

DATED

6 July

2015

KAINOS GROUP PLC

SAYE PLAN

Adopted by the board of directors on 6 July 2015

RULES

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KAINOS GROUP PLC

SAYE PLAN

RULES

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Plan the following words and expressions shall have the following meanings (unless the context requires otherwise):

"Admission" means approval being given by the London Stock Exchange for the effective admission of any share capital of the Company to the Official List of the UK Listing Authority and the effective admission to trading of such share capital to the London Stock Exchange;

"Adoption Date" means the date on which the Plan is adopted by the Company;

"Any Other Plan" means any plan (other than the Plan) adopted by the Company which provides for the acquisition of Shares by or on behalf of employees or directors of the Company or any Member of the Group;

"Associated Company" has the meaning that the expression bears in paragraph 47 of Schedule 3;

"Board" means the board of directors for the time being of the Company or a committee thereof duly authorised for the purposes of the Plan;

"Bonus" means in relation to any Savings Contract, such bonus as is payable pursuant to it on the earliest date on which a bonus may be paid;

"Bonus Date" means the earliest date at which a bonus is payable under the Savings Contract;

"Company" means Kainos Group plc;

"Control" has the meaning given to it by Section 719 of ITEPA and "Controlled" shall have a similar meaning;

"Date of Grant" means the date on which an Option was or is to be granted under Rule 4;

"Dealing Code" means the Model Code and/or such other rules and regulations, adopted by the remuneration committee of the Company, which govern dealing in Shares, options or rights over Shares;

"FSMA" means the Financial Services and Markets Act 2000;

"Group" means the Company and any other company which is for the time being Controlled by the Company and "Member of the Group" shall be construed accordingly;

"HMRC" means HM Revenue and Customs;

"ITTOIA" means the Income Tax (Trading and Other Income) Act 2005;

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

"Market Value" means, in relation to any Share, market value as determined in accordance with Part VIII of the Taxation of Chargeable Gains Act 1992 and in the case of (i) any Share which at the relevant time is admitted to the Official List and to trading on the London Stock Exchange plc, shall be deemed to be the average middle market quotation of that Share as derived from the Daily Official List of the London Stock Exchange plc for the three dealing days immediately preceding that date and (ii) in any other case, the price agreed by HMRC Shares and Assets Valuation as being the market value of a Share on the relevant date provided that the market value of any Shares subject to a restriction is to be determined as if they were not subject to the restriction;

"Model Code" means the model code on directors' dealing in securities as set out in the appendix to chapter 16 of the UK Listing Authority's Listing Rules;

"Non-UK Company Reorganisation Arrangement" has the meaning given to that expression in paragraph 47A of schedule 3;

"Official List" means the Official List of the UK Listing Authority;

"Option" means a right (for the time being subsisting) to acquire Shares granted or to be granted in accordance with the Plan;

"Option Period" means in relation to any Option, the Period commencing on the Bonus Date and ending six calendar months thereafter;

"Option Price" means the price at which each Share subject to an Option may be acquired on the exercise of that Option being, subject to Rule 9, not less than the greater of:

- (i) the nominal value of a Share; and
- (ii) 80% (or such other percentage as shall be specified in paragraph 28 of Schedule 3) of the Market Value of a Share on the day the invitation to apply for an Option was made under Rule 3, or, in the case of Options to be granted [upon] Admission, on [DN: *to state what date is used for pricing purposes*];

"Participant" means a director or employee of a member of the Group (or the personal representative of any director or employee who has died) to whom an Option has been granted which has not yet lapsed;

"Plan" means this Plan as constituted by these Rules;

"Qualifying Employee" means any director who devotes substantially the whole of his time to the business of a Member or Members of the Group (being at least 25 hours per week excluding meal breaks) or any employee of a Member or Members of the Group and whose earnings meet (or would meet if there were any) the requirements set out in paragraphs 6(2)(c) of Schedule 3;

"Qualifying Period" means such period (not exceeding four years three hundred and thirty days) as the Board may from time to time stipulate as the Qualifying Period;

"Redundancy" means redundancy within the meaning of the Employment Rights Act 1996;

"Rules" means these Rules as from time to time amended;

"Savings Contract" means a savings contract under a certified SAYE savings arrangement within the meaning of section 703(1) of the ITTOIA and approved by HMRC for the purposes of Schedule 3;

"Schedule 3" means Schedule 3 to the ITEPA;

"Schedule 3 SAYE Scheme" has the meaning which it has for the purposes of section 516 ITEPA;

"Share" means a fully paid ordinary share of the Company complying with the conditions of paragraphs 18 to 20 (inclusive) and 22 of Part 4 of Schedule 3;

"Treasury Shares" means treasury shares within the meaning of section 724(5) of the Companies Act 2006; and

"UK Listing Authority" means the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the FSMA.

- 1.2 In these Rules, references to any issue or prospective issue of Shares by the Company to an individual in relation to any option shall include a transfer of Treasury Shares pursuant to section 727(1)(b) of the Companies Act 2006.
- 1.3 In these Rules (unless the context requires otherwise):
 - 1.3.1 reference to the singular includes the plural, (and vice versa), reference to any gender include all genders, and reference to persons includes bodies corporate, unincorporated associations and partnerships (whether or not any of them have a separate legal personality);
 - 1.3.2 reference to a statute or a statutory provision includes reference to:
 - 1.3.2.1 any order, regulation, statutory instrument or other subsidiary legislation at any time made under it for the time being in force (whenever made); and
 - 1.3.2.2 any modification, amendment, consolidation, re-enactment or replacement of it or provision of which it is a modification, amendment, consolidation, re-enactment or replacement.
- 1.4 References in these Rules to a rule, clause or paragraph are, unless otherwise stated, references to a rule, clause or paragraph of these Rules.
- 1.5 The contents list and headings in these Rules are inserted for ease of reference only and do not affect the construction or interpretation of these Rules.

- 1.6 References in these Rules to "month" shall be deemed to be references to a calendar month.

2. LIMITS OF PLAN AND OTHER RESTRICTIONS

2.1 Overall Plan Limits

2.1.1 No Option may be granted on any date if, as a result the total number of Shares issued or issuable pursuant to Options granted under the Plan when added to the number of Shares issued or issuable on the exercise of options granted and the number of Shares issued (other than on the exercise of options) during the previous 10 years under the Plan and Any Other Plan would exceed 10 per cent of the Company's Shares in issue from time to time including any Treasury Shares). The grant of an Option shall be invalid to the extent that the grant of such Option would infringe such limit.

2.1.2 For the purposes of this Rule 2.1:

2.1.2.1 Options which have lapsed or been surrendered shall not be counted;

2.1.2.2 awards (including Options) granted upon or conditionally upon Admission or which are at the time of Admission committed to be granted, in each case under the Plan or Any Other Plan, or awards which are granted under Any Other Plan prior to Admission, shall not be counted; and

2.1.2.3 references to any issue or prospective issue of Shares by the Company shall include a transfer of treasury shares but only for so long as (and to the extent that) the guidelines issued by the Investment Association for share incentive schemes specify that treasury shares should be so included.

2.2 Time Period for grant of Options

2.2.1 Period for grant

Except in circumstances which the Board in its discretion deems sufficiently exceptional to justify the making of an offer without regard to this paragraph, invitations to apply for the grant an Option may only be made:

2.2.1.1 within the period of 42 days after the Adoption Date; or

2.2.1.2 within the period of 42 days after the date of the announcement by the Company of its results for any period;

provided always that:

- (a) if the Company is restricted at any time by statute, order, regulation or otherwise (including a restriction resulting from the application of any Dealing Code) from granting any Options or issuing any invitations to apply for the grant of Options within the periods of 42 days mentioned in Rules 2.2.1.1 and 2.2.1.2 above, grants or

invitations may be made or issued within the period of 42 days from the lifting of such restriction; and

- (b) where Market Value is determined by reference to dealing days no invitation to apply for the grant of Options shall be made unless the relevant dealing days referred to in the definition of Market Value and relevant to that invitation also fall within the appropriate period of 42 days.

2.2.2 No grant after 10 years

No Option shall be granted at a date more than 10 years after the Adoption Date without further authorisation by the Company in general meeting.

3. INVITATIONS TO APPLY FOR OPTIONS

3.1 Eligibility for grant

3.1.1 Subject to the limitations and conditions contained in the Plan and unless prohibited by law, the Board may from time to time make invitations to apply for the grant of Options to:

3.1.1.1 every person who is at the date on which the invitation is made a Qualifying Employee and who will have been such for a minimum of the Qualifying Period at the Date of Grant; and

3.1.1.2 such further persons, who are at the date on which the invitation is made employees of any Member of the Group as the Board may decide but so that the Board shall not be obliged to make any invitations to any or all of such further employees.

3.1.2 Notwithstanding else in these Rules:

3.1.2.1 no person shall be invited to apply for an Option unless he is, on the date of the invitation, a director or employee of a Member of the Group. Each invitation shall be deemed to be made on the date on which it is issued regardless of the date of receipt by the Participant;

3.1.2.2 no Option shall be granted to any person who is not, on the date of grant, a director or employee of any Member of the Group. Any invitation shall lapse if before the relevant Date of Grant the person to whom it has been made ceases to be a director or employee of a Member of the Group.

3.2 Terms of invitation

Invitations to apply for the grant of Options shall be on such terms, being similar terms so as not to discriminate between employees and directors (consistent with the Rules and with paragraphs 7 and 8 of Schedule 3) and in such form as the Board may from time to time determine.

3.3 Invitation: information required

The application method shall take such form as is determined by the Board. An invitation shall specify:

- 3.3.1 the date by which an application must be made, being the period of not less than 14 days after the issue of the invitation; and
- 3.3.2 the Option Price at which Shares may be acquired on the exercise of the Option; and
- 3.3.3 the minimum monthly contribution which may be made under the Savings Contract which shall not be such as to cause any infringement of the limits applicable under Rule 3.5 or the foregoing requirement for invitations to be on similar terms;
- 3.3.4 the maximum monthly contribution which may be made under the Savings Contract but so that any maximum so specified shall not be such as to cause any infringement of the limits applicable under Rule 3.5 or the foregoing requirement for invitations to be on similar terms; and
- 3.3.5 the type or types of Savings Contract determined by the Board as being eligible under those invitations;
- 3.3.6 whether or not the Shares may be subject to any restriction and, if so, the details of any such restriction; and

may specify a maximum number of Shares over which Options may be granted in response to all acceptances of invitations made on that occasion.

3.4 Invitation: acceptance procedure

An invitation to apply for an Option shall be open for acceptance (by the return of the application form specified in Rule 3.4) for a period of not less than 14 days after the date of the letter of invitation, and any application shall only be valid if:

- 3.4.1 it specifies the monthly contributions (being a multiple of £1 and within the limits prescribed by the Plan and, if appropriate, the invitation) which the Participant wishes to make under the Savings Contract; and
- 3.4.2 it is accompanied by a duly completed proposal form for a Savings Contract of the type (or one of the types if the Participant may choose which one or more types he wishes to save under) specified by the Board in the invitation; and
- 3.4.3 in a case where the Participant has a choice as to the type of Savings Contract he wishes to take out, it specifies which type of Savings Contract the Participant wishes to take out.

Such acceptance shall constitute the Participant's authority to the Board to complete or amend the Savings Contract proposal form so as to show such monthly savings contribution as shall equal the amount specified on the application form, or such lower amount as shall be determined under Rule 4.3 and shall constitute the Participant's acceptance of and agreement to be bound by the Rules (as altered from time to time).

3.5 Minimum and maximum contributions

The minimum and maximum monthly contributions which may be made by a Participant at any one time under (a) Savings Contract(s) entered into in connection with the Plan or any other savings-related share option plan are £5 (or such other minimum as may from time to time be specified in paragraph 25(3)(b) of Schedule 3) and £500 (or such other sum as shall equal the maximum for the time being specified in paragraph 25 of Schedule 3).

3.6 Non-transferability of invitations

Any invitations to participate shall be personal to the Participant and shall not be transferred, assigned, pledged, charged or otherwise disposed of by a Participant to any person.

4. GRANT OF OPTIONS

4.1 Timing of grant

4.1.1 Subject to the remaining provisions of this Rule 4, following the issue of invitations to apply for Options, the Board shall grant Options to Participants from whom valid acceptances have been received and who are at the Date of Grant still directors or employees of any Member of the Group provided that no Option shall be granted more than 30 days following the first day used to determine Market Value.

4.1.2 In the event of applications being scaled down in the manner set out in Rule 4.3, the 30 day period referred to in Rule 4.1.1 and during which Options may be granted may be extended to a maximum of 35 days from the date on which the invitations in question were issued.

4.2 Number of Shares over which Option granted

The number of Shares over which an Option shall (subject to the Rules) be granted to an accepting Participant on a particular occasion shall be the largest whole number of Shares which can be subscribed at the Option Price out of sums payable under the Savings Contract on the Bonus Date (having regard to any specification by the Board as mentioned in Rule 3.3).

4.3 Scaling back mechanism

If valid applications for Options are received over an aggregate number of Shares such that if Options over those Shares were granted, the limits specified in Rule 2 or any limitation imposed pursuant to Rule 3.3 would be exceeded, then the following steps shall be taken successively to the extent necessary to eliminate the excess:

- 4.3.1 in respect of those applicants applying for monthly contributions in excess of £50 the excess over £50 of the monthly contributions shall be reduced pro rata to the extent necessary;
- 4.3.2 the excess over £5 of the proposed monthly contributions of the applicants shall be reduced pro rata to the extent necessary; and
- 4.3.3 if all the applications have been scaled down as far as is permitted and there are still insufficient Shares available, then a ballot shall be held by the Board to determine which Participants will be granted Options, such ballot to be supervised by the Auditors. The Board shall return the relevant proposal form to any Participant whose acceptance is excluded under any such ballot.

4.4 Notification of grant

Within 14 days of the grant of an Option, the Company shall notify the Participant by sending him a letter of notification (which may be in electronic form) and an Option certificate each in a form approved by the Board. The Option certificate shall state the number of Shares over which an Option has been granted, the Option Price, and the monthly contribution to the Plan.

4.5 Non-transferability of Option

Each Option shall be exercisable only by the Participant to whom it is granted and may not be transferred, assigned, pledged, charged or otherwise disposed of by a Participant to any person (other than his personal representatives). Any purported transfer, assignment, pledge, charge or disposal shall cause the Option to lapse immediately. Each Option certificate shall carry a statement to this effect.

5. EXERCISE OF OPTIONS

5.1 Manner of exercise

Options shall be exercised by lodging with the Company Secretary or such other person as the Board may specify the relevant Option certificate, the passbook or statement for the related Savings Contract and a duly completed notice of exercise in such form as the Board may from time to time prescribe in respect of such number of Shares as the Participant shall specify on the notice of exercise and accompanied by payment by way of subscription for the Shares. Shares subscribed on the exercise of an Option may be paid for only with monies comprising repayments (including any bonus or interest) under the related Savings Contract and if on the exercise of any Option such repayments shall be insufficient for the Option to be exercised in full, then the number of Shares in respect of which the Option may be exercised shall be reduced to the largest whole number of Shares which can be subscribed at the relevant price per Share out of such repayments.

5.2 Period for exercise

- 5.2.1 Save as provided in Rules 6, 7 and 8, an Option may only be exercised within the Option Period.

- 5.2.2 Notwithstanding Rule 5.2.1 an Option may not be exercised:
- 5.2.2.1 after the expiry of the Option Period, except where the Participant has died (in which event the provisions of Rule 6.1.1 shall apply);
 - 5.2.2.2 during any period during which any Dealing Code restricts dealing in Shares; nor
 - 5.2.2.3 by a Participant at any time if at that time he is not, save as provided in Rule 6, a director or employee of any Member of the Group.

5.3 Lapse of Options

An Option or part thereof which shall not have been exercised by the expiry of the Option Period shall, except where Rule 6.1.1 applies, automatically lapse.

5.4 Result of exercise of Option

5.4.1 *Transfer of Shares within 30 days*

Subject to the obtaining of any necessary consent and to the terms of any such consent and subject to receipt by the Company of the appropriate payment by way of acquisition of the Shares, within 30 days of receipt by the Company of the notice of exercise the Board on behalf of the Company shall issue or procure the transfer to the Participant of the number of Shares in respect of which the Option has been exercised.

5.4.2 *Shares to rank pari passu*

All Shares issued on exercise of Options shall on issue rank equally in all respects with the Company's existing Shares save that the Shares issued will not rank for any dividends or other distributions declared or recommended, the record date for which falls on or prior to the date when the Option is exercised. The Company shall (to the extent not already listed) make application for listing for the Shares so issued on all Stock Exchanges (if any) on which its other issued ordinary share capital is then listed with effect from the earliest possible date after the date of issue.

5.4.3 *Board obligation to provide Shares*

The Board shall at all times procure that there are sufficient Shares to satisfy the exercise of all Options granted under the Plan available by:

5.4.3.1 the maintenance of authorised but unissued share capital in the Company; and/or

5.4.3.2 the holding of Treasury Shares.

6. CESSATION OF RELEVANT EMPLOYMENT

6.1 When exercise is permitted

Subject to Rule 5.2 (other than Rule 5.2.1)):

- 6.1.1 if a Participant dies at a time when he is either a director or employee of any Member of the Group or entitled to exercise that Option by virtue of Rule 6.1.2, the Option may (and must, if at all) be exercised by his personal representatives at any time after the date of death but not later than:
 - 6.1.1.1 if the death occurred before the Bonus Date, 12 months after the date of death; or
 - 6.1.1.2 if the death occurred on or within six months after the Bonus Date, within 12 months after the Bonus Date;
- 6.1.2 if a Participant ceases to be a director or employee of any Member of the Group:
 - 6.1.2.1 by reason of injury, disability, Redundancy, retirement then any Option may (and subject to Rule 6.1.1 must if at all) be exercised by the earlier of the expiry of six months after his so ceasing and the expiry of the Option Period. Any Option not so exercised shall lapse.
 - 6.1.2.2 by reason only:
 - (a) that his office or employment is in a company ("**Acquired Company**") of which the Company ceases to have Control; (as determined in accordance with sections 450 and 451 Corporation Tax Act 2010);
 - (b) of a relevant transfer within the meaning of the Transfer of Undertakings (Protection of Employment) Regulations 2006 or
 - (c) that his office or employment relates to a business or part of a business ("**Acquired Business**") which is transferred to a person which is not an Associated Company of the Company where the transfer is not a relevant transfer within the meaning of the Transfer of Undertakings (Protection of Employment) Regulations 2006

then any Option may be exercised by the earlier of:

 - (d) the expiry of the period of six months after his so ceasing; and
 - (e) the expiry of the Option Period;
 - 6.1.2.3 for any reason other than a reason mentioned in Rules 6.1.1 or 6.1.2 (and except where Rule 7 or 8 applies) any Option shall automatically lapse.

6.2 **Meaning of ceasing to be an employee**

- 6.2.1 A Participant shall not be treated for the purposes of these Rules as ceasing to be an employee or director until such time as he is no longer a director or

employee of the Company or any Associated Company (which for this purpose has the same meaning as that expression bears in paragraph 35 of Schedule 3) and a Participant (being a woman) who ceases to be such a director or employee by reason of pregnancy or confinement and who exercises her right to return to work under the Employment Rights Act 1996 before exercising an Option under the Plan shall be treated for the purposes of these Rules as not having ceased to be such a director or employee.

- 6.2.2 For the purposes of these Rules, where a Participant's contract of employment with the Group is terminated by a Member of the Group without notice the Participant's employment shall be deemed to cease on the date on which the termination takes effect, and where the said contract is terminated by notice given by a Member of the Group, the Participant's employment shall be deemed to cease on the date on which that notice expires.

6.3 Employees of an Associated Company

Subject to Rule 5.2 if at the Bonus Date a Participant holds an office or employment in a company which is not a participating company within the Plan but which is an Associated Company of the Company, his Options may be exercised within six months of the Bonus Date.

7. CHANGE OF CONTROL AND RECONSTRUCTION

7.1 Exercise of Options

If:

- 7.1.1 any person or group of persons acting in concert obtains Control of the Company as a result of:
- 7.1.1.1 making a general offer to acquire the whole of the issued ordinary share capital of the Company (whether or not including all or any relevant Treasury Shares within the meaning of section 974(6) of the Companies Act 2006) which is made on a condition such that if it is satisfied the person or group of persons will have Control of the Company; or
 - 7.1.1.2 a general offer to acquire all the issued Shares (whether or not including all or any relevant Treasury Shares within the meaning of section 974(6) of the Companies Act 2006) (or such of them as are not already owned by it and/or by any of its subsidiaries); or
- 7.1.2 any person becomes entitled or bound to acquire Shares under sections 979 to 982 (inclusive) or 983 to 985 (inclusive) of the Companies Act 2006; or
- 7.1.3 under section 899 of the Companies Act 2006 the court sanctioning a compromise or arrangement applicable to or affecting;
- 7.1.3.1 all the ordinary share capital of the company or all the issued Shares; or

- 7.1.3.2 all the shares in the Company, or all the issued Shares, which are held by a class of shareholders identified otherwise than by reference to their employment or directorship or their participation in an approved SAYE option scheme;

then the Board shall serve notice upon each Participant notifying him of such fact and a Participant may subject to Rule 5.2 (other than Rule 5.2.1) exercise any Option or part of it which has not lapsed by (subject to Rule 6.1.1) the earlier of the expiry of the Appropriate Period defined in Rule 7.5 and the expiry of the Option Period. Any Option which is not so exercised shall lapse unless Rule 7.4 applies.

7.2 Exercise on a Non-UK Reorganisation Arrangement

- 7.2.1 If the Company's shareholders become bound by a Non-UK Reorganisation Arrangement that is applicable to or affects:

- 7.2.1.1 all the ordinary share capital of the Company or all the shares of the same class as the Shares to which the option relates; or

- 7.2.1.2 all the Shares, or all the shares of that same class, which are held by a class of shareholders identified otherwise than by reference to their employment or directorship or their participation in a Schedule 3 SAYE option scheme

then the Board shall serve notice upon each Participant notifying him of such fact and a Participant may subject to Rule 5.2 (other than Rule 5.2.1) exercise any Option or part of it which has not lapsed by (subject to Rule 6.1.1) the earlier of the expiry of the Appropriate Period defined in Rule 7.5 and the expiry of the Option Period. Any Option which is not so exercised shall lapse unless Rule 7.4 applies.

7.3 Further provisions on timing of exercise

- 7.3.1 If:

- 7.3.1.1 an event specified in Rule 7.1.1 occurs; or

- 7.3.1.2 a change of Control occurs as a result of an event specified in Rules 7.1.2 or 7.1.3 or 7.2;

and, as a result of the change of Control, Shares will no longer satisfy the requirements of Part 4 of Schedule 3, Options may be exercised within the period of 20 days following the change of Control, but no later.

- 7.3.2 If the Board reasonably expects an event with any of Rules 7.1.1 to 7.1.3 or 7.2 to occur, the Board may make arrangements permitting Options to be exercised for a period of 20 days ending with the Relevant Event. If an Option is exercised under this 7.3.2, it will be treated as having been exercised in accordance with Rule 7.1.

If the Board makes arrangements for the exercise of Options under this Rule 7.3.2 and the Relevant Event does not occur within 20 days of the date of purported exercise, the Option shall be treated as not having been exercised.

7.4 Exchange of Options

- 7.4.1 If a company (in this Rule 7 the "**Acquiring Company**") has acquired Control of the Company as a result of any of the events described in Rules 7.1.1, 7.1.3 or 7.2, or has become entitled or bound as mentioned in Rule 7.1.2, (such acquiring of Control or becoming entitled or bound being referred to in Rule 7 as a "**Relevant Event**"), the Participant may by agreement with the Acquiring Company at any time within the Appropriate Period release his rights under the Plan (in this Rule 7 referred to as the "**Old Rights**") in consideration of the grant to him of rights (in this Rule 7 referred to as the "**New Rights**") which comply with Rule 7.4.2 and relate to shares in the Acquiring Company (or some other company which in relation to the Acquiring Company falls within paragraph (b) or paragraph (c) of paragraph 18 of Schedule 3).
- 7.4.2 The New Rights shall comply with each of the following requirements:
- 7.4.2.1 the shares to which they relate shall satisfy the conditions specified in relation to plan shares in paragraphs 18 to 20 (inclusive) and 22 of part 4 of Schedule 3;
 - 7.4.2.2 the New Rights shall be exercisable in the same manner as the Old Rights and subject to the provisions of the Plan as it had effect immediately before the release of the Old Rights;
 - 7.4.2.3 the total Market Value, immediately before the release, of the Shares which were subject to the Participant's Old Rights shall be substantially the same as the total Market Value immediately after the grant of the shares in respect of which the New Rights are granted to the Participant; and
 - 7.4.2.4 the total amount payable by the Participant for the acquisition of shares in pursuance of the New Rights shall be substantially the same as the total amount that would have been payable for the acquisition of Shares in pursuance of the Old Rights
- and for the purposes of this Rule "**Market Value**" shall be determined in accordance with paragraph 39(8) of Schedule 3.
- 7.4.3 Any reference in Rules 5, 7, 8, 9, 10.1, 10.3 to 10.5 and 11 to "Option", "Shares", "Company" or "Board" shall in its application to any New Rights be deemed a reference to the New Rights, the shares to which the New Rights relate, the company in whose capital such shares are comprised or the Board as defined in Rule 1 but in relation to the Acquiring Company.
- 7.4.4 Rule 7.4.1 above is included in the Plan by virtue of paragraph 38 of Schedule 3.
- 7.4.5 If New Rights shall be granted to a Participant by reference to any Relevant Event, Rules 7.1.1, 7.1.2, 7.1.3 and 7.2 shall cease to apply by reference to that Relevant Event (but without prejudice to their application by reference to any other Relevant Event).

7.5 Meaning of "Appropriate Period"

In this Rule 7 the "**Appropriate Period**" means:

- 7.5.1 in a case falling within Rule 7.1.1 and where Rule 7.1.2 does not apply, the period of six months beginning with the time when the person making the offer has obtained Control of the Company and any condition subject to which the offer is made is satisfied;
- 7.5.2 in a case falling within Rule 7.1.2, the period during which the Acquiring Company remains bound or entitled as mentioned in that paragraph;
- 7.5.3 in a case falling within Rule 7.1.3, the period of six months beginning with the time when the court sanctions the compromise or arrangement; and
- 7.5.4 in a case falling within Rule 7.2, the period of six months beginning with the date in which the UK Company Reorganisation Arrangement becomes binding on the shareholders covered by it.

7.6 Lapse after Relevant Event

Any Option which is not exercised or released pursuant to this Rule within the Appropriate Period following a Relevant Event (but not any New Rights granted by reference to that Relevant Event) shall (subject to Rule 6.1.1) lapse.

8. WINDING UP OF THE COMPANY

Subject always to Rule 5 (other than Rule 5.2.1) if at any time while any Option remains unexercised notice is duly given of a general meeting of the Company at which a resolution will be proposed for the voluntary liquidation of the Company, every Option shall be exercisable in whole or in part (provided that such Option has not by the time of such resolution lapsed and that exercise is not prohibited by Rule 5.2) until the commencement of such winding up (but not after the expiry of the Option Period). The Company shall give to each Participant holding any unexercised Option notice of any meeting called for the purpose of considering a resolution for the voluntary liquidation of the Company and shall at the same time give him notice of his rights under this Rule 8. Subject to this, all Options shall lapse on the commencement of any liquidation of the Company.

9. VARIATION OF CAPITAL

9.1 Adjustment of Options

- 9.1.1 Subject to Rules 9.1.2 and 9.2, in the event of any variation of the share capital of the Company (whenever effected) by way of capitalisation, rights issue, sub-division, consolidation or reduction, the Board may make such adjustments as it considers appropriate under Rule 9.1.2.
- 9.1.2 An adjustment made under this Rule 9.1.2 shall be to one or more of the following:
 - 9.1.2.1 the number of Shares in respect of which any Option granted under the Plan may be exercised;

9.1.2.2 the price at which shares may be acquired by the exercise of any such Option; and

9.1.2.3 where any such Option has been exercised but no Shares have been issued pursuant to such exercise, the number of Shares which may be so issued and the price at which they may be acquired.

9.2 Restrictions on Adjustment

9.2.1 No adjustment under Rule 9.1.2 above shall be made:

9.2.1.1 as a result of which the aggregate amount payable on the exercise of an Option would be materially changed or increased beyond the expected repayment under the Savings Contract at the appropriate Bonus Date; nor

9.2.1.2 which would cause the Shares to cease to satisfy the conditions specified in paragraphs 18 to 20 (inclusive) and 22 of Part 4 of Schedule 3.

9.2.2 Any adjustment made under Rule 9.1.2 must (in particular) secure:

9.2.2.1 that the total market value of the shares which may be acquired by the exercise of the Option is immediately after the variation or variations substantially the same as what it was immediately before the variation or variations; and

9.2.2.2 that the total price at which those shares may be acquired is immediately after the variation or variations substantially the same as what it was immediately before the variation or variations

and must comply with paragraph 28(3B) of Schedule 3.

9.3 Adjustments below nominal value

No adjustment shall have the effect of reducing the Option Exercise Price per Share to less than the nominal value of a Share unless the Board is authorised to capitalise from reserves a sum equal to the difference and to apply such sum in paying up the Shares.

9.4 Notification to Participants

As soon as reasonably practicable after making any adjustment under Rule 9.1.2, the Board shall give notice in writing of it to each Participant.

10. ALTERATIONS TO PLAN

10.1 General

Subject to this Rule 10, the Board may by resolution at any time and from time to time make any alteration to the Plan which it thinks fit. Any such alteration which is a minor amendment to benefit the administration of the Plan or is necessary or desirable to comply with or to take account of any applicable legislation or statutory

regulations or any change therein or any requirements to enable the Plan to continue to qualify as a Schedule 3 SAYE Option Scheme or to obtain or maintain favourable taxation treatment for the Company or Participants or potential Participants may be made notwithstanding the following provisions of this rule (except Rule 10.2).

10.2 Alterations to key features

No alteration shall be made to any provision of the Plan if such amendment would mean that the Plan would cease to qualify as a Schedule 3 SAYE Scheme.

10.3 Amendments to the advantage of Participants

No alteration to the advantage of Participants or persons who may participate in the Plan shall be made to the provisions concerning eligibility, the individual limits on participation, the overall limits on the issue of shares under the Plan, the basis for determining a Participant's entitlement and the adjustments that may be made following a rights issue or any other variation of capital without the prior approval by ordinary resolution of the members of the Company in general meeting.

10.4 Amendments which adversely affect Participants

No alteration shall be made which would materially increase the liability of any Participant or which would materially decrease the value of any Participants' subsisting rights attached to any Option without in each case that Participant's prior written consent.

10.5 Notice of alteration

As soon as reasonably practicable after making any alteration under this Rule 10, the Board shall give notice in writing of it to each Participant.

11. MISCELLANEOUS

11.1 No employment rights

This Plan shall not form part of the contract of employment of any individual who participates in it. The rights and obligations of any individual under the terms of his office or employment with any Company participating in the Plan shall not be affected by his participation in the Plan or any right which he may have to participate in it.

An individual who participates in the Plan shall waive any and all rights to compensation or damages in consequence of the termination of his office or employment for any reason whatsoever (including unfair or wrongful dismissal) insofar as those rights arise or may arise from his ceasing to have rights under or being entitled to exercise any Option under the Plan as a result of such termination. No such participation, rights, or benefits shall be taken into account for the purposes of calculating the amount of benefits payable to any pension fund. Invitations made, and Options granted, under the Plan shall not constitute any representation or warranty that any benefit will accrue to any individual who is invited to participate or granted the Option.

11.2 Administration

The Plan shall be administered by the Board who may from time to time make and vary procedures for administration and implementation of the Plan as they think fit, and in the event of any dispute or disagreement as to the interpretation of the Plan, or of any rule, regulation or procedure, or as to any question or right arising from or related to the Plan, the decision of the Board shall be final and binding upon all persons (subject to the written concurrence of the Auditors having been obtained when so required by the Rules).

11.3 Notices

Any notice or other communication under or in connection with the Plan may be given:

11.3.1 by personal delivery or by sending the same by post:

11.3.1.1 in the case of a company or the Trustee, to their registered office;
and

11.3.1.2 in the case of an individual, to his last known address, or where he is a director or employee of a company participating in the Plan, either to his last known address or to the address of the place of business at which he performs the whole or substantially the whole of the duties of his office or employment

and where a notice or other communication is given by first class post, it shall be deemed to have been received 48 hours after it was put into the post properly addressed and stamped; or

11.3.2 by electronic communication to their usual business address for the time being notified for that purpose to the person giving the notice.

11.4 Participation by directors

Subject to the articles of association of the Company, a Participant who is a director of the Company may, notwithstanding his interest, vote on any board resolution concerning the Plan (other than in respect of his own participation in it) and may retain any benefits under the Plan.

11.5 Data privacy

For the purpose of administering the Plan, the Company may pass personal information about any Qualifying Employee or Participant (including, without prejudice to the generality of the foregoing, such person's name, address age and salary details) to third parties for the purpose of administering the Plan or complying with its legal obligations.

12. GOVERNING LAW

The Rules and the Plan shall in all respects be governed by and construed in accordance with the laws of England and the courts of England shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Plan. Any proceedings, suit or

action arising out of this Plan shall be brought in such courts.

SCHEDULE

ESPP SUB-PLAN

This Schedule to the Plan forms a separate part of the Plan and is intended to constitute an "employee stock purchase plan" within the meaning of Section 423(b) of the U.S. Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder (the "**Code**"). This Schedule was adopted by the Board of Directors on [28 September 2022] following approval of the Company's shareholders on [28 September 2022]. In the event of any conflict between this Schedule and the rules of the Plan, the provisions of this Schedule apply.

1. DEFINITIONS AND INTERPRETATION

- 1.1. In this ESPP Sub-Plan the following words and expressions shall have the following meanings (unless the context requires otherwise):

"Admission" means approval being given by the London Stock Exchange for the effective admission of any share capital of the Company to the Official List of the UK Listing Authority and the effective admission to trading of such share capital to the London Stock Exchange;

"Adoption Date" means the date on which the ESPP Sub-Plan is adopted by the Board;

"Any Other Plan" means any plan (other than the ESPP Sub-Plan) adopted by the Company which provides for the acquisition of Shares by or on behalf of employees or directors of the Company or any Member of the Group;

"Associated Company" means any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company, if each of the corporations other than the last corporation in the unbroken chain owns stock possessing more than fifty percent (50%) of the total combined voting power of all classes of stock in one of the other corporations in such chain; provided, however, that a limited liability company or partnership may be treated as an Associated Company to the extent either (1) such entity is treated as a disregarded entity under Treasury Regulation Section 301.7701-3(a) by reason of the Company or any other Associated Company that is a corporation being the sole owner of such entity or (2) such entity elects to be classified as a corporation under Treasury Regulation Section 301.7701-3(a) and such entity would otherwise qualify as an Associated Company;

"Board" means the board of directors for the time being of the Company or a committee thereof duly authorised for the purposes of the ESPP Sub-Plan;

"Company" means Kainos Group plc;

"Compensation" means, unless provided otherwise by the Board, base salary, wages and commissions paid in cash to a Qualifying Employee by a Participating Company, without reduction for any pre-tax contributions made by the Qualifying Employee under Section 401(k) or 125 of the Code. "Compensation" shall, unless provided otherwise by the Board, exclude variable compensation other than commissions (including bonuses, incentive compensation, overtime pay and shift premiums), all non-cash items, moving or relocation allowances, cost-of-living equalization payments, car allowances, tuition reimbursements, imputed income attributable to cars or life insurance, severance pay, fringe benefits, contributions or benefits received under employee benefit plans, income attributable to the exercise of stock options, and similar items. The Board shall determine whether a particular item is included in

Compensation.

"Control" has the meaning given to it by Section 719 of ITEPA and "Controlled" shall have a similar meaning;

"Date of Grant" means the date on which an Option was or is to be granted under Rule 4;

"Dealing Code" means restrictions imposed by the Company's share dealing code, the Listing Rules, the MAR or any other laws or regulations that impose restrictions on share dealing;

"ESPP Sub-Plan" means the Kainos Group PLC ESPP as set out in this Appendix to the Plan as amended from time to time;

"Exchange Rate" means the exchange rate designated by the Board from time to time for the purpose of converting UK Pounds Sterling into US Dollars or US Dollars into UK Pounds Sterling (as applicable). In all cases, the determination of the Exchange Rate by the Board shall be conclusive and binding on all persons;

"FCA" means the United Kingdom Financial Conduct Authority, or any successor body;

"FSMA" means the Financial Services and Markets Act 2000;

"Group" means the Company and any other company which is for the time being Controlled by the Company and "Member of the Group" shall be construed accordingly;

"HMRC" means HM Revenue and Customs;

"ITTOIA" means the Income Tax (Trading and Other Income) Act 2005;

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

"Invitation Date" means the date on which invitations to apply for Options are issued pursuant to Rule 3;

"Invitation Exchange Rate" means an exchange rate applying at the Invitation Date as determined by the Board;

"Listing Rules" means the FCA's listing rules, as amended from time to time;

"MAR" means the EU Market Abuse Regulation 596/2014 and any associated EU Regulation to the extent each is incorporated into the law of the United Kingdom by virtue of section 3 of the European Union (Withdrawal) Act 2018 and as amended by any instrument related to their incorporation into the law of the United Kingdom;

"Market Value" means, in relation to any Share, market value as determined in accordance with Part VIII of the Taxation of Chargeable Gains Act 1992 and in the case of (i) any Share which at the relevant time is admitted to the Official List and to trading on the London Stock Exchange plc, shall be deemed to be the average middle market quotation of that Share as derived from the Daily Official List of the London Stock Exchange plc for the three dealing days immediately preceding that date and (ii) in any other case, the price agreed by HMRC Shares and Assets Valuation as being the market value of a Share on the relevant date provided that the market value

of any Shares subject to a restriction is to be determined as if they were not subject to the restriction. For any date that is not a Trading Day, the Market Value of a Share for such date shall be determined by using the closing sale price for the immediately preceding Trading Day. Such determination shall be conclusive and binding on all persons;

"Normal Exercise Date" means the date on which the final savings contribution pursuant to a Savings Contract is completed;

"Non-UK Company Reorganisation Arrangement" has the meaning given to that expression in paragraph 47A of schedule 3;

"Offering Date" means the first day of an Offering Period which will be the Invitation Date;

"Offering Period" means a period with respect to which the right to purchase Shares may be granted under the ESPP Sub-Plan;

"Official List" means the Official List of the UK Listing Authority;

"Option" means a right (for the time being subsisting) to acquire Shares granted or to be granted in accordance with the ESPP Sub-Plan;

"Option Price" means the price at which each Share subject to an Option may be acquired on the exercise of that Option being, subject to Rule 9, equal to the lesser of:

- (i) 85% of the Market Value of such Share on the Purchase Date; and
- (ii) 85% of the Market Value of such Share on the last Trading Day preceding the Offering Date;

"Participant" means a Qualifying Employee (or the personal representative of a Qualifying Employee who has died) to whom an Option has been granted which has not yet lapsed;

"Participating Company" means (a) the Company and (b) each present or future Associated Company designated by the Board as a Participating Company;

"Plan" means the Kainos Group PLC SAYE Plan, as amended from time to time;

"Purchase Date" means the date on which Shares are acquired pursuant to the terms of an Option during an Offering Period;

"Qualifying Employee" means any employee of a Participating Company whose customary employment is for more than five (5) months per calendar year. The foregoing notwithstanding, an individual shall not be considered a Qualifying Employee if his or her participation in the ESPP Sub-Plan is prohibited by the law of any country which has jurisdiction over him or her;

"Qualifying Period" means such period (not exceeding four years three hundred and thirty days) as the Board may from time to time stipulate as the Qualifying Period;

"Redundancy" means redundancy within the meaning of the Employment Rights Act 1996;

"Repayment" means in relation to a Savings Contract, the aggregate of the monthly contributions made pursuant to that Savings Contract;

"Rules" means the Rules of the ESPP Sub-Plan as from time to time amended;

"Savings Contract" means a savings contract under a certified SAYE savings arrangement within the meaning of section 703(1) of the ITTOIA and approved by HMRC for the purposes of Schedule 3;

"Schedule 3" means Schedule 3 to the ITEPA;

"Schedule 3 SAYE Scheme" has the meaning which it has for the purposes of section 516 ITEPA;

"Share" means a fully paid ordinary share of the Company complying with the conditions of paragraphs 18 to 20 (inclusive) and 22 of Part 4 of Schedule 3;

"Trading Day" means a day on which the national stock exchange on which the Shares are traded is open for trading;

"Treasury Shares" means treasury shares within the meaning of section 724(5) of the Companies Act 2006;

"Trustee" means the trustee or trustees of any employee benefit trust, the beneficiaries of which are Qualifying Employees; and

"UK Listing Authority" means the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the FSMA.

1.2. In these Rules, references to any issue or prospective issue of Shares by the Company to an individual in relation to any option shall include a transfer of Treasury Shares pursuant to section 727(1)(b) of the Companies Act 2006.

1.3. In these Rules (unless the context requires otherwise):

1.3.1. reference to the singular includes the plural, (and vice versa), reference to any gender include all genders, and reference to persons includes bodies corporate, unincorporated associations and partnerships (whether or not any of them have a separate legal personality);

1.3.2. reference to a statute or a statutory provision includes reference to:

1.3.2.1. any order, regulation, statutory instrument or other subsidiary legislation at any time made under it for the time being in force (whenever made); and

1.3.2.2. any modification, amendment, consolidation, re-enactment or replacement of it or provision of which it is a modification, amendment, consolidation, re-enactment or replacement.

1.3.3. References in these Rules to a rule, clause or paragraph are, unless otherwise stated, references to a rule, clause or paragraph of these Rules.

1.3.4. The contents list and headings in these Rules are inserted for ease of reference only and do not affect the construction or interpretation of these Rules.

- 1.3.5. References in these Rules to "month" shall be deemed to be references to a calendar month.

2. LIMITS OF PLAN AND OTHER RESTRICTIONS

2.1 Overall Plan Limits

- 2.1.1 No Option may be granted on any date if, as a result the total number of Shares issued or issuable pursuant to Options granted under the ESPP Sub-Plan when added to the number of Shares issued or issuable on the exercise of options granted and the number of Shares issued (other than on the exercise of options) during the previous 10 years under the Plan and Any Other Plan would exceed 10 per cent of the Company's Shares in issue from time to time including any Treasury Shares). The grant of an Option shall be invalid to the extent that the grant of such Option would infringe such limit.

- 2.1.2 For the purposes of this Rule:

2.1.2.1 Options which have lapsed or been surrendered shall not be counted;

2.1.2.2 awards (including Options) granted upon or conditionally upon Admission or which are at the time of Admission committed to be granted, in each case under the Plan or Any Other Plan, or awards which are granted under Any Other Plan prior to Admission, shall not be counted; and

2.1.2.3 references to any issue or prospective issue of Shares by the Company shall include a transfer of Treasury Shares but only for so long as (and to the extent that) the guidelines issued by the Investment Association for share incentive schemes specify that treasury shares should be so included.

- 2.1.3 Subject to Rule 2.1.1, the maximum aggregate number of Shares available for purchase under the ESPP Sub-Plan is 12,409,517 shares. The aggregate number of shares available for purchase under the ESPP Sub-Plan shall at all times be subject to adjustment pursuant to Rule 9. The grant of an Option shall be invalid to the extent that the grant of such Option would infringe such limit.

2.1.4 Five Percent Limit

Any other provision of the ESPP Sub-Plan notwithstanding, no Participant shall be granted a right to purchase Shares under the ESPP Sub-Plan if such Participant, immediately after the right is granted, would own Shares possessing 5% or more of the total combined voting power or value of all classes of shares of the Company or any parent or Associated Company. For purposes of this Rule 2.1.4, the following rules shall apply:

2.1.4.1 ownership of Shares shall be determined after applying the attribution rules of Section 424(d) of the Code;

2.1.4.2 each Participant shall be deemed to own any Shares that he or she has a right or option to purchase under this or Any Other Plan; and

2.1.4.3 each Participant shall be deemed to have the right to purchase up to the maximum number of Shares that may be purchased by a Participant under the Plan under the individual limit specified pursuant to Rule 4.2 with respect to each Offering Period.

2.1.5 **Dollar Limit**

Any other provision of the ESPP Sub-Plan notwithstanding, no Participant shall accrue the right to purchase Shares at a rate which exceeds \$25,000 of the Market Value of such Shares per calendar year (under the ESPP Sub-Plan and all other employee stock purchase plans of the Company or any parent or Associated Company of the Company), determined in accordance with the provisions of Section 423(b)(8) of the Code. For purposes of this Rule 2.1.5, the Market Value of Shares shall be determined as of the beginning of the Offering Period in which such Shares are purchased. Employee stock purchase plans not described in Section 423 of the Code shall be disregarded. If a Participant is precluded by this Rule 2.1.5 from purchasing additional Shares under the Plan, then his or her employee contributions shall automatically be discontinued and shall resume at the beginning of the earliest Offering Period ending in the next calendar year (if he or she then is a Participant).

2.2 **Time Period for grant of Options**

2.2.1 *Period for grant*

Except in circumstances which the Board in its discretion deems sufficiently exceptional to justify the making of an offer without regard to this paragraph, subject to Rule 11.5, invitations to apply for the grant an Option may only be made:

2.2.1.1 within the period of 42 days after the Adoption Date; or

2.2.1.2 within the period of 42 days after the date of the announcement by the Company of its results for any period;

provided always that:

(a) if the Company is restricted at any time by statute, order, regulation or otherwise (including a restriction resulting from the application of any Dealing Code) from granting any Options or issuing any invitations to apply for the grant of Options within the periods of 42 days mentioned in Rules 2.2.1.1 and 2.2.1.2 above, grants or

invitations may be made or issued within the period of 42 days from the lifting of such restriction; and

(b) where Market Value is determined by reference to dealing days no invitation to apply for the grant of Options shall be made unless the relevant dealing days referred to in the definition of Market Value

and relevant to that invitation also fall within the appropriate period of 42 days.

2.2.2 No grant after 10 years

No Option shall be granted at a date more than 10 years after the Adoption Date.

3. INVITATIONS TO APPLY FOR OPTIONS

3.1 Eligibility for grant

3.1.1 Subject to the limitations and conditions contained in the ESPP Sub-Plan and unless prohibited by law, the Board may from time to time make invitations to apply for the grant of Options to every person who is at the date on which the invitation is made a Qualifying Employee and who will have been such for a minimum of the Qualifying Period at the Date of Grant.

3.1.2 Notwithstanding else in these Rules:

3.1.2.1 no person shall be invited to apply for an Option unless he is, on the date of the invitation, an employee of a Participating Company. Each invitation shall be deemed to be made on the date on which it is issued regardless of the date of receipt by the Participant;

3.1.2.2 no Option shall be granted to any person who is not, on the date of grant, an employee of a Participating Company. Any invitation shall lapse if before the relevant Date of Grant the person to whom it has been made ceases to be an employee of a Participating Company.

3.2 Terms of invitation

3.2.1 Invitations to apply for the grant of Options shall be in such form and shall contain such terms and conditions as the Board shall determine, subject to compliance with the terms and conditions of the ESPP Sub-Plan (which may be incorporated by reference) and the requirements of Section 423 of the Code, including the requirement that all Qualifying Employees have the same rights and privileges. The Board shall have the discretion to provide for the automatic termination of an Offering Period following any Purchase Date on which the Market Value of a Share is equal to or less than the Market Value of a Share on the Offering Date, and for the Participants in the terminated Offering Period to be automatically re-enrolled in a new Offering Period that commences immediately after such Purchase Date. The terms and conditions of each Offering Period need not be identical, and shall be deemed incorporated by reference and made a part of the ESPP Sub-Plan.

3.3 Invitation: information required

The application method shall take such form as is determined by the Board. An invitation shall specify:

3.3.1 the date by which an application must be made, being the period of not less than 14 days after the issue of the invitation;

3.3.2 the length of the Offering Period which may not exceed twenty-seven (27) months from the Offering Date;

- 3.3.3 the Option Price at which Shares may be acquired on the exercise of the Option;
- 3.3.4 the minimum monthly contribution which may be made under the Savings Contract which shall not be such as to cause any infringement of the limits applicable under Rule 3.5 or the foregoing requirement for invitations to be on similar terms;
- 3.3.5 the maximum monthly contribution which may be made under the Savings Contract but so that any maximum so specified shall not be such as to cause any infringement of the limits applicable under Rule 3.5 or the foregoing requirement for invitations to be on similar terms;
- 3.3.6 the type or types of Savings Contract determined by the Board as being eligible under those invitations;
- 3.3.7 whether or not the Shares may be subject to any restriction and, if so, the details of any such restriction;
- 3.3.8 whether or not the Shares will be subject to a holding period pursuant to Rule 5.5.1; and

may specify a maximum number of Shares over which Options may be granted in response to all acceptances of invitations made on that occasion consistent with the limitations of the Plan.

3.4 Invitation: acceptance procedure

An invitation to apply for an Option shall be open for acceptance (by the return of the application form specified in this Rule 3.4) for a period of not less than 14 days after the date of the letter of invitation, and any application shall only be valid if:

- 3.4.1 it specifies the monthly contributions (being a multiple of £1 and within the limits prescribed by the ESPP Sub-Plan and, if appropriate, the invitation) which the Participant wishes to make under the Savings Contract;
- 3.4.2 it is accompanied by a duly completed proposal form for a Savings Contract of the type (or one of the types if the Participant may choose which one or more types he wishes to save under) specified by the Board in the invitation; and
- 3.4.3 in a case where the Participant has a choice as to the type of Savings Contract he wishes to take out, it specifies which type of Savings Contract the Participant wishes to take out.

Such acceptance shall constitute the Participant's authority to the Board to complete or amend the Savings Contract proposal form so as to show such monthly savings contribution as shall equal the amount specified on the application form, or such lower amount as shall be determined under Rule 4.3 and shall constitute the Participant's acceptance of and agreement to be bound by the Rules (as altered from time to time).

3.5 Minimum and maximum contributions

The minimum and maximum monthly contributions which may be made by a

Participant at any one time under (a) Savings Contract(s) entered into in connection with the ESPP Sub-Plan or any other savings-related share option plan are the local currency equivalent of £5 of Compensation (or such other minimum as may from time to time be specified) and £500 of Compensation (or such other sum as shall equal the maximum for the time being specified). A Participant may not increase or decrease the rate of payroll withholding during the Offering Period. A Participant may also increase or decrease the rate of payroll withholding effective for a new Offering Period by filing a new enrollment form with the Company at the prescribed location and time. The new withholding rate shall be a whole percentage of the Qualifying Employee's Compensation, but not less nor more than the amounts specified in this Rule 3.5. If a Participant wishes to discontinue employee contributions entirely, he or she may do so by withdrawing from the Savings Contract pursuant to Rule 6.3. In addition, employee contributions may be discontinued automatically pursuant to Rule 2.1.3.

3.6 Non-transferability of invitations

Any invitations to participate shall be personal to the Participant and shall not be transferred, assigned, pledged, charged or otherwise disposed of by a Participant to any person.

4. GRANT OF OPTIONS

4.1 Timing of grant

Subject to the remaining provisions of this Rule 4, following the issue of invitations to apply for Options, the Board shall grant Options to Participants from whom valid acceptances have been received and who are at the Date of Grant Qualifying Employees.

4.2 Number of Shares over which Option granted

The number of Shares over which an Option shall (subject to the Rules) be granted to an accepting Participant on a particular occasion shall be the largest whole number of Shares which can be subscribed at the Option Price using the Repayment on the Purchase Date (having regard to any specification by the Board as mentioned in Rule 3.3). Unless provided otherwise by the Board prior to commencement of an Offering Period, the maximum number of Shares which may be purchased by an individual Participant during such Offering Period is equal to the aggregate of the maximum monthly contributions for the applicable Offering Period (as set out in the invitation documentation pursuant to Rule 3.3.5) divided by the Market Value of a Share on the last Trading Day immediately preceding the Offering Date, subject to the other limitations of the Plan.

4.3 Scaling back mechanism

If valid applications for Options are received over an aggregate number of Shares such that if Options over those Shares were granted, the limits specified in Rule 2 or any limitation imposed pursuant to Rule 3.3 would be exceeded, then the following steps shall be taken successively to the extent necessary to eliminate the excess:

4.3.1 in respect of those applicants applying for monthly contributions in excess of £50, the excess over £50 of the monthly contributions shall be reduced pro rata to the extent necessary;

4.3.2 the excess over £5 of the proposed monthly contributions of the applicants

shall be reduced pro rata to the extent necessary; and

- 4.3.3 if all the applications have been scaled down as far as is permitted and there are still insufficient Shares available, then a ballot shall be held by the Board to determine which Participants will be granted Options, such ballot to be supervised by the Auditors and to be conducted in accordance with Section 423 of the Code. The Board shall return the relevant proposal form to any Participant whose acceptance is excluded under any such ballot.

4.4 Number of Shares purchased

As of each Purchase Date, the Company will automatically exercise Options on behalf of each Participant where the Market Value of a Share is greater than the Option Price (where the Option Price is determined by reference to the Trading Day immediately preceding the Offering Date) and each Participant shall be deemed to have elected to purchase the number of Shares calculated in accordance with this Rule 4.4, unless the Market Value of a Share is equal to or less than the Option Price, in which case the Repayment will be paid to the Participant as soon as reasonably practicable, or if the Participant has previously elected to withdraw from the Savings Contract in accordance with Rule 6.3. Where:

- 4.4.1 the Repayment and the Option Price are denominated in US Dollars, the Repayment shall be divided by the Option Price, and the number of Shares that results shall be purchased from the Company with the funds in the Participant's Repayment; and

- 4.4.2 the Repayment is denominated in US Dollars and the Option Price is denominated in UK Pounds Sterling, the Repayment shall be converted to UK Pounds Sterling at the Exchange Rate. If the UK Pounds Sterling value of the Repayment:

4.4.2.1 is less than it would be by the application of the Invitation Exchange Rate, the Participant may, with the Board's consent, add money to the UK Pounds Sterling value of the Savings Contract from their own funds to the extent necessary to permit the exercise of the Option over the number of Shares over which it could be exercised if the Repayment was converted to UK Pounds Sterling at the Invitation Exchange Rate; or

4.4.2.2 is greater than it would have been by the application of the Invitation Exchange Rate, the Option may be exercised over the number of Shares over which it could be exercised if the Repayment was converted to UK Pounds Sterling at the Invitation Exchange Rate, and the balance of the Repayment shall be paid to the Participant,

the foregoing notwithstanding, no Participant shall purchase more than such number of Shares as may be determined by the Board with respect to the Offering Period nor more than the amount of Shares set forth in Rules 2.1.3 and 2.1.1. For each Offering Period and the Board shall have the authority to establish additional limits on the number of shares purchasable by all Participants in the aggregate.

4.5 Fractional Shares

An amount remaining in the Participant's Savings Contract that represents the Option Price for any fractional share shall be carried over in the Participant's Savings Contract

to the next Offering Period or refunded to the Participant in cash, without interest, if his or her participation is not continued. Any amount remaining in the Participant's Savings Contract that represents the Option Price for whole shares that could not be purchased by reason of Rule 4.3, Rule 4.4, Rule 2.1.3 or Rule 2.1.1 shall be refunded to the Participant in cash, without interest.

4.6 Notification of grant

Within 14 days of the grant of an Option, the Company shall notify the Participant by sending him a letter of notification (which may be in electronic form) and an Option certificate each in a form approved by the Board. The Option certificate shall state the number of Shares over which an Option has been granted, the Option Price, the length of any holding period, and the monthly contribution to the Savings Contract.

4.7 Non-transferability of Option

Each Option shall be exercisable only by the Participant to whom it is granted and may not be transferred, assigned, pledged, charged or otherwise disposed of by a Participant to any person (other than his personal representatives). Any purported transfer, assignment, pledge, charge or disposal shall cause the Option to lapse immediately. Each Option certificate shall carry a statement to this effect.

5. EXERCISE OF OPTIONS

5.1 Manner of exercise

Subject to the rules of the ESPP Sub-Plan, Options shall be exercised automatically by the Company as soon as reasonably practicable following the Normal Exercise Date, and in any event no later than the end of the Offering Period, provided the Market Value of a Share on the date of exercise is greater than the Option Price (where the Option Price is determined by reference to the Trading Day immediately preceding the Offering Date), using monies comprised within the Repayment in accordance with Rule 4.4.

5.2 Period for exercise

5.2.1 Save as provided in Rules 6, 7 and 8, an Option may only be exercised within the Offering Period.

5.2.2 Notwithstanding Rule 5.2.1 an Option may not be exercised:

5.2.2.1 after the expiry of the Offering Period, except where the Participant has died (in which event the provisions of Rule 6.1.1 shall apply);

5.2.2.2 during any period during which any Dealing Code restricts dealing in Shares; nor

5.2.2.3 by a Participant at any time if at that time he is not, save as provided in Rule 6, a Qualifying Employee.

5.3 Period Lapse of Options

An Option or part thereof which shall not have been exercised by the expiry of the Offering Period shall, except where Rule 6.1.1 applies, automatically lapse.

5.4 Result of exercise of Option

5.4.1 *Transfer of Shares within 30 days*

Subject to the obtaining of any necessary consent and to the terms of any such consent and subject to receipt by the Company of the appropriate payment by way of acquisition of the Shares, within 30 days of the exercise of the Option the Board on behalf of the Company shall issue or procure the transfer to the Participant of the number of Shares in respect of which the Option has been exercised.

5.4.2 *Shares to rank pari passu*

All Shares issued on exercise of Options shall on issue rank equally in all respects with the Company's existing Shares save that the Shares issued will not rank for any dividends or other distributions declared or recommended, the record date for which falls on or prior to the date when the Option is exercised. The Company shall (to the extent not already listed) make application for listing for the Shares so issued on all Stock Exchanges (if any) on which its other issued ordinary share capital is then listed with effect from the earliest possible date after the date of issue.

5.4.3 *Board obligation to provide Shares*

The Board shall at all times procure that there are sufficient Shares to satisfy the exercise of all Options granted under the ESPP Sub-Plan available by:

5.4.3.1 the maintenance of authorised but unissued share capital in the Company; and/or

5.4.3.2 the holding of Treasury Shares.

5.5 **Holding period**

5.5.1 The Board may, in its discretion, establish a holding period for any Shares purchased in a particular Offering Period unless such holding period is prohibited by applicable laws. The holding period, if any, will commence on the Purchase Date and will not exceed twelve (12) months; provided that the holding period, if any, with respect to any Participant will end automatically if either (i) the Participant is no longer an employee, or (ii) a corporate transaction of the type contemplated by Rule 7 occurs. During such holding period, the holder of the Shares will not be permitted to sell such Shares and the Shares will be designated with an applicable resale restriction. The applicable holding period will be set forth in the invitation for the applicable Offering Period, and each Participant will be required to agree to such holding period as a condition of the grant of the Option.

6. **CESSATION OF RELEVANT EMPLOYMENT; WITHDRAWAL**

6.1 **When exercise is permitted**

Subject to Rule 5.2 (other than Rule 5.2.1)):

6.1.1 if a Participant dies at a time when he is a Qualifying Member or entitled to exercise that Option by virtue of Rule 6.1.2, the Option may (and must, if at all) be exercised by his personal representatives at any time after the date of death but not later than 12 months after the date of death;

6.1.2 if a Participant ceases to be a Qualifying Employee:

6.1.2.1 by reason of injury, disability, Redundancy, retirement then any Option may (and subject to Rule 6.1.1 must if at all) be exercised by the earlier of the expiry of three months after his so ceasing and the expiry of the Offering Period. Any Option not so exercised shall lapse.

6.1.2.2 by reason only:

- (a) that his office or employment is in a company ("**Acquired Company**") of which the Company ceases to have Control; (as determined in accordance with sections 450 and 451 Corporation Tax Act 2010);
- (b) of a relevant transfer within the meaning of the Transfer of Undertakings (Protection of Employment) Regulations 2006; or
- (c) that his office or employment relates to a business or part of a business ("**Acquired Business**") which is transferred to a person which is not an Associated Company of the Company where the transfer is not a relevant transfer within the meaning of the Transfer of Undertakings (Protection of Employment) Regulations 2006,

then any Option may be exercised by the earlier of:

- (d) the expiry of the period of three months after his so ceasing; and
- (e) the expiry of the Offering Period;

6.1.2.3 for any reason other than a reason mentioned in Rules 6.1.1 or 6.1.2 (and except where Rule 7 or 8 applies) any Option shall automatically lapse.

6.2 **Meaning of ceasing to be an employee**

6.2.1 A Participant shall not be treated for the purposes of these Rules as ceasing to be an employee until such time as he is no longer an employee of the Company or any Associated Company.

6.2.2 For the purposes of these Rules, where a Participant's contract of employment with the Group is terminated by a Member of the Group without notice the Participant's employment shall be deemed to cease on the date on which the termination takes effect, and where the said contract is terminated by notice given by a Member of the Group, the Participant's employment shall be deemed to cease on the date on which that notice expires.

6.2.3 Termination of employment as a Qualifying Employee for any reason, excluding death, shall be treated as an automatic withdrawal from the Plan under Rule 6.3. A transfer from one Participating Company to another shall not be treated as a termination of employment.

- 6.2.4 For purposes of the ESPP Sub-Plan, employment shall not be deemed to terminate when the Participant goes on a military leave, a sick leave or another bona fide leave of absence, if the leave was approved by the Company in writing. Employment, however, shall be deemed to terminate three (3) months after the Participant goes on a leave, unless a contract or statute guarantees his or her right to return to work. Employment shall be deemed to terminate in any event when the approved leave ends, unless the Participant immediately returns to work.

6.3 Withdrawal

- 6.3.1 A Participant may elect to withdraw from the Savings Contract by filing the prescribed form with the Company at the prescribed location. Such withdrawal may be elected at any time before the last day of an Offering Period, except as otherwise provided in the invitation documentation. In addition, if payment by cash or check is permitted under the terms of an Option, Participants may be deemed to withdraw from the Plan by declining or failing to remit timely payment to the Company for the Shares. As soon as reasonably practicable thereafter, payroll deductions shall cease and the entire amount credited to the Participant's Savings Contract shall be refunded to him or her in cash, without interest. No partial withdrawals shall be permitted.
- 6.3.2 A former Participant who has withdrawn from a Savings Contract shall not be a Participant until he or she re-enrolls in a new Savings Contract under Rule 3. Re-enrollment may be effective only at the commencement of an Offering Period.

7. CHANGE OF CONTROL AND RECONSTRUCTION

7.1 Exercise of Options

If:

- 7.1.1 any person or group of persons acting in concert obtains Control of the Company as a result of:
- 7.1.1.1 making a general offer to acquire the whole of the issued ordinary share capital of the Company (whether or not including all or any relevant Treasury Shares within the meaning of section 974(6) of the Companies Act 2006) which is made on a condition such that if it is satisfied the person or group of persons will have Control of the Company; or
 - 7.1.1.2 a general offer to acquire all the issued Shares (whether or not including all or any relevant Treasury Shares within the meaning of section 974(6) of the Companies Act 2006) (or such of them as are not already owned by it and/or by any of its subsidiaries); or
- 7.1.2 any person becomes entitled or bound to acquire Shares under sections 979 to 982 (inclusive) or 983 to 985 (inclusive) of the Companies Act 2006; or
- 7.1.3 under section 899 of the Companies Act 2006 the court sanctioning a compromise or arrangement applicable to or affecting;
- 7.1.3.1 all the ordinary share capital of the company or all the issued Shares; or

- 7.1.3.2 all the shares in the Company, or all the issued Shares, which are held by a class of shareholders identified otherwise than by reference to their employment or directorship or their participation in an approved SAYE option scheme;

then the Board shall serve notice upon each Participant notifying him of such fact and a Participant may subject to Rule 5.2 (other than Rule 5.2.1) exercise any Option or part of it which has not lapsed by (subject to Rule 6.1.1) the earlier of the expiry of the Appropriate Period defined in Rule 7.5 and the expiry of the Offering Period. Any Option which is not so exercised shall lapse unless Rule 7.4 applies.

7.2 Exercise on a Non-UK Reorganisation Arrangement

- 7.2.1 If the Company's shareholders become bound by a Non-UK Reorganisation Arrangement that is applicable to or affects:

- 7.2.1.1 all the ordinary share capital of the Company or all the shares of the same class as the Shares to which the option relates; or

- 7.2.1.2 all the Shares, or all the shares of that same class, which are held by a class of shareholders identified otherwise than by reference to their employment or directorship or their participation in a Schedule 3 SAYE option scheme,

then the Board shall serve notice upon each Participant notifying him of such fact and a Participant may subject to Rule 5.2 (other than Rule 5.2.1) exercise any Option or part of it which has not lapsed by (subject to Rule 6.1.1) the earlier of the expiry of the Appropriate Period defined in Rule 7.5 and the expiry of the Offering Period. Any Option which is not so exercised shall lapse unless Rule 7.4 applies.

7.3 Further provisions on timing of exercise

- 7.3.1 If:

- 7.3.1.1 an event specified in Rule 7.1.1 occurs; or

- 7.3.1.2 a change of Control occurs as a result of an event specified in Rules 7.1.2 or 7.1.3 or 7.2;

and, as a result of the change of Control, Shares will no longer satisfy the requirements of Part 4 of Schedule 3, Options may be exercised within the period of 20 days following the change of Control, but no later.

- 7.3.2 If the Board reasonably expects an event with any of Rules 7.1.1 to 7.1.3 or 7.2 to occur, the Board may make arrangements permitting Options to be exercised for a period of 20 days ending with the Relevant Event. If an Option is exercised under this Rule 7.3.2, it will be treated as having been exercised in accordance with Rule 7.1.

If the Board makes arrangements for the exercise of Options under this Rule 7.3.2 and the Relevant Event does not occur within 20 days of the date of purported exercise, the Option shall be treated as not having been exercised.

7.4 Exchange of Options

- 7.4.1 If a company (in this Rule 7 the "**Acquiring Company**") has acquired Control of the Company as a result of any of the events described in Rules 7.1.1, 7.1.3 or 7.2, or has become entitled or bound as mentioned in Rule 7.1.2, (such acquiring of Control or becoming entitled or bound being referred to in Rule 7 as a "**Relevant Event**"), the Participant may by agreement with the Acquiring Company at any time within the Appropriate Period release his rights under the Plan (in this Rule 7 referred to as the "**Old Rights**") in consideration of the grant to him of rights (in this Rule 7 referred to as the "**New Rights**") which comply with Rule 7.4.2 and relate to shares in the Acquiring Company (or some other company which in relation to the Acquiring Company falls within paragraph (b) or paragraph (c) of paragraph 18 of Schedule 3).
- 7.4.2 The New Rights shall comply with each of the following requirements:
- 7.4.2.1 the shares to which they relate shall satisfy the conditions specified in relation to plan shares in paragraphs 18 to 20 (inclusive) and 22 of part 4 of Schedule 3;
- 7.4.2.2 the New Rights shall be exercisable in the same manner as the Old Rights and subject to the provisions of the Plan as it had effect immediately before the release of the Old Rights;
- 7.4.2.3 the total Market Value, immediately before the release, of the Shares which were subject to the Participant's Old Rights shall be substantially the same as the total Market Value immediately after the grant of the shares in respect of which the New Rights are granted to the Participant; and
- 7.4.2.4 the total amount payable by the Participant for the acquisition of shares in pursuance of the New Rights shall be substantially the same as the total amount that would have been payable for the acquisition of Shares in pursuance of the Old Rights,
- and for the purposes of this Rule "**Market Value**" shall be determined in accordance with paragraph 39(8) of Schedule 3.
- 7.4.3 Any reference in Rules 5, 7, 8, 9, 10.1, 10.3 to 10.5 and 11 to "Option", "Shares", "Company" or "Board" shall in its application to any New Rights be deemed a reference to the New Rights, the shares to which the New Rights relate, the company in whose capital such shares are comprised or the Board as defined in Rule 1 but in relation to the Acquiring Company.
- 7.4.4 Rule 7.4.1 above is included in the Plan by virtue of paragraph 38 of Schedule 3.
- 7.4.5 If New Rights shall be granted to a Participant by reference to any Relevant Event, Rules 7.1.1, 7.1.2, 7.1.3 and 7.2 shall cease to apply by reference to that Relevant Event (but without prejudice to their application by reference to any other Relevant Event).

7.5 **Meaning of "Appropriate Period"**

In this Rule 7 the "**Appropriate Period**" means:

- 7.5.1 in a case falling within Rule 7.1.1 and where Rule 7.1.2 does not apply, the period of six months beginning with the time when the person making the offer has obtained Control of the Company and any condition subject to which the offer is made is satisfied;
- 7.5.2 in a case falling within Rule 7.1.2, the period during which the Acquiring Company remains bound or entitled as mentioned in that paragraph;
- 7.5.3 in a case falling within Rule 7.1.3, the period of six months beginning with the time when the court sanctions the compromise or arrangement; and
- 7.5.4 in a case falling within Rule 7.2, the period of six months beginning with the date in which the UK Company Reorganisation Arrangement becomes binding on the shareholders covered by it.

7.6 Lapse after Relevant Event

Any Option which is not exercised or released pursuant to this Rule within the Appropriate Period following a Relevant Event (but not any New Rights granted by reference to that Relevant Event) shall (subject to Rule 6.1.1) lapse.

8. WINDING UP OF THE COMPANY

Subject always to Rule 5 (other than Rule 5.2.1) if at any time while any Option remains unexercised notice is duly given of a general meeting of the Company at which a resolution will be proposed for the voluntary liquidation of the Company, every Option shall be exercisable in whole or in part (provided that such Option has not by the time of such resolution lapsed and that exercise is not prohibited by Rule 5.2) until the commencement of such winding up (but not after the expiry of the Offering Period). The Company shall give to each Participant holding any unexercised Option notice of any meeting called for the purpose of considering a resolution for the voluntary liquidation of the Company and shall at the same time give him notice of his rights under this Rule 8. Subject to this, all Options shall lapse on the commencement of any liquidation of the Company.

9. VARIATION OF CAPITAL

9.1 Adjustment of Options

- 9.1.1 Subject to Rules 9.1.2 and 9.2, in the event of any variation of the share capital of the Company (whenever effected) by way of capitalisation, rights issue, sub-division, consolidation or reduction, the Board may make such adjustments as it considers appropriate under Rule 9.1.2.
- 9.1.2 An adjustment made under this Rule 9.1.2 shall be to one or more of the following:
 - 9.1.2.1 the aggregate and individual limits on the number of Shares in respect of which any Option granted under the ESPP Sub-Plan may be exercised;
 - 9.1.2.2 the price at which shares may be acquired by the exercise of any such Option; and
 - 9.1.2.3 where any such Option has been exercised but no Shares have been issued pursuant to such exercise, the number of Shares which may be so issued and the price at which they may be acquired.

9.2 Restrictions on Adjustment

9.2.1 No adjustment under Rule 9.1.2 above shall be made:

9.2.1.1 as a result of which the aggregate amount payable on the exercise of an Option would be materially changed or increased beyond the expected repayment under the Savings Contract at the Purchase Date; nor

9.2.1.2 which would cause the Shares to cease to satisfy the conditions specified in paragraphs 18 to 20 (inclusive) and 22 of Part 4 of Schedule 3.

9.2.2 Any adjustment made under Rule 9.1.2 must (in particular) secure:

9.2.2.1 that the total market value of the shares which may be acquired by the exercise of the Option is immediately after the variation or variations substantially the same as what it was immediately before the variation or variations; and

9.2.2.2 that the total price at which those shares may be acquired is immediately after the variation or variations substantially the same as what it was immediately before the variation or variations

and must comply with paragraph 28(3B) of Schedule 3 and Section 424 of the Code and the Treasury Regulations thereunder.

9.3 Adjustments below nominal value

No adjustment shall have the effect of reducing the Option Exercise Price per Share to less than the nominal value of a Share unless the Board is authorised to capitalise from reserves a sum equal to the difference and to apply such sum in paying up the Shares.

9.4 Notification to Participants

As soon as reasonably practicable after making any adjustment under Rule 9.1.2, the Board shall give notice in writing of it to each Participant.

10. ALTERATIONS TO PLAN

10.1 General

Subject to this Rule 10, the Board may by resolution at any time and from time to time make any alteration to the ESPP Sub-Plan which it thinks fit. Any such alteration which is a minor amendment to benefit the administration of the ESPP Sub-Plan or is necessary or desirable to comply with or to take account of any applicable legislation or statutory regulations or any change therein or any requirements to enable the Plan to continue to qualify as an "employee stock purchase plan" within the meaning of Section 423(b) of the Code or to obtain or maintain favourable taxation treatment for the Company or Participants or potential Participants may be made notwithstanding the following provisions of this rule (except Rule 10.2).

10.2 Alterations to key features

No alteration shall be made to any provision of the ESPP Sub-Plan if such amendment would mean that the ESPP Sub-Plan would cease to qualify as an "employee stock purchase plan" within the meaning of Section 423(b) of the Code.

10.3 Amendments to the advantage of Participants

No alteration to the advantage of Participants or persons who may participate in the Plan shall be made to the to the provisions concerning eligibility, the individual limits on participation, the overall limits on the issue of shares under the ESPP Sub-Plan, the basis for determining a Participant's entitlement and the adjustments that may be made following a rights issue or any other variation of capital without the prior approval by ordinary resolution of the members of the Company in general meeting.

10.4 Amendments to the advantage of Participants

No alteration shall be made which would materially increase the liability of any Participant or which would materially decrease the value of any Participants' subsisting rights attached to any Option without in each case that Participant's prior written consent.

10.5 Notice of alteration

As soon as reasonably practicable after making any alteration under this Rule 10, the Board shall give notice in writing of it to each Participant.

11. MISCELLANEOUS

11.1 No employment rights

This ESPP Sub-Plan shall not form part of the contract of employment of any individual who participates in it. The rights and obligations of any individual under the terms of his office or employment with any Company participating in the ESPP Sub-Plan shall not be affected by his participation in the ESPP Sub-Plan or any right which he may have to participate in it.

An individual who participates in the ESPP Sub-Plan shall waive any and all rights to compensation or damages in consequence of the termination of his office or employment for any reason whatsoever (including unfair or wrongful dismissal) insofar as those rights arise or may arise from his ceasing to have rights under or being entitled to exercise any Option under the ESPP Sub-Plan as a result of such termination. No such participation, rights, or benefits shall be taken into account for the purposes of calculating the amount of benefits payable to any pension fund. Invitations made, and Options granted, under the ESPP Sub-Plan shall not constitute any representation or warranty that any benefit will accrue to any individual who is invited to participate or granted the Option.

11.2 Administration

The ESPP Sub-Plan shall be administered by the Board who may from time to time make and vary procedures for administration and implementation of the ESPP Sub-Plan as they think fit, and in the event of any dispute or disagreement as to the interpretation of the ESPP Sub-Plan, or of any rule, regulation or procedure, or as to any question or right arising from or related to the ESPP Sub-Plan, the decision of the Board shall be final and binding upon all persons (subject to the written concurrence of the Auditors having been obtained when so required by the Rules).

11.3 Notices

Any notice or other communication under or in connection with the ESPP Sub-Plan may be given:

11.3.1 by personal delivery or by sending the same by post:

11.3.1.1 in the case of a company or the Trustee, to their registered office;
and

11.3.1.2 in the case of an individual, to his last known address, or where he is a director or employee of a company participating in the ESPP Sub-Plan, either to his last known address or to the address of the place of business at which he performs the whole or substantially the whole of the duties of his office or employment

and where a notice or other communication is given by first class post, it shall be deemed to have been received 48 hours after it was put into the post properly addressed and stamped; or

11.3.2 by electronic communication to their usual business address for the time being notified for that purpose to the person giving the notice.

11.4 Data privacy

For the purpose of administering the ESPP Sub-Plan, the Company may pass personal information about any Qualifying Employee or Participant (including, without prejudice to the generality of the foregoing, such person's name, address age and salary details) to third parties for the purpose of administering the ESPP Sub-Plan or complying with its legal obligations.

11.5 Shareholder Approval

The ESPP Sub-Plan shall be submitted to the shareholders of the Company for their approval within twelve (12) months before or after the date the ESPP Sub-Plan is adopted by the Board. Any other provision of the Plan notwithstanding, no Shares shall be purchased under the Plan unless and until the Company's shareholders have approved the adoption of the ESPP Sub-Plan.

11.6 Currency Conversion

No member of the Group shall be liable for any loss suffered by a Participant due to movements in currency exchange rates or due to any charges imposed by a bank in relation to the conversion or transfer of monies.

12. GOVERNING LAW

The Rules and the ESPP Sub-Plan shall in all respects be governed by and construed in accordance with the laws of England and the courts of England shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the ESPP Sub-Plan. Any proceedings, suit or action arising out of this Plan shall be brought in such courts.

Appendix – Californian Participants

Notwithstanding any provision contained in the ESPP Sub-Plan to the contrary, each Option granted to a California Participant shall be granted and administered in compliance with the California Code of Regulations, as amended, to the extent required to comply with the requirements of Section 25102(o) of the California Corporations Code. In this regard, the rules outlined in this Appendix to the ESPP Sub-Plan shall apply with respect to Options granted to California Participants.

Where there is any conflict between the rules of the ESPP Sub-Plan and this Appendix, the terms of this Appendix will prevail.

1. DEFINITIONS AND AN INTERPRETATION

- 1.1. In this Appendix, unless otherwise stated, the words and expressions below have the following meanings:

"Appendix" means this Appendix to the ESPP Sub-Plan.

"California Participant" means a Participant who resides in California on the Date of Grant or who subsequently becomes a resident of California whilst holding subsisting Options;

"ESPP Sub-Plan" means the Kainos Group PLC ESPP as set out in the Appendix to the Plan as amended from time to time;

"Plan" means the Kainos Group PLC SAYE Plan, as amended from time to time; and

2. APPLICATION TO THE RULES OF THE ESPP SUB-PLAN

- 2.1. This Appendix is effective as of the date it is adopted by the Company's board of directors. The rules of the ESPP Sub-Plan will apply to Options that are subject to this Appendix, save as those rules are amended by this Appendix.

3. OPTIONS

- 3.1. If a Participant to whom an Option has been granted becomes a California Participant in connection with an Option after the Date of Grant, the terms of the Option will be construed as if it had been granted subject to the rules of the ESPP Sub-Plan as varied by this Appendix.
- 3.2. The Participant will be notified of any changes to their Option as soon as possible thereafter.

4. SHAREHOLDER APPROVAL

- 4.1. This Appendix must be approved by majority of the shareholders within 12 months of the first Option grant to a California Participant.

5. NO GRANT AFTER 10 YEARS

- 5.1. The following wording will be added to the end of 2.1.1 of the ESPP Sub-Plan:

"Notwithstanding the foregoing, no Option may be granted to a California Participant more than 10 years after the earlier of the Adoption Date of the ESPP Sub-Plan and the date the ESPP Sub-Plan is approved by the shareholders."

6. PLAN LIMIT

- 6.1. The following new Rule 2.1A will be added after Rule 2.1:

"Rule 2.1A Subject to Rule 2.1, the total number of Shares that may be received by California Participants pursuant to Options granted under the ESPP Sub-Plan, in aggregate, is limited to the number set out in Rule 2.1.3 (the "CA Authorised Share Limit"), save that the annual increase to that number shall not apply for Californian Participants. The number of Shares which are subject to Options held by California Participants which are outstanding at any time shall not exceed the number of Shares which then remain available for issuance under the ESPP Sub-Plan. Shares subject to Options that are cancelled, forfeited, settled in cash or expire by their terms will not be counted against the CA Authorised Share Limit."

7. ADJUSTMENTS

7.1. The following wording will be added to the end of Rule 9.1.1 of the ESPP Sub-Plan:

"Notwithstanding the foregoing, the number and/or the description of Shares subject to an Option granted to California Participants and/or the Option Price of an Option granted to California Participants will be proportionately adjusted in the event of any variation of the ordinary share capital of the Company including a stock split, reverse stock split, stock dividend, recapitalization, combination, reclassification or distribution of the Shares."