Option will lapse on the expiry of 12 months from the earlier of the date of the Participant's death or the Bonus Date, as appropriate, and subject to Rule 6.9, an Option will lapse on the earliest of:

- (a) the expiry of six months from the Bonus Date;
- (b) the expiry of six months from the date on which the Participant ceases to be a director or employee of a Participating Company or an Associated Company in any of the circumstances referred to in Rule 6.2(b);
- (c) the date on which the Participant ceases to be a director or employee of a Participating Company or an Associated Company in any circumstances other than those referred to in Rule 6.2(b);
- (d) the Participant's right to continue making Monthly Contributions lapsing under the provisions of the Savings Contract other than on death or for the purpose of exercising an Option;
- (e) the expiry of the two-month period arising under Rule 6.5 (even if this occurs before the expiry of the relevant 12-month period under Rule 6.3);

- (f) the expiry of six months following the occurrence of any of the circumstances permitting the exercise of Options in Rules 6.2, **Error! Reference source not found.**, 6.8; and
 - (g) the expiry of the period during which a person remains so bound or entitled to acquire Shares as referred in Rule 6.7.
- 7.2 If, before the Option has become exercisable, the Participant:
- (a) gives notice, or is deemed to have given notice, under the terms of the related Savings Contract that he or she intends to stop paying contributions to that Savings Contract; or
 - (b) makes an application for repayment of the related Savings Contract,
- the Option shall automatically lapse.
- 7.3 If a Participant is declared bankrupt or enters into any general composition with or for the benefit of his or her creditors including a voluntary arrangement under the Insolvency Act 1986, his or her Options shall automatically lapse.
- 7.4 An Option will lapse on any transfer of the Option otherwise than as permitted under Rule 4.4.

8. Exercise of Options and issue or transfer of Shares

8.1 Manner of exercise

An Option may be exercised in whole or in part by the Participant giving a notice of exercise to or at the direction of the Company in a form approved by the Board. The notice will specify the number of Shares over which the Option is exercised and the Exercise Price and be accompanied by the form of withdrawal from the Savings Contract required by the Savings Body or by an appropriate remittance and evidence of withdrawal from the Savings Contract. For the avoidance of doubt, the effective date of exercise of the Option will be the date such notice and the requisite accompaniments are received by the Company or such other person as directed by the Company. If an Option is exercised in part the unexercised part will lapse.

8.2 Monies available for exercise

The Exercise Price payable on exercise of an Option cannot exceed the amount of the repayment made (including any interest) under the Participant's related Savings Contract. For this purpose, the repayment under the Savings Contract will exclude the repayment of any Monthly Contribution the date of payment of which falls more than one month after the date on which the repayment under the Savings Contract is made.

8.3 Delivery of Shares

Subject to Rule 8.4, the Company will arrange for the delivery of any Shares to a Participant (or the Participant's nominee) within 30 days of the effective exercise of the Option. Options which are exercised by Participants prior to approval of the Plan by the shareholders of the Company in general meeting

may only be satisfied by purchase of Shares in the market and not by issue of new shares or transfer of Shares out of treasury.

8.4 Consents

The delivery of any Shares under the Plan shall be subject to obtaining any approval or consent required under the Listing Rules, any relevant Dealing Restrictions, the City Code on Takeovers and Mergers, or any other UK or overseas regulation or enactment. The Participant is responsible for complying with any requirements he or she needs to fulfil in order to obtain or avoid the necessity for any such consent.

8.5 Ranking of Shares

Shares acquired by a Participant under the Plan will rank equally in all respects with the Shares then in issue, except that they will not be entitled to any rights attaching to Shares by reference to a record date falling before the date on which the Participant is entered on the Company's register of shareholders in respect of those Shares.

8.6 Listing

While the Shares are Listed the Company will apply for the Listing of any Shares issued pursuant to the Plan as soon as practicable after their allotment.

9. Adjustment of Options

9.1 Variation in equity share capital

If there is a Variation, the number and/or the nominal value of Shares over which an Option is granted and the Option Price may, subject to Rule 9.2 and 9.3, be adjusted in the manner the Board determines so that (as nearly as may be without involving fractions of a Share or an Option Price calculated to more than two decimal places) the Exercise Price remains unchanged.

9.2 Schedule 3 requirements

No adjustment shall take effect under Rule 9.1 if it would result in the requirements of Schedule 3 not being met in relation to any Option.

9.3 Nominal value of Shares

Apart from under this Rule 9.3, no adjustment under Rule 9.1 may reduce the Option Price to less than the nominal value of a Share. Where Options relate to both issued and unissued Shares, an adjustment under Rule 9.1 may only be made if the reduction of the Option Price in respect of both the issued and the unissued Shares can be made to the same extent. Any adjustment made to the Option Price of Options over unissued Shares to less than the nominal value of a Share will only be made if and to the extent that the Board is authorised to:

- (a) capitalise from the reserves of the Company a sum equal to the amount by which the nominal value of the Shares subject to an Option exceeds the adjusted Exercise Price; and

(b) apply that sum in paying up the Shares,

so that, on exercise of the Option, the Board will capitalise that sum and apply it in paying up the Shares.

9.4 Market Value of Shares

No adjustment shall be made pursuant to Rule 9.1 unless the total Market Value of the Shares comprised in any Option immediately after the adjustment is substantially the same as it was immediately before the adjustment and the Exercise Price of any such Option immediately after the adjustment is substantially the same as it was immediately before the adjustment.

9.5 Notifying Participants

The Company will take the steps it considers necessary to notify Participants of any adjustments made under Rule 9 and may call in, cancel, endorse, issue or re-issue any certificate as a result of that adjustment.

10. Exchange of Options

10.1 The Acquiring Company

If any company (the *Acquiring Company*):

(a) obtains Control of the Company as a result of making a general offer to acquire:

(i) the whole of the issued ordinary share capital of the Company;
or

(ii) all of the shares in the Company which are of the same class as the Shares,

in either case ignoring any Shares which are already owned by it or a member of the same group of companies; or

(b) obtains Control of the Company as a result of a compromise or arrangement sanctioned by the court under section 899 of the Companies Act 2006 (or legislation regarded by HMRC as comparable);
or

(c) becomes entitled to acquire Shares under sections 979 to 982 (inclusive) or 983 to 985 (inclusive) of the Companies Act 2006 (or legislation regarded by HMRC as comparable),

any Participant may, at any time within the Appropriate Period, by agreement with that Acquiring Company, release any Option which has not lapsed (the *Old Option*) in consideration of the grant to the Participant of a new option (the *New Option*) which, for the purposes of paragraph 39 of Schedule 3, is equivalent to the Old Option but relates to shares in a different company (whether the Acquiring Company itself or another company falling within paragraph 18(b) or (c) of Schedule 3).

10.2 The New Option

The New Option will only be regarded as equivalent to the Old Option if the conditions set out in paragraph 39(4) of Schedule 3 are satisfied. Where that is the case, the New Option will be treated as an Option granted under the Plan at the same time and on the same terms as the Old Option, except for the purpose of the definition of “Participating Company” in Appendix 1, and:

- (a) the Rules will be construed in relation to the New Option as if references to Shares were references to the shares over which the New Option is granted and references to the Company were references to the different company mentioned in Rule **Error! Reference source not found.**;
- (b) references to the Board in Rules 8.1, 8.2 and 10 were references to the board of directors of the new grantor; and
- (c) Rule 12.2 will be omitted.

For the avoidance of doubt, the Plan remains that of the original scheme organiser after the release of an Old Option pursuant to this Rule 10.

11. Administration

11.1 Administration and interpretation

The Plan will be administered by the Board. The Board has full authority, consistent with the Rules, to administer the Plan, including authority to interpret and construe any provision of the Plan and to adopt any regulations for administering the Plan and any documents it thinks necessary or appropriate. The Board’s decision on any matter concerning the Plan will be final and binding.

11.2 Costs

The Company will bear the cost of introducing and operating the Plan (including, but not limited to, stamp duty, stamp duty reserve tax and any other costs relating to the issue or transfer of Shares on the exercise of Options). However, the Company may require any Participating Company or Associated Company to enter into an agreement which obliges that company to reimburse the Company for any Plan costs borne by the Company, directly or indirectly, in respect of that Participating Company’s or Associated Company’s officers or employees.

11.3 Shares to cover Options

The Company will ensure that sufficient Shares are available to satisfy all outstanding Options.

11.4 Notices

Any notice or other communication in connection with the Plan will be in writing and may be given:

- (a) by personal delivery; or
- (b) by sending it by post or courier:

- (i) in the case of a company, to its registered office or other address that it notifies in writing; and
- (ii) in the case of an individual, to the individual's last known address or, where the individual is a director or employee of a Participating Company or an Associated Company, either to the individual's last known address or to the address of the place of business at which the individual performs the whole or substantially the whole of the duties of the individual's office or employment; or
- (c) by sending it by email or any form of electronic transfer acceptable to the Board:
 - (i) in the case of a company, to the email address or other address that the company notifies; and
 - (ii) in the case of an individual, to the individual's last known email address or, where the individual is a director or employee of a Participating Company or an Associated Company, to the individual's workplace email address.

11.5 Time of service of notice

Any notice under Rule 11.4 will be given:

- (a) if delivered, at the time of delivery;
- (b) if posted, at 10.00am on the second business day after it was put into the post; or
- (c) if sent by email or any other form of electronic transfer, at the time of despatch.

In proving service of notice, it will be sufficient to prove that delivery was made or that the envelope containing it was properly addressed, prepaid and posted or that the email or other form of electronic transfer was properly addressed and despatched, as appropriate.

11.6 Documents sent to shareholders

The Company is not required to send to Participant copies of any documents or notices normally sent to the holders of its Shares, but may decide to do so.

12. Amendment

12.1 Board's power to amend

Subject to the provisions of this Rule 12, the Board can at any time amend any provisions of the Plan in any respect, provided that any amendment made to a key feature (as defined in paragraph 40B(8) of Schedule 3) while the Plan is a Schedule 3 SAYE Option Scheme, and such status is intended to be maintained if it would result in the requirements of Parts 2 to 7 of Schedule 3 not being met in relation to the Plan, would not have effect. If such status is not to be

maintained, the first sentence of this Rule 12.1 shall not apply. The Company shall provide such information and make such declarations to HMRC in relation to any amendment to a key feature as is required for the purposes of Schedule 3.

12.2 Shareholder approval

Subject to Rule 12.4, no amendment can be made to the advantage of Participants or Eligible Employees to:

- (a) the persons to whom Options may be granted and the definition of Eligible Employee in Appendix 1;
- (b) the limit on the number of Shares which may be issued under the Plan;
- (c) the maximum entitlement for any Eligible Employee under the Plan;
- (d) the basis for determining an Eligible Employee's entitlement to Shares under the Plan;
- (e) the rights and terms attaching to Options and Shares;
- (f) the determination of the Option Price;
- (g) the rights of Participants in the event of a Variation; or
- (h) the terms of this Rule 12.2,

without prior approval by ordinary resolution of the shareholders of the Company in general meeting, except in the case of minor amendments to benefit the administration of the Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for Eligible Employees, Participant or any member of the Group.

12.3 Participants' approval

No amendment will be made under Rule 12.1 which would abrogate or materially affect adversely the subsisting rights of a Participant unless it is made:

- (a) with the written consent of Participants who hold Options under the Plan to acquire 75 per cent. of the Shares which would be delivered if all of the Options granted and subsisting under the Plan were exercised; or
- (b) by a resolution of a meeting of Participants passed by not less than 75 per cent. of the Participants who attend and vote either in person or by proxy,

and, for the purposes of this Rule 12.3, the provisions of the articles of association of the Company and of the Companies Act 2006 relating to shareholder meetings will apply with the necessary changes.

Without prejudice to any provision of the Plan which provides for the lapse of an Option, the Board may not cancel an Option unless the Participant agrees in writing to such cancellation.

12.4 Permitted amendments

Rule 12.2 will not apply to any amendment which is:

- (a) necessary or desirable in order to obtain or maintain the Plan's status as a Schedule 3 SAYE Option Scheme;
- (b) minor and to benefit the administration of the Plan;
- (c) to take account of any changes in legislation; or
- (d) to obtain or maintain favourable tax, exchange control or regulatory treatment for the Company, any Participating Company or Associated Company, or any present or future Participant.

12.5 Overseas Eligible Employees

The Board may adopt additional sections of the Plan applicable in any jurisdiction, under which Options may be subject to additional and/or modified terms and conditions, having regard to any securities, exchange control or taxation laws, regulations or practice which may apply to the Participant, the Company or any Participating Company. Any additional section must conform to the basic principles of the Plan and must not enlarge to the benefit of Participants the limits in Rule 2.8 (*Limit on participation*) or Rule 5 (*Limit on Shares*). Any additional section and all Options granted under that section will be governed by and construed in accordance with the laws of England.

12.6 Notice of amendments

Participants will be given written notice of any material amendments to the Plan made under Rule 12 which affect them as soon as reasonably practicable after they have been made.

12.7 Prohibited amendment

No amendment will be made to the Plan if, as a result of the amendment, it would cease to be a Schedule 3 SAYE Option Scheme.

13. General

13.1 Termination of the Plan

The Plan will terminate at the end of the Plan Period or at any earlier time determined by the Board. No Option shall be granted under the Plan more than ten years after the date of the Plan's approval by the shareholders of the Company in general meeting. Termination of the Plan will not affect Options granted before termination.

13.2 Funding the Plan

The Company and any Participating Company or Associated Company may provide money to the trustees of any trust or any other person to enable them to acquire Shares to be held for the purposes of the Plan, or enter into any guarantee or indemnity for those purposes, to the extent permitted by any applicable law.

13.3 Rights of Participants and Eligible Employees

- (a) The rights and obligations of any individual under the terms of his or her office or employment with a Participating Company or Associated Company will not be affected by his or her participation in the Plan nor any right which he or she may have to participate under it.
- (b) A Participant holding an Option will not have any rights of a shareholder of the Company with respect to that Option or the Shares subject to it.

13.4 No right to compensation or damages

A Participant waives all and any rights to compensation or damages for the termination of his or her office or employment with a Participating Company or Associated Company for any reason whatsoever (including unlawful termination of employment) insofar as those rights arise or may arise from his or her ceasing to have rights under or to be entitled to exercise any Option under the Plan as a result of that termination or from the loss or diminution in value of such rights or entitlements. Nothing in the Plan or in any document executed under it will give any person any right to continue in Employment or will affect the right of any Participating Company or any Associated Company to terminate the employment of any Participant or Eligible Employee without liability at any time, with or without cause, or will impose on the Company, any Participating Company, any Associated Company or the Board or their respective agents and employees any liability in connection with the loss of a Participant's benefits or rights under the Plan for any reason as a result of the termination of his or her employment. If necessary, the Participant's terms of employment shall be varied accordingly.

13.5 The benefit of Rules 13.3 and 13.4

The benefit of Rules 13.3 and 13.4 is given for the Company, for itself and as trustee and agent of all the Participating Companies and Associated Companies. The Company will hold the benefit of these Rules on trust and as agent for each of them and may assign the benefit of this Rule 13.5 to any of them.

13.6 Company power

The existence of any Option shall not affect in any way the right or power of the Company or its shareholders to make or authorise any or all adjustments, recapitalisations, reorganisations or other changes in the Company's capital structure, or any merger or consolidation of the Company, or any issue of shares, bonds, debentures, preferred or prior preference stocks ahead of or convertible into, or otherwise affecting the Shares or the rights thereof, or the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

13.7 Articles of association

Any Shares acquired on the exercise of Options will be subject to the articles of association of the Company from time to time.

13.8 Severability

The invalidity or non-enforceability of one or more provisions of the Plan will not affect the validity or enforceability of the other provisions of the Plan.

13.9 Third parties

This Plan confers no benefit, right or expectation on an individual who is not an Eligible Employee. No third party has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Plan. Any other right or remedy which a third party may have is unaffected by this Rule 13.9.

13.10 Data protection

By participating in the Plan, the Participant's attention is drawn to the relevant Group data privacy notice provided to them, which sets out how the Participant's personal data will be used and shared by the Company and other Group Companies. The relevant Group data privacy notice does not form part of these Rules and may be updated from time to time. Any such updates shall be notified to the Participant.

13.11 Non-pensionable

Benefits under this Plan shall not be pensionable.

14. Governing law

These Rules will be governed by and construed in accordance with the laws of England and Wales. All Participants, the Company, and any other Participating Company or Associated Company will submit to the exclusive jurisdiction of the English courts in relation to any dispute arising under the Plan.

Appendix 1

Definitions

Act means the Income Tax (Earnings & Pensions) Act 2003;

Appendix 1 means this Appendix 1 which forms part of the Rules;

Appropriate Period means the relevant period referred to in paragraph 38(3) of Schedule 3;

Associated Company means the meaning given by paragraph 47(1) of Schedule 3;

Board means the board of directors for the time being of the Company or a duly constituted committee of the board;

Bonus Date means the date on which the bonus becomes payable under the terms of the relevant Savings Contract;

Company means Kingfisher plc, registered in England and Wales under no. 1664812;

Continuous Service means the same meaning as for “continuous employment” given in the Employment Rights Act 1996;

Control has the meaning given to that word by section 719 of the Act;

Date of Grant means with respect to an Option, the date on which it is granted under Rule 4;

Date of Invitation means the date on which an invitation is made to Eligible Employees under Rule 2;

Dealing Day means any day on which the London Stock Exchange is open for the transaction of business;

Dealing Restrictions means any restrictions on dealing in Shares imposed by legislation, regulation, the Kingfisher Share Dealing Policy or any other code or guidance on share dealing adopted by the Company or with which the Company seeks to comply;

Eligible Employee means any person who, at the Date of Grant, is either:

- (a) an employee or Full-Time Director of any Participating Company:
 - (i) whose earnings from his or her employment are (or would be if there were any) general earnings to which section 15 of the Act applies (earnings for a year when employee resident in the UK) and those general earnings are (or would be if there are any) earnings for a tax year in which the individual is ordinarily resident in the UK; and
 - (ii) who has the qualifying period (if any) of Continuous Service (not exceeding five years prior to the Date of Grant) that the Board determines; or
- (b) any other employee or executive director of a Participating Company whom the Board determines to be an Eligible Employee in respect of any particular invitation, but excluding an Eligible Employee who is not eligible to participate

in the Plan due to the provisions of paragraph 11 of Schedule 3 (material interest in a close company);

Employees' Share Plan means a plan for encouraging or facilitating the holding of shares or debentures in a company by or for the benefit of:

- (a) the employees or former employees of the Company, the Company's subsidiary or holding company or a subsidiary of the Company's holding company; or
- (b) the spouses, surviving spouses, civil partners, surviving civil partners or children or step-children under the age of 18 of such employees or former employees;

Exercise Price means the total amount payable on exercise of an Option being an amount equal to the relevant Option Price multiplied by the number of Shares in respect of which the Option is exercised;

Five Year Bonus means the amount of the bonus payable under a five-year Savings Contract following the fifth anniversary of the starting date of that Savings Contract and the payment of 60 Monthly Contributions;

Full-Time Director means a director whose terms of appointment require him or her to devote no fewer than 25 hours per week (excluding meal breaks) to his or her duties;

Group means the Company, and all companies which are under the Control of the Company;

HMRC means Her Majesty's Revenue and Customs;

Invitation Close Date has the meaning given in Rule 2.4;

Invitation Period means the period of 42 days commencing on any of the following:

- (a) the day after the date on which the Company releases its results for any financial period;
- (b) the date of approval of the Plan by the Board;
- (c) any day on which any change to the legislation affecting savings-related share option schemes approved by HMRC is announced or made;
- (d) the day immediately following any general meeting of the Company; or
- (e) any day on which the Board resolves that exceptional circumstances exist which justify the making of invitations;

Listed means admitted to trading on a Recognised Stock Exchange and **Listing** will be construed accordingly;

Listing Rules means the Listing Rules published by the FCA;

London Stock Exchange means the London Stock Exchange plc or any successor body carrying on the business of the London Stock Exchange plc;

Market Value means in relation to a Share on any day:

- (a) if the Shares are Listed, its middle market quotation as derived from the Daily Official List of the London Stock Exchange; or
- (b) if the Shares are not Listed, an amount equal to its market value, determined in accordance with Part VIII of the Taxation of Chargeable Gains Act 1992 and agreed with the HMRC Shares and Assets Valuation in advance of the Date of Invitation; and

Maximum Contribution means the lesser of:

- (a) a Monthly Contribution of £500 or any other amount permitted under paragraph 25 of Schedule 3 as the maximum amount of a Monthly Contribution; and
- (b) the maximum Monthly Contribution determined by the Board;

Minimum Contribution means the lesser of:

- (a) a Monthly Contribution of £10 or any other amount stipulated under Schedule 3 as the minimum amount of a Monthly Contribution; and
- (b) the minimum Monthly Contribution determined by the Board, not being less than £5;

Monthly Contribution means the monthly amount agreed to be paid by a Participant under a Savings Contract;

Option means a right to acquire Shares under the Plan;

Option Price means the price determined by the Board under Rule 2.3 at which a Share subject to an Option may be acquired on the exercise of that Option;

Participant means any individual who has been granted an Option including, if relevant, his or her personal representatives;

Participating Company means the Company and any other company in the Group to which the Board has resolved that the Plan will extend;

Plan means the Kingfisher Sharesave Plan, as amended from time to time in accordance with the Rules;

Plan Period means the period starting on the date the Plan is approved by the Board of the Company and ending on the tenth anniversary of the date the Plan is approved by shareholders of the Company in general meeting;

Recognised Stock Exchange means the London Stock Exchange and any other stock exchange outside the United Kingdom that is for the time being designated for the purpose of section 1005 of the Income Tax Act 2007 as a recognised stock exchange;

Redundancy means termination of the Participant's employment by reason of redundancy within the meaning of the Employment Rights Act 1996;

Rules means the rules of the Plan as amended from time to time;

Savings Body means the savings body designated by the Board for the purposes of the Plan;

Savings Contract means a contract under a certified contractual savings scheme within the meaning of paragraph 24 of Schedule 3, the terms of which must be the same for each participant;

Savings Contract Repayment means:

- (a) the aggregate repayment under a Savings Contract, being the repayment of all Monthly Contributions plus the relevant bonus applicable in accordance with Rule 2.5 (including the Three Year Bonus or the Five Year Bonus, as applicable) payable on the Bonus Date; or
- (b) to the extent that Rule 3 or 5 applies to adjust the number of Shares under Option, the amount applied to calculate the number of Shares comprised in the Option;

Schedule 3 means Schedule 3 to the Act;

Schedule 3 SAYE Option Scheme has the meaning given to that term by paragraph 1 of Schedule 3;

Share means a fully paid ordinary share in the capital of the Company which satisfies the conditions in paragraphs 17 to 22 of Schedule 3;

Share Incentive Plan means a share incentive plan in accordance with Schedule 2 to the Act;

Specified Percentage means 80 per cent or such other percentage as is permitted from time to time under paragraph 28 of Schedule 3;

Three Year Bonus means the amount of the bonus payable under a three-year Savings Contract following the third anniversary of the starting date of that Savings Contract and the payment of 36 Monthly Contributions;

TUPE means the Transfer of Undertakings (Protection of Employment) Regulations 2006; and

Variation means in relation to the equity share capital of the Company, a capitalisation issue, an offer or invitation made by way of rights, a subdivision, consolidation, reduction or any other variation in respect of which HMRC will allow an adjustment to Options.