

Notice of Annual General Meeting

Thursday, 4 May 2023 at 10.00am

Venue: Slaughter and May, One Bunhill Row, London EC1Y 8YY

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

It contains the resolutions to be voted on at Morgan Sindall Group plc's Annual General Meeting to be held on Thursday, 4 May 2023 at 10.00am. If you are in any doubt as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (or, if you are resident outside the UK, an appropriately qualified independent financial adviser). If you have sold or transferred all of your shares in Morgan Sindall Group plc, please pass this document, together with the accompanying documents, to the purchaser or transferee or to the person who arranged the sale or transfer, so they can pass these documents to the person who now holds the shares.

Contents

Chair's letter	01
Notice of meeting	02
Explanatory notes to the resolutions	05
Notes	09
Appendix 1	12
Appendix 2	15



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CHAIR'S LETTER

Dear Shareholder

Annual General Meeting 2023

I am writing to you regarding the 2023 Annual General Meeting (the 'AGM') of Morgan Sindall Group plc (the 'Company'), which will be taking place at 10.00am on Thursday, 4 May 2023 at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY.

The AGM is an opportunity for shareholders to express their views directly to the Board and I hope you will take the opportunity to do so either by attending the meeting in person or submitting a question on the business to be discussed at the AGM in advance of the meeting.

The Notice convening the meeting (the 'Notice of Meeting') is set out on pages 2 to 4. In addition to the resolutions that we regularly bring to our shareholders at our AGMs, the business of the meeting includes: a resolution to approve a new remuneration policy; two resolutions to approve new Share Plan Rules in substitution for our existing rules that were last approved by shareholders in 2014; and a resolution to increase the maximum aggregate fees which may be paid per annum to non-executive directors. A detailed explanation of the business to be considered at the meeting is set out on pages 5 to 8.

The directors believe that, in the interest of shareholder democracy, it is important that the votes of all members are taken into account and not just those who are able to attend the AGM. All resolutions will therefore be put to shareholders by way of a poll rather than a show of hands.

Action required

Whether or not you intend to be present at the AGM, you are strongly encouraged to appoint a proxy to cast your votes as soon as possible. All shareholders are sent either a proxy form or an email containing a Control Number, Shareholder Reference Number ('SRN') and PIN.

You can either complete, sign and return the proxy form, or submit an electronic proxy appointment instruction at www.investorcentre.co.uk/eproxy. In order to be counted, your voting instructions must be received by the Company's Registrar at the relevant address set out in the Notes to the Notice of Meeting, by no later than 10.00am on Tuesday, 2 May 2023. Completion and return of the proxy form or submission of an electronic instruction will not preclude you from attending and voting in person at the AGM should you subsequently decide to do so.

Questions

The AGM is an important opportunity for you to express your views by asking questions and voting. Your participation in this annual event continues to be very important to us.

While we have decided to return to holding our AGM in person, we encourage those shareholders who cannot attend the meeting on the day to submit any questions to the Board in advance of the meeting by emailing cosec@morgansindall.com (marked for the attention of the Company Secretary).

We will endeavour to publish (on an anonymised basis) any questions received before 10.00am on Tuesday, 2 May 2023 and our responses to those questions on our website (www.morgansindall.com/investors/annual-general-meeting) prior to the AGM. Following the AGM, we will publish (on an anonymised basis) the full set of questions received (including those received after 10.00am on Tuesday, 2 May 2023) and answers to those questions on our website (www.morgansindall.com/investors/annual-general-meeting). However, we reserve the right to edit questions or not to respond where we consider it appropriate to do so taking account of our legal obligations.

Dividend payments

Shareholders are reminded that the Company will be paying dividends directly into a nominated bank or building society account and will no longer be issuing dividend payments by cheque. Shareholders are therefore encouraged to ensure that your account details are recorded with the Company's Registrar as soon as possible, but not later than 28 April 2023 in order to have your dividend paid directly to you on the proposed 2022 final dividend payment date. Please see Note 25 for further details and contact information.

Recommendation

The directors consider that all the resolutions to be proposed at the AGM are likely to promote the success of the Company and are in the best interests of the Company and its shareholders as a whole, and accordingly, unanimously recommend that you vote in favour of the resolutions, as the directors themselves intend to do in respect of their own beneficial shareholdings.

The results will be published on the 'Annual General Meeting' page of our website at www.morgansindall.com and will be released as soon as reasonably practicable via a Regulatory Information Service following the conclusion of the AGM.

Yours faithfully

Michael Findlay

Chair

23 March 2023

NOTICE OF MEETING

Notice is hereby given that the 2023 AGM of the members of Morgan Sindall Group plc (the 'Company') will be held at 10.00am on Thursday, 4 May 2023 at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY, to consider and, if thought fit, pass the following resolutions. Voting on all resolutions will be by way of a poll. All resolutions will be proposed as ordinary resolutions save for resolutions 20 to 23 (inclusive) which will be proposed as special resolutions.

Ordinary resolutions

Report and accounts

1. To receive and accept the Company's audited financial statements, the strategic report, the directors' and corporate governance report and the auditor's report for the year ended 31 December 2022 (together the 'Annual Report').

Final dividend

2. That a final dividend of 68 pence per ordinary share be declared for the year ended 31 December 2022, payable on 18 May 2023 to shareholders whose names appear on the register of members at the close of business on 28 April 2023.

Directors' remuneration policy

3. To approve the directors' remuneration policy as set out on pages 141 to 151 of the Company's Annual Report.

Directors' remuneration report

4. To approve the remuneration report (other than the part containing the remuneration policy), as set out on pages 134 to 163 of the Company's Annual Report.

Directors

5. That Michael Findlay be reappointed as a director.
6. That John Morgan be reappointed as a director.
7. That Steve Crummett be reappointed as a director.
8. That Malcolm Cooper be reappointed as a director.
9. That Tracey Killen be reappointed as a director.
10. That David Lowden be reappointed as a director.
11. That Jen Tippin be reappointed as a director.
12. That Kathy Quashie be reappointed as a director.

Auditor reappointment

13. That Ernst & Young LLP be reappointed as auditor of the Company from the conclusion of this meeting until the next general meeting at which accounts are laid before the Company.

Auditor's remuneration

14. To authorise the directors to determine the auditor's remuneration.

Political donations

15. That in accordance with section 366 and section 367 of the Companies Act 2006 (the 'Act'), the Company and all companies that are its subsidiaries at any time during the period for which this resolution is effective, be and are hereby authorised to:

- (a) make political donations to political parties and/or independent election candidates not exceeding £25,000 in total;
- (b) make political donations to political organisations other than political parties not exceeding £25,000 in total; and
- (c) incur political expenditure not exceeding £25,000 in total, (as such terms are defined in sections 363 to 365 of the Act),

provided that the aggregate amount of political donations made or political expenditure incurred by the Company and its subsidiaries shall not exceed £25,000 during the period beginning with the date of the passing of this resolution and ending at the conclusion of the Company's next AGM in 2024 or close of business on 4 August 2024, whichever is earlier.

NOTICE OF MEETING continued**Directors' authority to allot shares**

16. That the Board be generally and unconditionally authorised to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company:
- (a) up to an aggregate nominal amount of £789,207.35 (such amount to be reduced by any allotments or grants made under paragraph (b) below in excess of such amount); and
 - (b) comprising equity securities (as defined in section 560(1) of the Act) up to an aggregate nominal amount of £1,578,414.75 (such amount to be reduced by any allotments or grants made pursuant to paragraph (a) above) in connection with an offer by way of a rights issue:
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities as required by the rights of those securities or as the Board otherwise considers necessary,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, any legal, regulatory or practical problems, in, or under the laws of, any territory or the requirements of any regulatory body or exchange or any other matter, provided that (unless revoked, varied or renewed) such authority shall apply until the end of the Company's next AGM in 2024 or close of business on 4 August 2024, whichever is earlier, but, in each case, so that during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Board may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

Adoption of the 2023 Long-Term Incentive Plan

17. That the Morgan Sindall 2023 Long-Term Incentive Plan (the 'LTIP'), the principal terms of which are summarised in Appendix 1 to this Notice and the rules of which are produced to the meeting and signed by the Chair of the meeting for the purposes of identification, be approved and the directors be authorised to:
- (a) do all or such acts and things as they may consider necessary or desirable to establish the LTIP; and
 - (b) adopt any plans or sub-plans based on the LTIP but modified to take account of local tax, exchange control or securities laws in any overseas jurisdiction, provided that any shares made available under such further plans are treated as counting against any limit on individual or overall participation in the LTIP.

Adoption of the 2023 Share Option Plan

18. That the Morgan Sindall 2023 Share Option Plan (the 'SOP'), the principal terms of which are summarised in Appendix 2 to this Notice and the rules of which are produced to the meeting and signed by the Chair of the meeting for the purposes of identification, be approved and the directors be authorised to:
- (a) do all or such acts and things as they may consider necessary or desirable to establish the SOP; and

- (b) adopt any plans or sub-plans based on the SOP but modified to take account of local tax, exchange control or securities laws in any overseas jurisdiction, provided that any shares made available under such further plans are treated as counting against any limit on individual or overall participation in the SOP.

Directors' fees

19. That the maximum fee which may be paid per annum in aggregate to the non-executive directors in accordance with article 88 of the Company's articles of association (excluding amounts payable under any other provision of the articles) be increased to £800,000 per annum.

Special resolutions**Directors' general authority to disapply pre-emption rights**

20. That if resolution 16 is passed, the Board be given power to allot equity securities (as defined in the Act) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to such allotment or sale, such power to be limited:
- (a) to the allotment of equity securities and sale of treasury shares in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (b) of resolution 16, by way of a rights issue only):
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities, as required by the rights of those securities, or as the Board otherwise considers necessary,

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

- (b) in the case of the authority granted under paragraph (a) of resolution 16 and/or in the case of any sale of treasury shares, to the allotment of equity securities and/or sale of treasury shares (otherwise than under paragraph (a) above) up to a nominal amount of £118,381.10,

such power to apply until the end of the Company's next AGM in 2024 or close of business on 4 August 2024, whichever is earlier, but, in each case, so that during this period the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and/or treasury shares to be sold) after the power ends and the Board may allot equity securities (and/or sell treasury shares) under any such offer or agreement as if the power had not ended.

NOTICE OF MEETING continued**Directors' specific authority to disapply pre-emption rights in connection with an acquisition or specified capital investment**

21. That if resolution 16 is passed, the Board be given power, in addition to any power granted under resolution 20, to allot equity securities (as defined in the Act) for cash under the authority given by paragraph (a) of resolution 16 and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such power to be:

- (a) limited to the allotment of equity securities and/or sale of treasury shares up to a nominal amount of £118,381.10; and
- (b) used only for the purposes of financing (or refinancing, if the power is to be used within 12 months after the original transaction) a transaction which the Board determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice of Meeting,

and such power to apply until the end of the Company's next AGM, or close of business on 4 August 2024, whichever is earlier, but, in each case, so that during this period the Company may make offers and enter into agreements, which would, or might, require equity securities to be allotted (and/or treasury shares to be sold) after the power ends and the directors may allot equity securities (and/or sell treasury shares) under any such offer or agreement as if the power had not ended.

Authority to purchase own shares

22. That the Company be and is hereby generally authorised for the purposes of section 701 of the Act to make one or more market purchases (within the meaning of section 693(4) of the Act) of any of the Company's ordinary shares of 5p each on such terms and in such manner as the directors may from time to time determine, provided that:

- (a) the maximum aggregate number of ordinary shares authorised to be purchased is 4,735,244;
- (b) the minimum price which may be paid for each ordinary share (exclusive of expenses) shall be the nominal value of that ordinary share; and
- (c) the maximum price (exclusive of expenses) which may be paid for each ordinary share shall be the higher of:
 - (i) an amount equal to 5% above the average market value of an ordinary share for the five business days immediately preceding the day on which that ordinary share is contracted to be purchased; and
 - (ii) the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venues where the purchase is carried out at the relevant time,

such authority to apply until the end of the Company's next AGM in 2024 or close of business on 4 August 2024, whichever is earlier, but so that during this period the Company may enter into a contract to purchase ordinary shares, which would, or might, be completed or executed wholly or partly after the authority ends and the Company may purchase ordinary shares pursuant to any such contract as if the authority had not ended.

Notice period for general meetings

23. That a general meeting, other than an annual general meeting, may be called on not less than 14 clear days' notice.

By order of the Board, 23 March 2023.

Clare Sheridan

Company Secretary

Registered Office:

Kent House

14–17 Market Place

London W1W 8AJ

Registered in England and Wales No. 00521970

EXPLANATORY NOTES TO THE RESOLUTIONS

The explanatory notes on the following pages explain each of the proposed resolutions. Resolutions 1 to 19 (inclusive) are proposed as ordinary resolutions. This means that for each of these resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 20 to 23 (inclusive) are proposed as special resolutions. For each of these resolutions to be passed, at least three quarters of the votes cast must be in favour of the resolution.

All resolutions at the AGM will be put to shareholders by way of a poll rather than a show of hands. A poll vote is more representative of shareholders' voting intentions because shareholder votes are counted according to the number of shares held and all votes tendered are taken into account. After the meeting, the results of voting, including proxy directions to withhold votes, will be published on our website.

Resolution 1: Annual Report

The directors of the Company are required to lay the Annual Report of the Company before the shareholders each year at the AGM. The Company's 2022 Annual Report comprises the audited financial statements, the auditor's report, the directors' and corporate governance report, the strategic report and the remuneration report.

Resolution 2: Final dividend

The Board recommends the payment of a final dividend of 68p per ordinary share. Subject to approval by shareholders, the final dividend will be paid on 18 May 2023 to all ordinary shareholders on the register of members at close of business on 28 April 2023.

Resolutions 3 and 4: Directors' remuneration policy and directors' remuneration report

In accordance with the Companies Act 2006 (the 'Act'), the Company is required to offer a binding vote on the Company's forward-looking directors' remuneration policy (the 'Policy') at least once every three years and a separate advisory vote on the implementation of the Company's existing remuneration policy (as set out in the directors' remuneration report) each year. The Policy which is currently in force was approved by shareholders at the AGM held in May 2020. The Policy has been reviewed in the light of current best practice and with the aim of ensuring that our remuneration arrangements continue to support the Company's strategy and motivate and retain talent. Reflecting that many of the recommendations of the latest UK Corporate Governance Code are already incorporated in the existing Policy and having consulted with the Company's major shareholders and prominent proxy agencies, the Company is proposing only minor amendments, highlighted as follows:

In order to future-proof the Policy and to build in some additional headroom for occasions in the future when the remuneration committee may need it – for example, to reward significant growth in the business or in the event of a new appointment – the remuneration committee has increased:

- the maximum annual bonus opportunity in the Policy from 125% to 150% of salary; and
- the maximum LTIP opportunity in the Policy from 150% to 200% of salary.

This extra headroom will not be used for the 2023 awards. See pages 135 to 137 of the 2022 Annual Report for further information on the Policy changes.

The Company proposes resolution 3 as an ordinary resolution to approve the revised Policy contained in the directors' remuneration report as set out on pages 141 to 151 of the Annual Report. If and when approved by shareholders, the new Policy will be binding on the Company from the 2023 AGM, and the directors will only be able to make remuneration payments in accordance with it.

Our remuneration report received 67.36% votes in favour at the AGM held in 2022 and, as noted in our remuneration report on page 135 of the 2022 Annual Report, we have discussed shareholders' concerns with them as part of our consultation on the new Policy. Resolution 4 is an ordinary resolution to approve the remuneration report which is set out on pages 134 to 163 of the Annual Report, other than the part containing the Policy which is set out on pages 141 to 151. The remuneration report discloses how the Company's existing Policy was implemented during 2022. The vote on this resolution is advisory only and the directors' entitlement to remuneration is not conditional on the resolution being passed.

Resolutions 5 to 12: Reappointment of directors

Under the Company's articles of association, at every AGM all the directors at the date of the notice convening the AGM shall retire from office and may offer themselves for reappointment by the members. Each of our directors will stand for re-election at this year's AGM. The directors' biographies are set out on pages 104 and 105 of the Annual Report and include details of the skills, competencies and experience of each director. The directors' balance of knowledge and skills, combined with their breadth of business experience, makes a significant contribution to the effective functioning of the Board and is, and continues to be, important to the Company's long-term sustainable success. Following the annual evaluation process, the Board believes that the performance of each of the directors proposed to be reappointed at the AGM continues to be effective and that they demonstrate commitment to their respective roles.

EXPLANATORY NOTES TO THE RESOLUTIONS continued**Resolutions 13 and 14: Reappointment and remuneration of the auditor**

The Company is required to appoint an auditor at each general meeting at which accounts are laid to serve until the next such meeting. Ernst & Young LLP has indicated its willingness to continue in office and resolution 13 proposes its reappointment to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the Company.

In accordance with normal practice, resolution 14 proposes that the auditor's remuneration be determined by the directors. The Board will delegate this authority to the audit committee to negotiate and agree the auditor's remuneration.

Resolution 15: Political donations

This resolution will renew the authority given at last year's AGM, which is due to expire at the 2023 AGM. Under sections 366 and 367 of the Act, the Company is required to seek shareholders' authority to make any political donations and/or incur political expenditure in the UK or any member state of the European Union. Although the Company does not make, and does not intend to make, donations to political parties and/or to independent election candidates within the normal meaning of that expression, the legislation is very broadly drafted and may catch activities such as: funding seminars and other functions to which politicians are invited; supporting certain bodies involved in policy review and law reform; and matching employees' donations to certain charities.

Therefore, in accordance with current best practice, the directors have decided to propose an ordinary resolution to authorise the Company and its subsidiaries to make certain types of political donations and/or expenditure, as more particularly described in the resolution, up to an aggregate amount of £25,000. This authority shall expire at the conclusion of next year's AGM, or close of business on 4 August 2024, whichever is earlier.

Resolution 16: Directors' authority to allot shares

The directors currently have authority to allot shares in the Company and to grant rights to subscribe for or convert any securities into shares in the Company. This authority is due to lapse at our 2023 AGM. The Board is seeking by this ordinary resolution to renew the directors' authority to allot shares in the capital of the Company in accordance with section 551 of the Act.

Paragraph (a) of this resolution would give directors the authority to allot shares or grant rights to subscribe for or convert any securities into shares up to an aggregate nominal amount equal to £789,207.35 (representing 15,784,147 shares). This amount represents approximately one third of the total issued share capital of the Company as at 15 March 2023, the latest practicable date prior to the date of this Notice of Meeting.

The directors are aware of the latest Share Capital Management Guidelines published by The Investment Association in February 2023, which update the previous guidance to allow the authority in paragraph (b) of this resolution to incorporate all fully pre-emptive offers, not just fully pre-emptive rights issues. The directors have decided that they will propose limiting the relevant limb of the allotment authority to rights issues in line with past practice but will keep emerging market practice under review. As a result, paragraph (b) of this resolution would give the directors the authority to allot shares or grant rights to subscribe for or convert any securities into shares in connection with a rights issue, up to an aggregate nominal amount equal to £1,578,414.75 (representing 31,568,295 shares), as reduced by the nominal amount of any shares issued under paragraph (a) of this resolution. This amount (before any reduction) represents approximately two thirds of the total issued share capital of the Company as at 15 March 2023, being the latest practicable date prior to the date of this Notice of Meeting.

The authorities sought under this resolution, if passed, will expire at the conclusion of the Company's next AGM in 2024 or close of business on 4 August 2024, whichever is earlier. The directors currently have no intention of issuing further shares or granting rights over shares other than in connection with the Company's employee share option and share incentive schemes. However, if the directors do exercise the authority granted by the resolution, the directors intend to follow the IA's recommendations concerning its use.

As at 15 March 2023, being the latest practicable date prior to the date of this Notice of Meeting, the Company held no shares in treasury.

Resolutions 17 and 18: Adoption of the 2023 Long-Term Incentive Plan and 2023 Share Option Plan

The Company's existing 2014 Long-Term Incentive Plan (the '2014 LTIP') and 2014 Share Option Plan (the '2014 SOP') (together 'the existing Plans') will both expire in 2024. The remuneration committee has recently completed a comprehensive review of the Company's approach to executive remuneration and long-term incentive provision, resulting in a revised remuneration policy being put to a shareholder vote at this year's AGM. As part of that process, the remuneration committee has similarly concluded that two new plans should be established in 2023 to replace the existing Plans: (i) the 2023 Long-Term Incentive Plan ('2023 LTIP'), under which performance share awards may be granted; and (ii) the 2023 Share Option Plan ('2023 SOP'), under which both tax-advantaged and non-tax-advantaged share options can be granted.

EXPLANATORY NOTES TO THE RESOLUTIONS continued

The 2023 LTIP will be used primarily to grant awards to executive directors and selected senior management within the Group and, given that the Company is submitting a revised directors' remuneration policy to shareholders under resolution 3, it is operationally sensible for the LTIP updates and other features to be aligned to the revised remuneration policy as soon as possible. The 2023 SOP will be used to grant options to employees below that level (with executive directors excluded from being granted awards under the Plan). The proposed new Plans are similar to the existing Plans but the 2023 LTIP has been updated to take account of continued developments in corporate governance and best practice, including formalising the introduction of post-vesting holding periods and the ability to adjust formulaic vesting outcomes. A summary of the principal terms for the new Plans is contained in Appendices 1 and 2 of this Notice of Meeting.

A copy of the proposed rules for the new Plans will be available to view through the National Storage Mechanism at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism> from 23 March 2023. The rules will also be available for inspection as detailed in explanatory note 26 of this Notice of Meeting.

Resolution 19: Directors' fees

The articles of association of the Company currently allow the payment of non-executive directors' fees of up to £600,000 per annum in aggregate (excluding amounts payable under any other provision of the articles). In order to provide the Board with further flexibility for future increases to fees paid to existing non-executive directors and/or appointments of new non-executive directors, it is proposed that this limit be increased to £800,000 in aggregate per annum. The articles provide that this increase may be effected by an ordinary resolution.

Resolutions 20 and 21: Directors' general authority to disapply pre-emption rights and directors' specific authority to disapply pre-emption rights in connection with an acquisition or specified capital investment

Resolutions 20 and 21 will be proposed as special resolutions, each of which requires a 75% majority of the votes to be cast in favour. They would give the Board the power to allot equity securities (or sell any ordinary shares which the Company holds in treasury) for cash without first offering them to existing shareholders in proportion to their existing shareholdings.

The power set out in resolution 20 would be limited to:

- (a) pre-emptive offers, including rights issues or open offers and offers to holders of other equity securities if required by the rights of those securities, or as the Board otherwise consider necessary; and
- (b) otherwise, allotments or sales up to an aggregate nominal amount of £118,381.10 (representing 2,367,622 shares and approximately 5% of the issued ordinary share capital of the Company as at 15 March 2023, the latest practicable date prior to publication of this Notice of Meeting).

Resolution 21 is intended to give the Company flexibility to make non-pre-emptive issues of ordinary shares in connection with acquisitions and other capital investments as contemplated by the Pre-emption Group's Statement of Principles. The power under resolution 21 is in addition to that proposed by resolution 20 and would be limited to allotments or sales of up to an aggregate nominal amount of £118,381.10 (representing 2,367,622 shares and an additional 5% of the issued ordinary share capital of the Company as at 15 March 2023, the latest practicable date prior to publication of this Notice of Meeting).

In respect of the authorities sought under resolutions 20 and 21, the directors acknowledge the increased limits set out in the Pre-emption Group's most recent Statement of Principles published in November 2022. However, at this time, the directors consider it appropriate to retain the previous limits of 5% of the issued ordinary share capital of the Company in resolutions 20 and 21 and have not adopted the increased limits of 10% set out in the Pre-emption Group's most recent Statement of Principles, nor do the resolutions specifically provide for follow-on offers. The directors will keep emerging market practice under review but consider that the limits of 5% provide sufficient flexibility to the Company at present.

The directors have no present intention to exercise the powers sought by resolutions 20 or 21. If the powers sought by resolutions 20 or 21 are used in relation to a non-pre-emptive offer, the directors confirm their intention to follow the shareholder protections in paragraph 1 of Part 2B of the Pre-emption Group's Statement of Principles issued in November 2022 and, where relevant, follow the expected features of a follow-on offer as set out in paragraph 3 of Part 2B of the Pre-emption Group's Statement of Principles issued in November 2022.

The powers under resolutions 20 and 21 will expire at the conclusion of the Company's next AGM in 2024 or close of business on 4 August 2024, whichever is earlier.

EXPLANATORY NOTES TO THE RESOLUTIONS continued**Resolution 22: Authority to purchase own shares**

Resolution 22 is a special resolution seeking approval of the renewal of the general authority from shareholders granted at last year's AGM authorising the Company to buy back its ordinary shares in the market, either for cancellation or to be held in treasury. There are a number of reasons why the directors may, in the future, consider a buy-back of shares to be in the best interests of the Company and of its shareholders generally.

These may include where the directors:

- (i) expect that such a buy-back would result in an increase in earnings per share;
- (ii) consider that the Company has excess cash; and/or
- (iii) determine that it is appropriate to increase the Company's gearing or its share liquidity.

The directors therefore consider it prudent for the Company to have the flexibility to effect market purchases of its own shares in the future.

The directors will exercise this authority only if, having due regard to the interests of long-term shareholders, they consider that to do so would be in the best interests of the Company, and of its shareholders, and (amongst other things) expect such purchase to result in an increase in earnings per share. In addition, the directors confirm that the decision to propose this authority for approval at the AGM has been taken by the full Board, the majority of whom are non-executive directors who do not participate in the Company's share plans and whose interest in the Company's shares is therefore unaffected by the earnings per share metric.

The Company may either retain any of its own shares which it has purchased as treasury shares with a view to possible re-issue at a future date, use them to satisfy awards under employee share plans, or cancel them. Holding the shares as treasury shares gives management the ability to re-issue them quickly and cost-effectively and would provide the Company with additional flexibility in the management of its capital base.

Under the terms of this resolution, the Company will be generally authorised to make market purchases of up to 4,735,244 shares with an aggregate nominal value of £236,762.20, representing approximately 10% of the total issued share capital of the Company as at 15 March 2023, the latest practicable date prior to the date of this Notice of Meeting. The maximum price payable per share will be based on the market price of a share as set out in more detail in the resolution itself. The minimum price payable per share, exclusive of expenses, is its nominal value.

As at 15 March 2023, being the latest practicable date prior to the date of this Notice of Meeting, the number of outstanding options to subscribe for shares granted by the Company was 732,479. This figure represents 1.55% of the total issued share capital of the Company at that date and would, assuming no further shares are issued, represent 1.93% of the total issued share capital if full authority to purchase shares (under the existing authority and that sought at the AGM) were used.

The Company has not undertaken any purchases of its own shares since the date of the last AGM, but the renewal of the authority is sought to preserve flexibility. The directors have no present intention of exercising this authority, which will expire at the conclusion of the Company's next AGM in 2024 or close of business on 4 August 2024, whichever is earlier.

As at 15 March 2023, being the last practicable date prior to the date of this Notice of Meeting, no shares had been purchased and held as treasury shares or cancelled under the existing authority.

Resolution 23: Notice period for general meetings

Under the Act, the notice period required for general meetings of the Company is 21 days unless shareholders approve a shorter notice period (which cannot, however, be less than 14 clear days). AGMs are still required to be held on at least 21 clear days' notice. Approval for a shorter notice period was sought and received from shareholders at the last AGM and, to preserve this ability, resolution 23 seeks renewal of the approval for a notice period of 14 days to apply to general meetings. The shorter notice period will not be used as a matter of routine but only where clear flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole. If used, an electronic voting facility will be provided.

The approval will be effective until the conclusion of the Company's next AGM in 2024, when it is intended that a similar resolution will be proposed, or close of business on 4 August 2024, whichever is earlier.

NOTES

1. At present, the Board is currently proposing to welcome shareholders in person at this year's AGM to be held at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY. We will notify shareholders of any significant updates to our AGM arrangements as soon as practicable via a Regulatory Information Service and on the 'Annual General Meeting' page of our website at www.morgansindall.com.

2. Shareholders are entitled to appoint one or more proxies (who need not be a member of the Company) to exercise all or any of their rights to attend, speak and vote at the AGM. Your proxy could be the Chair, another director of the Company or another person who has agreed to represent you. Your proxy must vote as you instruct and must attend the AGM for your vote to be counted. A proxy form, which may be used to make such appointment and give proxy instructions, accompanies this Notice of Meeting.

A shareholder may appoint more than one proxy in relation to the AGM, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To appoint more than one proxy you may photocopy the proxy form accompanying this Notice of Meeting. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All proxy forms must be signed and should be returned together in the same envelope. A failure to specify the number of shares to which each proxy appointment relates or specifying a number in excess of those held by you will result in the appointment being invalid.

If you do not have a proxy form and believe that you should have one, please contact Computershare on 0370 707 1695. Lines are open from 8.30am to 5.30pm (UK time), Monday to Friday, or you can contact Computershare by email at webcorres@computershare.co.uk.

3. Voting on all resolutions will be conducted by way of a poll rather than a show of hands. This is a more transparent method of voting as member votes are to be counted according to the number of shares held. As soon as practicable following the meeting, the results of the voting at the meeting and the numbers of proxy votes cast for and against and the number of votes actively withheld in respect of each of the resolutions will be announced on the Company's website at www.morgansindall.com and notified via a Regulatory Information Service.

4. To be valid, any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE no later than 10.00am on Tuesday, 2 May 2023, or in the event of an adjournment, not less than 48 hours before the stated time of the adjourned meeting (excluding any part of a day that is not a working day).
5. Shareholders may vote electronically, by no later than 10.00am on Tuesday, 2 May 2023 (or, in the event of an adjournment, not less than 48 hours before the stated time of the adjourned meeting (excluding any part of a day that is not a working day)), by visiting www.investorcentre.co.uk/eproxy. You will be asked to enter the Shareholder Reference Number (SRN), Control Number and PIN shown on either your proxy form or email and agree to certain terms and conditions. CREST shareholders may lodge their proxy via the CREST system (see notes 10 to 12). You have the right to request information from Computershare to enable you to determine that your vote on a poll was validly recorded and counted. Please contact Computershare on 0370 707 1695 to request this information. Lines are open from 8.30am to 5.30pm (UK time), Monday to Friday, or you can contact Computershare by email at webcorres@computershare.co.uk, no later than 30 days following the date of the meeting. In line with the requirements of the Companies Act 2006, the confirmation will be provided to the registered shareholder no later than 15 days from the day following the announcement of the poll results or receipt of the request, whichever is the later. The confirmation will be provided to registered shareholders in the manner stipulated by Computershare. Requests for confirmations must include the registered shareholder's name, address and shareholder reference number, and confirm the name of the issuer and the date of the meeting they wish to receive a confirmation for.
6. A shareholder may change proxy instructions by returning a new proxy form using the methods set out above. A shareholder who has appointed a proxy using the hard copy proxy form but would like to change instructions using another hard copy form, should contact Computershare on 0370 707 1695. The above deadline for receipt of proxy forms also applies to amended instructions. Any attempt to terminate or amend a proxy form after the relevant deadline will be disregarded.

Shareholders are strongly encouraged to appoint the Chair of the meeting (rather than a named person) as their proxy and to submit voting instructions in advance of the AGM.

The valid appointment of a proxy via the return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in note 11 below) would not prevent a shareholder from attending the AGM and voting in person if they wished.

NOTES continued

7. Any person to whom this Notice of Meeting is sent who is a person nominated under section 146 of the Act to enjoy information rights (a 'Nominated Person') may, under an agreement between them and the shareholder by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
8. The statement of the rights of shareholders in relation to the appointment of proxies in note 2 above does not apply to Nominated Persons. The rights described in note 2 can only be exercised by shareholders of the Company.
9. To be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 6.00pm on Tuesday, 2 May 2023 (or, in the event of any adjournment, on the date which is two days before the date of any adjourned meeting (excluding any part of a day that is not a working day)). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members and those CREST members who have appointed a service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
11. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent, Computershare Investor Services PLC (ID 3RA50), by 10.00am on Tuesday, 2 May 2023 (or, in the event of an adjournment, not less than 48 hours before the stated time of the adjourned meeting (excluding any part of a day that is not a working day)). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
12. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
13. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
14. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.
15. A corporation must execute the form of proxy under its common seal or the hand of a duly authorised officer or attorney. The power of attorney or authority (if any) should be returned with the form of proxy.
16. If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 10.00am on Tuesday, 2 May 2023 in order to be considered valid. Before you can appoint a proxy via this process, you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.
17. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first-named being the most senior).
18. If a shareholder submits more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence. If the Company is unable to determine which appointment was received last, none of them will be treated as valid in respect of that share.
19. As at 15 March 2023, being the last practicable day prior to the date of this Notice of Meeting, the Company's issued share capital consisted of 47,352,446 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at that date are 47,352,446.

NOTES continued

20. Under section 527 of the Act, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's Annual Report (including the auditor's report and the conduct of the audit) that is to be laid before the AGM; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which the Annual Report was laid in accordance with section 437 of the Act. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Act to publish on a website.

21. Any shareholder attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Shareholder engagement is very important to the Board and the Company as a whole. Shareholders may also submit in advance any questions relating to the business of the AGM by email to cosec@morgansindall.com (marked for the attention of the Company Secretary). We will endeavour to publish any questions received before 10.00am on Tuesday, 2 May 2023 and our responses to those questions on our website (www.morgansindall.com/investors/annual-general-meeting) prior to the AGM. Following the AGM, we will publish the full set of questions received (including those received after 10.00am on Tuesday, 2 May 2023) and answers to those questions on our website (www.morgansindall.com/investors/annual-general-meeting). However, we reserve the right to edit questions or not to respond where we consider it appropriate, taking account of our legal obligations.

Shareholders who have administrative queries about the AGM should contact the Company Secretary by email to cosec@morgansindall.com (marked for the attention of the Company Secretary) no later than 10.00am on Wednesday, 3 May 2023.

22. The Company may process personal data of attendees at the AGM. This may include webcasts, photos, recordings and audio and video links, as well as other forms of personal data. The Company shall process such personal data in accordance with its privacy policy, which can be found on the Company's website at www.morgansindall.com/privacy.

23. A copy of this Notice of Meeting, and other information required by section 311A of the Act, can be found on the Company's website at www.morgansindall.com.

24. Any electronic address provided either in this Notice of Meeting or any related documents (including the form of proxy) may only be used for the limited purposes specified herein and not to communicate with the Company by electronic means or for any other more general purpose.

25. Shareholders wanting to register their bank/building society details for the payment of dividends, should either:

(a) visit www.investorcentre.co.uk and register using their Shareholder Reference Number. An activation code may be sent in the post which will need to be entered to validate the account. Once logged in, go to Update My Details and click on Bank Instructions Update; or

(b) telephone Computershare on 0370 707 1695.

26. The following documents will be available for inspection by prior appointment at the Company's registered office at Kent House, 14-17 Market Place, London W1W 8AJ during normal business hours on any weekday (UK public holidays excluded) from the date of this Notice until the time of the AGM, and at the place of the AGM from at least 15 minutes before the meeting and until it ends:

(a) copies of the executive directors' service contracts;

(b) copies of letters of appointment of the non-executive directors; and

(c) copies of the rules of the 2023 Long-Term Incentive Plan and the 2023 Share Option Plan.

If you wish to review any of these documents, please email cosec@morgansindall.com (marked for the attention of the Company Secretary) to request an electronic copy or arrange a time to physically inspect the documents. Responses will be provided during normal working hours, Monday to Friday (excluding public holidays in the UK).

APPENDIX 1

Summary of the principal terms of the Morgan Sindall 2023 Long-Term Incentive Plan (LTIP)

Introduction

The LTIP replaces the Morgan Sindall 2014 Long-Term Incentive Plan which will expire in May 2024 and is materially similar in structure and content.

The LTIP is a discretionary share plan that gives participants the right to receive shares in the Company subject to the satisfaction of any performance conditions and continued employment. Its purpose is to incentivise and retain selected senior employees including executive directors. The remuneration committee ('Remco') will have overall responsibility for the operation and administration of the LTIP.

Eligibility

All Group employees (including executive directors of the Company) are eligible to participate in the LTIP. The Remco will decide who participates in the LTIP each year and how many shares they are to be awarded.

Operation

Under the LTIP, participants are granted an award over Company shares which will vest subject to the participant remaining in employment and the satisfaction of any performance conditions. Awards will typically take the form of conditional rights to acquire shares at no cost to the participant but may also be granted as nil cost options.

Awards structured as options will normally be capable of being exercised at the time of vesting (or where the option is subject to a holding period, potentially on expiration of the holding period) until the 10th anniversary of the grant date.

Awards will normally only be granted within 42 days of a shareholders' meeting or the announcement of the Company's results for any period. In exceptional circumstances (such as in connection with recruitment), awards may be granted at other times. Awards may not be granted after the 10th anniversary that the LTIP was approved by shareholders.

Individual limits

The value of shares comprised in an award for any financial year may not exceed 200% of the participant's annual salary or such higher limit or in such other circumstances as may be specified by the Company's prevailing directors' remuneration policy. Awards may also be granted in excess of this limit to an eligible participant in connection with their recruitment by way of compensating them for any awards or payments forfeited as a result of leaving their former employer ('Buy-Out award').

Satisfying awards and dilution limits

Awards may be satisfied by the issue of new shares or the transfer of existing shares including from treasury.

The LTIP is subject to the following overall limits:

- the number of shares which may be issued to satisfy awards granted in any 10-year period under the LTIP and under any other employees' share plan adopted by the Company, may not exceed 10% of the Company's issued ordinary share capital from time to time; and
- the number of shares which may be issued to satisfy awards granted in any 10-year period under the LTIP and any other discretionary employees' share plan adopted by the Company, may not exceed 5% of the Company's issued ordinary share capital from time to time.

These limits do not include awards that have lapsed or been surrendered or which are satisfied or are intended to be satisfied with existing shares and/or cash. Shares transferred out of treasury will count towards these limits for so long as this is required under institutional shareholder guidelines.

The above limits may be varied by the Remco to take into account any variation in the Company's share capital from time to time.

Vesting of awards

Awards will normally vest on the later of: a) the date when the performance conditions have been satisfied (see page 13); and b) the vesting date specified by the Remco on the grant date (which shall normally be the third anniversary of the grant date).

The Remco has discretion to adjust the vesting outcome achieved by the operation of any performance conditions for any reason it considers appropriate, including where the vesting outcome is not a fair or accurate reflection of corporate or individual performance.

At any time before or after the point at which an award has vested (or been exercised), but before the underlying shares have been issued or transferred to the participant, the Remco may decide that a participant should receive a cash amount equal to the value of the shares they would otherwise have received. There is no intention to use this feature other than in exceptional circumstances.

APPENDIX 1 continued**Performance conditions**

The number of shares in respect of which an award vests will depend upon the extent to which any performance conditions set by the Remco have been satisfied. The performance conditions shall normally be measured over a three-year performance period and the Remco can set different performance conditions, targets and performance periods for new joiners. The vesting of Buy-Out awards may not be subject to performance conditions.

The terms relevant to performance conditions attaching to awards granted to executive directors shall be set in accordance with the Company's prevailing directors' remuneration policy.

A performance condition may be amended if an event occurs which causes the Remco reasonably to consider an amendment to be appropriate.

Holding periods

The Remco can determine that an award should be subject to a post-vesting holding period during which vested shares may not be sold other than to pay tax liabilities or otherwise as the Remco may permit.

Executive directors will be required to hold their vested shares (on a net of tax basis) for an additional two-year period following vesting or held for such other period as may be determined by the Remco from time to time and/or as specified in the prevailing directors' remuneration policy.

Dividend equivalent payments

The Remco may determine that, on the vesting of an award, a participant shall receive an amount (in cash and/or additional shares) equal in value to any dividends that would have been paid on the vested shares during the period between the grant date and the vesting date (or between the grant date and the date of exercise where an award in the form of an option remains unexercised during a holding period). While the intention is for dividend equivalent payments to be settled in shares, the Remco will have discretion to decide the basis on which dividend equivalents will be calculated and paid, which may assume the reinvestment of dividends and either include or exclude any special dividends.

Malus and clawback

The Remco may at any time between the grant date and the third anniversary of an award vesting, either operate malus (being a reduction in the number of shares subject to an unvested award) or clawback (being the recovery of value in respect of a vested award). The circumstances in which malus or clawback may be operated include:

- a material misstatement of the Company's financial results;
- where assessment of a performance condition was based on a miscalculation or incorrect information;
- corporate failure; or
- where the participant has engaged in misconduct (as determined by the Remco).

Leavers

If a participant leaves the Group, their awards will be treated as follows:

Reason for leaving the Group**Death****Treatment****Timing and extent of vesting**

Awards will vest as soon as reasonably practicable after the participant's death to the extent that the Remco determines, having regard to:

- any performance conditions; and
- time pro-rating, unless the Remco determines otherwise.

Any holding period will cease to apply.

Reason for leaving the Group**Injury, disability, redundancy, retirement, sale of the participant's employing company or business out of the Group, any other reason at the discretion of the Remco****Treatment****Timing of vesting**

Awards will normally vest on the original vesting date.

Where appropriate, the Remco may determine that awards will vest on such earlier date as the Remco shall determine.

Extent of vesting

The Remco will determine the extent to which awards vest in these circumstances having regard to:

- any performance conditions; and
- time pro-rating, unless the Remco determines otherwise.

Any time pro-rating relevant to a Buy-Out award may reflect the time pro-rating period relevant to the award the Buy-Out award is replacing.

Any holding period will continue to apply unless otherwise determined by the Remco.

Reason for leaving the Group**Any other circumstances****Treatment**

Awards will lapse on the date on which the participant:

- leaves employment; or
- if the Remco so determines, gives or receives notice to leave employment.

APPENDIX 1 continued**Corporate events**

Awards will generally vest early in the event of a takeover, merger or other corporate event. Alternatively, participants may be allowed or required to exchange their awards for awards over shares in the acquiring company.

In the event of a takeover or other earlier corporate event, the Remco will determine the number of shares in respect of which an award vests based on the extent to which it determines that the performance conditions have been satisfied at the relevant time, taking into account the shortened performance period and such other factors as the Remco considers relevant. Awards will be time pro-rated to reflect the earlier vesting unless the Remco determines otherwise. Any time pro-rating relevant to Buy-Out awards may reflect the time pro-rating period relevant to the award the Buy-Out award is replacing.

The Remco may decide that similar treatment will apply if there is a demerger, delisting, special dividend or other similar event which in the Remco's opinion may affect the current or future value of shares.

Adjustments

If there is a variation of the Company's share capital or a demerger, special dividend, rights issue or other event which in the Remco's opinion may affect the value of shares, the number of shares subject to awards and/or any exercise price or any performance condition relevant to awards, may be adjusted.

Rights attaching to shares

Shares delivered under the LTIP will not confer any rights on the participant until that participant has received the underlying shares. Any shares issued will rank equally with shares then in issue (except for rights arising by reference to a record date prior to their issue).

Amendments

The Remco can amend the LTIP or the terms of any award in any way. However, provisions relating to:

- the eligibility of participants;
- the limits on the number of shares which may be issued under the LTIP;
- the individual limit;
- the basis for determining a participant's entitlement to shares or cash under the LTIP;
- the adjustment of awards in the event of a variation of capital; and
- the amendment power,

cannot be amended to the advantage of participants without shareholder approval.

However, any minor amendments to benefit how the LTIP is administered, to comply with or to take into account any proposed, existing or changed legislation or to obtain or maintain favourable tax treatment, exchange control or regulatory treatment in any jurisdiction, can be made by the Remco without shareholder approval. Shareholder approval will also not be required for any amendments to any performance condition applying to any awards amended in accordance with their terms.

Overseas plans

The Remco may establish sub-plans or schedules to the LTIP modified to take account of local tax, exchange controls or securities laws, in any overseas jurisdiction, provided that any shares made available under such plans are treated as counting against the limits on individual and overall participation in the LTIP.

General

Awards will normally lapse if a participant sells, transfers, assigns, charges or otherwise disposes of their award (other than on a transfer of an award to the participant's personal representatives on their death).

Awards will not form part of an employee's pensionable earnings.

The LTIP may be terminated at any time (and the rights of existing participants will be unaffected by any termination).

APPENDIX 2

Summary of the principal terms of the Morgan Sindall 2023 Share Option Plan (SOP)

Introduction

The SOP will replace the existing Morgan Sindall 2014 Share Option Plan which expires in 2024. The SOP is a discretionary share option plan and will only operate in those years that the Remco (who will have overall responsibility for the operation and administration of the SOP) determines. The SOP is intended to operate for below board level employees. Executive directors of the Company will be ineligible to be granted awards under the Plan.

The SOP is divided into two parts (A and B), which are identical in all material respects unless otherwise indicated in this summary. Part A permits tax-advantaged options to be granted. Part B will be used to grant non-tax-advantaged options.

Operation

Options will normally only be granted within 42 days of a shareholders' meeting or the announcement of the Company's results for any period. In exceptional circumstances (such as in connection with recruitment), options may be granted at other times. Options may not be granted after the 10th anniversary that the SOP was approved by shareholders.

Exercise price

The exercise price of an option will not be less than the greater of:

- (a) the market value of a share on the dealing day immediately preceding the grant date or as averaged over a period not exceeding the five dealing days immediately preceding the grant date; and
- (b) in the case of options over unissued shares, the nominal value of a share,

subject to any adjustments required following a variation of share capital.

Individual limits

The aggregate market value of shares on the grant date, subject to unexercised tax-advantaged options, per participant, shall not (with effect from April 2023) exceed £60,000 or such other limit as may from time to time apply under the relevant legislation.

The value of shares comprised in an option for any financial year may not exceed 300% of the participant's annual salary or such higher limit or in such other circumstances as may be specified by the Company's prevailing directors' remuneration policy.

Satisfying awards and dilution limits

Similar to the LTIP, options exercised under the SOP may be satisfied by the issue of new shares or the transfer of existing shares including from treasury. The same 10% and 5% overall limits relevant to the LTIP will also apply to the SOP (see the LTIP summary in Appendix 1).

Performance conditions

The Remco may determine that performance conditions should apply to the exercise of options.

A performance condition may be amended if an event occurs which causes the Remco reasonably to consider an amendment to be appropriate, provided that the Remco considers the amended conditions to be fair and reasonable and not materially less challenging than the original conditions would have been but for the event in question.

Exercise of options

Options will normally become exercisable three years after the grant date, provided the participant remains an employee. If the exercise of options is subject to a performance condition then options can only be exercised to the extent that the performance condition has been satisfied. Options may not be exercised later than the 10th anniversary of the grant date.

If the Remco so determines, tax-advantaged options may be satisfied in whole or in part by the transfer or issue of shares, without payment from the participant, equivalent in value to the gain which would be made by the participant on exercise.

Malus and clawback

In respect of non-tax-advantaged options only, the Remco may operate malus and clawback in the same manner as for the LTIP (see the LTIP summary in Appendix 1).

Leavers

Options will normally lapse where the participant ceases to hold office or employment with the Group.

Options will not lapse where the cessation of office or employment is due to death, ill health, injury, disability, redundancy, retirement, the transfer of the participant's employment in connection with a business sale, the company with which the participant holds office or employment ceasing to be a member of the Group or any other reason if the Remco so determines (together a 'good leaver').

Where cessation occurs prior to the normal exercise date for a good leaver reason, an option (which may or may not be subject to a performance condition) will at the discretion of the Remco, either become exercisable on the date of cessation for a limited period or continue and become exercisable on the normal exercise date.

The extent to which an option will become exercisable in these situations may depend upon: (i) the extent to which any performance conditions have been satisfied; and (ii) the application of any time pro-rating of the option.

APPENDIX 2 continued**Corporate events**

In the event of a takeover of the Company (not being an internal reorganisation), all options will become exercisable early and remain exercisable for a limited period.

The extent to which options will become exercisable can depend upon: (i) the extent to which any performance conditions have been satisfied by reference to the date of the corporate event; and (ii) time pro-rating of the options to reflect the reduced period of time between their grant and the time of the corporate event.

In the event of an internal reorganisation, options will be replaced by equivalent new options over shares in a new holding company unless the Remco decides that options should become exercisable on the basis which would apply in the case of a takeover, as described above.

If there is a demerger, delisting, special dividend or other event which in the Remco's opinion may affect the current or future value of shares, options (other than tax-advantaged options) may be adjusted, as set out below, or the Remco may permit early exercise, as in the case of a takeover as described above.

Adjustments

If there is a variation of the Company's share capital, the Remco may make such adjustment as it considers appropriate to the number of shares under option and the price payable on the exercise of an option. However, no adjustment may be made to tax-advantaged options unless the adjustment is consistent with the tax legislation and HMRC practice.

Non-tax-advantaged options may also be adjusted in the event of a demerger, special dividend, rights issue or other event which may affect the value of shares to a material extent.

Rights attaching to shares

Shares delivered under the SOP will have the same rights as for the LTIP (see the LTIP summary in Appendix 1).

Amendments

The Remco can amend the SOP or the terms of an option in the same manner and for the same reasons as the LTIP (see the LTIP summary in Appendix 1), save that no amendment can be made to a key feature of a tax-advantaged option unless the amendment is consistent with the tax legislation and HMRC practice.

Overseas plans

The Remco may establish sub-plans or schedules to the SOP modified to take account of local tax, exchange controls or securities laws, in any overseas jurisdiction, provided that any shares made available under such plans are treated as counting against the limits on individual and overall participation in the SOP.

Non-transferable, non-pensionable and termination

Options granted under the SOP will be subject to the same LTIP requirements (summarised in Appendix 1) that govern the extent to which options can be transferred and whether they can be included as pensionable earnings. The SOP may be terminated at any time (and the rights of existing participants will be unaffected by any termination).

Venue details and Map

Slaughter and May, One Bunhill Row, London EC1Y 8YY



How to get to Bunhill Row

Barbican (approximately 10-minute walk) – London Underground Circle, Hammersmith & City and Metropolitan lines

Liverpool Street Station (approximately 15-minute walk) – National Rail and London Underground Central, Circle, Hammersmith & City and Metropolitan lines

Moorgate (approximately 10-minute walk) – London Underground Circle, Hammersmith & City, Metropolitan and Northern lines

Old Street (approximately 10-minute walk) – London Underground Northern line

Morgan Sindall Group plc

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