

Beazley plc

Trust Deed and Rules of the Beazley plc UK Share Incentive Plan 2023

*Shareholder
approval: [●] 2023*

*Board adoption: [●]
2023*

*Notified to HMRC:
[●]*

THIS TRUST DEED is made on [●] 2023

BETWEEN:

1. Beazley plc (incorporated in England and Wales under company number 09763575) whose registered office is situated at 22 Bishopsgate, London, EC2N 4BQ (“the **Company**”);
2. Equiniti Share Plan Trustees Limited (incorporated in England and Wales under company number 03925002) whose registered office is situated at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA (the “**Original Trustee**”); and
3. Beazley Management Limited (incorporated in England and Wales under company number 05016918) whose registered office is situated at 22 Bishopsgate, London, EC2N 4BQ.

PRELIMINARY:

- (A) The Company wishes to establish a share incentive plan which meets the legislative requirements of Schedule 2 and constitutes an Employees’ Share Scheme.
- (B) The Plan has been approved by an ordinary resolution of the Company passed at a general meeting held on [●] 2023. The Plan was adopted by the Directors on [●] 2023.
- (C) The Original Trustee has agreed to act as the first trustee of the Plan.
- (D) The Original Trustee has received the sum of £50 from the Company as an initial contribution to the trusts established by this Trust Deed.

THE TRUST DEED WITNESSES as follows:

1. Interpretation

- 1.1.** In this Trust Deed, unless the context otherwise requires, the definitions set out in Rule 1.1 of the Schedule shall apply and the following words and expressions shall have the following meanings:

Charitable	exclusively charitable under English law;
Corporate Trustee	any Trustee which is a body corporate in any relevant jurisdiction which has been appointed as a trustee pursuant to this Trust Deed;
Schedule	the schedule to this Trust Deed;
Trust	the trusts established by this Trust Deed;
Trust Deed	this trust deed in its present form or as amended from time to time;

Trust Fund

all assets from time to time held subject to this Trust Deed, including (without limitation):

- a) the sum of £50 referred to in recital (D);
- b) any assets from time to time added to such sum by way of accumulation of income, capital accretion or otherwise and whether contributed by the Company or a Subsidiary; and
- c) all assets from time to time representing or derived from such sum or property as is referred to in sub-paragraphs (a) and (b) above

and unless the context otherwise requires a reference to the Trust Fund shall include a reference to the whole or any part or parts of the Trust Fund;

Trust Period

the period beginning on the date of this Trust Deed and ending on the first to happen of the following, namely:

- a) the expiry of the perpetuity period for the purpose of section 5(1) of the Perpetuities and Accumulations Act 2009, currently one hundred and twenty five years from the date of this Trust Deed, or such longer period as may be allowed by the law relating to perpetuities from time to time in force in relation to this Trust Deed; and
- b) such date as the Trustees shall, with the prior written consent of the Directors, by deed declare to be the end of the Trust Period (not being a date earlier than the date of this Trust Deed) subject to termination of the Plan in accordance with Rule 34 of the Schedule; and

Trustees

the Original Trustee and/or any other person or persons appointed from time to time as trustee of the Trust pursuant to this Trust Deed until such time as such person ceases to be a trustee pursuant to this Trust Deed (and “**Trustee**” shall mean any one of the Trustees or a sole trustee, where the context so requires).

1.2. Unless otherwise specified, the interpretation provisions of Rule 1.2 of the Schedule shall apply.

1.3. References to clauses are to clauses of this Trust Deed.

2. Object of Trust

All Plan Shares and any other assets held by the Trustees will be held upon trust for the Eligible Employees and/or Participants respectively entitled to them under the Plan subject to the provisions set out below and to the power of the Trustees to transfer or cause to be transferred to the person beneficially entitled to them any Plan Shares in accordance with the Plan.

3. Achieving object of Trust

3.1. Monies received from Participating Companies

Subject to the provisions set out below the Trustees apply monies they receive from the Participating Companies in the acquisition of Shares for Appropriation or for the purposes of clause 4.1 and to hold such Shares once Appropriated and all other trust property deriving from such Shares on trust for the Participants to whom such Shares have been Appropriated and to apply and deal with the same in accordance with the Plan provided always that:

1. the Trustees shall not dispose of a Participant's Free Shares during the Free Shares Holding Period or Matching Shares during the Matching Shares Holding Period (whether by transfer to the Participant or otherwise) except as provided by the Rules;
2. the Trustees shall not (subject to the Rules) dispose of any of a Participant's Free Shares after the end of the Free Shares Holding Period, Matching Shares after the end of the Matching Shares Holding Period except pursuant to a direction validly given by or on behalf of the Participant or any person in whom the beneficial interest in those Shares is for the time being vested; and
3. the Trustees shall deal with any right attaching to Free Shares or Matching Shares to be allotted or to acquire other shares, securities or rights of any description only pursuant to a written direction given by or on behalf of the Participant or any person in whom the beneficial interest in such Free Shares or Matching Shares is for the time being vested.

3.2. Partnership Shares Money

Subject to the provisions set out below the Trustees shall apply Partnership Shares Money in the acquisition of Partnership Shares and shall hold such shares once acquired on trust for the Participants on whose respective behalfs they have been acquired and apply and deal with the same in accordance with the Plan provided always that:

1. the Trustees shall not (subject to the Rules) dispose of a Participant's Partnership Shares (whether by transfer to the Participant or otherwise) except pursuant to a written direction validly given by or on behalf of the Participant or any person in whom the beneficial interest in those Partnership Shares is for the time being vested;
2. the Trustees shall deal with any right attaching to Partnership Shares to acquire other shares securities or rights of any description only pursuant to a written direction given by or on behalf of the Participant or any person in whom the beneficial interest in the Partnership Shares is for the time being vested.

3.3. Dividend Shares

The Trustees shall hold Dividend Shares once acquired on trust for the Participants on whose respective behalfs they have been acquired and apply and deal with the same in accordance with the Plan provided always that:

1. the Trustees shall not dispose of a Participant's Dividend Shares during the Dividend Shares Holding Period (whether by transfer to the Participant or otherwise) except as provided by the Rules;
2. the Trustees shall not (subject to the Rules) dispose of a Participant's Dividend Shares (whether by transfer to the Participant or otherwise) except pursuant to a written direction validly given by or on behalf of the Participant or any person in whom the beneficial interest in those Shares is for the time being vested; and
3. the Trustees shall deal with any right attaching to Dividend Shares to acquire other shares, securities or rights of any description pursuant only to a written direction given by or on behalf of the Participant or any person in whom the beneficial interest in such Dividend Shares is for the time being vested.

3.4. Dividends on Shares not Awarded

The Trustees shall not demand or in any way enforce payment of any dividends which would otherwise be payable on any Shares for the time being comprised within the Trust Fund which are not held for the benefit of a Participant and the Trustees hereby waive any entitlement thereto but where the Company decides to pay dividends on such Shares the Trustees shall retain such dividends to be used for the general purposes of the Plan.

3.5. Trustees not to exercise voting rights on Shares not Awarded

The Trustees shall not exercise any voting rights in respect of Shares for the time being held within the Trust Fund which are not held for the benefit of a Participant.

4. Unused funds

4.1. Trustees to apply unused funds for costs etc.

Where pursuant to the Plan the Trustees hold any monies, shares, securities or other assets which represent or represent income derived from:

1. any monies or assets received from the Participating Companies for the purposes of the Plan but which have not been applied and which are not required to be applied under the Plan for an Appropriation; or
2. any Capital Receipt of less than £3 which would be distributable to a Participant save for the provisions concerning such sums in the Rules; and
3. any assets relating to the Plan (including any amounts specifically paid to the Trustees as a contribution to any costs, charges and expenses incurred in connection with the establishment and operation of the Plan) which are not held for the benefit of a Participant in consequence of an Appropriation to them or any acquisition of Partnership Shares by them and which are not required to be applied under the Plan;

the Trustees may apply such assets or the sale proceeds thereof in or towards any reasonable costs, charges and expenses of the Plan (including for the avoidance of doubt any amounts necessary to facilitate the Award of Partnership Shares) and may during the Trust Period and subject to the law relating to accumulations accumulate any income thereon and hold the same for the general purposes of the Plan. The Trustees shall notify the Company on request of all amounts and assets held for such purposes.

4.2. Trustees to account for monies upon termination of Plan

If at any time the Plan is terminated the Trustees shall account to the Participating Companies as instructed by the Company for any unused monies then held on trust pursuant to clause 4.1. Notwithstanding such termination the Trustees shall continue to administer the Trust Fund in accordance with this Trust Deed and the Rules. At the earlier of the expiry of the Trust Period and the third anniversary of the termination of the Plan the Trustees shall convert into money any trust property held on trust pursuant to this Trust Deed and which are not either Partnership Shares, or Dividend Shares nor Appropriated to Participants and shall pay such money to such one or more Charitable organisations and if more than one in such proportions as the Trustees shall, in their absolute discretion determine. The receipt of the proper officer of the recipient Charitable organisation shall be a valid discharge of the Trustees for the benefit received by them.

5. Right to deal with reconstructions, etc.

5.1. Trustees to act on Participant's directions

The Trustees may at any time on behalf of any Participant who has given a direction to the Trustees under the Rules (but not otherwise) enter into any compromise or arrangement with respect to or may release or forbear to exercise all or any of its rights as shareholder whether in connection with a scheme of reconstruction or amalgamation or otherwise and may accept in or towards satisfaction of all or any of such rights such consideration as such Participant shall direct whether in the form of cash, stock, shares, debentures, debenture stock or obligations or securities without the Trustees being in any way liable or responsible for any loss resulting from complying with any such direction or any liability or increased liability of such Participant to tax or in respect of any inadequacy or alleged inadequacy in the nature or amount of such consideration.

5.2. Trustees to use reasonable endeavours to obtain directions

The Trustees shall use reasonable endeavours to notify Participants in respect of any matters affecting the rights of holders of Plan Shares and to seek their directions accordingly.

5.3. No liability for acting on directions

The Trustees shall not be liable or responsible for any loss or any liability or increased liability of a Participant to tax arising out of the failure of such Participant to give a direction to the Trustees or the failure of such Participant to give a direction to the Trustees within a particular time or if the Participant has

directed the Trustees to use their discretion in any way arising out of the bona fide exercise by the Trustees of that discretion.

6. *Accountability for PAYE and other deductions*

Either the Company, any Participating Company or the Trustees shall account to HM Revenue & Customs or other authority concerned for any amounts deducted from payments made, or assets transferred, pursuant to the Plan in respect of income tax or any other deductions required by statute or regulations made thereunder.

7. *Maintenance of Trust records*

7.1. *Trustees to procure preparation of Trust records*

The Trustees shall maintain all necessary accounts (including the accounts of individual employees), records and other documents necessary to carry out their obligations in connection with:

1. the proper administration of the Plan (including maintaining records of employees who have been participants in more than one share incentive plan which meets the legislative requirements under Schedule 2 and established by the Company or a Connected Company); and
2. the PAYE obligations of the employer company (as that expression is defined in section 510(7) of ITEPA 2003) so far as they relate to the Plan.

7.2. *Trustees to keep records of PAYE deductions*

The Trustees shall keep records of all PAYE deductions, including payments to the Participating Companies in respect of PAYE obligations.

7.3. *Trustees to submit Trust records to Company*

The Trustees shall submit to the Company such reports or other information as it may reasonably require for the purpose of ensuring that the Plan is properly administered and without prejudice to the generality of the foregoing the Trustees shall submit to the Company copies of all documents or electronic submissions including, where the Trustees have been appointed agent for submission of online annual returns, the annual returns which have been supplied to HM Revenue & Customs within 21 days of their being so supplied.

7.4. *Company's right to inspect Trust records*

The Company shall at all times be entitled on service of three days written notice or such other period as otherwise agreed between the Company and the Trustees to inspect all accounts, documents and records maintained by the Trustees for the purposes of the Plan and may at any time, at its absolute discretion and at its own expense, audit or cause to be audited those accounts, documents and records.

8. *Securities and title*

8.1. *Securities may be placed in custody*

1. The Trustees may place the documents of title for the time being in its possession in any bank or safe deposit and shall not be responsible for any losses incurred by so doing.
2. The Trustees may allow any Shares to be registered in the name of an appointed nominee or custodian.

8.2. *More than one Trustee may be registered proprietor*

At any time when there is more than one Trustee, the Trustees shall be entitled to procure that any one or more of them may be registered as proprietor of any property held by them on trust pursuant to this Trust Deed.

9. Application of Plan to Subsidiary

9.1. Extension of Plan to Subsidiary

The Plan may with the consent of the Company be extended to any Subsidiary by a deed of adherence in a form approved by the Directors executed by that Subsidiary, the Company and the Trustees.

9.2. Circumstances where Plan may cease to apply to Subsidiary

The Plan shall cease to extend to a Participating Company (other than the Company) when:

1. such Participating Company ceases to be a Subsidiary; or
2. a notice is served by the Company upon the Trustees and the Participating Company that the Plan shall cease to apply to that Participating Company; or
3. a Participating Company withdraws from the Plan on such conditions as may be agreed by the Company, but such cessation shall not affect the subsisting rights of Participants which have arisen under the Plan prior to such cessation.

9.3. Trustees not liable to account to former Participating Companies

Where the Plan ceases to extend to a Participating Company in accordance with clause 9.2 then the Trustees shall not be liable to account to such Participating Company for any unused monies then held on trust pursuant to clause 4.1.

10. Duties of Participating Companies

10.1. Duty to contribute sums and provide information

If and so long as any company is a Participating Company it shall:

1. contribute and pay to the Trustees such sums as are required by the Trustees to purchase or subscribe for Shares to be Awarded to Participants of that Participating Company together with a fair proportion of the sums required to meet:
 - a. the reasonable expenses of the Trustees in operating and administering the Plan; and
 - b. any remuneration payable to the Trustees;
2. to the extent that such expenses and remuneration cannot be met out of such of the assets held by the Trustees as are applicable for that purpose; and
3. provide the Trustees with all information reasonably required from them for the purposes of the administration and operation of the Plan in such form as the Trustees may reasonably require.

10.2. Continuing liability of former Participating Companies

Any company that ceases to be a Participating Company shall remain liable to meet its fair proportion of the expenses of the Trustees.

11. Protection of Trustees

11.1. Limited liability for monetary obligations

Providing the Trustees did not perpetrate any fraud, wilful misconduct or negligence the Trustees shall not be liable to satisfy any monetary obligations under the Plan (including but without prejudice to the generality of the foregoing any monetary obligations to Eligible Employees) beyond the sums of money (including income) from time to time in their hands or under their control as Trustees of the Plan and properly applicable for that purpose.

11.2. Trustees to comply with Company's directions

Providing the Trustees would not hereby perpetrate any fraud, wilful misconduct or negligence the Trustees shall comply with any directions given by the Company (including for the avoidance of doubt any person to whom any delegation under clause 18.1 has been made) under the Plan and shall not be under any liability in respect of such compliance to the Company (or such other person under clause 18.1) or to any Participating Company or to any Eligible Employee or to any Participant.

11.3. Indemnity

Unless agreed otherwise between the Company or any Participating Company and the Trustees, the Company shall pay to or reimburse the Trustees all expenses properly incurred by them in connection with the Trust and shall fully indemnify the Trustees and the directors, officers and employees of a Corporate Trustee against all actions, claims, losses, demands, proceedings, charges, expenses, costs, damages, taxes, duties and other liabilities incurred by them in connection with the Trust or in connection with the proper administration and operation of the Plan provided that the Trustees shall not be paid, reimbursed or indemnified in respect of:

1. any sum which can either be recovered under clause 4.1 by the Trustees out of the assets held subject to the Plan or from other Participating Companies or former Participating Companies; and
2. any fraud, wilful misconduct, or in the case of a Trustee receiving remuneration for acting as a Trustee, negligence by it or any of its directors, officers or employees.

In addition, the Trustees shall have the benefit of all indemnities conferred on trustees by the Trustee Act 1925, the Trustee Act 2000 and generally by law.

11.4. No obligation to become involved in management

The Trustees shall not be under any obligation to:

1. become a director or other officer, or interfere in the management or affairs, of any company, any of the shares, debentures, debenture stock or securities which are held on trust pursuant to this Trust Deed or of any company associated with any such company, notwithstanding that the Trustees may have (whether directly or indirectly) a substantial holding in, or control of, any such company; or
2. seek information about the affairs of any such company

but may leave the conduct of the affairs of any such company to its directors, officers or other persons managing the company provided the Trustees have no actual notice of any act of dishonesty on the part of such persons in connection with the management of such company.

12. Additional powers

12.1. Additional powers of Trustees

In addition and without prejudice to the powers vested in them by the other provisions of this Trust Deed and by law, the Trustees shall have the following powers and discretions:

1. to agree with the Company all matters relating to the operation and administration of the Trust and so that no person claiming an interest under the Trust shall be entitled to question the legality or correctness of any arrangement or agreement made between the Company and the Trustees in relation to such operation and administration;
2. from time to time in writing to authorise such other person or persons whether or not a Trustee, as the Trustees shall think fit to draw and endorse cheques and to give receipts and discharges for any monies or other property payable transferable or deliverable to or by the Trustees and every such receipt or discharge shall be as valid and effectual as if such receipt or discharge was given by the Trustees and the production of such written authority of the Trustees shall be a sufficient protection to any person taking any such receipt or discharge and (unless that person shall have received express notice in writing of the revocation of the authority) they shall be entitled to assume and act upon the assumption that the authority remains unrevoked;

3. at any time, to borrow or raise money only for the purpose of subscribing for or purchasing Shares or any other purpose for which money may be applied under this Trust Deed. Any loan made by a Participating Company to the Trustees shall be on such terms as the Participating Company and the Trustees agree;
4. to make any payment to any Participant into the Participant's bank account and the Trustees shall be discharged from obtaining a receipt or seeing the application of any such payment; and
5. to pay any amount, whether income or capital, intended to be paid to any minor to their parent or guardian, whose receipt shall be a valid discharge of the Trustees.

12.2. Trustees' power to invest monies etc.

Subject to any provision to the contrary in the Rules the Trustees shall in respect of monies or other assets not held on trust for a Participant have the same full and unrestricted powers of investing and transposing investments and laying out monies in all respects as if they were absolutely entitled to them beneficially and without regard to any requirement as to diversification.

12.3. Trustees' power of sale

Subject to any provision to the contrary in the Rules the Trustees shall in respect of any assets not held on trust for a Participant have all the powers of sale of a beneficial owner in respect of such assets.

12.4. Trustee Act 2000

Sections 4 and 5 of, and paragraph 1 of Schedule 1 to, the Trustee Act 2000 shall not apply.

13. Proceedings of Trustees

13.1. Scope of clause

The following provisions of this clause 13 shall govern the proceedings of the Trustees.

13.2. Regulations for conduct of business

The Trustees shall meet together and, subject to the following provisions of this clause 13, make such regulations for the conduct of their business as they determine.

13.3. Quorum for meetings of Trustees

The quorum for any meeting of the Trustees shall be two. A meeting of the Trustees at which a quorum is present shall be competent to exercise all the powers and discretions exercisable by the Trustees generally.

13.4. Majority voting of Trustees

At any meeting of the Trustees, all questions shall be decided by a majority of the votes of the Trustees present and voting thereon. In the event of an equality of votes, the chairman of the meeting, if any, shall have a second or casting vote. In the event of an equality of votes on the election of a chairman at any meeting, the chairman shall be chosen by lot.

13.5. Minutes of meetings

The Trustees shall cause proper minutes to be kept and entered in a book provided for the purpose of all their resolutions and proceedings and any such minutes of any meeting of the Trustees, if purported to be signed by the chairman of such meeting or by the chairman of a subsequent meeting, shall be admissible as prima facie evidence of the matters stated in such minutes.

13.6. Written resolutions of Trustees

A resolution in writing signed by all the Trustees shall be as valid and effective as if it had been passed at a meeting of the Trustees and the same may consist of two or more documents in similar form each signed by one or more of the Trustees.

13.7. Sole Trustee

In the case of a sole Trustee, that sole Trustee may make decisions alone; however, the sole Trustee must keep a record in the form of a trustee resolution of all decisions made.

14. Administration

14.1. Delegation

Where there is more than one Trustee, they may from time to time delegate any business to any one or more of their number.

14.2. Professional advice

The Trustees may employ and act on the advice or opinion of any solicitor, accountant or other person engaged in any profession or business whether such advice was obtained by the Trustees or by the Company. Providing the Trustees did not perpetrate any fraud, wilful misconduct or negligence the Trustees shall not be responsible for any loss arising by its acting on that advice.

14.3. Trustees' agents

The Trustees may employ on such terms as the Company may agree as to remuneration any agent to transact any business in connection with the Plan and the Trustees shall not be liable for any loss arising by reason of the fraud or negligence of such agent, providing the Trustees did not perpetrate of any such fraud, wilful misconduct or negligence.

14.4. Trustees may execute deeds etc.

The Trustees may execute or authorise the execution or delivery by any agent of them of any trust, deeds, documents or other instruments by the impression of the Trustees' signatures (where there is more than one Trustee) or (in the case of a sole Corporate Trustee) by the signature of (i) two directors of the Corporate Trustee; (ii) one director and the secretary of the Corporate Trustee or (iii) one director of the Corporate Trustee before a witness who attests their signature, in writing, printing, lithograph, photocopying and other modes of representing or reproducing words in a visible form and may authorise the delivery of such instruments on their behalf.

15. Remuneration and interests of Trustees

15.1. Individual Trustees

Any Trustee who is an individual shall be entitled to receive and retain as remuneration for their services under this Trust Deed such sum or sums as a Participating Company may from time to time resolve to pay to them notwithstanding that they are also an officer or employee of a Participating Company and they shall not be disqualified from voting or taking part in any decision of the Trustees on any matter by virtue of any personal or beneficial interest (actual or prospective) therein.

15.2. Professional Trustees

Any Trustee who is a solicitor, accountant or other person engaged in any profession or business shall be entitled to charge and be paid all normal professional charges and any other expenses for business transacted, services rendered or time spent personally or by the Trustee's firm in connection with the Plan, including acts which a Trustee not engaged in any profession or business could have done personally.

15.3. Corporate Trustee

Any Trustee which is a company shall be entitled to charge and be paid such reasonable remuneration or charges as shall from time to time be agreed in writing between the Company and such company and any such company (being a bank) shall be entitled subject to the written consent of the Company, to act as banker and perform any services in relation to the Plan on the same terms as would be made with a customer in the ordinary course of its business as a banker without accounting for any resultant profit including without prejudice to the generality of the foregoing retention of its customary share of brokerage commission.

15.4. Right to be employed by Company

Any Trustee or any officer of a Corporate Trustee may be employed by, or be appointed an officer of, the Company or any Subsidiary and shall be entitled to keep for their benefit such remuneration, or any other benefit as they may receive by virtue of such position and shall not be liable to account for any such benefit.

16. Permitted dealings of Trustee

16.1. Trustee permitted to hold shares etc.

No Trustee (nor any director or other officer of a company acting as a Trustee) shall be precluded from acquiring, holding or dealing with any shares, debentures, debenture stock or securities of the Company or any other Participating Company or any other company in which the Trustees may be interested or from entering into any contract or other transaction with the Company or any other Participating Company or any such other company or being interested in any such contract or transaction. No Trustee (nor any director or other officer of a company acting as a Trustee) shall be liable to account to any Eligible Employee or Participant or, where there is more than one Trustee, to any other Trustee or the Company or any other Participating Company or such other company for any profits so made or benefits so obtained by them.

16.2. No requirement to account for benefits

The Trustees (and any director or other officer of a company acting as a Trustee) who is or becomes an Eligible Employee or Participant may retain all benefits to which they become entitled under the Plan and shall not be liable to account for any such benefit.

17. Number, appointment, removal and retirement of the Trustee

17.1. Trustee minimum number

The minimum number of Trustees shall be:

1. in the case of a Corporate Trustee, one; and
2. in any other case, three

and while the number of Trustees is below the minimum number, any continuing Trustees shall not be entitled to exercise any power or discretion under this Trust Deed and any purported exercise of such power or discretion in those circumstances shall be invalid.

17.2. Statutory power to appoint new and additional trustees

The statutory power of appointing new and additional trustees contained in section 36 of the Trustee Act 1925 shall be vested in the Company and may be exercised by a resolution of the Directors or in writing signed by a person duly authorised by a resolution of the Directors.

17.3. Power to appoint additional trustees

In addition to the statutory power of appointing new and additional trustees, the Company shall have the power by a resolution of the Directors or in writing signed by a person duly authorised by a resolution of the Directors to appoint additional trustees.

17.4. Company ceasing to exist

If the Company ceases to exist otherwise than in consequence of a reconstruction or amalgamation, all powers of appointing and removing a trustee shall become vested in the Trustees.

17.5. Removal of Trustees

The Company may by a resolution of the Directors or in writing signed by a person duly authorised by a resolution of the Directors, notice of which, in either case, is given to the Trustees, and without giving any reason for the removal, remove a Trustee from office, but not so as to reduce the number of Trustees below the minimum number specified in clause 17.1. If no later date is specified in the notice, such removal shall take place immediately on the receipt of the notice by the Trustees. If a later date is specified in the notice, such removal shall take place on the later of the receipt of the notice by the Trustees and the date specified in the notice.

17.6. Retirement of Trustees

A Trustee may retire by giving the Company written notice of their desire to retire but not so as to reduce the number of Trustees below that specified in clause 17.1.

If the requirements of clause 17.1 will continue to be satisfied such notice shall take effect at the expiry of three months or such other period as may be agreed in writing by the Company after the date of such notice.

If the requirements of clause 17.1 will not continue to be satisfied, the Company shall, within three months after the giving of such notice, appoint an additional trustee. If the Company fails to do so within such period, the retiring Trustee may by deed appoint an additional trustee and their retirement shall thereupon become effective.

17.7. Death of Trustee

If following the death of a Trustee, the Company fails to appoint a new trustee within three months of the Trustee's date of death and there are at that time fewer than the minimum number of Trustees specified in clause 17.1, the remaining Trustees may, in their absolute discretion, appoint an additional trustee but not so as to exceed the minimum number of Trustees.

17.8. Transfer of Trust property following removal or retirement of Trustee

Forthwith following their removal or retirement as a Trustee, the outgoing Trustee shall transfer all property held by them subject to the Plan and deliver all documents in their possession relating to the Plan to the Trustees and shall execute all such documents and do all such things as may be necessary to give effect to their removal or retirement.

17.9. Section 37 of the Trustee Act 1925

Section 37(1)(c) of the Trustee Act 1925 shall apply to the Plan as if all references in that section to a trust corporation were references to any company authorised by its memorandum and articles to undertake trust business.

17.10. Residence of the Trustees

The Company shall ensure that all the Trustees or any Corporate Trustee shall at all times be resident for tax purposes in the United Kingdom.

18. Delegation of administration by Company and other matters

18.1. Delegation of administration

The Company or the Directors may at any time delegate in writing to the directors of any Participating Company or to any Participating Company's duly authorised officers any of its powers and duties under this

Trust Deed or any business including the exercise of any discretion provided always that the Company shall not delegate the duties imposed on it or the rights given to it under clauses 9.1, 11.3, 17.2, 17.3, 17.5 or 22.

18.2. Exercise of powers

Except as otherwise provided in this Trust Deed or in the Rules the powers and discretions exercisable by any Participating Company in relation to the Plan shall be exercisable in the case of the Company by the Directors and otherwise by resolution of the board of directors of such Participating Company or by a duly authorised committee thereof and a copy of any resolution signed or purporting to be signed by the secretary or any director of such company shall be sufficient authority to the Trustees to act thereunder.

18.3. Information supplied by Participating Company

The Trustees shall be entitled, in the absence of manifest error, to rely without further enquiry on any information or advice supplied to it by any Participating Company in connection with the trust created by this Trust Deed.

19. Duration and winding up of Plan

19.1. Termination of Plan

The Plan shall terminate on the earlier of:

1. the expiry of the Trust Period; and
2. the date specified in a plan termination notice validly issued under Rule 34

and references throughout this Trust Deed to a termination of the Plan shall be taken to be a termination as herein provided.

19.2. Outstanding liabilities

On or after the termination of the Plan no further sums shall be paid to the Trustees by the Participating Companies save that all Participating Companies shall remain liable to pay their just proportion of the costs charges and expenses of the Plan and the indemnity in clause 11.3 shall continue to apply.

19.3. Completion of obligations

Following any termination of the Plan the Trustees shall remain responsible for the completion of their obligations under the Plan.

20. Supremacy of Trust Deed over Rules

The Trustee's rights duties and powers are regulated by this Trust Deed and by the Rules and in the case of inconsistency or conflict between the provisions of this Trust Deed and of the Rules the provisions of this Trust Deed shall prevail.

21. Governing law and jurisdiction

21.1. Governing law

The formation, existence, construction, performance, validity and all aspects whatsoever (whether contractual or non-contractual) of or arising out of or in connection with this Trust Deed and the Rules or any term of this Trust Deed or any Rules shall be governed by and construed in accordance with English law.

21.2. Jurisdiction

Subject to clause 21.3, the English courts shall have exclusive jurisdiction to settle any dispute, claim, action suit or proceeding (whether contractual or non-contractual) which may arise out of, or in connection with, this Trust Deed or the Rules or the legal relationships established by the same.

21.3. Jurisdiction agreement for benefit of Company

The Company retains the right to bring proceedings in the English courts or any other court of competent jurisdiction.

21.4. Participant deemed to submit to such jurisdiction

By applying for and/or accepting an Award and not renouncing it, a Participant is deemed to have agreed to submit to such jurisdiction.

22. Amendment of Trust Deed and Rules

22.1. Amendment of Trust Deed and Rules

The Company may at any time and from time to time in the case of this Trust Deed by a supplemental deed and in the case of the Rules by resolution of the Directors amend, modify, or alter the Plan in any respect (such amendment modification or alteration being referred to in this clause 22 as a Modification) provided that:

1. no Modification shall be made which would have the effect of conferring any advantage on existing or future Eligible Employees relating to:
 - a. the basis for determining an Eligible Employee's entitlement (or otherwise) to be made an Award and/or entitlement (or otherwise) to Dividend Shares and/or to become absolutely entitled (or otherwise) to Plan Shares subject to an Award and/or Dividend Shares under the Plan;
 - b. the persons to whom an Award must or may be made;
 - c. the limit on the number of Shares available under the Plan;
 - d. the limit on the number or value of Shares which may be placed under Award or be acquired as Dividend Shares for any one Eligible Employee;
 - e. the price (if any) payable for Shares by Eligible Employees; and
 - f. the provisions affecting variations of share capital,without the approval of the Company in a general meeting except for an amendment which is of a minor nature and benefits the administration of the Plan or take account of a change in legislation and amendments to obtain or maintain favourable tax, exchange control or regulatory treatment for Eligible Employees or the Participating Companies;
2. no Modification shall alter to the disadvantage of any Participant their rights which have accrued to them under the Plan before the date of such modification;
3. no Modification shall modify or alter to the disadvantage of the Trustees the provisions for their protection and indemnity contained in the Plan without the written agreement of the Trustees;
4. no Modification shall be made which would or might infringe any rule against perpetuities or which could result in the Plan ceasing to be an Employees' Share Scheme;
5. if an alteration is made in a key feature (as defined in paragraph 81B(8) of Schedule 2) of the Plan or this Trust Deed the annual return for the tax year must if required under Schedule 2 contain a declaration made by such persons as HM Revenue & Customs may require that the alteration has not caused the requirements of Parts 2 to 9 of Schedule 2 not to be met in relation to the Plan.

22.2. Amendments to be binding

Any Modification made in accordance with the provisions of this clause 22 shall be binding upon all persons from time to time interested in the Plan including the Company and any Participating Company.

23. General provisions

23.1. Counterparts

This Trust Deed may be executed in any number of counterparts, and by the parties on separate counterparts, each of which when so executed and delivered shall be an original, but all the counterparts will together constitute one and the same Trust Deed.

23.2. Irrevocability

This Trust Deed is irrevocable.

EXECUTED by the parties as a deed and delivered on the date first mentioned above.

SIGNED as a deed by

Beazley plc

acting by two directors:

Director

Director

Equiniti Share Plan Trustees Limited

acting by a director and Authorised Signatory:

Director

Authorised Signatory

Beazley Management Limited

acting by two directors:

Director

Director

Schedule: The Rules

1. Interpretation

1.1. In this Schedule, unless the context otherwise requires, the following words and expressions have the following meanings:

Accounting Period

means an accounting reference period of the Company within the meaning of section 391 of the Companies Act 2006 or a new accounting reference period of the Company within the meaning of section 392 of the Companies Act 2006;

Accumulation Period

means a period determined at the discretion of the Directors, not exceeding 12 months which must be the same for all individuals entering into Partnership Shares Agreements;

Appropriate

means to confer a beneficial interest in Free Shares or Matching Shares on a Participant subject to the provisions of the Plan and the expressions “**Appropriation**” and “**Appropriated**” shall be construed accordingly;

Associated Company

means in relation to two companies if:

- a. one company has control of the other; or
- b. both are under the control of the same person or persons,

and for the purposes of this definition, “control” has the meaning as set out in sections 450 and 451 of the Corporation Tax Act 2010;

Award

means the award to Participants of any one or more of Free Shares, Partnership Shares or Matching Shares in accordance with the Plan and “**Awards**” and “**Awarded**” shall be construed accordingly;

Capital Receipt

means a receipt by the Trustees of money or money’s worth of the type defined in section 502 ITEPA 2003;

Company

Beazley plc incorporated in England & Wales under company number 09763575;

Connected Company	<ul style="list-style-type: none">a. a company which Controls or is Controlled by the Company or which is Controlled by a company which also Controls the Company; orb. a company which is a member of a Consortium owning the Company or which is owned in part by the Company as a member of the Consortium;
Consortium	has the meaning set out in section 99(3) of Schedule 2;
Control	has the meaning set out in section 995 of ITA 2007;
Directors	means the board of directors of the Company or a duly authorised committee thereof or a person duly authorised by the board of directors of the Company or such committee;
Dividend Shares	means Shares acquired with dividends paid in respect of Plan Shares as set out in Part IV of the Rules;
Dividend Shares Appropriation Date	means the date on which the Trustees acquire Dividend Shares pursuant to Rule 18.3;
Dividend Shares Holding Period	means the period beginning on the Dividend Shares Appropriation Date and ending on the earlier of the third anniversary of that date and the date on which the Participant ceases to have any Relevant Employment;

Eligible Employee

means in the case of Free Shares at a Free Shares Appropriation Date and in the case of Partnership Shares or Matching Shares:

- a. if there is no Accumulation Period, at the time the money for the acquisition of such Partnership Shares is deducted; and
- b. if there is an Accumulation Period, at the time of the first deduction of money for the acquisition of such Partnership Shares

either:

- a. an individual who:
 - i. is an employee of a Participating Company; and
 - ii. has been such an employee (or has otherwise been an employee of a Qualifying Company) at all times during any Qualifying Period; and
 - iii. has earnings in respect of their office or employment with a Participating Company which are (or would be if there were any) general earnings to which section 15 of ITEPA 2003 applies; and
 - iv. does not at the same time participate in an award under a share incentive plan which meets the legislative requirements of Schedule 2 (other than the Plan) established by the Company or a Connected Company (which for the avoidance of doubt shall include where an employee would have participated but for their failure to obtain a Performance Allowance)

or

- b. an individual who satisfies the requirements at (a) above, excluding (a)(iii), whom the Directors have, in their absolute discretion, determined should be included;

Employees' Share Scheme

has the meaning set out in section 1166 of the Companies Act 2006;

Employer Company

means the company with whom a Participant has or had an employment which qualifies them as an Eligible Employee;

Excess Matching Shares	means Shares that were Matching Shares when they were Appropriated but that cease to so qualify because the Relevant Amount has been exceeded;
Excess Partnership Shares	means Shares that were Partnership Shares when they were acquired but that cease to so qualify because the Relevant Amount has been exceeded;
Forfeiture Period	means the period(s) determined by the Directors pursuant to paragraph 7 of Rule 4.3, or paragraphs 5 or 6 of Rule 14.2 , as appropriate;
Free Shares	means the Shares entitlement to which is as set out in Part I of the Rules;
Free Shares Agreement	means an agreement issued by the Directors under Rule 4.1;
Free Shares Appropriation Date	means the date on which the Trustees appropriate Free Shares to a Participant;
Free Shares Closing Date	means in relation to: <ol style="list-style-type: none"> 1. a Free Shares Agreement, the date specified in the Free Shares Agreement by which the Free Shares Agreement must be returned to the Company; 2. a Free Shares Notification, the date specified in the Free Shares Notification by which the Eligible Employee must notify the Company (or a third party administering the Plan on behalf of the Company) that they do not wish to receive an Award of Free Shares;
Free Shares Holding Period	means the period beginning on the Free Shares Appropriation Date and ending on a date determined from time to time at the discretion of the Directors, and being not earlier than the third anniversary nor later than the fifth anniversary of the Free Shares Appropriation Date or, if earlier, the date on which the Participant ceases to be in Relevant Employment and which period shall be the same for all Free Shares comprised in the same Award and shall not be increased at any time in respect of Free Shares already Appropriated;
Free Shares Notification	means a notification to an Eligible Employee that the Company intends to make an Award to them, and which allows the Eligible Employee to refuse the Award of Free Shares if they do not wish to receive them, that is issued by the Directors under Rule 4.1;

Initial Market Value

means the Market Value of a Share:

1. in the case of Free Shares, on the Free Shares Appropriation Date;
2. in the case of Matching Shares, on the Matching Shares Appropriation Date; and
3. in the case of Dividend Shares, on the Dividend Shares Appropriation Date;

ITA 2007

means the Income Tax Act 2007;

ITEPA 2003

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

London Stock Exchange

means the London Stock Exchange plc or any successor body;

Market Abuse Regulation

means the UK version of the Market Abuse Regulation (Regulation 596/2014);

Market Value

means

1. where the Shares are admitted to listing by the Financial Conduct Authority and traded on the London Stock Exchange
 - a. where the Trustees acquire the Shares from one or more purchases made on that market over five or fewer consecutive dealing days ending on the dealing day on which the Shares are Awarded, the average purchase price of those Shares; or
 - b. if all the Shares are not acquired from purchases made in accordance with (1)(a) above, the closing price of a Share (as derived from the Daily Official List of the London Stock Exchange) for the dealing day immediately preceding the day in question; or
2. where the Shares are not admitted to listing by the Financial Conduct Authority and traded on the London Stock Exchange, means the market value of a Share as determined in accordance with the provisions of Part VIII TCGA 1992 and paragraph 92 of Schedule 2 and agreed for the purposes of the Plan with HM Revenue & Customs Shares & Assets Valuation on or before that day,

PROVIDED THAT where any Shares are subject to a Restriction, their Market Value shall be determined as if they were not subject to a Restriction;

Matching Shares

means Shares, the entitlement to which is as set out in Part III of the Rules shall:

1. be shares of the same class and carry the same rights as the Partnership Shares to which they relate;
2. except in relation to Unmatched Partnership Shares, be Appropriated on the same day as the Partnership Shares to which they relate are acquired; and
3. be Appropriated to all Participants on exactly the same basis;

Matching Shares Appropriation Date

means the date on which the Trustee Appropriates Matching Shares to a Participant;

Matching Shares Holding Period

means the period beginning on the Matching Shares Appropriation Date and ending on a date determined from time to time at the discretion of the Directors, and being not earlier than the third anniversary nor later than the fifth anniversary of the Matching Shares Appropriation Date or, if earlier, the date on which the Participant ceases to be in Relevant Employment, and which period shall be the same for all Matching Shares comprised in the same Award and shall not be increased at any time in respect of Matching Shares already Appropriated;

Official List

means the list maintained by the Financial Conduct Authority in accordance with section 74(1) of the Financial Services and Markets Act 2000 for the purposes of Part VI of that Act;

Participant

means an Eligible Employee to whom the Trustees have made an Appropriation of Free Shares or Matching Shares or on whose behalf Partnership Shares or Dividend Shares have been acquired or, where the context permits, an Eligible Employee who has submitted a duly completed Free Shares Agreement or Partnership Shares Agreement in accordance with paragraph 5 of Rule 4.3 or paragraph 6 of Rule 10.4 respectively;

Participating Company

means the Company and any Subsidiary which is a party to the Trust Deed or has pursuant to clause 9.1 executed a deed of adherence and to which the Plan continues to extend and “**Participating Companies**” shall be construed accordingly;

Partnership Shares

means Shares entitlement to which is as set out in Part II of the Rules;

Partnership Shares Acquisition Date	means the date determined by the Trustees in accordance with paragraph 4 of Rule 10.4;
Partnership Shares Agreement	means an agreement issued by the Directors under Rule 10.1;
Partnership Shares Closing Date	means the date specified in the Partnership Shares Agreement by which the completed Partnership Shares Agreement must be returned to the Company;

Partnership Shares Market Value

in the case of a Partnership Shares Agreement with:

1. an Accumulation Period, means the Market Value of a Share as determined and specified in accordance with Rule 10.5;
2. no Accumulation Period and where the Shares are admitted to listing by the Financial Conduct Authority and traded on the London Stock Exchange:
 - a. where the Trustees acquire the Shares from one or more purchases made on that market and to the extent that the Trustee Awards the Shares on the date on which they are acquired, means the average of the prices at which the Trustees acquire the Shares on the date of acquisition; or
 - b. where the Trustees acquire the Shares from one or more purchases made on that market and to the extent that the Trustee Awards the Shares on a date other than the date on which they are acquired or if the Trustees subscribes for Shares or purchases Shares otherwise than on that market, means the closing price of a Share (as derived from the Daily Official List of the London Stock Exchange) for the dealing day immediately preceding the day on which the Shares are Awarded;
3. no Accumulation Period and where the Shares are not admitted to listing by the Financial Conduct Authority and traded on the London Stock Exchange, the market value of a Share as determined in accordance with the provisions of Part VIII TCGA 1992 and paragraph 92 of Schedule 2 and agreed for the purposes of the Plan with HM Revenue & Customs Shares & Assets Valuation on or before that day,

PROVIDED THAT where any Shares are subject to a Restriction, the Partnership Shares Market Value shall be determined as if they were not subject to a Restriction;

Partnership Shares Money

the meaning given to that term by paragraph 2 of Rule 10.4;

Performance Allowance

an Appropriation of Free Shares where:

1. whether or not Free Shares are Appropriated; and/or
2. the number or value of Free Shares Appropriated,

is subject to the satisfaction of a Performance Target;

Performance Target

a performance target imposed by the Directors under Rule 6 and as substituted or varied from time to time in accordance with Rule 6.4;

Performance Unit

a group comprising one or more Participants to whom a Performance Target applies;

Plan

means the Beazley plc UK Share Incentive Plan 2023 as constituted by the Trust Deed and Rules in their present form or as amended from time to time;

Plan Shares

means Free Shares, Partnership Shares, Matching Shares and Dividend Shares which have been Appropriated to, or acquired on behalf of, a Participant or are held on their behalf by the Trustees;

Proscribed Period

means any period during which dealings in Shares is proscribed due to the existence of unpublished price sensitive information, whether by the Market Abuse Regulation, the Company's own code on insider dealing, the Criminal Justice Act 1993 or otherwise;

Qualifying Company

has the meaning set out in paragraph 17 of Schedule 2;

Qualifying Corporate Bond

has the meaning set out in section 117 TCGA 1992;

Qualifying Period

means a period determined by the Directors in relation to any Award of Shares under the Plan which may be different for different Awards provided that:

1. in the case of Free Shares it shall not exceed the period of 18 months before the Free Shares Appropriation Date;
2. in the case of Partnership Shares and Matching Shares where there is an Accumulation Period it shall not exceed the period of six months before the beginning of the Accumulation Period;
3. in the case of Partnership Shares and Matching Shares where there is no Accumulation Period it shall not exceed the period of 18 months before the deduction of money for the acquisition of such Partnership Shares;

Relevant Amount

1. in respect of Free Shares, in any Year of Assessment, the limit specified in Paragraph 35(1) Schedule 2; and
2. in respect of Partnership Shares, in any Year of Assessment, the lower of the limit set out at Paragraph 46(1) or 46(2) of Schedule 2 or such lesser amount as is determined by the Directors in their absolute discretion in relation to an Award,

subject in each case to such amendment as may be made to any one or more of those limits as contained in ITEPA 2003 from time to time and where in the same Year of Assessment, an Eligible Employee participates in one or more share incentive plans which meets the legislative requirements under Schedule 2 and established by the Company or a Connected Company, any shares acquired under such plans shall be aggregated with any Shares acquired under the Plan for the purposes of determining the permitted level of participation in the Plan by an Eligible Employee within the aforementioned limits as contained in ITEPA 2003 from time to time;

Relevant Employment

means employment by the Company or any Associated Company of the Company;

Restriction

has the meaning set out in paragraph 99(4) of Schedule 2;

Rules

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

Salary	has the meaning set out in paragraph 43(4) of Schedule 2 subject to the Directors determining that any particular description of earnings should not be counted as part of an employee's salary in accordance with paragraph 46(4A)(b);
Schedule 2	Schedule 2 to ITEPA 2003;
Schedule 2 SIP	means a share incentive plan which meets the requirements of Parts 2 to 9 of Schedule 2;
Shares	means fully paid ordinary shares in the capital of the Company which satisfy the conditions in paragraphs 26 to 29 inclusive of Schedule 2;
Subsidiary	means any company over which the Company has Control;
TCGA 1992	the Taxation of Chargeable Gains Act 1992;
Unmatched Partnership Shares	if the Partnership Shares acquired on a particular day are more than the number that will produce an exact number of Matching Shares, the excess are the Unmatched Partnership Shares; and
Year of Assessment	means a period commencing on 6 April in any year and ending on 5 April in the following year.

1.2. In the Plan, unless otherwise specified:

1. the contents, clause and Rule headings are inserted for ease of reference only and do not affect the interpretation of the Plan;
2. references to clauses or otherwise specified are to clauses of the Trust Deed;
3. save as provided for by law, a reference to writing includes any mode of reproducing words in a legible form and reduced to paper or electronic format or communication including, for the avoidance of doubt, correspondence via e-mail;
4. the singular includes the plural and vice versa and the masculine includes the feminine and neuter;
5. a reference to a statutory provision includes any statutory modification, amendment or re-enactment thereof;
6. the Trust Deed and Rules will be interpreted, where possible, so as to be consistent with Schedule 2; and
7. the Interpretation Act 1978 applies to the Plan in the same way as it applies to an enactment.

2. Purpose of the Plan

The purpose of the Plan is to enable Eligible Employees of Participating Companies to acquire Shares in the Company which give them a continuing stake in the Company.

3. Participation on same terms

On each occasion when an Award or Appropriation is to be made, subject to Rule 5, every Eligible Employee or individual who may be an Eligible Employee at the anticipated date of the Award or Appropriation in question shall be invited to participate in an Award or Appropriation on the same terms and those who do actually participate must do so on the same terms.

Part I – Free Shares

4. Issue Of agreements

4.1. Discretion of Directors

The Directors may in their absolute discretion determine that an Award of Free Shares may be made and, accordingly, each Eligible Employee or individual who may be an Eligible Employee at the Free Shares Appropriation Date shall be sent either:

1. a Free Shares Agreement inviting them to participate in the Award; or
2. a Free Shares Notification.

4.2. Limit on individual participation

In any Year of Assessment, the Initial Market Value of Free Shares Appropriated to a Participant shall not exceed the Relevant Amount.

4.3. Contents of Free Shares Agreement

Free Shares Agreements shall be in such form as the Directors determine from time to time subject to and in accordance with Rule 8 and shall state:

1. the Free Shares Closing Date;
2. the expected Free Shares Appropriation Date;
3. the Free Shares Holding Period;
4. that, by entering into the Free Shares Agreement, the individual becomes bound in contract with the Company to observe the restrictions set out in the Free Shares Agreement;
5. that an individual who wishes to accept the Free Shares under the Award shall return the duly completed Free Shares Agreement to the Company, prior to the Free Shares Closing Date;
6. that the individual shall only be entitled to an Appropriation of Free Shares if they are an Eligible Employee at the Free Shares Appropriation Date;
7. that (as determined at the discretion of the Directors) the provisions of either Rules 9.2 or 9.3 shall apply to the Award and, if Rule 9.3 applies, shall state what the applicable Forfeiture Period shall be;
8. that the terms of the Free Shares Agreement are made in accordance with Rule 8.1; and
9. such additional information, consistent with the Rules and the Trust Deed, as the Directors may from time to time determine which may include provisions in respect of Dividend Shares in accordance with Rule 18.1.

4.4. Contents of the Free Shares Notification

Notifications made in accordance with Rule 4.1 shall be in such form as the Directors from time to time subject to and in accordance with Rule 8 shall state:

1. the Free Shares Closing Date;
2. the expected Free Shares Appropriation Date;
3. the Free Shares Holding Period;
4. that, by not giving notice that the individual does not wish to receive an Award of Free Shares, the individual becomes bound in contract with the Company to observe the restrictions set out in the Free Shares Notification;
5. that an individual who wishes not to accept the Free Shares under the Award shall give notice to the Company (or a third party administering the Plan on behalf of the Company) of that fact prior to the Free Shares Closing Date;

6. that the individual shall only be entitled to an Appropriation of Free Shares if they are an Eligible Employee at the Free Shares Appropriation Date;
7. that (as determined at the discretion of the Directors) the provisions of either Rules 9.2 or 9.3 shall apply to the Award and, if Rule 9.3 applies, shall state what the applicable Forfeiture Period shall be;
8. that the terms of the Free Shares Notification are made in accordance with Rule 8.1;
9. whether:
 - a. some or all of the cash dividends paid in respect of Plan Shares held on behalf of Participants must be used to acquire Dividend Shares on their behalf; or
 - b. some or all of the cash dividends paid in respect of Plan Shares held on behalf of Participants may at the election of such Participants be used to acquire Dividend Shares on their behalf; and
10. such additional information, consistent with the Rules and the Trust Deed, as the Directors may from time to time determine.

4.5. Election to participate in any Award of Free Shares

A Free Shares Agreement may include an election by a Participant to participate, and a Free Shares Notification may contain a provision in respect of a Participant that they shall participate, in any Award of Free Shares until such time as they notify the Company that they no longer wish to so participate. Where a Participant makes such an election they shall be deemed to have complied with paragraph 5 of Rule 4.3 in relation to each Award of Free Shares until the election is withdrawn.

5. Appropriation of Free Shares by reference to performance

5.1. Free Shares may be Appropriated by reference to performance

The Company may stipulate that the number of Free Shares (if any) to be Appropriated to each Participant on a given occasion shall be determined by reference to Performance Allowances.

5.2. Performance Allowances to apply to all Participants

If Performance Allowances are used, they shall apply to all Participants.

5.3. Directors to provide information

If Performance Allowances are used the Directors shall, as soon as reasonably practicable notify:

1. each individual who has entered into a Free Shares Agreement or who has received an Award by virtue of a Free Shares Notification of the Performance Targets to be used to determine the number or value of Free Shares to be Appropriated to them in respect of the Award; and
2. all individuals who have been sent a Free Shares Agreement or a Free Shares Notification, in general terms, of the Performance Targets to be used to determine the number or value of Free Shares to be Appropriated to each Participant under the Award (provided that the Directors may exclude any information, the disclosure of which, they reasonably consider would prejudice commercial confidentiality).

5.4. Use of method 1 or method 2

The Company shall determine the number of Free Shares (if any) to be Appropriated to each Participant by reference to performance using method 1 or method 2. The same method shall be used for all Participants for each Award.

5.5. Performance Allowances: method 1

By this method:

1. at least 20% of Free Shares Appropriated under any Award shall be Appropriated without reference to a Performance Target;
2. the remaining Free Shares shall be Appropriated by reference to a Performance Target; and
3. the highest Appropriation made to a Participant by reference to performance in any period shall be not more than four times the number of Free Shares Appropriated to a Participant without reference to a Performance Target at the same time,

and if this method is used, the Free Shares Appropriated:

1. without reference to a Performance Target shall be Appropriated on the same terms as provided in Rule 5.7; and
2. by reference to a Performance Target need not be Appropriated on the same terms as provided in Rule 5.7.

5.6. *Performance Allowances: method 2*

By this method:

1. some or all Free Shares shall be Appropriated by reference to performance; and
2. the Appropriation of Free Shares to Participants who are members of the same Performance Unit shall be made on the same terms, as provided in Rule 5.7,

and if this method is used:

1. the Free Shares Appropriated for each Performance Unit shall be treated as separate Awards for the purposes of Rule 5.7 only; and
2. the Performance Targets set in relation to an Award shall be consistent targets within the meaning of paragraph 42(6) of Schedule 2.

5.7. *Same terms basis for Free Shares Awards*

An Award of Free Shares on the same terms shall be on terms determined by the Directors which may be directly proportional to any one or more separately of a Participant's:

1. remuneration from;
2. length of service with;
3. number of hours worked for,

any one or more Participating Companies.

The Award must be rounded to the nearest whole number of Shares, subject to Rule 4.2.

6. *Performance Targets*

6.1. *Imposition of Performance Targets*

The Directors may impose one or more Performance Targets in order to determine the number of Free Shares (if any) or the value of Free Shares subject to a Performance Allowance.

6.2. *Nature of Performance Targets*

Any Performance Target imposed shall be:

1. based on business results or other objective criteria; and
2. a fair and objective measure of the performance of the Performance Unit(s) to which it applies.

6.3. *Membership of Performance Unit*

No Participant shall be a member of more than one Performance Unit.

6.4. Substitution, variation or waiver of Performance Targets

If an event occurs which causes the Directors to consider that a Performance Target is no longer appropriate, the Directors may substitute, vary or waive such Performance Target in such manner (and make such consequential amendments to the Rules in accordance with clause 22 of the Trust Deed) as:

1. is reasonable in the circumstances;
2. except in the case of waiver produces a fairer measure of performance and is neither materially more nor less difficult to satisfy than if the event had not occurred; and
3. continues to comply with Rule 6.2.

6.5. Notification of Participants

The Directors shall, as soon as reasonably practicable, notify each Participant affected of any such substitution, variation or waive of the Performance Target.

7. Appropriation of Free Shares

7.1. Provision of information by Company to Trustees

As soon as practicable after the end of the period to which the Performance Target relates (in the case of Performance Allowances) or the Free Shares Closing Date the Company shall inform the Trustees of the:

1. name and address of each Participant to whom Free Shares are to be Appropriated;
2. details of the Participating Company which employs the Participant; and
3. number of Free Shares to be Appropriated to each Participant on this occasion.

7.2. Appropriation

On the expected Free Shares Appropriation Date, the Trustees shall appropriate to each Participant the number of Free Shares notified to the Trustees under Rule 7.1.

7.3. Notification of Appropriation to Participants

As soon as practicable after the Free Shares Appropriation Date, the Trustees shall notify each Participant to whom Free Shares have been Appropriated of the:

1. number and description of Free Shares Appropriated to them;
2. if the Free Shares are subject to any Restriction, details of the Restriction;
3. Free Shares Appropriation Date;
4. Initial Market Value; and
5. applicable Free Shares Holding Period.

8. Restrictions on dealings in, and permitted transfers of, Free Shares

8.1. Restrictions on disposals by Participants

Subject to Rules 26 and 28 and in accordance with the Free Shares Agreement or Free Shares Notification, during the Free Shares Holding Period a Participant shall:

1. permit the Trustees to hold their Free Shares; and
2. not assign, charge or otherwise dispose of their beneficial interest in their Free Shares.

8.2. Restrictions on disposals by Trustees

Subject to Rules 9, 26, 32 and paragraph 90(5) of Schedule 2 the Trustees shall not:

1. dispose of any Free Shares, whether by transfer to the Participant or otherwise, during the Free Shares Holding Period;
2. dispose of any Free Shares after the Free Shares Holding Period except in accordance with a direction given by or on behalf of the Participant; and
3. deal with any right conferred in respect of a Participant's Free Shares to be allotted other shares, securities or other rights except pursuant to a direction given by or on behalf of the Participant or any person in whom the beneficial interest in their Free Shares is for the time being vested.

8.3. Transfer of Free Shares after Free Shares Holding Period

A Participant may, at any time after the Free Shares Holding Period, direct the Trustees by notice in writing to:

1. transfer the Participant's Free Shares to the Participant; or
2. transfer the Free Shares to some other person named by the Participant; or
3. dispose of the Free Shares by way of sale for the best consideration in money that can reasonably be obtained at the time of sale and to account for the proceeds to the Participant or some other person named by the Participant.

Within 30 days after receipt of such a notice the Trustees shall comply with the instructions set out in such notice.

9. Cessation of Relevant Employment and transfer of Free Shares

9.1. Trustees to be notified of cessation of Relevant Employment

If a Participant ceases to be in Relevant Employment, the Directors shall within 14 days inform the Trustees of such cessation and whether the provisions of Rule 9.2 or 9.3 apply.

9.2. Transfer of Free Shares

Where the Trustees have been notified by the Directors in accordance with Rule 9.1 that this Rule 9.2 applies then as soon as reasonably practicable after the receipt of such notification and in any event within 30 days after the cessation of the Relevant Employment the Trustees shall deal with the Free Shares in such manner as the Participant may in writing direct in accordance with Rule 8.3, provided always that the Trustees shall first comply with Rule 32.

If the Trustees do not receive a direction from the Participant within six calendar months of the Company informing the Trustees that the Participant has ceased to be in Relevant Employment in accordance with Rule 9.1, the Trustees shall, at the end of such period, dispose of the Participant's Free Shares by way of sale for the best consideration in money that can reasonably be obtained at the time of sale. The Trustees shall as soon as reasonably practicable transfer the proceeds to the Participant's last employing Participating Company which shall remit the proceeds to the Participant's last known bank account.

9.3. Forfeiture of Free Shares

Where the Trustees have been notified by the Directors in accordance with Rule 9.1 that this Rule 9.3 applies then, subject to Rules 9.4 and 9.5, the Participant's beneficial entitlement to their Free Shares shall lapse immediately on their ceasing to be in Relevant Employment before the end of the Forfeiture Period and they shall cease to have any rights to such Free Shares.

9.4. *Injury, disability, redundancy, retirement etc.*

Notwithstanding Rule 9.3 if a Participant ceases to be in Relevant Employment by reason of:

1. injury or disability;
2. redundancy within the meaning of the Employment Rights Act 1996;
3. a transfer of employment which is subject to the Transfer of Undertaking (Protection of Employment) Regulations 2006;
4. a change of Control or other circumstances giving rise to the Participant's employing company ceasing to be an Associated Company of any Participating Company; or
5. retirement,

then the Trustees shall act in accordance with Rule 9.2.

9.5. *Death*

If a Participant ceases to be in Relevant Employment by reason of their death then the Trustees shall act in accordance with Rule 23.6.

Part II – Partnership Shares

10. Partnership Shares Agreements

10.1. Issue of Partnership Shares Agreements

In relation to the first Award of Partnership Shares, each Eligible Employee or individual who may be an Eligible Employee at the anticipated date of the first Award shall be sent a Partnership Shares Agreement inviting them to participate in the first Award.

In relation to subsequent Awards, the Directors may in their absolute discretion determine that an Award of Partnership Shares may be made and, accordingly, each Eligible Employee or individual who may be an Eligible Employee at the anticipated date of the Award in question and who does not already have in force a Partnership Shares Agreement may request a Partnership Shares Agreement inviting them to participate in the Award.

10.2. Partnership Shares not forfeitable

Partnership Shares will not be subject to any provision for forfeiture.

10.3. Timing of issue of Partnership Shares Agreements

Where Partnership Shares Agreements are to be issued, this must occur before the commencement of any relevant Accumulation Period.

10.4. Contents of Partnership Shares Agreements

Partnership Shares Agreements shall be in such form as the Directors may determine from time to time and shall state:

1. the Partnership Shares Closing Date;
2. the maximum Salary deduction permitted under the Partnership Shares Agreement (being the lesser of the Relevant Amount and such other amount (being a multiple of £1) as the Directors may determine and specify);
3. the minimum Salary deduction permitted determined by the Directors which sum must be no greater than £10 on any occasion (or such other amount as may be permitted from time to time under paragraph 47(2) of Schedule 2);
4. the expected Partnership Shares Acquisition Date being a date determined by the Trustees which:
 - a. where there is no Accumulation Period, shall be within 30 days after the deduction from Salary referred to in paragraph 10 below is made;
 - b. where there is an Accumulation Period shall be not more than 30 days after the end of the Accumulation Period;
5. where there is an Accumulation Period, the way in which the number of Partnership Shares awarded to the Participant shall be determined in accordance with Rule 10.5 and the way in which the Partnership Shares Market Value shall be calculated;
6. that an individual who wishes to accept Partnership Shares under the Award shall submit to the Company, prior to the Partnership Shares Closing Date, a duly completed Partnership Shares Agreement;
7. if applicable, the maximum number of Partnership Shares to be made subject to the Award on this occasion; and
8. if appropriate, the commencement date (which may not commence later than the date of the first Salary deduction to be made under the individual's Partnership Shares Agreement) and length of the Accumulation Period.

In addition, the Partnership Shares Agreement shall:

1. set out a notice in the form prescribed by regulations pursuant to paragraph 48 of Schedule 2 (effect on benefits);
2. require the individual to state the amount of Salary deduction(s) being a multiple of £1 (not exceeding the maximum permitted amount) which they wish to allocate for the purchase of Partnership Shares under the Partnership Shares Agreement (Partnership Shares Money);
3. state the intervals at which such amounts of Salary should be deducted;
4. contain an undertaking by the Company to notify the Participant of any restriction on the number of Shares to be included in an Award such notice to be given:
 - a. if there is no Accumulation Period, before the deduction of the Partnership Shares Money relating to the Award; or
 - b. if there is an Accumulation Period, before the beginning of the Accumulation Period relating to the Award;
5. state whether any excess amount remaining after the acquisition of Partnership Shares will be:
 - a. paid over to the Participant as soon as practicable subject to the Trustees complying with Rule 31; or
 - b. with the agreement of the Participant, retained by the Trustees and added to the next Accumulation Period or where there is no next Accumulation Period, retained by the Trustees and added to the next Salary deduction;

In addition the Partnership Share Agreement may provide that if there is an Accumulation Period:

1. that the Accumulation Period shall come to an end on the occurrence of specified events to be determined by the Company; and
2. that where an Accumulation Period comes to an end on the occurrence of such specified event, the Partnership Share Money deducted in that period must be paid over to the Participant as soon as practicable instead of being applied in acquiring Plan Shares.

10.5. *Determination of Number of Shares where there is Accumulation Period*

Where there is an Accumulation Period, the Partnership Shares Agreement shall specify the way in which the number of Shares awarded to the Participant shall be determined which shall be one of the following methods:

1. in accordance with the lower of the Market Value of a Share on:
 - a. the first day of the Accumulation Period; and
 - b. the Partnership Shares Acquisition Date; or
2. in accordance with the Market Value of a Share on the first day of the Accumulation Period; or
3. in accordance with the Market Value of a Share on the Partnership Shares Acquisition Date.

10.6. *Variation of deductions*

The Participant and the Company may agree to vary the amounts of Salary to be deducted and the intervals of those deductions, always having regard to the Relevant Amount.

10.7. *Excess Salary deductions*

Any amounts deducted in excess of the Relevant Amount must be paid over to the Participant as soon as practicable.

10.8. *Scaling down*

If the Company receives applications for Partnership Shares in excess of any maximum specified in accordance with paragraph 7 of Rule 10.4 the amount of deduction of Partnership Shares Money specified by each Participant shall be reduced pro rata.

10.9. *Partnership Shares Money held for Eligible Employee*

Partnership Shares Money must, subject to Rules 10.14 and 13.2, be:

1. paid to the Trustees as soon as practicable; and
2. held by the Trustees on behalf of a Participant with:
 - a. a person falling within section 991(2)(b) of ITA 2007;
 - b. a building society; or
 - c. a firm falling within section 991(2)(c) of ITA 2007;

until it is used to acquire Partnership Shares on behalf of the individual from whose Salary the Partnership Shares Money has been deducted.

10.10. *Interest on Partnership Shares Money*

The Trustees must account to the individual from whose Salary the Partnership Shares Money had been deducted, for any interest received on Partnership Shares Money held on their behalf. For the avoidance of doubt there is no obligation on the Trustees to arrange for any Partnership Shares Money to be deposited in an interest bearing account.

10.11. *Variation of Salary deductions and intervals*

Subject to paragraphs 2 and 3 of Rule 10.4, and notwithstanding paragraph 8 of Rule 10.4, a Participant may, with the prior agreement of the Employer Company, vary the amount and/or the intervals of the Salary deduction authorised under their Partnership Shares Agreement.

Where the Employing Company agrees to a variation of the amount and/or the intervals of the Salary deduction, the Trustees shall give effect to this variation within two calendar months of receiving notice of the parties' agreement.

10.12. *Notice to suspend/recommence Salary deductions*

A Participant may, at any time direct the Employer Company by notice in writing to:

1. suspend the making of Salary deductions; or
2. recommence the making of Salary deductions

under their Partnership Shares Agreement provided always that:

1. the Participant may not permit the Employer Company to make additional Salary deductions to make up for any Salary deductions which were missed; and
2. the Participant may only make a direction to recommence the making of Salary deductions once in any Accumulation Period.

10.13. *Notice to terminate Partnership Shares Agreement*

A Participant may, at any time, notify the Company in writing that they wish to terminate their Partnership Shares Agreement. The Participant shall remain bound by the terms of the Partnership Shares Agreement in relation to any Partnership Shares which remain subject to the Rules.

10.14. Company to give effect to notices

Where the Company receives a notice to suspend, recommence or terminate deductions under Rule 10.12 or 10.13, it shall (unless a later date is specified in the notice) within 30 days of receipt of the notice give effect to the same and shall:

1. instruct the Employer Company to cease all further deductions of Partnership Shares Money under the Participant's Partnership Shares Agreement;
2. in the case of a notice under Rule 10.13 subject to first complying with Rule 31 instruct the Trustees or the Employer Company as applicable to pay over to that Participant as soon as practicable all Salary deductions of Partnership Shares Money that have been made under their Partnership Shares Agreement which have not, at the relevant date, been applied to acquire Partnership Shares.

When the Company receives a notice to recommence Salary deductions under Rule 10.12 it shall (unless a later date is specified in the notice) instruct the Employer Company to recommence deductions on the date of the first deduction due under the Partnership Shares Agreement following 30 days after receipt of the notice.

10.15. Partnership Shares Agreement to apply to new holding

Where during an Accumulation Period a transaction occurs in relation to any of the Shares to be acquired under a Partnership Shares Agreement which results in a new holding of shares being equated with the original holding for the purposes of capital gains tax and the Participant gives their consent, the Partnership Shares Agreement shall have effect following that transaction as if it were an agreement for the purchase of shares comprised in the new holding. In the context of a new holding, any reference in this Rule 10.15 to shares includes a reference to securities and rights of any description which form part of the new holding for the purpose of Chapter II of Part IV TCGA 1992.

10.16. Adjustment of price on variation of capital

Where during an Accumulation Period, a transaction occurs which results in a variation of share capital of the Company, the Directors may adjust the price to be used as the Market Value of a Share on the first day of the Accumulation Period in such manner as they may determine in their absolute discretion to take account of the variation of share capital, but subject to the prior agreement of HM Revenue & Customs, if permitted by legislation.

10.17. Termination of Accumulation Period

Any subsisting Accumulation Period shall terminate upon the occurrence of:

1. any change of Control of the Company;
2. any reconstruction sanctioned by the court under Part 26 of the Companies Act 2006;
3. the passing of a resolution for the voluntary winding up of the Company; or
4. an event following which the Shares cease to comply with the conditions in paragraphs 26 to 29 inclusive of Schedule 2.

11. Acquisition of Partnership Shares

11.1. Acquisition of Shares by Trustees (no Accumulation Period)

After the deduction of Partnership Shares Money the Company shall calculate the number of Partnership Shares to be acquired on behalf of each Eligible Employee by dividing (as nearly as possible) each Eligible Employee's Partnership Shares Money deducted under their Partnership Shares Agreement (together with any deduction carried forward) by the Partnership Shares Market Value and notify the Trustees who shall Award such Shares to Eligible Employees within 30 days of such deduction.

11.2. Acquisition of Shares by Trustees (with Accumulation Period)

After the expiry of the Accumulation Period the Company shall calculate the number of Partnership Shares to be acquired on behalf of each Participant by dividing (as nearly as possible) each Participant's aggregate Partnership Shares Money deducted under their Partnership Shares Agreement during the Accumulation Period (together with any amount carried forward from a previous Accumulation Period) by the Partnership Shares Market Value and notify the Trustees who shall Award such Shares to Participants accordingly.

The Trustees shall within 30 days of the end of the Accumulation Period Award the number of Shares so notified to it which shall be held on behalf of the respective Participant as Partnership Shares.

11.3. Notification of acquisition to Participants

As soon as practicable after the Partnership Shares Acquisition Date the Trustees shall inform each Participant on whose behalf Partnership Shares have been acquired of the:

1. number and description of Partnership Shares acquired on their behalf;
2. if the Partnership Shares are subject to any Restriction, details of the Restriction;
3. Partnership Shares Acquisition Date;
4. aggregate amount of the Participant's Partnership Shares Money applied by the Trustees in acquiring the Partnership Shares; and
5. Partnership Shares Market Value.

11.4. Salary deductions not invested in Partnership Shares

Any Partnership Shares Money not used to acquire Partnership Shares shall be dealt with in accordance with Rule 10.4.

12. Transfer of Partnership Shares

12.1. Participants may request transfer of Partnership Shares

A Participant may, at any time after the Partnership Shares Acquisition Date, direct the Trustees by notice in writing to:

1. transfer their Partnership Shares to them; or
2. transfer their Partnership Shares to some other person named by them; or
3. dispose of their Partnership Shares by way of sale for the best consideration in money that can reasonably be obtained at the time of sale and to account for the proceeds to them or to some other person named by them.

12.2. Trustees to comply with request

As soon as reasonably practicable, and in any event within 30 days after receipt of the notice, the Trustees shall comply with the instructions set out in such notice provided always that it shall first comply with Rule 32.

13. Cessation of Relevant Employment

13.1. Trustees to be notified of cessation of Relevant Employment

If a Participant ceases to be in Relevant Employment then the Company shall within 14 days inform the Trustees of such cessation and whether the provisions of Rule 13.3 or Rule 13.4 apply.

13.2. Cessation of Relevant Employment prior to Partnership Shares Acquisition Date

1. Where there is no Accumulation Period and a Participant ceases to be in Relevant Employment before the Partnership Shares Acquisition Date but after the deduction of Partnership Shares Money they shall be treated as ceasing to be in Relevant Employment immediately after their Partnership Shares are awarded to them.
2. Where there is an Accumulation Period and a Participant ceases to be in Relevant Employment during the Accumulation Period the Company shall, subject to first complying with Rule 31, pay over to that Participant as soon as reasonably practicable all deductions of Partnership Shares Money that have been made under their Partnership Shares Agreement.
3. Where there is an Accumulation Period and a Participant ceases to be in Relevant Employment after the end of the Accumulation Period and before the Partnership Shares Acquisition Date they shall be treated as ceasing to be in Relevant Employment immediately after their Partnership Shares are awarded to them.

13.3. Transfer of Partnership Shares on cessation of Relevant Employment

Where the Trustees receive a notification under Rule 13.1 that this Rule 13.3 applies then as soon as reasonably practicable after the receipt of such notification and in any event within 30 days after the cessation of the Relevant Employment (or such other period as may be specified) the Trustees shall deal with the Partnership Shares in such manner as the Participant may in writing direct in accordance with Rule 12.2 provided always that the Trustees shall first comply with Rule 32.

Subject to Rule 13.4, if the Trustees do not receive a direction from the Participant within six calendar months of the Company informing the Trustees that the Participant has ceased to be in Relevant Employment in accordance with Rule 13.1, the Trustees shall, at the end of such period, dispose of the Participant's Partnership Shares by way of sale for the best consideration in money that can reasonably be obtained at the time of sale. The Trustees shall as soon as reasonably practicable transfer the proceeds to the Participant's last employing Participating Company which shall remit the proceeds to the Participant's last known bank account.

13.4. Death

If a Participant ceases to be in Relevant Employment by reason of their death then the Trustees shall act in accordance with Rule 23.6.

13.5. Treatment of Excess Partnership Shares

If a Participant ceases to be in Relevant Employment and the Directors have determined that they have Excess Partnership Shares, they shall within 14 days notify the Trustees accordingly and as soon as reasonably practicable after the receipt of such notification, and in any event within 30 days after the cessation of the Relevant Employment, the Trustees shall sell the Excess Partnership Shares and, subject to first complying with Rule 31, pay over to the Participant the sale proceeds thereof. The Trustees may choose any time within the 30 day period to sell the Excess Partnership Shares and need not have regard to prospective share price movements during the period nor shall be responsible for the fact that the price at which the Excess Partnership Shares are sold may not be the highest price during such period.

Part III – Matching Shares

14. Notification of Matching Shares

14.1. Relationship to Partnership Shares

Where the Directors have exercised their discretion under Rule 10.1 they may in their absolute discretion also determine that an Appropriation of Matching Shares shall be made to those Eligible Employees who enter into a Partnership Shares Agreement.

The Directors may further determine that any Unmatched Partnership Shares be carried forward and added to any Partnership Shares acquired in a later period or later periods for the purposes of deciding the Appropriation of Matching Shares in that later period.

14.2. Additional contents of Partnership Shares Agreement

Where the Directors exercise their discretion under Rule 14.1 then in addition to the requirements set out in Rule 10.4 each Partnership Shares Agreement shall be in accordance with and subject to Rule 16 and shall state:

1. the Matching Shares Appropriation Date (which shall, except in relation to any Unmatched Partnership Shares, be the same as the Partnership Shares Acquisition Date);
2. the ratio of Matching Shares to Partnership Shares for the Award of Partnership Shares which:
 - a. shall not exceed a maximum of two Matching Shares for each Partnership Share (or such other maximum as may be provided by statute) acquired on behalf of the Participant; and
 - b. shall be the same ratio for all Participants;
3. the circumstances and the manner in which the ratio may be changed by the Directors and if the Directors decide to alter the ratio of Matching Shares to Partnership Shares prior to the Partnership Shares Acquisition Date they shall notify each Participant affected prior to the Partnership Shares Acquisition Date;
4. the Matching Shares Holding Period;
5. the Forfeiture Period applicable in the event of a transfer of Partnership Shares pursuant to Rule 12;
6. that (as determined at the discretion of the Directors) the provisions of either Rules 17.3 or 17.4 shall apply to the Award and, if Rule 17.4 applies, shall state what the applicable Forfeiture Period shall be;
7. that the terms of the Partnership Shares Agreement relating to Matching Shares are made in accordance with Rule 16; and
8. such additional information not inconsistent with the Rules and the Trust Deed as the Directors may from time to time determine.

15. Appropriation of Matching Shares

15.1. Provision of information by Company to Trustees

At the same time as the Directors notify the Trustees pursuant to Rule 11.1 or 11.2 they shall additionally notify the Trustees of the number of Matching Shares to be Appropriated to each Participant.

15.2. Appropriation of Matching Shares

Subject to Participating Companies first complying with Rule 23.13, on the Matching Shares Appropriation Date the Trustees shall appropriate to each Participant the number of Matching Shares notified to it under Rule 15.1.

15.3. Notification of Appropriation to Participants

At the same time as making a notification pursuant to Rule 11.3 the Trustees shall inform each Participant to whom Matching Shares have been Appropriated of the:

1. number and description of the Matching Shares Appropriated to them;
2. if the Matching Shares are subject to any Restriction, details of the Restriction;
3. Matching Shares Appropriation Date;
4. Initial Market Value; and
5. Matching Shares Holding Period.

16. Restrictions on dealings in, and permitted transfers of, Matching Shares

The provisions of Rule 8 shall apply mutatis mutandis to Matching Shares as they apply to Free Shares, save that the reference to Rule 9 shall be construed as a reference to Rule 17.

17. Cessation of Relevant Employment and early withdrawal of Partnership Shares

17.1. Trustees to be notified of cessation of Relevant Employment

If a Participant ceases to be in Relevant Employment then the Directors shall within 14 days inform the Trustees of such cessation and whether the provisions of Rule 17.3 or 17.4 apply.

17.2. Early withdrawal of Partnership Shares

Where the Trustees receive a notice under Rule 12.1 before the expiry of the applicable period of time for withdrawal then subject to Rules 17.6 and 17.7 the Participant's beneficial entitlement to their Matching Shares (Appropriated in respect of the Partnership Shares which are being withdrawn) shall lapse immediately and they shall cease to have any rights to such Matching Shares.

17.3. Early transfer of Matching Shares

Where the Trustees have been notified by the Directors that this Rule 17.3 applies then as soon as reasonably practicable after the receipt of such notification and in any event within 30 days after the cessation of Relevant Employment the Trustees shall deal with the Matching Shares in such manner as the Participant may in writing direct prior to the transfer provided always that the Trustees shall first comply with Rule 32.

If the Trustees do not receive a direction from the Participant within six calendar months of the Company informing the Trustees that the Participant has ceased to be in Relevant Employment in accordance with Rule 17.1, the Trustees shall, at the end of such period, dispose of the Participant's Matching Shares by way of sale for the best consideration in money that can reasonably be obtained at the time of sale. The Trustees shall as soon as reasonably practicable transfer the proceeds to the Participant's last employing Participating Company which shall return the proceeds to the Participant's last known bank account.

17.4. Forfeiture of Matching Shares

Where the Trustees have been notified by the Directors that this Rule 17.4 applies then subject to Rules 17.6 and 17.7 the Participant's beneficial entitlement to their Matching Shares shall lapse immediately on their ceasing to be in Relevant Employment before the end of the Forfeiture Period and they shall cease to have any rights to such Matching Shares.

17.5. *Forfeiture of Excess Matching Shares*

Where the Directors have determined that a Participant has Excess Matching Shares, they shall within 14 days notify the Trustees accordingly and the Participant's entitlement to those Excess Matching Shares shall lapse immediately.

17.6. *Injury, disability, redundancy, retirement etc.*

Notwithstanding Rule 17.4 if a Participant ceases to be in Relevant Employment for a reason set out in Rule 9.4, the Trustees shall act in accordance with Rule 17.3.

17.7. *Death*

If a Participant ceases to be in Relevant Employment by reason of their death, the Trustees shall act in accordance with Rule 23.6.

Part IV – Dividend Shares

18. Provision of Dividend Shares

18.1. Relationship to Plan Shares

The Directors may in their absolute discretion direct that:

1. some or all of any cash dividends paid in respect of Plan Shares held on behalf of Participants must be used to acquire Dividend Shares on their behalf; or
2. some or all of any cash dividends paid in respect of Plan Shares held on behalf of Participants may at the election of such Participants be used to acquire Dividend Shares on their behalf.

18.2. Direction revocable

The Directors may at any time modify or revoke any direction made pursuant to Rule 18.1.

18.3. Dividend not invested in Dividend Shares

Where dividends paid in respect of Plan Shares are not required to be reinvested in Dividend Shares they must be paid over to current or former Participants as soon as practicable.

18.4. Timing of acquisition of Dividend Shares

The Trustees must use any dividends to be used to acquire Dividend Shares on behalf of Participants within 30 days of the date when they receive such dividend.

18.5. Participants to be treated equally

In exercising its powers in relation to the acquisition of Dividend Shares the Trustees shall treat all Participants fairly and equally.

18.6. Relationship to Partnership Shares Agreement/Free Shares Agreement/Free Shares Notification

The Partnership Shares Agreement, Free Shares Agreement or Free Shares Notification, as appropriate, shall set out the rights and obligations of Participants receiving Dividend Shares under the Plan.

19. Amount and type of Dividend Shares

19.1. Type of Shares to be used as Dividend Shares

Dividend Shares shall be of the same class, and carry the same rights as the Participant's Plan Shares in respect of which the relevant dividends were paid and must not be subject to any provision for forfeiture.

19.2. Calculation of number of Dividend Shares

1. The number of whole Shares to be acquired as Dividend Shares on behalf of each Participant on each occasion shall be calculated by taking the aggregate amount of the cash dividends paid on the Participant's Plan Shares (together with any amounts carried forward under Rule 19.3) and dividing this amount (as nearly as possible) by the Market Value of the Shares on the Dividend Shares Appropriation Date.
2. The basis for the calculation carried out under this Rule 19.2 shall be the same for all Participants who are to receive Dividend Shares on that occasion.

19.3. Dividend amounts carried forward

To the extent that a dividend paid in respect of a Participant's Plan Shares could not be used to acquire Dividend Shares under this Rule 19 then such amount of the dividend may be retained by the Trustees and, subject to Rule 19.4, carried forward to be added to the amount of the next cash dividend to be used to acquire Dividend Shares and the Trustees shall keep records of such amounts to enable it to comply with Rule 19.4.

19.4. Circumstances for payment of cash dividends

Any amount retained by the Trustees pursuant to Rule 19.3 shall be paid in cash as soon as possible to the Participant where:

1. the Participant ceases to be in Relevant Employment; or
2. a plan termination notice is issued in respect of the Plan.

On making such payment, the Participant shall be provided with the information specified in paragraph 80(4) of Schedule 2.

20. Notification of acquisition of Dividend Shares

As soon as practicable after the Dividend Shares Appropriation Date, the Trustees shall inform each Participant for whom Dividend Shares have been acquired of the:

1. Dividend Shares Appropriation Date;
2. if the Dividend Shares are subject to any Restriction, details of the Restriction;
3. number and description of Dividend Shares acquired on their behalf;
4. Initial Market Value;
5. Dividend Shares Holding Period; and
6. amount of any dividend carried forward under Rule 19.3.

21. Restrictions on dealings in, and permitted transfers of Dividend Shares

21.1. Provisions of Rule 8 shall apply to Dividend Shares

The provisions of Rule 8 shall apply mutatis mutandis to Dividend Shares during the Dividend Shares Holding Period as they apply to Free Shares during the Free Shares Holding Period, save that the reference to Rule 9 shall be construed as a reference to Rule 22. Any Partnership Shares Agreement and/or Free Shares Agreement and/or agreement by virtue of a Free Shares Notification to which the Dividend Shares relate shall be made in accordance with and subject to the restrictions contained within Rule 21.

22. Cessation of Relevant Employment

22.1. Trustees to be notified of cessation of Relevant Employment

If a Participant ceases to be in Relevant Employment then as soon as reasonably practicable the Directors shall inform the Trustees of such cessation and whether the provisions of Rule 22.2 or 22.3 apply.

22.2. Early transfer of Dividend Shares (other than on death)

As soon as reasonably practicable after the receipt of a notification referred to in Rule 22.1 (other than on death) and in any event within 30 days after the cessation of the Relevant Employment, the Trustees shall deal with the Dividend Shares in such manner as the Participant may in writing direct.

If the Trustees do not receive a direction from the Participant within six calendar months of the Company informing the Trustees that the Participant has ceased to be in Relevant Employment in accordance with Rule 22.1, the Trustees shall, at the end of such period, dispose of the Participant's Dividend Shares by way of sale for the best consideration in money that can reasonably be obtained at the time of sale. The Trustees shall as soon as reasonably practicable transfer the proceeds to the Participant's last employing Participating Company which shall return the proceeds to the Participant's last known bank account.

22.3. *Early transfer of Dividend Shares on death*

If a Participant ceases to be in Relevant Employment by reason of their death, the Trustees shall act in accordance with Rule 23.6.

22.4. *Information to be given to Participant*

If a Participant becomes liable to income tax by reason of the occurrence of an event in this Rule 22, the Trustees shall as soon as is reasonably practicable provide the Participant with the information relevant to determining their tax liability.

Part V – General requirements

23. Requirements generally applicable to Plan Shares

23.1. Participants may elect not to participate

Notwithstanding any other Rule, a Participant may direct that Shares are not to be Appropriated to them or acquired on their behalf by giving written notice to the Company before the relevant Appropriation Date or acquisition date.

23.2. Individuals eligible for Appropriation

No Appropriation or acquisition shall be made to or on behalf of an individual who is not an Eligible Employee.

23.3. Appropriation and acquisition during Proscribed Period

No Appropriation or acquisition shall be made to or on behalf of an individual during a Proscribed Period except in circumstances where this is permitted under the Market Abuse Regulation or the Company's own code on insider dealing.

23.4. Shares not Appropriated or forfeited

Shares which are not Appropriated nor acquired on behalf of the Participant or Free Shares, Matching Shares or Excess Matching Shares which have been forfeited under the Rules shall be:

1. retained by the Trustees for use under the Plan on future occasions; or
2. sold and the proceeds used in accordance with the provisions of clause 4 of the Trust Deed.

23.5. Shares ceasing to qualify

If Shares which are held by the Trustees for the purposes of the Plan cease to be Shares, they shall not be used for the purposes of the Plan.

23.6. Death of Participant

Following the death of a Participant, the Trustees shall, as soon as practicable after death, transfer the Participant's Plan Shares to, or to the order of, their legal personal representatives.

All references in the Plan to a Participant shall, where the context requires, be references to the legal personal representative of the Participant.

23.7. Funds to be provided by Participating Companies

The Trustees shall acquire by subscription or purchase using monies paid to it by each relevant Participating Company as soon as practicable after receiving such monies the number of Shares to be Appropriated to that Participating Company's Participants as Free Shares or Matching Shares.

The Trustees shall, if so directed by the Directors, acquire by subscription or purchase Shares at any time using monies paid or loaned to it by Participating Companies for future Appropriations of Shares to, or acquisitions of Shares on behalf of, Eligible Employees.

23.8. Shares purchased off market by Trustees

Where the Trustees propose to purchase Shares otherwise than through the London Stock Exchange, the Trustees shall not purchase the Shares for a price in excess of that for which, in the opinion of the Company's brokers, it could purchase those Shares through the London Stock Exchange.

23.9. Subscription price

Where Shares are subscribed for by the Trustees, the subscription price for each Share or purchased from the Company's treasury shall be determined by the Directors but shall not be less than the nominal value of a Share.

23.10. Rights attaching to subscribed Shares

Shares acquired by the Trustees by subscription or purchased from the Company's treasury shall, as to voting, dividend, transfer and other rights, including those arising on a liquidation of the Company, rank equally in all respects and as one class with other issued shares of the same class at the date of subscription save as regards any rights attaching to such Shares by reference to a record date prior to the date of such subscription or any Restriction applicable to the Shares.

23.11. Proportionate apportionment of Shares with different rights

If the Shares to be Appropriated to or acquired on behalf of each Participant do not carry the same rights as to dividends or otherwise, the shares appropriated to or acquired on behalf of each Participant shall (as nearly as possible) contain the same proportions of Shares with different rights.

23.12. Foreign dividends

Where any foreign cash dividend is received in respect of Plan Shares held on behalf of a Participant, the Trustees shall give them notice of the amount of any foreign tax deducted from the dividend before it was paid.

23.13. Timing of contributions to Trustees

Monies to be paid by the Participating Companies to the Trustees for the purchase or subscription of Shares in respect of an Appropriation shall be paid not later than two dealing days immediately prior to such relevant Appropriation Date.

24. Limit on number of Shares available under the Plan

24.1. General

The number of Shares which are to be available under the Plan shall be limited as set out in this Rule 24.

24.2. Limit

The number of Shares issued or issuable pursuant to rights granted in the preceding ten years under the Plan and under any other Employees' Share Scheme operated by the Group shall not exceed ten per cent of the Company's issued ordinary share capital at that time.

24.3. Computation

For the purpose of the limit contained in Rule 24.2:

1. no account shall be taken of shares which are not new issue shares (for the avoidance of doubt, for as long as required by the Investment Association Principles of Remuneration treasury shares shall be included in the limit as if they were new issue shares);
2. there shall be disregarded any shares subject to rights which have lapsed, been renounced; and
3. any shares issued on the exercise or vesting of rights shall be taken into account once only (when the rights are granted) and shall not fall out of account when the rights are exercised or vest.

25. Limit on funding of Plan

The aggregate maximum amount of funds which may be made available by the Company or any Participating Companies under the Plan in respect of any Accounting Period shall be determined by the Directors taking into account any factors which the Directors consider relevant.

26. Permitted dealings in Free Shares, Matching Shares and Dividend Shares

A Participant shall be entitled at any time to direct the Trustees to:

1. accept an offer for any of their Free Shares, Matching Shares and Dividend Shares if the acceptance will result in a new holding being equated with the original shares for the purposes of capital gains tax; or
2. accept an offer of a Qualifying Corporate Bond, whether alone or with cash or other assets or both, for their Free Shares, Matching Shares and Dividend Shares if the offer forms part of a general offer as referred in paragraph 3 below; or
3. accept an offer of cash, with or without other assets, for their Free Shares, Matching Shares and Dividend Shares if
 - a. the offer forms part of a general offer which is made to holders of shares of the same class as their Free Shares, Matching Shares and Dividend Shares or of shares in the Company; and
 - b. the offer is made in the first instance on a condition such that if it is satisfied the person making the offer will have control of the Company within the meaning of sections 450 and 451 of the Corporation Tax Act 2010;
4. agree to a transaction affecting their Free Shares, Matching Shares and Dividend Shares, or such of them as are of a particular class, if the transaction would be entered into pursuant to a compromise, arrangement or scheme applicable to or affecting:
 - a. all the ordinary share capital of the Company or, as the case may be, all the shares of the class in question; or
 - b. all the shares, or all the shares of the class in question, which are held by a class of shareholder identified otherwise than by reference to their employment or their participation in the Plan or any other tax-advantaged share incentive plan; or
5. exercise their right under section 983 of the Companies Act 2006 to require the offeror to acquire their Free Shares, Matching Shares and Dividend Shares or such of them as are of a particular class, where this right arises in the case of a takeover offer as defined in section 974 of the Companies Act 2006.

For the purposes of paragraphs 2 and 3 above, it does not matter if the general offer is made to different shareholders by different means.

27. Receipts by Trustees

Subject to Rule 31, the Trustees shall pay or transfer to a Participant any money or money's worth they receive in respect of, or by reference to, the Participant's Plan Shares unless it consists of a new holding referred to in Rule 29, provided that the Trustees shall not distribute any Capital Receipt to a Participant if the amount payable to that Participant would be less than £3.

28. Exercise of voting rights attaching to Plan Shares

28.1. Trustees to act in accordance with directions given by Participants

In the event of a general meeting of the Company or any separate general meeting of the holders of shares which include Plan Shares the Trustees shall act in accordance with any directions given by a Participant or other person in whom the beneficial interest in Plan Shares is for the time being vested in relation to their Plan

Shares. In the absence of any such directions from a Participant or other person the Trustees shall not take any action in respect of Plan Shares vested in such Participant or other person.

28.2. Participant to instruct Trustees how to vote

Following receipt of any directions given pursuant to Rule 28.1:

1. the Trustees shall not be obliged to attend the general meeting and may exercise the voting rights either personally or by proxy; and
2. on a poll, the Trustees shall vote or lodge proxy cards only in accordance with the directions of each Participant, which directions must have been returned to the Trustees in accordance with the instructions accompanying the notification. In the absence of any such direction the Trustees shall abstain from voting.

28.3. Notification of Participants' directions to Trustees

Unless the form of notification and deadline for its submission is otherwise agreed between the Trustees and the Company, any direction given by a Participant to the Trustees pursuant to Rule 28.1 shall be in writing under the hand of the Participant and shall not be binding upon the Trustees unless it has been deposited at the registered office of the Company not less than 96 hours before the time for the holding of the meeting.

For the avoidance of doubt, alternative forms of notification that may be agreed between the Trustees and the Company include (but are not limited to) all forms of electronic communication, whether via email, online portal, website or otherwise.

29. Company Reconstructions

29.1. New holdings of Shares

Subject to Rule 29.2, where there occurs in relation to a Participant's Plan Shares a company reconstruction which results in a new holding or would result in a new holding were it not for the fact that the new holding consists of or includes a Qualifying Corporate Bond:

1. the company reconstruction shall be treated as not involving a disposal of the Plan Shares comprised in the original holding;
2. references in the Rules to a Participant's Plan Shares shall be construed, after the date of the company reconstruction, as being references to the shares comprised in the new holding; and
3. such new holding shall be deemed to have been Appropriated to or acquired on behalf of the Participant on the date the original holding was Appropriated to or acquired by them and shall be held by the Trustees on the same terms.

29.2. Meaning of "new holding"

For the purpose of Rule 29.1:

1. in the context of a new holding, any reference in this Rule 29 to shares includes a reference to securities and rights of any description which form part of the new holding for the purpose of Chapter II of Part IV TCGA 1992; and
2. an issue of shares of any of the following descriptions (in respect of which a charge to income tax arises) made as part of a company reconstruction shall not be treated as forming part of a new holding:
 - a. redeemable shares or securities issued as mentioned in paragraph C or D in section 1000(1) of the Corporation Tax Act 2010;
 - b. share capital issued in circumstances such that section 1022(3) of the Corporation Tax Act 2010 applies;
 - c. share capital to which section 410 of the Income Tax (Trading & Other Income) Act 2005 applies that is issued in a case where subsection (2) or (3) of that section applies.

30. Rights Issue

30.1. Application of rule

This Rule 30 applies to rights attaching to a Participant's Plan Shares to be allotted, on payment, other shares, securities or rights of any description in the same Company (together referred to as Rights).

30.2. Trustees to provide information to Participant

The Trustees shall inform each Participant of any Rights arising in respect of Plan Shares and shall either send the Participant a copy of the document relating to the Rights or sufficient details to enable the Participant to act in accordance with Rule 30.3.

30.3. Participant to give directions to Trustees

The Trustees may offer one or more of the following options to Participants on the event of a Rights issue:

1. take up all or part of the Rights provided that such instruction is accompanied by payment in cash of the amount necessary to exercise such rights; or
2. sell all of the Rights; or
3. sell such part of the Rights as enables the Trustees to use the proceeds of sale to exercise entitlement to the remaining Rights of the Participant.

The Trustees shall, subject to receiving direction in writing under hand (or direction in such other form as agreed between the Company and the Trustees from time to time) within the time limits set by the Trustees, deal with the Rights only pursuant to such written direction given by, or on behalf of, the Participant or any person in whom the beneficial interest in the Plan Shares is for the time being vested. Such written direction must be received by the Trustees before the expiry of five days before the closing date for acceptance of the Rights offer or within such other time limit set at the absolute discretion of the Trustees.

For the avoidance of doubt, alternative forms of direction that may be agreed between the Trustees and the Company include (but are not limited to) all forms of electronic communication, whether via email, online portal, website or otherwise.

If the Trustees do not receive a written direction from, or on behalf of the Participant or any person in whom the beneficial interest in the Plan Shares is for the time being vested within the time limit set by the Trustees, and the Participant has not given a direction to the Trustees in respect of the Plan Shares in the applicable Partnership Share Agreement or Free Shares Agreement (or such direction is not contained in the Free Shares Notification) then Rule 30.5 shall apply.

30.4. Cash amounts arising to be dealt with by Trustees

Any cash arising from the disposal of the Rights (except insofar as it is used to exercise such Rights in accordance with the third paragraph of Rule 30.3) shall be dealt with by the Trustees in accordance with Rule 27.

30.5. Failure by Participant to give any direction

If a Participant fails to give any direction under Rule 30.3, or has not otherwise authorised the Trustees, or fails to pay any appropriate amount of cash, then the Trustees shall take no action in respect of the Rights associated with that Participant's Plan Shares.

31. Duty to account for PAYE on cash amounts

31.1. Trustees to make PAYE deductions

The Trustees shall withhold from:

1. a Capital Receipt referred to in Rule 27;

2. any monies returned to individuals under Rules 10 and 11;
 3. the proceeds of a disposal of Plan Shares (other than Dividend Shares) by the Trustees in accordance with a direction from a Participant (except insofar as the proceeds are used to take up Rights in accordance with paragraph 1 of Rule 30.3); and
 4. the proceeds of a disposal of Excess Partnership Shares by the Trustees,
- an amount equal to any income tax and employee's national insurance contributions chargeable on such sum for which a Participating Company or the Trustees are required to make a deduction under the PAYE system.

31.2. Trustees to deal with PAYE deductions

The Trustees and/or a Participating Company shall account to the Board of HM Revenue & Customs for any income tax and/or employees' national insurance contributions referred to in Rule 31.1 and shall pay over to the Participant the difference (if any) between any sum referred to in Rule 31.1 and the amount due.

32. Duty to account For PAYE on transfers of assets

32.1. Trustees to make PAYE deductions

Where under any Rule, Plan Shares cease to be subject to the Plan and in relation to:

1. Free Shares, it is prior to the fifth anniversary of the Free Shares Appropriation Date;
2. Partnership Shares, it is prior to the fifth anniversary of the Partnership Shares Acquisition Date; or
3. Matching Shares, it is prior to the fifth anniversary of the Matching Shares Appropriation Date,

the Trustees shall within 14 days (or such other period as specified by the Board), unless otherwise provided with funds from the Participant to meet any liability for income tax and/or employee's national insurance contributions, dispose of a sufficient number of the Participant's Plan Shares, the proceeds of which shall (as far as possible) be equal to any income tax and/or employees' national insurance contributions chargeable on the Plan Shares to be transferred and for which the Trustees or a Participating Company is required to make a PAYE deduction. The Trustees may choose any time within the 14 day period (or such other period as specified by the Board) to sell the Plan Shares and need not have regard to prospective share price movements during the period nor shall be responsible for the fact that the price at which the Plan Shares are sold may not be the highest price during such period.

32.2. Trustees to deal with PAYE deductions

The Trustees and/or a Participating Company shall account to the Board of HM Revenue & Customs for any income tax and/or employees' national insurance contributions referred to in Rule 32.1 and shall pay over to the Participant the difference (if any) between the proceeds from the disposal of their Plan Shares under Rule 32.1 and the amount due.

33. Apportionment of Capital Receipts

33.1. Treatment of Capital Receipts

If the Trustees receive any Capital Receipt referred in Rule 27 in respect of, or by reference to, any Plan Shares held on behalf of more than one Participant, then, if and to the extent that such Capital Receipt cannot be precisely divided between such Participants in the appropriate proportions to the extent that it is:

1. money's worth, the Trustees shall sell it for the best possible consideration in money that can reasonably be obtained and shall divide the proceeds of sale (after deducting any expenses of sale and any taxation which may be payable by the Trustees) among the Participants in question; and
2. money, the Trustees' obligations under this Rule 33 shall be deemed to be discharged if the Trustee pays to each Participant the appropriate amount, rounded down to the nearest penny.

33.2. *Trustees to inform Participants*

The Trustees shall inform each Participant in respect of whose Plan Shares the Capital Receipt was received of the treatment thereof for income tax purposes.

34. *Termination of Plan*

34.1. *Company may terminate Plan*

The Company may at any time decide to terminate the Plan and if it does so must issue a plan termination notice, copies of which shall be given without delay to:

1. the Trustees; and
2. each Participant.

34.2. *Consequences of termination of Plan*

If the Company issues a plan termination notice in accordance with Rule 34.1:

1. no further Awards may be made under the Plan;
2. the Trustees shall remove any Plan Shares from the Plan in accordance with paragraph 90 of Schedule 2; and
3. any Partnership Shares Money held on behalf of a Participant must be paid to them as soon as practicable thereafter.

34.3. *Cessation of Schedule 2 SIP status*

If the Plan is not to be a Schedule 2 SIP (as defined in Schedule 2) by virtue of paragraph 81H or 81I of Schedule 2, any Partnership Shares Money held on behalf of a Participant must be paid to them as soon as practicable after the relevant day (as defined in paragraph 56(2A) or paragraph 56(2B) of Schedule 2 (as appropriate)).

35. *Notices*

35.1. *Notice by Company, Participating Company or Trustees*

Save as provided for by law, document or other communication given by, or on behalf of the Company, a Participating Company, the Directors or the Trustees to any person in connection with the Plan shall be deemed to have been duly given if delivered to them by hand or sent by e-mail or fax to them at their place of work if they are employed by a Participating Company, or sent by e-mail to such e-mail address as may be specified by them from time to time or through the post in a pre-paid envelope to the postal address last known to the Company to be their address and, if so sent, shall be deemed to have been duly given on the date of sending or posting.

35.2. *Deceased Participant*

Save as provided for by law, any notice, document or other communication given to a Participant shall be deemed to have been duly given notwithstanding that such person is then deceased (and whether or not the Company or Trustees have notice of their death) except where their personal representatives have established their title to the satisfaction of the Company or Trustees as appropriate and supplied to the Company and the Trustees an e-mail or postal address to which notices, documents and other communications are to be sent.

35.3. *Notice to Company or Trustees*

Save as provided for by law, any notice, document or other communication given to the Company, a Participating Company, the Directors or the Trustees in connection with the Plan shall be delivered by hand or sent by e-mail, fax or post to the company secretary at the Company's registered office or such other e-mail or postal address as may from time to time be notified to individuals or Participants but shall not in any event be

deemed to be duly given unless and until it is actually received at the registered office or such e-mail or postal address and shall be deemed to have been duly given on the date of such receipt.

35.4. *Trustees to distribute Company documentation*

If the Trustees receive any annual or interim report, notice of meeting, circular, letter of offer or other documentation (excepting a dividend warrant or a document of title to shares, securities or rights) relating to any Plan Shares, the Trustees may, as soon as reasonably practicable, send, or procure the sending of, a copy of such document to each Participant on behalf of whom such Plan Shares are held.

35.5. *Notification of liability to income tax*

Where a Participant has become liable to income tax under any relevant provision of ITEPA 2003 or is liable to income tax chargeable under Chapter 3 or 4 of Part 4 of the Income Tax (Trading and Other Income) Act 2005, the Trustees shall, as soon as reasonably practicable, inform the Participant of any fact material to determining that liability.

36. *Fractional entitlements*

If, on a company reconstruction, the Trustees receive a share or other security fractions of which would be treated as comprised in two or more Participants' Plan Shares:

1. it shall not form part of any new holding for the purpose of Rule 29;
2. Rule 33 shall apply to it.

37. *Protection of Trustees*

Any sale by the Trustees of shares, securities or rights which is effected through a member of the London Stock Exchange acting in the ordinary course of their business shall be presumed to have been made for the best consideration that could reasonably be obtained at the time of the sale.

38. *Application for listing and admission to trading of Plan Shares*

While Shares are listed in the Official List of the Financial Conduct Authority and admitted to trading on the market for listed securities of the London Stock Exchange the Company shall, at its expense, make application for, and use its reasonable endeavours to obtain listing in the Official List of the Financial Conduct Authority and admission to trading on the market for listed securities of the London Stock Exchange for Plan Shares.

39. *Relationship of Plan to contract of employment*

Notwithstanding any other provision of this Plan:

1. the Plan or benefits available under the Plan shall not form part of any contract of employment between any Participating Company and an Eligible Employee or potentially Eligible Employee;
2. unless expressly so provided in their contract of employment, an Eligible Employee or potentially Eligible Employee has no right to an Appropriation;
3. the benefit to an Eligible Employee or potentially Eligible Employee of participation in the Plan shall not form any part of their remuneration or count as their remuneration for any purpose and shall not be pensionable for the purposes of calculating the employer's pension contributions to any retirement benefits scheme; and
4. if an Eligible Employee or potentially Eligible Employee ceases to have a Relevant Employment, they shall not be entitled to compensation for the loss of any right or benefit or prospective right or benefit under the Plan whether by way of damages for unfair dismissal, wrongful dismissal, breach of contract or otherwise.

40. Alterations

No modification, alteration, or amendment to these Rules shall be made except in accordance with clause 22 of the Trust Deed.

41. Data protection

1. For the purposes of operating the Plan, the Beazley plc Privacy Statement (**Privacy Statement**) will inform the Participant whether their personal data is processed under the EU's General Data Protection Regulation (2016/679) (or any successor or implementing laws) (the **GDPR**). Where processing of the Participant's personal data is subject to the GDPR, the basis for processing such data is set out in the Privacy Statement.
2. Where processing of the Participant's personal data is not subject to the GDPR, personal data will be processed under the Participant's consent. In such circumstances, by participating in the Plan, the Participant gives their consent to the holding, processing and transfer of personal data in relation to the Participant by or to the Company, any Participating Company, the Trustees, any third party broker, registrar or administrator or any future purchaser of the Company or Participating Company employing the Participant for all purposes relating to the operation of the Plan and this consent shall include transferring or processing personal data to a country or territory that may not provide the same statutory protection for the information as the Participant's home country.

42. Rectification of errors

If as a result of an error or omission Free Shares, Partnership Shares, Matching Shares or Dividend Shares are not Appropriated to a Participant or acquired on behalf of a Participant in accordance with the Plan, the Trustees may but shall not be obliged, to do all such acts or things as may be agreed with HM Revenue & Customs to rectify the error or omission.