

COMPASS GROUP PLC

RULES

OF

THE COMPASS GROUP SAYE SHARE OPTION SCHEME

Established by resolution of the Board of Directors on [date] and approved by
shareholders on [date]

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COMPASS GROUP SAYE SHARE OPTION SCHEME

1. Definitions

- 1.1 In this Scheme, unless the context otherwise requires, the following words and expressions shall have the following meanings, namely:

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

Associated Company means an associated company of the Company within the meaning given to those words by paragraph 47(1) of Schedule 3;

Board means the board of directors of the Company or a duly authorised committee of directors appointed by that board to carry out its functions;

Bonus Date means in relation to an Option:

- (a) where the Option is linked to a three year Savings Contract, the earliest date on which the bonus is payable under that Savings Contract (that is, after making 36 monthly contributions); or
- (b) where the Option is linked to a five year Savings Contract, the earliest date on which the five year bonus is payable under that Savings Contract (that is, after making 60 monthly contributions);

Capital Reorganisation means any variation in the share capital of the Company (including, without limitation, by way of capitalisation issue, rights issue, sub-division, consolidation or reduction of capital or any other variation of the share capital of the Company);

Committee means the remuneration committee of the Board or such other duly authorised committee of the Board from time to time;

Company means Compass Group plc, incorporated in England and Wales, with registered number 4083914;

Constituent Company means the Company and each Subsidiary which has been nominated by the Committee as a Constituent Company for the purposes of the Scheme;

Continuous Service has the same meaning as **continuous employment** in the Employment Rights Act 1996;

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

Date of Grant means the date on which an Option is granted;

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

Eligible Employee means:

- (a) any individual who, at the Invitation Date:

- (i) is an employee or executive director of one or more Constituent Companies, who in the case of a director is required under the terms of their employment to devote at least 25 hours each week (excluding meal breaks) to their duties;
 - (ii) has earnings from the office or employment referred to in paragraph (i) above which are (or would be if there were any earnings) general earnings to which section 15 of the Act applies (earnings for a year when the employee or executive director (as the case may be) is a UK resident); and
 - (iii) has been in Continuous Service with one or more Constituent Companies for such period as the Committee may determine (not exceeding five years) prior to the Date of Grant; or
- (b) any other individual who, at the Invitation Date, is an employee or director of one or more Constituent Companies and who is nominated by the Committee (or falls within a category of individuals nominated by the Committee) as eligible to participate in the Scheme in respect of any one or more grants of Options;

Employee Share Scheme means any employee share scheme established by the Company;

Exercise Price means the price per Share payable on the exercise of an Option as determined by the Committee (subject to adjustment under rule 12) but which shall not be less than:

- (a) 80 per cent of (i) the Market Value for a Share on the Dealing Day immediately before the Invitation Date; or (ii) the average of the Market Values for a Share on the three consecutive Dealing Days immediately preceding the Invitation Date (rounded up to the nearest whole penny); or (iii) the Market Value for a Share at such other time or times as may be agreed by HMRC; and
- (b) in the case of any Option under which Shares may be issued, the nominal value of a Share;

FCA means the Financial Conduct Authority;

Grant Period means such period that the Committee resolves is appropriate for the grant of Options;

Group means the Company and the Subsidiaries and **member of the Group** shall be construed accordingly;

HMRC means His Majesty's Revenue & Customs;

Invitation Date means the date on which an invitation to apply for an Option is issued;

Key Feature has the meaning given to that term by paragraph 40B(8) of Schedule 3;

London Stock Exchange means London Stock Exchange plc or any successor body to it;

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

- (a) as long as the Shares are admitted to listing by the FCA, its middle market quotation (as derived from the Daily Official List of the London Stock Exchange); or
- (b) subject to (a) above, its market value as determined in accordance with Part VIII of the Taxation of Chargeable Gains Act 1992 and agreed in advance with the Shares and Assets Valuation Division of HMRC,

and in either case, if the Shares are subject to any Restriction, as if they were not subject to any Restriction;

Minimum Amount means the amount of the monthly contribution to be paid under the Savings Contract being not less than £5 nor more than £10, or such other amount as may be permitted under paragraph 25 of Schedule 3 from time to time;

Option means a right granted under the Scheme to subscribe for or purchase Shares;

Option Holder means any individual who holds a subsisting Option (including, where the context permits, the legal personal representatives of a deceased Option Holder);

Relevant Event shall have the meaning given to that term in rule 11.1;

Restriction in relation to any Share has the meaning given to that term in paragraph 48 of Schedule 3;

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;

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;

Scheme means this Compass Group SAYE Share Option Scheme as amended from time to time;

Shares means fully paid and irredeemable ordinary shares in the capital of the Company, which comply with the conditions in paragraphs 17 to 20 and paragraph 22 of Schedule 3;

Subsidiary means any subsidiary of the Company within the meaning of section 1159 and Schedule 6 to the Companies Act 2006 over which the Company has Control;

Taxable Year means for US tax purposes the calendar year, or if it would result in a longer period for the exercise of an Option, the 12 month period in respect of which the Option Holder's employing company is obliged to pay tax;

Treasury Share means a share held by the Company in treasury in accordance with section 724 of the Companies Act 2006;

Trustee means the trustee or trustees for the time being of any employee share trust established by the Company or any member of the Group from time to time.

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

US Tax means taxation under the law of the United States of America;

US Taxpayer means a person who is subject to US Tax.

1.2 Where the context permits the singular shall include the plural and vice versa.

1.3 References to:

- (a) any act of Parliament; or
- (b) any Extra-Statutory Concession or guidance published by HMRC

shall include any modification, amendment or re-enactment of those instruments.

1.4 Notwithstanding any other rules, where an Eligible Employee is paid salary other than on a monthly basis:

- (a) references to "months" and "monthly" in the rules shall be construed having regard to such other period by reference to which the Eligible Employee is paid; and
- (b) the Committee shall take all such steps as it considers necessary or desirable to ensure that an Eligible Employee who is paid salary other than monthly is no better or worse off under the Scheme than an Eligible Employee who is paid salary monthly.

1.5 This Scheme is intended to be a Schedule 3 SAYE Option Scheme for the purposes of the Act and the Scheme 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 for Options

- 2.1 The Committee may, during a Grant Period, invite all Eligible Employees to apply for Options at the Exercise Price.
- 2.2 Subject to the specific provisions contained in the Scheme, the form, manner and timing of invitations to apply for Options, the number of Shares in respect of which invitations are made on any date and whether the Options will be three or five year Options (or either of them, at the election of Eligible Employees), shall be at the absolute discretion of the Committee. The invitation may either state the Exercise Price or (provided a mechanism exists by which the Exercise Price will be determined by the Date of Grant) invite applications by reference to amounts of monthly savings.

3. Application for Options

- 3.1 If an Eligible Employee wishes to apply for an Option they must, within such period (which shall not be less than 14 days) after the Invitation Date as is stated in the invitation, deliver to the Company (or its appointed agent) a duly completed form of application together with a duly completed application for a Savings Contract in the form prescribed by the Committee.
- 3.2 The application for an Option shall be deemed to be for an Option over the largest whole number of Shares which can be acquired at the Exercise Price with the expected repayment, including any relevant bonus, under the related Savings Contract at the appropriate Bonus Date.
- 3.3 The Committee may, in its absolute discretion, treat all late applications as valid provided they are received no less than two days prior to the Date of Grant.

4. Scaling Down

- 4.1 If valid applications are received for Options over a number of Shares in excess of that which the Committee has determined to make available on a particular occasion or in excess of any limitation under rule 7, the Committee may scale down applications in accordance with the following successive steps (or such other method as may be permitted by HMRC at any time prior to the Invitation Date) to the extent necessary to eliminate the excess:
 - (a) unless rule 4.1(b) applies, the amount of the monthly savings contribution chosen by each applicant shall be taken as reduced pro rata (or, if the Committee so determines on a basis which reduces larger monthly savings contributions by a greater amount than smaller monthly contributions) to the extent necessary;
 - (b) the amount of any monthly savings contribution chosen by an applicant which exceeds such amount as the Committee shall determine (not being less than the Minimum Amount) shall be taken as reduced to such amount;

- (c) if the repayment under the Savings Contract would otherwise be taken as including a bonus, it should be taken as not including a bonus; and
 - (d) applications will be selected by lot, each based on a monthly savings contribution of the Minimum Amount and the inclusion of no bonus in the repayment under the Savings Contract.
- 4.2 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 Committee may, as an alternative to selecting by lot, determine in its absolute discretion that no Options shall be granted on that occasion.
- 4.3 If applications are scaled down, the monthly contributions under Savings Contracts which Eligible Employees have chosen shall, where necessary, be scaled down as appropriate.
- 4.4 If, in applying the scaling down provisions contained in rule 4.1, the Committee considers that it would be administratively impracticable for Options to be granted within the 30 day period referred to in rule 5.1, the Committee may extend that period by not more than 12 days.

5. Grant of Options

- 5.1 The Committee may, subject to any scaling down, on a single date which shall not be later than the 30th day after the earliest date by reference to which the Exercise Price was calculated, grant all (but not some of) the Options for which valid application has been made by Eligible Employees (provided that they remain Eligible Employees on the Date of Grant).
- 5.2 At or as soon as practicable after the Date of Grant the Committee shall procure that each Option Holder is informed: whether any Restrictions apply to the Shares that are subject to an Option and, if any such Restrictions apply, of the details of any such Restrictions.
- 5.3 As soon as practicable after the Date of Grant, the Committee shall procure the issue of an Option certificate to each Option Holder.
- 5.4 Options shall be granted in consideration of Eligible Employees agreeing to enter into Savings Contracts. No cash payment shall be made for the grant of an Option.
- 5.5 Every Option granted under this Scheme shall be personal to the Option Holder and, except to the extent necessary to enable a personal representative to exercise the Option following the death of an Option Holder, neither the Option nor the benefit of it may be transferred, assigned, charged or otherwise alienated. Any transfer of an Option other than as permitted under this rule 5.5 shall cause the Option to lapse.

6. Individual Limit

- 6.1 No individual shall be granted an Option if the entry into the related Savings Contract would result in the monthly contributions under that Savings Contract, when added to the sum of their monthly contributions under any other subsisting Savings Contracts and if the Committee so determines from time to time, under any cancelled Savings Contracts (whether or not linked to a subsisting Option granted under a Schedule 3 SAYE Option Scheme), exceeding £500 (or such other amount as is for the time being permitted under paragraph 25(3) of Schedule 3 and approved by the Committee). No individual shall be permitted to make a monthly contribution of less than the Minimum Amount.
- 6.2 Any Option which is purported to be granted in excess of the limits in this rule 6 shall take effect as an Option which would not exceed those limits.

7. Scheme Limits

- 7.1 No Option to subscribe for Shares shall be granted if the result of that grant would be that the aggregate number of Shares that could be issued on the exercise of that Option and any other Options granted at the same time, when added to 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 Scheme or any other Employee Share Scheme; and
 - (b) have been issued on the exercise of any share options, awards or other rights granted during the preceding ten years under the Scheme or any other Employee Share Scheme; and
 - (c) have been issued during the preceding ten years under any profit sharing scheme, employee share incentive scheme (not being an Employee Share Scheme), or any other employees' share scheme, agreement or arrangement,
- would exceed 10 per cent. of the ordinary share capital of the Company for the time being in issue.
- 7.2 Reference in this rule 7 to the **issue** of Shares shall, for the avoidance of doubt, mean the issue and allotment (but not transfer) of Shares. Where Shares are or will be allotted or issued to the Trustee for the purpose of satisfying Options by way of a transfer of Shares by the Trustee, such Shares should be treated as issued or capable of being issued for the purpose of this rule 7.
- 7.3 For as long as UK institutional shareholders recommend, Treasury Shares held by the Company should be treated as issued or capable of being issued for the purpose of this rule 7, including where Treasury Shares are transferred to the Trustee for the purpose of satisfying Options.

8. Exercise and Lapse of Options

8.1 Save as otherwise permitted in these rules, an Option may only be exercised:

- (a) during the six months following the Bonus Date relating to it; and
- (b) by an Option Holder who is, at the date of exercise, a director or employee of a Constituent Company,

and, if not exercised, shall lapse at the end of the six month period following the Bonus Date.

8.2 Where an Option Holder ceases to be a director or employee of a Constituent Company before the expiry of six months after the Bonus Date:

- (a) on retirement;
- (b) by reason of redundancy (within the meaning of the Employment Rights Act 1996); or
- (c) by reason of injury or disability; or
- (d) because of a relevant transfer within the meaning of TUPE; or
- (e) because the Constituent Company of which the Option Holder 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); or
- (f) because the business (or part of a business) in which the Option Holder 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,

they may exercise any outstanding Options within six months of the date on which their employment ceased, failing which exercise the Options shall lapse automatically provided that the Options may not be exercised more than six months following the relevant Bonus Date.

8.3 Where an Option Holder ceases to be a director or employee of a Constituent Company before the expiry of six months after the Bonus Date for any other reason not listed in rule 8.2, other than dismissal for gross misconduct, breach of contract or serious shortfall in performance, they may exercise any outstanding Options which were granted more than three years before the date of cessation of employment within six months of the date on which their employment ceased, failing which exercise the Options shall lapse automatically, provided that the Options may not be exercised more than six months following the relevant Bonus Date.

8.4 If an Option Holder dies while in service or at any time after leaving service when they hold an Option, such Option may be exercised by their personal representatives at any time within the 12 month period following:

- (a) the date of death, if such death occurred before the relevant Bonus Date; and
- (b) the Bonus Date, in the event their death occurs within six months of the relevant Bonus Date.

The Option will lapse automatically to the extent it has not been exercised at the end of the 12 month period specified at rule 8.4(a) or (b) (as applicable). For the avoidance of doubt, an Option exercisable under this rule 8.4 shall not lapse prior to the expiry of the specified 12 month period by virtue of rules 8.2 and 8.3 but may lapse at an earlier date by virtue of rule 10.5.

8.5 Where an Option Holder ceases to be a director or employee of a Constituent Company before the expiry of six months after the Bonus Date in any circumstances other than those set out in rules 8.2, 8.3 and 8.4, their Options shall lapse automatically.

8.6 For the purposes of rule 8.2 to 8.4, an Option Holder shall not be treated as ceasing to be a director or employee of a Constituent Company until:

- (a) they cease to hold an office or employment in the Company or any company over which the Company has Control or any Associated Company;
- (b) they cease to hold an office or employment in a jointly owned company within the meaning of paragraph 46 of Schedule 3 (being a jointly owned company which is not a Constituent Company in more than one group scheme); or
- (c) being a director or employee who is absent from work wholly or partly because of maternity, paternity leave or shared parental leave (as appropriate), they cease to be entitled to exercise any statutory or contractual right to return to work.

8.7 Notwithstanding rule 8.1(b), if, at the Bonus Date, an Option Holder holds an office or employment in a company which is not a Constituent Company but is an Associated Company or a company over which the Company has Control, Options may be exercised within (but no later than) six months following the Bonus Date.

8.8 If, before the Option has become exercisable, the Option Holder:

- (a) gives notice, or is deemed to have given notice, under the terms of the related Savings Contract that they intend 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.

- 8.9 If an Option Holder is declared bankrupt or enters into any general composition with or for the benefit of their creditors including a voluntary arrangement under the Insolvency Act 1986, their Options shall automatically lapse.
- 8.10 This rule 8.10 shall apply to US Taxpayers. Notwithstanding anything to the contrary contained in this Scheme, a US Taxpayer may only exercise an Option within the shorter of any exercise period specified in the rules of this Scheme and the expiry of two and a half calendar months after the end of the Taxable Year in which the Option first becomes exercisable.

9. Method and Extent of Exercise

- 9.1 An Option may only be exercised with monies as nearly as possible equal to but not exceeding the amount repaid under the related Savings Contract, including any bonus or interest as at the date of repayment. No account shall be taken of any repayment of any contribution the due date of which arises after the date of repayment, or any bonus or interest in respect of that contribution.
- 9.2 An Option Holder may exercise their Option on one occasion only, in whole or in part, by giving notice in writing to the Company or to such other person (including, for the avoidance of doubt, the Trustee), as the Company may direct in the prescribed form specifying the number of Shares in respect of which the Option is being exercised and enclosing payment in full of the aggregate Exercise Price of those Shares or authority to the Company to withdraw and apply monies equal to the Exercise Price from the related Savings Contract, or in such other manner including through an online facility as the Committee may determine, together with evidence of closure of the related Savings Contract. The date of exercise shall be the date specified in the notice of exercise, or, if later, the date of receipt by the Company (or such other person as the Company may direct) of the notice of exercise. If the Option is exercised in respect of only some of the Shares comprised in the Option, the Option shall lapse automatically in respect of the balance.

10. Change of Control and winding up of the Company.

General Offer for the Company

- 10.1 Subject to rule 10.6, if any person (either alone or together with any person) makes:
- (a) a general offer to acquire the whole of the issued ordinary share capital of the Company (other than those shares already owned by the offeror and/or any person connected with the offeror) which is made on a condition such that if it is satisfied the person making the offer will have Control of the Company; or

- (b) a general offer to acquire all the shares in the Company which are of the same class as the Shares (other than those shares already owned by the offeror and/or any person connected with the offeror),

the Company shall, as soon as reasonably practicable thereafter (and prior to the date on which the offer becomes or is declared unconditional in all respects) give notice to each Option Holder of such general offer and each Option Holder may exercise their Options within the period of six months following the date on which the offer becomes or is declared unconditional in all respects provided that an Option may not be exercised more than six months after the relevant Bonus Date.

Failing any permitted exercise, the Options shall, subject to rule 10.5 and without prejudice to the operation of rule 11, lapse automatically upon the expiry of such six month period provided that if an event as described in rule 10.2 occurs during such six month period, the period during which the Options may be exercised shall be the shorter of the periods specified under this rule 10.1 and rule 10.2.

For the purposes of this rule 10.1 the general offer referred to in rule 10.1(a) and 10.1(b) may be made to different shareholders by different means.

Compulsory Acquisition

- 10.2 If any person becomes bound or entitled to give a notice under sections 979 to 982 (inclusive) or sections 983 to 985 (inclusive) of the Companies Act 2006 to acquire Shares, each Option Holder may exercise their Options within the period of 30 days following the date on which such a notice is first issued, whether or not the period for exercise described in rule 8.1 has commenced, provided that an Option may not be exercised more than six months after the relevant Bonus Date. Failing any permitted exercise the Options shall, subject to rule 10.5 and without prejudice to the operation of rule 11, lapse automatically upon the expiry of such 30 day period.

Scheme of Arrangement

- 10.3 Subject to rule 10.6, if under section 899 of the Companies Act 2006 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 other than by reference to their employment or directorships or their participation in a Schedule 3 SAYE Option Scheme,

any outstanding Options may be exercised within six months following the date on which the court sanctions the compromise or arrangement, failing which exercise the Options shall, subject to rule 10.5 and without prejudice to the operation of rule 11, lapse automatically upon the expiry of such six

month period provided that an Option may not be exercised more than six months after the relevant Bonus Date.

Voluntary Winding-up

- 10.4 If notice of a resolution for a voluntary winding-up of the Company is given, then an Option Holder may exercise their 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.

Death of an Option Holder

- 10.5 Notwithstanding any provision of rules 10.1 to 10.4 to the contrary, if any Option has become exercisable under rule 8.4 and time is running under one of the 12 month periods specified in rule 8.4, such Option shall lapse only on the expiry of the relevant 12 month period under rule 8.4 and not under any period specified in rules 10.1 to 10.4. For the avoidance of doubt, any Option may lapse on the expiry of the two month period arising under rule 10.4 even if this occurs before the expiry of the relevant 12 month period under rule 8.4.

Shares not meeting requirements of Schedule 3

- 10.6 If as a result of an event mentioned in rules 10.1 to 10.4, the Shares under Option no longer meet the requirements of paragraphs 17 to 20 (inclusive) and paragraph 22 of Schedule 3, each Option Holder may exercise their Options for the period of 20 days following the date on which the relevant event mentioned in rules 10.1 to **Error! Reference source not found.** (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.
- 10.7 Failing any permitted exercise, the Options shall, subject to rule 10.5 and without prejudice to the operation of rule 11, lapse automatically upon the expiry of such 20 day period.

11. Option rollover

- 11.1 If any company (the **acquiring company**):

- (a) obtains Control of the Company as a result of making:
 - (i) a general offer to acquire the whole of the issued ordinary share capital of the Company (other than those shares which are already owned by them and/or any person connected with them) which is made on a condition such that if it is satisfied the acquiring company will have Control of the Company; or
 - (ii) a general offer to acquire all the shares of the same class as those subject to the Options (other than those shares which

are already owned by them and/or any person connected with them); or

- (b) obtains Control of the Company in pursuance of a compromise or arrangement sanctioned by the Court under section 899 of the Companies Act 2006; or
 - (c) becomes bound or entitled to acquire shares in the Company under sections 979 to 982 (inclusive) or sections 983 to 985 (inclusive) of the Companies Act 2006,
- (each a **Relevant Event**)

each Option Holder may at any time within:

- (i) in the case of a Relevant Event falling within rule 11.1(a), the period of 6 months beginning with the date on which Control is obtained and all conditions to which the offer is made subject are satisfied;
- (ii) in the case of a Relevant Event falling within rule 11.1(b), the period of 6 months beginning with the date on which the court sanctions the compromise or arrangement;
- (iii) in the case of a Relevant Event falling within rule 11.1(c), the period during which the acquiring company remains bound or entitled as mentioned in that rule; and

by agreement with the acquiring company release any Option which has not lapsed (**the old option**) in consideration of the grant to them of an 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 paragraphs 18(b) or (c) of Schedule 3) (**the new grantor**).

11.2 The new option shall not be regarded for the purposes of rule 11.1 as equivalent to the old option unless the conditions set out in paragraph 39 of Schedule 3 are satisfied and, in relation to the new option, the provisions of the Scheme shall be construed as if:

- (a) the new option were an option granted under the Scheme at the same time as the old option;
- (b) references to the Company in rules 9, 10, 11, 12, 13, 14, 15, 16 and 18 were references to the new grantor provided that references to Constituent Company shall continue to be construed as if references to the Company within this definition were to Compass Group plc;
- (c) references to the Committee in rules 9, 12 and 19 were references to a duly authorised committee of the board of directors of the new grantor;

- (d) references to Shares were references to shares in the new grantor;
- (e) the Savings Contract made in connection with the old option had been made in connection with the new option; and
- (f) the Bonus Date in relation to the new option was the same as that in relation to the old option.

12. Adjustment of Options

12.1 In the event of any Capital Reorganisation the Exercise Price and the number of Shares comprised in an Option may be adjusted in such manner as the Committee may determine provided always that:

- (a) no adjustment shall take effect if it would result in the requirements of Schedule 3 not being met in relation to any Option;
- (b) no adjustment shall be made pursuant to this rule 12 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 aggregate Exercise Price of any such Option immediately after the adjustment is substantially the same as it was immediately before the adjustment; and
- (c) except as provided in this rule 12.1(c) (and subject to the requirements of Schedule 3) no adjustment may have the effect of reducing the Exercise Price to less than the nominal value of a Share. Any such adjustment to the Exercise Price of Options over unissued Shares shall only be made if and to the extent that the Committee shall be authorised to capitalise from the reserves of the Company a sum equal to the amount by which the nominal value of the Shares in respect of which the Option is exercisable exceeds the adjusted Exercise Price. The Committee may apply such sum in paying up such amount on such Shares so that on exercise of any Option in respect of which such reduction is made, the Committee shall capitalise such sum (if any) and apply the same in paying up the relevant amount.

13. Allotment or Transfer of Shares on Exercise of Options

13.1 All allotments, issues and transfers of Shares will be subject to any necessary consents under any relevant enactments or regulations for the time being in force in the United Kingdom or elsewhere. The Option Holder is responsible for complying with any requirements they need to fulfil in order to obtain or avoid the need for any such consent.

13.2 Subject to any necessary consents, under rule 13.1, to payment being made for the Shares and to compliance by the Option Holder with the terms of the Scheme, not later than 30 days after receipt of any notice of exercise in accordance with rule 9.2, the Company shall either:

- (a) allot and issue Shares; or

- (b) procure the transfer by the Trustee of Shares, (including treasury shares held by the Company in accordance with sections 724 to 732 of the Companies Act 2006) to the Option Holder (or to their nominee).

The Company shall (unless the Shares are to be issued in uncertificated form) as soon as practicable deliver or procure the delivery, to the Option Holder (or such nominee) a definitive share certificate or other evidence of title in respect of such Shares. Where the Shares are issued or transferred to a nominee of the Option Holder, the Option Holder shall remain the beneficial owner of the Shares.

14. Rights Attaching to Shares Allotted or Transferred Pursuant to Options

- 14.1 All Shares allotted or transferred to satisfy the exercise of an Option shall rank equally in all respects with the Shares in issue at the date of exercise save as regards any rights attaching to such Shares by reference to a record date prior to the date of exercise.
- 14.2 Any Shares acquired on the exercise of Options shall be subject to the articles of association of the Company from time to time in force.

15. Availability of Shares

- 15.1 The Company shall at all times keep available for issue sufficient authorised but unissued Shares to permit the exercise of all unexercised Options under which Shares may be allotted or shall otherwise procure that Shares are available for transfer in satisfaction of the exercise of Options.
- 15.2 If and so long as the Shares are admitted to listing by the FCA and admitted to trading by the London Stock Exchange, the Company will, at its expense, make application to the FCA and the London Stock Exchange for Shares allotted on the exercise of any Option to be admitted to such listing and trading respectively.

16. Administration and Amendment

- 16.1 The decision of the Committee shall be final and binding in all matters relating to the Scheme and it may at any time discontinue the grant of further Options or amend any of the provisions of the Scheme in any way it thinks fit, provided that:
 - (a) no amendment of a Key Feature of the Scheme shall have effect at a time when the Scheme 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 Scheme. If such status is not to be maintained, the first sentence of this rule 16.1(a) 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 required for the purposes of Schedule 3;

- (b) except as provided in these rules, the Committee shall not make any amendment (other than an amendment that is necessary or desirable in order to comply with the requirements of Schedule 3) that would materially prejudice the interests of existing Option Holders except with the prior consent or sanction of Option Holders who, if they exercised their Options in full, would become entitled to not less than three-quarters of all the Shares due to be allotted or transferred to them upon exercise in full of all outstanding Options;
- (c) no amendment to the advantage of Eligible Employees or Option Holders may be made to:
 - (i) the definition of Eligible Employee in rule 1.1;
 - (ii) the limitations on the number of Shares subject to the Scheme;
 - (iii) the maximum entitlement for any Eligible Employee under the Scheme;
 - (iv) the basis for determining an Eligible Employee's entitlement to Shares under the Scheme;
 - (v) the terms of Shares to be provided under the Scheme; or
 - (vi) the adjustments to Options, under rule 12, in the event of a Capital Reorganisation,

without the prior approval of the Company in general meeting except in the case of minor amendments 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 Eligible Employees, Option Holders or any member of the Group; and

- (d) without prejudice to any provision of the Scheme which provides for the lapse of an Option, the Committee may not cancel an Option unless the Option Holder agrees in writing to such cancellation.

16.2 Notwithstanding any other provision of the Scheme, the Committee may establish appendices to the Scheme (but not formally part of the Scheme or being a Schedule 3 SAYE Option Scheme) for the purpose of granting Options (but not Options under a Schedule 3 SAYE Option Scheme) to Eligible Employees who are or may become primarily liable to tax outside the United Kingdom on their remuneration, subject to such modifications as may be necessary or desirable to take account of any applicable tax, exchange control or securities laws.

17. Third party rights

- 17.1 Nothing in this Scheme confers any benefit, right or expectation on a person who is not an Option Holder. No such third party has any rights under the Contracts (Rights of Third Parties) Act 1999 or any equivalent local legislation to enforce any term of the Scheme. This does not affect any other right or remedy of a third party which may exist.

18. Data processing

- 18.1 By participating in the Scheme, Eligible Employees' attention is drawn to the Company's Global Privacy Notice, which sets out how personal identifiable data will be used and shared by the Company and other members of the Group. The Global Privacy Notice does not form part of the rules of this Scheme and may be updated from time to time. Any such updates shall be notified to the participants.

19. General

- 19.1 Any Constituent Company may provide money to the Trustee or any other person to enable them to acquire Shares to be held for the purposes of the Scheme, or enter into any guarantee or indemnity for those purposes, to the extent not prohibited by section 682 of the Companies Act 2006.
- 19.2 The rights and obligations of an Option Holder under the terms and conditions of their office or employment shall not be affected by their participation in the Scheme or any right they may have to participate in the Scheme. An individual who participates in the Scheme waives all and any rights to compensation or damages in consequence of the termination of their office or employment with any company for any reason whatsoever (whether lawfully or unlawfully) to the extent that those rights arise, or may arise, from their ceasing to have rights under or be entitled to exercise any Option under the Scheme as a result of such termination or from the loss or diminution in value of such rights or entitlements. If necessary, the Option Holder's terms of employment shall be varied accordingly.
- 19.3 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 attaching to them, 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.
- 19.4 Any notice or other document required to be given under or in connection with the Scheme may be delivered to an Option Holder or sent by hand, electronic means, registered post or courier to their home address according

to the records of their employing company or such other address as may appear to the Company to be appropriate including any electronic address. Notices sent by hand, registered post or courier shall be deemed to have been given at the time of delivery and notices sent by electronic means shall be deemed to have been given at the time of transmission. Any notice or other document required to be given to the Company or other duly appointed agent under or in connection with the Scheme may be delivered or sent by hand, electronic means, registered post or courier to it at its registered office (or such other place or places as the Committee or duly appointed agent may from time to time determine and notify to Option Holders). Where delivery occurs outside of 9.30am to 5.30pm on a Dealing Day, notice shall be deemed to have been received at 9.30am on the next Dealing Day.

The Company is not required to send to Option Holders copies of any documents or notices normally sent to the holders of its Shares.

- 19.5 The Company, or where the Committee so directs any Subsidiary, shall pay the appropriate stamp duty on behalf of the Option Holders in respect of any transfer of Shares on the exercise of the Options.
- 19.6 Benefits under this Scheme shall not be pensionable.
- 19.7 These rules shall be governed by, and construed in accordance with, the laws of England.

COMPASS GROUP PLC

RULES

OF

THE COMPASS GROUP US EMPLOYEE SHARE PURCHASE PLAN

A SUBPLAN OF THE COMPASS GROUP SAYE SHARE OPTION SCHEME

Established by resolution of the Board of Directors on [date] and approved by
shareholders on [date]

COMPASS GROUP US EMPLOYEE SHARE PURCHASE PLAN

1. Purpose

- 1.1 The Plan's purpose is to assist employees of the Company and its Designated Companies in acquiring a share ownership interest in the Company, and to help such employees provide for their future security and to encourage them to remain in the employment of the Company and its Subsidiaries.
- 1.2 The Plan consists of two components: the Section 423 Component and the Non-Section 423 Component. The Section 423 Component is intended to qualify as an "employee stock purchase plan" under Section 423 of the Code and shall be administered, interpreted and construed in a manner consistent with the requirements of Section 423 of the Code. In addition, the Plan authorises the grant of Options under the Non-Section 423 Component, which need not qualify as Options granted pursuant to an "employee stock purchase plan" under Section 423 of the Code; such Options granted under the Non-Section 423 Component shall be granted pursuant to separate Offerings containing such subplans, appendices, rules or procedures as may be adopted by the Committee and designed to achieve tax, securities laws or other objectives for Eligible Employees and the Designated Companies in locations outside of the United States. Except as otherwise provided herein or determined by the Committee, the Non-Section 423 Component will operate and be administered in the same manner as the Section 423 Component. Offerings intended to be made under the Non-Section 423 Component will be designated as such by the Committee at or prior to the time of such Offering.
- 1.3 For purposes of the Plan, the Committee may designate separate Offerings under the Plan, the terms of which need not be identical, in which Eligible Employees will participate, even if the dates of the applicable Offering Period(s) in each such Offering is identical, provided that the terms of participation are the same within each separate Offering under the Section 423 Component as determined under Section 423 of the Code. Solely by way of example and without limiting the foregoing, the Company could, but shall not be required to, provide for simultaneous Offerings under the Section 423 Component and the Non-Section 423 Component of the Plan.

2. Definitions

- 2.1 As used in the Plan, the following words and phrases have the meanings specified below, unless the context clearly indicates otherwise:

Agent means the brokerage firm, bank or other financial institution, entity or person(s), if any, engaged, retained, appointed or authorised to act as the agent of the Company or an Employee with regard to the Plan.

Board means the board of directors of the Company or a duly authorised committee of directors appointed by that board to carry out its functions.

Code means the U.S. Internal Revenue Code of 1986, as amended, and all regulations, guidance, compliance programs and other interpretative authority issued thereunder.

Committee means the remuneration committee of the Board or such other duly authorised committee of the Board from time to time to which authority to administer the Plan has been delegated under Section 14.1 hereof;

Company means Compass Group plc, a public limited company organised under the laws of England (under company number 4083914), together with any successor thereto.

Compensation of an Employee shall be defined from time to time by the Committee in its sole discretion with respect to any Offering and Offering Period. Except as otherwise defined by the Committee in its sole discretion, "Compensation" for an Offering Period means wages, base salary, overtime and annual bonus received during such Offering Period by an Eligible Employee for services to the Company or a Designated Company, as applicable, before deduction for any salary deferral contributions made by the Employee to any tax qualified or nonqualified deferred compensation plan. Except as otherwise determined by the Committee, Compensation shall not include commissions, severance pay, hiring and relocation bonuses, pay in lieu of vacation, sick leave, any other bonus, incentive or other special payments, any amounts paid by the Company or a Designated Company for other fringe benefits, such as health and welfare, hospitalisation and group life insurance benefits, or perquisites, or pay in lieu of such benefits or any other form of compensation that may be paid from time to time to the Eligible Employee by the Company or Designated Company. Such Compensation shall be calculated before deduction of any income or employment tax withholdings, but shall be withheld from the Employee's net income. Compensation for Participants shall be pro-rated based upon the Compensation which such Participant receives on each Payday during such Offering Period.

Designated Company means each Subsidiary, including any Subsidiary in existence on the Effective Date and any Subsidiary formed or acquired following the Effective Date, that has been designated by the Committee from time to time in its sole discretion as eligible to participate in the Plan, in accordance with Section 14.6 hereof, such designation to specify whether such participation is in the Section 423 Component or Non-Section 423 Component. A Designated Company may participate in either the Section 423 Component or Non-Section 423 Component, but not both. Notwithstanding the foregoing, if any Subsidiary is disregarded for U.S. federal income tax purposes in respect of the Company or any Designated Company participating in the Section 423 Component, then such disregarded Subsidiary shall automatically be a Designated Company participating in the Section 423 Component. If any

Subsidiary is disregarded for U.S. federal income tax purposes in respect of any Designated Company participating in the Non-Section 423 Component, the Committee may exclude such Subsidiary from participating in the Plan, notwithstanding that the Designated Company in respect of which such Subsidiary is disregarded may participate in the Plan.

Effective Date means the date that the Plan is approved by the Company's shareholders.

Eligible Employee means any Employee of the Company or a Designated Company, except that the Committee may exclude any or all of the following (which exclusions shall be determined by the Committee on an offering-by-offering basis) unless prohibited by applicable law, Employees:

- (a) who are customarily scheduled to work 20 hours or less per week;
- (b) whose customary employment is not more than five months in a calendar year;
- (c) who have been employed less than a minimum qualifying period (which may not exceed two years);
- (d) who are not employed by the Company or a Designated Company prior to the applicable Enrolment Date; and
- (e) any Employee who is a "highly compensated employee" of the Company or any Designated Company (within the meaning of Section 414(q) of the Code), or that is such a "highly compensated employee" (A) with compensation above a specified level, (B) who is an officer or (C) who is subject to the disclosure requirements of Section 16(a) of the Exchange Act; or
- (f) any Employee who is a citizen or resident of a jurisdiction outside the United States (without regard to whether they are also a citizen of the United States or a resident alien (within the meaning of Section 7701(b)(1)(A) of the Code)) if either (A) the grant of the Option is prohibited under the laws of the jurisdiction governing such Employee, or (B) compliance with the laws of the jurisdiction would cause the Section 423 Component, any Offering thereunder or an Option granted thereunder to violate the requirements of Section 423 of the Code; *provided* that any exclusion shall be applied in an identical manner under each Offering to all Employees in accordance with Treas. Reg. § 1.423-2(e).

Notwithstanding the foregoing, any Employee who, after the granting of the Option, would be deemed for purposes of Section 423(b)(3) of the Code to possess five percent (5%) or more of the total combined voting power or value of all classes of stock of the Company or any Subsidiary shall not be an Eligible Employee. For purposes of the preceding sentence, the rules of Section 424(d) of the Code with regard to the attribution of stock ownership shall apply in determining the stock ownership of an individual, and stock which an Employee

may purchase under outstanding options shall be treated as stock owned by the Employee.

Further, with respect to the Non-Section 423 Component, (a) the Committee may limit eligibility further within a Designated Company so as to only designate some Employees of a Designated Company as Eligible Employees, and (b) to the extent any restrictions in this definition are not consistent with applicable local laws, the applicable local laws shall control.

Employee means any person who renders services to the Company or a Designated Company in the status of an employee within the meaning of Section 3401(c) of the Code. "Employee" shall not include any director of the Company or a Designated Company who does not render services to the Company or a Designated Company in the status of an employee within the meaning of Section 3401(c) of the Code. For purposes of the Plan, the employment relationship shall be treated as continuing intact while the individual is on military leave, sick leave or other leave of absence approved by the Company or a Designated Company and meeting the requirements of Treas. Reg. § 1.421-1(h)(2). Where the period of leave exceeds three (3) months, or such other period specified in Treas. Reg. § 1.421-1(h)(2), and the individual's right to reemployment is not guaranteed either by statute or by contract, the employment relationship shall be deemed to have terminated on the first day immediately following such three (3)-month period, or such other period specified in Treas. Reg. § 1.421-1(h)(2).

Employee Share Scheme means any employee share scheme established by the Company.

Enrolment Date means the first date of each Offering Period.

Exercise Date means the last day of each Purchase Period, except as provided in Section 11.2 hereof.

Exchange Act means the U.S. Securities Exchange Act of 1934, as amended.

Fair Market Value means, as of any date, the value of a Share determined as follows:

- (a) If the Share is listed on any established securities exchange (such as the New York Stock Exchange or Nasdaq Stock Market), any national market system or listed, quoted or traded on any automated quotation system, the Fair Market Value of a Share shall be the closing sales price for a Share as quoted on such exchange or system for such date or, if there is no closing sales price for a Share on the date in question, the closing sales price for a Share on the last preceding date for which such quotation exists, as reported in The Daily Official List or such other source as the Committee deems reliable;
- (b) If the Share is not listed on an established securities exchange, national market system or automated quotation system, but the Share is regularly quoted by a recognised securities dealer, the Fair Market Value of a Share shall be the mean of the high bid and low asked prices for such date or,

if there are no high bid and low asked prices for a Share on such date, the high bid and low asked prices for a Share on the last preceding date for which such information exists, as reported in The Wall Street Journal or such other source as the Committee deems reliable; or

- (c) If the Share is neither listed on an established securities exchange, national market system or automated quotation system nor regularly quoted by a recognised securities dealer, the Fair Market Value of a Share shall be established by the Committee in good faith.

Grant Date means the first day of an Offering Period.

New Exercise Date has the meaning set forth in Section 11.2 hereof.

Non-Section 423 Component means those Offerings under the Plan, together with the subplans, appendices, rules or procedures, if any, adopted by the Committee as a part of the Plan, in each case, pursuant to which Options may be granted to Eligible Employees that need not satisfy the requirements for Options granted pursuant to an "employee stock purchase plan" that are set forth under Section 423 of the Code.

Offering means an offer under the Plan of an Option that may be exercised during an Offering Period as further described in Sections 5 and 7 hereof. Unless otherwise specified by the Committee, each Offering to the Eligible Employees shall be deemed a separate Offering, even if the dates and other terms of the applicable Purchase Periods of each such Offering are identical and the provisions of the Plan will separately apply to each Offering. To the extent permitted by Treas. Reg. § 1.423-2(a)(1), the terms of each separate Offering under the Section 423 Component need not be identical, *provided* that the terms of the Section 423 Component and an Offering thereunder together satisfy Treas. Reg. § 1.423-2(a)(2) and (a)(3).

Offering Period means one or more periods to be selected by the Committee in its sole discretion with respect to which Options shall be granted to Participants. The duration and timing of Offering Periods may be established or changed by the Committee at any time, in its sole discretion and may consist of one or more Purchase Periods. Notwithstanding the foregoing, in no event may an Offering Period exceed 27 months.

Option means the right to purchase Shares pursuant to the Plan during each Offering Period.

Option Price means the purchase price of a Share hereunder as provided in Section 6 hereof.

Parent means any entity that is a parent corporation of the Company within the meaning of Section 424 of the Code.

Participant means any Eligible Employee who elects to participate in the Plan.

Payday means the regular and recurring established day for payment of Compensation to an Employee.

Plan means this Employee Share Purchase Plan, including both the Section 423 Component and Non-Section 423 Component and any other subplans or appendices hereto, as amended from time to time.

Plan Account means a bookkeeping account established and maintained by the Company in the name of each Participant.

Purchase Period means one or more periods within an Offering Period, as determined by the Committee in its sole discretion. The duration and timing of Purchase Periods may be established or changed by the Committee at any time, in its sole discretion. Notwithstanding the foregoing, in no event may a Purchase Period exceed the duration of the Offering Period under which it is established.

Section 409A means Section 409A of the Code.

Section 423 Component means those Offerings under the Plan that are intended to meet the requirements under Section 423(b) of the Code.

Shares means ordinary shares of the Company, with a nominal value of 11 1/20th pence each, or such other securities of the Company (a) into which such shares shall be changed by reason of a recapitalisation, merger, consolidation, split-up, combination, exchange of shares or other similar transaction or (b) as may be determined by the Committee pursuant to Section 11.

Subsidiary means any entity that is a subsidiary corporation of the Company within the meaning of Section 424 of the Code.

Tax-Related Items means any U.S. and non-U.S. federal, provincial, state and/or local taxes (including, without limitation, income tax, social insurance contributions, fringe benefit tax, employment tax, stamp tax and any employer tax liability which has been transferred to a Participant) for which a Participant is liable in connection with his or her participation in the Plan.

Treas. Reg. means U.S. Department of the Treasury regulations.

Withdrawal Election has the meaning set forth in Section 12 hereof.

3. Eligibility

- 3.1 Any Eligible Employee who is employed by the Company or a Designated Company on a given Enrolment Date for an Offering Period shall be eligible to participate in the Plan during such Offering Period, subject to the requirements of Sections 5 to 11 (inclusive) hereof, and, for the Section 423 Component, the limitations imposed by Section 423(b) of the Code.
- 3.2 No Eligible Employee shall be granted an Option under the Section 423 Component which permits the Participant's rights to purchase Shares under the Plan, and to purchase shares under all other employee stock purchase plans of the Company, any Parent or any Subsidiary subject to Section 423 of the Code,

to accrue at a rate which exceeds \$25,000 of fair market value of such Shares (determined at the time such Option is granted) for each calendar year in which such Option is outstanding at any time. The limitation under this Section 3.2 shall be applied in accordance with Section 423(b)(8) of the Code.

4. Election to Participate; Payroll Deductions

- 4.1 Each individual who is an Eligible Employee as of an Offering Period's Enrolment Date may elect to participate in such Offering Period and the Plan by delivering to the Company or an Agent designated by the Company an enrolment form including a payroll deduction authorisation (which may be in an electronic format or such other method as determined by the Company in accordance with the Company's practices) (a *Participation Election*) no later than the period of time prior to the applicable Enrolment Date determined by the Committee, in its sole discretion. Except as provided in Section 4.5 hereof, an Eligible Employee may participate in the Plan only by means of payroll deduction.
- 4.2 Subject to Section 3.2 hereof and except as may otherwise be determined by the Committee, payroll deductions (i) shall equal at least one percent (1%) of the Participant's Compensation as of each Payday of the Offering Period following the Enrolment Date, but not more than fifteen percent (15%) of the Participant's Compensation as of each Payday of the Offering Period following the Enrolment Date; and (ii) shall be expressed as a whole number percentage. Subject to Section 4.3 hereof, amounts deducted from a Participant's Compensation with respect to an Offering Period pursuant to this Section 4.2 shall be deducted each Payday through payroll deduction and credited to the Participant's Plan Account.
- 4.3 Unless otherwise determined by the Committee, following at least one payroll deduction, a Participant may decrease the percentage of Compensation or the fixed dollar amount designated in the Participant's enrolment form, subject to the limits of Section 4.2, or may suspend the Participant's payroll deductions, at any time during an Offering Period; *provided, however*, that the Committee may limit the number of changes a Participant may make to the Participant's payroll deduction elections during each Offering Period in the applicable Offering (and in the absence of any specific designation by the Committee, a Participant shall be allowed one change to the Participant's payroll deduction elections during each Offering Period). Any such change or suspension of payroll deductions shall be effective with the first full payroll period following ten (10) business days after the Company's receipt of the new enrolment form (or such shorter or longer period as may be specified by the Committee in the applicable Offering). In the event a Participant suspends the Participant's payroll deductions, such Participant's cumulative payroll deductions prior to the suspension shall remain in such Participant's account and shall be applied to the purchase of Shares on the next occurring Exercise Date and shall not be

paid to such Participant unless such Participant withdraws from participation in the Plan pursuant to Section 12.

- 4.4 Upon the completion of an Offering Period, each Participant in such Offering Period shall automatically participate in the immediately following Offering Period at the same payroll deduction percentage as in effect at the termination of such Offering Period, unless such Participant delivers to the Company or an Agent designated by the Company a different Participation Election with respect to the successive Offering Period in accordance with Section 4.1 hereof, or unless such Participant becomes ineligible for participation in the Plan.
- 4.5 Notwithstanding any other provisions of the Plan to the contrary, in non-U.S. jurisdictions where participation in the Plan through payroll deductions is prohibited or otherwise problematic under applicable local laws (as determined by the Committee in its sole discretion), the Committee may provide that an Eligible Employee may elect to participate through contributions to the Participant's Plan Account in a form acceptable to the Committee in lieu of or in addition to payroll deductions; *provided, however*, that, for any Offering under the Section 423 Component, the Committee must determine that any alternative method of contribution is applied on an equal and uniform basis to all Eligible Employees in the Offering. Any reference to "payroll deductions" in this Section 4 (or in any other section of the Plan) will similarly cover contributions by other means made pursuant to this Section 4.5.

5. Grant of Option

The Company may make one or more Offerings under the Plan, which may be successive or overlapping with one another, until the earlier of: (i) the date on which all Shares available under the Plan have been purchased or (ii) the date on which the Plan is suspended or terminates. The Committee shall designate the terms and conditions of each Offering in writing, including without limitation, the Offering Period and the Purchase Periods. Each Participant shall be granted an Option with respect to an Offering Period on the applicable Grant Date. Subject to the limitations of Section 3.2 hereof, the number of Shares subject to a Participant's Option shall be determined by dividing (a) such Participant's payroll deductions accumulated prior to an Exercise Date and retained in the Participant's Plan Account on such Exercise Date by (b) the applicable Option Price; *provided* that in no event shall a Participant be permitted to purchase during each Offering Period more than 1500 Shares (subject to any adjustment pursuant to Section 11 hereof) or such other number of Shares as determined by the Committee before the start of the Offering Period. The Committee may, for future Offering Periods, increase or decrease, in its absolute discretion, the maximum number of Shares that a Participant may purchase during any Purchase Periods under such future Offering Periods. Each Option shall expire on the last Exercise Date for the applicable Offering Period immediately after the automatic exercise of the

Option in accordance with Section 7 hereof, unless such Option terminates earlier in accordance with Section 12 hereof.

6. Option Price

The Option Price shall be the price prescribed by the Committee *provided* that such price shall not be less than eighty-five percent (85%) of the lesser of the Fair Market Value of a Share on (a) the applicable Grant Date and (b) the applicable Exercise Date; *provided* that in no event shall the Option Price be less than the nominal value per Share.

7. Purchase of Shares

7.1 On each Exercise Date for an Offering Period, each Participant shall automatically and without any action on such Participant's part be deemed to have exercised the Participant's Option to purchase at the applicable Option Price the largest number of whole Shares which can be purchased with the amount in the Participant's Plan Account, subject to the limitations set forth in the Plan. Unless otherwise determined by the Committee in advance of an Offering or in accordance with applicable law, any balance that is remaining in the Participant's Plan Account (after exercise of such Participant's Option) as of the Exercise Date shall be carried forward into the next Offering Period, unless the Participant has properly elected to withdraw from the Plan or has ceased to be an Eligible Employee and subject to the maximum limitations set forth in Section 3.2 and Section 5. Any balance not carried forward to the next Offering Period in accordance with the prior sentence shall promptly be refunded as soon as administratively practicable to the applicable Participant.

7.2 As soon as practicable following each Exercise Date, the number of Shares purchased by such Participant pursuant to Section 7.1 hereof shall be delivered (either in share certificate or book entry form), in the Company's sole discretion, to either (i) the Participant or (ii) an account established in the Participant's name at a stock brokerage or other financial services firm designated by the Company. The Company may require that shares be retained with such brokerage or firm for a designated period of time and/or may establish procedures to permit tracking of disqualifying dispositions of such Shares.

8. Automatic Termination of Offering Period

If the Fair Market Value of a Share on any Exercise Date (except the final scheduled Exercise Date of any Offering Period) is lower than the Fair Market Value of a Share on the Grant Date for an Offering Period, then such Offering Period shall terminate on such Exercise Date after the automatic exercise of the Option in accordance with Section 7 hereof, and each Participant shall automatically be enrolled in the Offering Period that commences immediately

following such Exercise Date and such Participant's Participation Election shall remain in effect for such Offering Period.

9. Transferability of Rights

An Option granted under the Plan shall not be transferable, other than by will or the applicable laws of descent and distribution, and is exercisable during the Participant's lifetime only by the Participant. No option or interest or right to the Option shall be available to pay off any debts, contracts or engagements of the Participant or the Participant's successors in interest or shall be subject to disposition by pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempt at disposition of the Option shall have no effect.

10. Shares Reserved

10.1 Subject to adjustment as provided in Section 11 hereof, and to the remaining terms of this Section 10.1, the maximum number of Shares that may be issued or transferred pursuant to Options granted under the Plan shall be 50,000,000. Shares made available for sale under the Plan may be authorised but unissued Shares, treasury Shares, or reacquired Shares reserved for issuance under the Plan, save that no Shares may be issued or transferred from treasury pursuant to Options if it would cause 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 Employee Share Scheme; 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 Employee Share Scheme;

to exceed ten percent (10%) of the Company's ordinary issued share capital on that date. If any Option granted under the Plan shall for any reason terminate without having been exercised, the Shares not purchased under such Option shall again become available for issuance under the Plan.

11. Adjustments Upon Changes in Capitalisation, Dissolution, Liquidation, Merger or Asset Sale

11.1 Changes in Capitalisation. Subject to any required action by the shareholders of the Company, the number of Shares that have been authorised for issuance under the Plan but not yet placed under Option, as well as the price per Share and the number of Shares covered by each Option under the Plan that has not yet been exercised shall be proportionately adjusted for any increase or decrease in the number of issued Shares resulting from a share split, reverse share split, share dividend, combination, amalgamation, consolidation, reorganisation, arrangement or reclassification of the Shares, or any other increase or decrease in the number of Shares effected without receipt of

consideration by the Company; *provided, however*, that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration." Such adjustment shall be made by the Committee, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, no issuance by the Company of shares of any class, or securities convertible into shares of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of Shares of subject to an Option.

- 11.2 Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Offering Periods then in progress shall be shortened by setting a new Exercise Date (the **New Exercise Date**), and shall terminate immediately prior to the consummation of such proposed dissolution or liquidation, unless provided otherwise by the Committee. The New Exercise Date shall be before the date of the Company's proposed dissolution or liquidation. The Committee shall notify each Participant in writing, at least ten (10) business days prior to the New Exercise Date, that the Exercise Date for the Participant's Option has been changed to the New Exercise Date and that the Participant's Option shall be exercised automatically on the New Exercise Date, unless prior to such date the Participant has withdrawn from the Offering Period as provided in Section 12 hereof or the Participant has ceased to be an Eligible Employee as provided in Section 13 hereof.
- 11.3 Merger or Asset Sale. In the event of a proposed sale of all or substantially all of the assets of the Company, or the takeover of the Company by another corporation, each outstanding Option shall be assumed or an equivalent Option substituted by the successor corporation or a parent or subsidiary of the successor corporation. If the successor corporation refuses to assume or substitute for the Option, any Offering Periods then in progress shall be shortened by setting a New Exercise Date and any Offering Periods then in progress shall end on the New Exercise Date. The New Exercise Date shall be before the date of the Company's proposed sale or takeover. The Committee shall notify each Participant in writing, at least ten (10) business days prior to the New Exercise Date, that the Exercise Date for the Participant's Option has been changed to the New Exercise Date and that the Participant's Option shall be exercised automatically on the New Exercise Date, unless prior to such date the Participant has withdrawn from the Offering Period as provided in Section 12 hereof or the Participant has ceased to be an Eligible Employee as provided in Section 13 hereof.
- 11.4 Insufficient Shares. If the Committee determines that, on a given Exercise Date, the number of Shares with respect to which Options are to be exercised may exceed the number of Shares remaining available for sale under the Plan on such Exercise Date, the Committee shall make a pro rata allocation of the Shares available for issuance on such Exercise Date in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all Participants exercising Options to purchase Shares on such Exercise Date, and unless additional Shares are authorized for issuance under the Plan, no further Offering Periods shall take place and the Plan shall terminate pursuant to Section 14.9 hereof. If an Offering Period is so terminated, then the balance of the amount credited to the Participant's Plan Account which has not been applied to the purchase of Shares shall be paid to such Participant in

one lump sum in cash within thirty (30) days after such Exercise Date, without any interest thereon (except as may be required by applicable local laws).

- 11.5 Rights as Shareholders. With respect to Shares subject to an Option, a Participant shall not be deemed to be a shareholder of the Company and shall not have any of the rights or privileges of a shareholder. A Participant shall have the rights and privileges of a shareholder of the Company when, but not until, Shares have been deposited in the designated brokerage account following exercise of the Participant's Option.

12. Cessation of Contributions; Voluntary Withdrawal

- 12.1 A Participant may cease payroll deductions during an Offering Period and elect to withdraw from the Plan by delivering written notice of such election to the Company or an Agent designated by the Company in such form and at such time prior to the Exercise Date for such Offering Period as may be established by the Committee (a **Withdrawal Election**). In the event a Participant elects to withdraw from the Plan, amounts then credited to such Participant's Plan Account shall be returned to the Participant in one lump-sum payment in cash within thirty (30) days after such election is received by the Company, without any interest thereon (except as may be required by applicable local laws), and the Participant shall cease to participate in the Plan and the Participant's Option for such Offering Period shall terminate upon receipt of the Withdrawal Election.
- 12.2 A Participant's withdrawal from the Plan shall not have any effect upon the Participant's eligibility to participate in any similar plan which may hereafter be adopted by the Company or in succeeding Offering Periods which commence after the termination of the Offering Period from which the Participant withdraws.
- 12.3 A Participant who ceases contributions to the Plan during any Offering Period shall not be permitted to resume contributions to the Plan during that Offering Period.

13. Termination of Eligibility

Upon a Participant's ceasing to be an Eligible Employee, for any reason, such Participant's Option for the applicable Offering Period shall automatically terminate, the Participant shall be deemed to have elected to withdraw from the Plan, and any balance on such Participant's Plan Account shall be paid to such Participant or, in the case of the Participant's death, to the person or persons entitled thereto pursuant to applicable law, within thirty (30) days after such cessation of being an Eligible Employee, without any interest thereon (except as may be required by applicable local laws). If a Participant transfers employment from the Company or any Designated Company participating in the Section 423 Component to any Designated Company participating in the Non-Section 423 Component, such transfer shall not be treated as a termination of employment, but the Participant shall immediately cease to participate in the Section 423 Component; however, any contributions made for the Offering Period in which such transfer occurs shall be transferred to the Non-Section 423 Component, and such Participant shall immediately join the then-current Offering under the Non-Section 423 Component upon the

same terms and conditions in effect for the Participant's participation in the Section 423 Component, except for such modifications otherwise applicable for Participants in such Offering. A Participant who transfers employment from any Designated Company participating in the Non-Section 423 Component to the Company or any Designated Company participating in the Section 423 Component shall not be treated as terminating the Participant's employment and shall remain a Participant in the Non-Section 423 Component until the earlier of (i) the end of the current Offering Period under the Non-Section 423 Component, or (ii) the Enrolment Date of the first Offering Period in which the Participant is eligible to participate following such transfer. Notwithstanding the foregoing, the Committee may establish different rules to govern transfers of employment between companies participating in the Section 423 Component and the Non-Section 423 Component, consistent with the applicable requirements of Section 423 of the Code.

14. Administration

- 14.1 The Plan shall be administered by the Committee. The Committee may delegate administrative tasks under the Plan to the services of an Agent or Employees to assist in the administration of the Plan, including without limitation, determining the Designated Companies participating in the Plan, establishing and maintaining an individual securities account under the Plan for each Participant, determining enrolment and withdrawal deadlines and determining exchange rates. In its absolute discretion, the Committee may at any time and from time to time exercise any and all rights and duties of the Committee under the Plan.
- 14.2 It shall be the duty of the Committee to conduct the general administration of the Plan in accordance with the provisions of the Plan. The Committee shall have the power, subject to, and within the limitations of, the express provisions of the Plan:
- (a) To establish and terminate Offerings;
 - (b) To determine when and how Options shall be granted and the provisions and terms of each Offering (which need not be identical);
 - (c) To select Designated Companies in accordance with Section 14.6 hereof; and
 - (d) To construe and interpret the Plan, the terms of any Offering and the terms of the Options and to adopt such rules for the administration, interpretation, and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. The Committee, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan, any Offering or any Option, in a manner and to the extent it shall deem necessary or expedient to administer the Plan, subject to Section 423 of the Code for the Section 423 Component.
- 14.3 The Committee may adopt rules or procedures relating to the operation and administration of the Plan to accommodate the specific requirements of local laws and procedures, *provided* that the adoption and implementation of any such rules and/or procedures would not cause the Section 423 Component to

be in noncompliance with Section 423 of the Code. Without limiting the generality of the foregoing, the Committee is specifically authorised to adopt rules and procedures regarding handling of participation elections, payroll deductions, payment of interest, conversion of local currency, payroll tax, withholding procedures and handling of share certificates which vary with local requirements.

- 14.4 The Committee may adopt subplans applicable to particular Designated Companies or locations, which subplans may be designed to be outside the scope of Section 423 of the Code. The rules of such subplans may take precedence over other provisions of the Plan, with the exception of Section 10 hereof, but unless otherwise superseded by the terms of such subplan, the provisions of the Plan shall govern the operation of such subplan.
- 14.5 All expenses and liabilities incurred by the Committee in connection with the administration of the Plan shall be borne by the Company. The Committee may employ attorneys, consultants, accountants, appraisers, brokers or other persons. The Committee, the Company and its officers and directors shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and binding upon all Participants, the Company and all other interested persons. No member of the Board or the Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or the Options, and all members of the Board or Committee shall be fully protected by the Company in respect to any such action, determination, or interpretation. Any and all risks resulting from any market fluctuations or conditions of any nature and affecting the price of a Share are assumed by the Participant.
- 14.6 Designation of Subsidiaries. The Committee shall designate from time to time the Subsidiaries that shall constitute Designated Companies, and determine whether such Designated Companies shall participate in the Section 423 Component or Non-Section 423 Component. The Committee may designate a Subsidiary or terminate the designation of a Subsidiary without the approval of the shareholders of the Company.
- 14.7 Reports. Individual accounts shall be maintained for each Participant in the Plan. Statements of Plan Accounts shall be given to Participants at least annually, which statements shall set forth the amounts of payroll deductions, the Option Price, the number of Shares purchased and the remaining cash balance, if any.
- 14.8 No Right to Employment. Nothing in the Plan shall be construed to give any person (including any Participant) the right to remain in the employ of the Company, a Parent or a Subsidiary or to affect the right of the Company, any Parent or any Subsidiary to terminate the employment of any person (including any Participant) at any time, with or without cause, which right is expressly reserved.
- 14.9 Amendment and Termination of the Plan.
- (a) The Committee may, in its sole discretion, amend, suspend or terminate the Plan at any time and from time to time. To the extent necessary to

comply with Section 423 of the Code (or any successor rule or provision), with respect to the Section 423 Component, or any other applicable law, regulation or stock exchange rule, the Company shall obtain shareholder approval of any such amendment to the Plan in such a manner and to such a degree as required by Section 423 of the Code or such other law, regulation or rule.

- (b) If the Committee determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Committee may in its discretion modify or amend the Plan to reduce or eliminate such accounting consequence including, but not limited to:
 - (i) altering the Option Price for any Offering Period including an Offering Period underway at the time of the change in Option Price;
 - (ii) shortening any Offering Period so that the Offering Period ends on a new Exercise Date, including an Offering Period underway at the time of the Administrator action; and
 - (iii) allocating Shares.

Such modifications or amendments shall not require shareholder approval or the consent of any Participant.

- (c) Upon termination of the Plan, the balance in each Participant's Plan Account shall be refunded as soon as practicable after such termination, without any interest thereon (except as may be required by applicable local laws).

14.10 Use of Funds; No Interest Paid. All funds received by the Company by reason of purchase of Shares under the Plan shall be included in the general funds of the Company free of any trust or other restriction and may be used for any corporate purpose (except as may be required by applicable local laws). No interest shall be paid to any Participant or credited under the Plan (except as may be required by applicable local laws).

14.11 Term; Approval by Shareholders. No Option may be granted during any period of suspension of the Plan or after termination of the Plan.

14.12 Effect Upon Other Plans. The adoption of the Plan shall not affect any other compensation or incentive plans in effect for the Company, any Parent or any Subsidiary. Nothing in the Plan shall be construed to limit the right of the Company, any Parent or any Subsidiary (a) to establish any other forms of incentives or compensation for employees of the Company or any Parent or any Subsidiary, or (b) to grant or assume Options otherwise than under the Plan in connection with any proper corporate purpose, including, but not by way of limitation, the grant or assumption of options in connection with the acquisition, by purchase, lease, merger, amalgamation, combination, arrangement, consolidation or otherwise, of the business, shares or assets of any corporation, firm or association.

- 14.13 Conformity to Securities Laws. Notwithstanding any other provision of the Plan, the Plan and the participation in the Plan by any individual who is then subject to Section 16 of the Exchange Act shall be subject to any additional limitations set forth in any applicable exemption rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable law, the Plan shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.
- 14.14 Notice of Disposition of Shares. Each Participant shall give the Company prompt notice of any disposition or other transfer of any Shares, acquired pursuant to the exercise of an Option granted under the Section 423 Component, if such disposition or transfer is made (a) within two (2) years after the applicable Grant Date or (b) within one (1) year after the transfer of such Shares to such Participant upon exercise of such Option. The Company may direct that any certificates evidencing Shares acquired pursuant to the Plan refer to such requirement.
- 14.15 Tax Withholding. At the time of any taxable event that creates a withholding obligation for the Company or any Parent or Subsidiary, the Participant will make adequate provision for any Tax-Related Items. In their sole discretion, and except as otherwise determined by the Committee, the Company or the Designated Company that employs or employed the Participant may satisfy their obligations to withhold Tax-Related Items by (a) withholding from the Participant's wages or other compensation, (b) withholding a sufficient whole number of Shares otherwise issuable following exercise of the Option having an aggregate value sufficient to pay the Tax-Related Items required to be withheld with respect to the Option and/or Shares, or (c) withholding from proceeds from the sale of Shares issued upon exercise of the Option, either through a voluntary sale or a mandatory sale arranged by the Company.
- 14.16 Governing Law. The Plan and all rights, agreements and obligations hereunder shall be administered, interpreted and enforced under the laws of England , without regard to the conflict of law rules thereof or of any other jurisdiction.
- 14.17 Notices. All notices or other communications by a Participant to the Company under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.
- 14.18 Conditions to Issuance of Shares.
- (a) Notwithstanding anything herein to the contrary, the Company shall not be required to issue or deliver any certificates or make any book entries evidencing Shares pursuant to the exercise of an Option by a Participant, unless and until the Committee has determined, with advice of counsel, that the issuance of such Shares is in compliance with all applicable laws, regulations of governmental authorities and, if applicable, the requirements of any securities exchange or automated quotation system on which the Shares are listed or traded, and the Shares are covered by an effective registration statement or applicable exemption from registration. In addition to the terms and conditions provided herein, the Committee may require that a Participant make such reasonable

covenants, agreements, and representations as the Committee, in its discretion, deems advisable in order to comply with any such laws, regulations, or requirements.

- (b) All certificates for Shares delivered pursuant to the Plan and all Shares issued pursuant to book entry procedures are subject to any stop-transfer orders and other restrictions as the Committee deems necessary or advisable to comply with U.S. and non-U.S. federal, state or local securities or other laws, rules and regulations, the UK Listing Rules and the rules of any other securities exchange or automated quotation system on which the Shares are listed, quoted, or traded. The Committee may place legends on any certificate or book entry evidencing Shares to reference restrictions applicable to the Shares.
- (c) The Committee shall have the right to require any Participant to comply with any timing or other restrictions with respect to the settlement, distribution or exercise of any Option, including a window-period limitation, as may be imposed in the sole discretion of the Committee.
- (d) Notwithstanding any other provision of the Plan, unless otherwise determined by the Committee or required by any applicable law, rule or regulation, the Company may, in lieu of delivering to any Participant certificates evidencing Shares issued in connection with any Option, record the issuance of Shares in the books of the Company (or, as applicable, its transfer agent or share plan administrator).

If, pursuant to this Section 14.18, the Committee determines that Shares will not be issued to any Participant, the Company is relieved from liability to any Participant except to refund to the Participant such Participant's Plan Account balance, without interest thereon (except as may be required by applicable local laws).

- 14.19 Equal Rights and Privileges. All Eligible Employees granted Options pursuant to an Offering under the Section 423 Component shall have equal rights and privileges under the Plan to the extent required under Section 423 of the Code so that the Section 423 Component qualifies as an "employee stock purchase plan" within the meaning of Section 423 of the Code. Any provision of the Section 423 Component that is inconsistent with Section 423 of the Code shall, without further act or amendment by the Company or the Committee, be reformed to comply with the equal rights and privileges requirement of Section 423 of the Code. Eligible Employees participating in the Non-Section 423 Component need not have the same rights and privileges as each other, or as Eligible Employees participating in the Section 423 Component.

15. Rules Particular to Specific Countries

Notwithstanding anything herein to the contrary, the terms and conditions of the Plan with respect to Participants who are tax residents of a particular non-U.S. country or who are non-U.S. nationals or employed in non-U.S. jurisdictions may be subject to an addendum to the Plan in the form of an appendix or subplan (which appendix or subplan may be designed to govern Offerings under the Section 423 Component or the Non-Section 423 Component, as determined by the Committee). To the extent that the terms and conditions set forth in an appendix or subplan conflict with any provisions

of the Plan, the provisions of the appendix or subplan shall govern. The adoption of any such appendix or subplan shall be pursuant to Section 14 above. Without limiting the foregoing, the Committee is specifically authorised to adopt rules and procedures, with respect to Participants who are non-U.S. nationals or employed in non-U.S. jurisdictions, regarding the exclusion of particular Subsidiaries from participation in the Plan, eligibility to participate, the definition of Compensation, handling of payroll deductions or other contributions by Participants, payment of interest, conversion of local currency, data privacy security, payroll tax, withholding procedures or establishment of bank or trust accounts to hold payroll deductions or contributions, *provided* that the adoption and implementation of any such rules and/or procedures would not cause the Section 423 Component to be in noncompliance with Section 423 of the Code.

16. Section 409A

The Section 423 Component of the Plan and the Options granted pursuant to Offerings thereunder are intended to be exempt from the application of Section 409A. Neither the Non-Section 423 Component nor any Option granted pursuant to an Offering thereunder is intended to constitute or provide for “nonqualified deferred compensation” within the meaning of Section 409A. Notwithstanding any provision of the Plan to the contrary, if the Committee determines that any Option granted under the Plan may be or become subject to Section 409A or that any provision of the Plan may cause an Option granted under the Plan to be or become subject to Section 409A, the Committee may adopt such amendments to the Plan and/or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions as the Committee determines are necessary or appropriate to avoid the imposition of taxes under Section 409A, either through compliance with the requirements of Section 409A or with an available exemption therefrom.