

Morgan Sindall Group plc

RULES OF THE MORGAN SINDALL 2023 LONG TERM INCENTIVE PLAN

Shareholders' approval	• 2023
Directors' adoption	• 2023
Expiry Date	• 2033

The Board reserves the right, up to the time of the AGM on 4 May 2023, to make such amendments or additions to the rules of this Plan as it may consider necessary or desirable, provided that such amendments or additions do not conflict in any material respects with the description contained in the explanatory notes and appendix to the AGM notice.

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1 DEFINITIONS AND INTERPRETATION

In these Rules:

“Allocation” means a conditional right to automatically acquire Shares granted under the Plan.

“Award” means an Allocation or an Option granted under the Plan.

“Award Acceptance” means an acceptance signed by the Participant indicating that they agree to be bound by the Rules.

“Award Date” means the date on which an Award is granted or the date as otherwise specified by the Committee.

“Board” means the board of directors of the Company or a duly authorised committee of the Board (which includes the Committee) or a duly authorised person.

“Buy-Out Award” means an Award granted in connection with the recruitment of an Employee in respect of remuneration forfeited by reference to their previous employment.

“Committee” means the remuneration committee of the Board or a duly authorised person or group of persons.

“Company” means Morgan Sindall Group plc (registered in England and Wales with company number 00521970).

“Control” means control within the meaning of section 995 of the Income Tax Act 2007 and **“Controlled”** shall be construed accordingly.

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

“Dealing Restrictions” means any restriction on dealing in securities imposed by regulation, statute, order, directive or any code adopted by the Company as varied from time to time.

“Directors’ Remuneration Policy” means the Company’s prevailing directors’ remuneration policy (within the meaning of section 421(2A) of the Companies Act 2006) as approved by the shareholders of the Company.

“Dividend Equivalent Payment” means a benefit calculated by reference to dividends paid on Vested Shares as described in Rule 2.11 (*Dividend Equivalent Payments*).

“Employee” means any employee (including an executive director) of a Group Company.

“Employees’ Share Scheme” means an employees’ share scheme adopted by a Group Company where participation is offered to Employees.

“Exercise Price” means the amount (which may be zero) payable on the exercise of an Option set by the Committee under Rule 2.3 (*Award terms*).

“Expiry Date” means 4 May 2033, being the tenth anniversary that the Plan is approved by shareholders.

“Group” means:

- (a) the Company;
- (b) its Subsidiaries from time to time,

and **“Group Company”** will be construed accordingly.

“Holding Period” means such period, if any, effective from the Normal Vesting Date, as may be specified by the Committee under Rule 2.3 (*Award terms*), during which Vested Shares may only be sold or transferred in accordance with Rule 9 (*Holding Period*).

“ITEPA” means the Income Tax (Earnings & Pensions) Act 2003.

“London Stock Exchange” means London Stock Exchange plc or any successor to that company.

“Market Value” means, on any date, in relation to a Share, the price of a Share on that date or the price of a Share calculated by reference to an averaging period not exceeding the period of five Dealing Days ending with the Dealing Day immediately prior to the relevant date, provided that such dates do not fall within any period when Dealing Restrictions apply.

“Normal Vesting Date” means the date specified under Rule 2.3 (*Award terms*) on which an Award would normally Vest.

“Option” means a right to acquire Shares which may be exercised and which is granted under the Plan.

“Participant” means a person who holds an Award including their personal representatives and, for the purposes of Rule 6.4 (*Cash settlement, phantom Awards and share alternative*), Participant shall include a person who has held Awards that have Vested.

“Performance Condition” means any performance condition imposed under Rule 2.4 (*Performance Conditions*).

“Performance Period” means the period over which the Performance Condition must be satisfied, which shall normally be a period of three years or such other period as the Committee may determine.

“Plan” means the Morgan Sindall 2023 Long Term Incentive Plan as constituted by these Rules and as amended from time to time.

“Post-Employment Shareholding Requirement” means any requirement, guideline or policy determined the Committee from time to time pursuant to which a person must hold Shares following their ceasing to hold office or employment with the Group.

“Pro-Rating Period” has the meaning given to it in Rule 12.3 (*Extent of Vesting*).

“Rule” means a rule of the Plan and **“Plan Rules”** shall be construed accordingly.

“Shares” means fully paid ordinary shares in the capital of the Company.

“Subsidiary” means a body corporate which is a subsidiary (within the meaning of section 1159 of the Companies Act 2006).

“Takeover” means:

- (a) when a general offer to acquire Shares made by a person (or a group of persons acting in concert) becomes wholly unconditional;
- (b) when, under section 895 of the Companies Act 2006 or equivalent procedure under local legislation, a court sanctions a compromise or arrangement in connection the acquisition of Shares; or
- (c) a person (or a group of persons acting in concert) obtaining Control of the Company in any other way.

“Tax Liability” has the meaning given in Rule 8.3 (*Tax Liability*).

“Variation” means in relation to the equity share capital of the Company a capitalisation issue, a rights issue or open offer, a subdivision, a consolidation, reduction or other variation or any special dividend or dividend in specie, demerger or such other circumstances as the Committee may determine.

“Vest” means:

- (a) in respect of an Allocation, the Participant becoming entitled to receive the Shares subject to that Allocation; or
- (b) in respect of an Option, the Participant first becoming entitled to exercise that Option,

and “**Vesting**”, “**Vested**”, “**Vested Shares**” and “**Unvested**” shall be construed accordingly.

References in the Plan to any statutory provisions are to those provisions as modified or re-enacted and include any regulations made under them. The headings in the Plan are for reference purposes only and are not to be used in construing the meaning of the Plan.

2 GRANTING AWARDS

2.1 Eligibility

The Committee can select any individual to be granted an Award in any financial year provided they are an Employee (and not under notice of cessation of employment) at the time the Award is granted.

2.2 Timing of Awards

- (a) Awards may only be granted within the period of 42 days starting on any of the following:
 - (i) the date when shareholders approve the Plan;
 - (ii) the day after the announcement of the Company’s results for any period;
 - (iii) the date of the Company’s annual general meeting or any special general meeting;
 - (iv) any day on which the Committee resolves that exceptional circumstances exist which justify the grant of Award;
 - (v) the day on which the Directors’ Remuneration Policy (or any amendment to it) is approved by shareholders;
 - (vi) any day on which changes to the legislation or regulations affecting Employees’ Share Scheme are announced, effected or made; or
 - (vii) if the granting of Awards during any period specified above is prevented by any Dealing Restrictions the date when such restrictions are lifted.
- (b) No Awards can be granted after the Expiry Date.

2.3 Award terms

When granting an Award the Committee will set the following terms (without limitation):

- (a) the Award Date;
- (b) whether the Award (including a Buy-Out Award) is:
 - (i) an Allocation; or
 - (ii) an Option (and the relevant Exercise Price),
- (c) the number of Shares subject to an Award or the basis on which the number of Shares subject to an Award will be calculated;
- (d) the terms of any Performance Conditions;
- (e) any other condition specified under Rule 2.5 (*Other conditions*);
- (f) the Normal Vesting Date and if there is more than one, the proportion of the Award which can Vest on each one (or how that will be determined);
- (g) whether the Award carries a right to a Dividend Equivalent Payment;
- (h) in the case of an Option, the Exercise Price (if relevant);
- (i) whether or not a Holding Period will apply and if so, when it will normally end.

2.4 Performance Conditions

- (a) When granting an Award, the Committee may decide to make its Vesting conditional on the satisfaction of one or more conditions linked to the performance of the Company, the Participant, and/or any Group Company.
- (b) Any Performance Conditions must be specified at the Award Date unless, in exceptional circumstances, the Committee determine that it shall be specified at a later date.
- (c) The Committee may amend a Performance Condition either:
 - (i) in accordance with its terms; or
 - (ii) if anything happens which causes the Committee reasonably to consider it appropriate to do so.
- (d) Where Awards are subject to one or more Performance Conditions, the Committee must also determine the relevant Performance Period over which the Performance Conditions will be measured.

2.5 Other conditions

The Committee may impose other conditions additional to the Plan Rules, when granting an Award. Any condition must be specified at the Award Date and may provide that an Award will lapse if not satisfied. The Committee may waive or amend any such condition.

2.6 Method of grant

- (a) The terms of an Award would normally be set out in a deed or other document (which may be in electronic form) such that it constitutes a binding contract between the Company and the Participant.
- (b) The Committee shall, as soon as reasonably practicable after the Award Date, issue to each Participant an award certificate or other confirmation containing details of their Award or notification that their Award has been granted.

2.7 Acceptance of Award

It is a condition of the grant of any Award that the Participant signs an Award Acceptance declaring their irrevocable agreement to the Rules and, in particular, Rule 8 (*Restrictions, consents and tax*) and Rule 11 (*Operation of malus and clawback*). Participants will be taken to have signed an Award Acceptance if they indicate their acceptance through an online portal or by any other method of electronic signature. If a Participant fails to sign the Award Acceptance within 90 days of the Award Date their Award may not Vest and the Committee may determine that the Award should lapse.

2.8 Directors' Remuneration Policy

Awards granted to executive directors of the Company will be granted in accordance with the Directors' Remuneration Policy, including any Holding Period or Performance Conditions as prescribed therein.

2.9 Type of Award

If the Committee does not specify the type of Award on or before the Award Date, the Award will be an Option with an Exercise Price per share equal to the nominal value of a Share.

2.10 Administrative errors

If an Award is granted which is inconsistent with:

- (a) Rule 2.1 (*Eligibility*), it will lapse immediately;
- (b) Rule 3.1 (*Individual limit*), the Award will be limited and will take effect from the Award Date on a basis consistent with that Rule;

- (c) Rule 3.2 and Rule 3.3 (*Plan limits*), the Award(s) will be limited as determined by the Committee so that any relevant limit is not exceeded and will take effect from the Award Date on a reduced basis.

2.11 Dividend Equivalent Payments

- (a) If the Award carries the right to a Dividend Equivalent Payment, then the Participant shall receive as soon as practicable after the issue or transfer of Vested Shares (or payment of a cash sum in accordance with Rule 6.4 (*Cash settlement, phantom Awards and share alternative*)) cash and/or Shares (as determined by the Committee) of a value determined by reference to the dividends that would have been paid on their Vested Shares in respect of dividend record dates occurring during the period between the Award Date and the Normal Vesting Date, save that:
 - (i) if Awards Vest earlier under Rule 12 (*Leavers*), no Dividend Equivalent Payment shall be made unless the Committee determines that the dividend 'reference' period should be measured up to the earlier date of Vesting;
 - (ii) where Shares under Option are subject to a Holding Period and the Option remains unexercised, the dividend 'reference' period shall be the period between the Award Date and the earlier of the date of expiry of the Holding Period and the date of exercise of the Option;
 - (iii) notwithstanding (i) and (ii) above, the Committee has discretion to determine a different dividend 'reference' period.
- (b) The Committee shall decide the basis on which the value of such dividends shall be calculated which may assume the reinvestment of dividends and/or the inclusion or exclusion of any special dividend. In giving effect to this Rule 2.11 (*Dividend Equivalent Payments*), the Committee shall have complete discretion to decide the basis on which the Dividend Equivalent Payment should be calculated or paid.

3 LIMITS

3.1 Individual limit

- (a) An Award (other than a Buy-Out Award) may not be granted to an Employee if it would, on the proposed Award Date, cause the Market Value of Shares subject to all Awards granted to them in respect of that financial year under the Plan to exceed 200% of their salary.
- (b) “**Salary**” means gross base salary excluding benefits in kind expressed as an annual rate payable on the relevant Award Date (or such other date being no later than 90 days after the Award Date). Where a payment of salary is made otherwise than in sterling, the payment will be treated as being of the amount of sterling ascertained by applying such rate of exchange as is reasonably determined by the Committee.

3.2 Plan limits - 10% limit

The number of Shares which may be allocated, as defined in Rule 3.5 (*Meaning of allocated*), under the Plan on any day shall not, when added to the aggregate of the number of Shares which have been allocated in the previous 10 years under the Plan and any other Employees’ Share Scheme adopted by the Company, exceed that number of Shares that represents 10% of the ordinary share capital of the Company in issue immediately prior to that day.

3.3 Plan limits - 5% limit

The number of Shares which may be allocated, as defined in Rule 3.5 (*Meaning of allocated*), under the Plan on any day shall not, when added to the aggregate of the number of Shares which have been allocated in the previous 10 years under the Plan and any other Employees’ Share Scheme adopted by the Company which is a discretionary share plan, exceed that number of Shares that represents 5% of the ordinary share capital of the Company in issue immediately prior to that day.

3.4 Exclusions from the limits

In calculating the limits in Rule 3.2 (*Plan limits - 10% limit*) and Rule 3.3 (*Plan limits - 5% limit*) where:

- (a) the right to acquire any Shares was renounced, released or lapsed without being exercised; or
- (b) Shares are committed to be issued under any Dividend Equivalent Payment;

- (c) after the grant of an Option, Award or contractual right to acquire Shares the Committee determines that it shall be satisfied by:
 - (i) the payment of a cash equivalent; or
 - (ii) the transfer of existing Shares (other than Shares transferred out of treasury); or
- (d) partnership shares are awarded under any tax advantaged share incentive plan under Schedule 2 of ITEPA operated by the Company,

such Shares will be disregarded.

3.5 Meaning of allocated

References to “**allocated**” Shares mean, in the case of any share option plan, the placing of unissued shares under option and, in relation to other types of Employees’ Share Scheme, means the issue and allotment of Shares or transfer of Shares out of treasury (including any issue and allotment of Shares, or transfer of Shares out of treasury, to any trustees to satisfy the exercise of any option, award or contractual right granted under any Employees’ Share Scheme unless such Shares are already treated as allocated under this Rule 3.5 (*Meaning of allocated*)). However treasury shares shall cease to count as allocated if institutional investor guidelines cease to require them to be counted.

3.6 Method of satisfying Awards

Subject to Rule 6.4 (*Cash settlement, phantom Awards and share alternative*), unless otherwise specified by the Committee on or before the Award Date, an Award may be satisfied by:

- (a) the issue and allotment of Shares; and/or
- (b) the transfer of treasury Shares; and/or
- (c) the transfer of existing Shares (other than the transfer of treasury Shares).

The Committee may decide to change the way in which an Award is intended to be satisfied after it has been granted.

3.7 Adjustment to Shares to be taken into account

The Committee may adjust the limits specified in Rule 3.2 (*Plan limits - 10% limit*) and Rule 3.3 (*Plan limits - 5% limit*) if there is a Variation.

3.8 Effect of limits

Any Award shall be limited and take effect so that the limits in this Rule 3.8 (*Limits*) are complied with. If an Award is granted which is inconsistent with this Rule 3.8 (*Limits*) the Award will be limited and will take effect from the Award Date on a basis determined by the Committee to be consistent with that Rule.

3.9 Alignment with the Directors' Remuneration Policy

Notwithstanding any other provision in these Rules or the terms of any Award, the Company will not issue or transfer any Shares or make any payment which would be inconsistent with the Directors' Remuneration Policy and in breach of Chapter 4A of Part 10 of the Companies Act 2006. To the extent that the terms of any Award is inconsistent, the Committee may, acting reasonably and in good faith, adjust (retrospectively or otherwise) the number of class of Shares or securities comprised in an Award and/or impose additional conditions on the Vesting of such Award as they consider appropriate.

4 BEFORE VESTING

4.1 Voting and dividends

A Participant is not entitled to vote, to receive dividends or to have any other rights of a shareholder in respect of Shares subject to an Award until the Shares are issued or transferred to the Participants or their nominee.

4.2 Transfer

A Participant may not transfer, assign, grant any security interest over, hold on trust or otherwise dispose of an Award or any rights in respect of it. If they do, whether voluntarily or involuntarily, then the Award will immediately lapse. This Rule 4.2 (*Transfer*) does not apply:

- (a) to the transmission of an Award on the death of a Participant to their personal representatives;
- (b) to the assignment of an Award where the Committee considers that the Participant is no longer in a position to manage their own affairs by reason of ill-health; or
- (c) in any other circumstances if the Committee agrees.

4.3 Adjustment of Awards

If there is:

- (a) a Variation;
- (b) a demerger (in whatever form) or exempt distribution by reason of section 1075 of the Corporation Tax Act 2010;
- (c) a special dividend or distribution; or
- (d) any other corporate event which might affect the current or future value of any Award,

the Committee may make such adjustments as it considers appropriate to the number or class of Shares or securities comprised in an Award and, in the case of an Option, any Exercise Price.

5 VESTING OF AWARDS

5.1 Timing and extent of Vesting

Subject to the rest of these Rules and in particular Rule 8 (*Restrictions, consents and tax*), an Award will normally Vest on the later of the following:

- (a) the Normal Vesting Date; and
- (b) the date on which the Committee determines the extent to which any Performance Condition or any other condition has been satisfied.

Awards will only Vest to the extent that any Performance Condition or other condition has been satisfied.

5.2 Determining the Performance Condition and other conditions

As soon as reasonably practicable following the end of the Performance Period, the Committee shall determine:

- (a) whether and to what extent any Performance Conditions and any other conditions imposed under Rule 2.3 (*Award terms*) have been satisfied;
- (b) subject to Rule 5.3 (*Formulaic outcomes*), the number of Shares in respect of which the Award Vests.

If the Committee determines that the Performance Condition or other condition has not been satisfied, either in whole or in part in relation to an Award, the Award shall lapse to that extent immediately.

5.3 Formulaic outcomes

Prior to a Normal Vesting Date, the Committee retains the absolute discretion to override the outcome achieved by the operation of any Performance Condition on an individual (Participant-by-Participant) basis where it considers that that the Vesting outcome:

- (a) is inconsistent with the overall performance of the Company;
- (b) would deliver unjustified windfall gains to the Participant due to circumstances outside of the Participant's control;
- (c) does not align to individual performance and results achieved by that individual;
- (d) would not deliver the intention of any applicable remuneration policy; and/or
- (e) is not reasonable and/or does not reflect the Participant's contribution due to unexpected or unforeseen circumstances. Such circumstances may include, but are not limited to: share price growth and currency fluctuations, the impact of a share repurchase scheme or a government support initiative.

In these circumstances, the Committee may, in its absolute discretion, alter the number of Shares that Vest (including reducing the number of Shares that Vest to zero or to the maximum number of Shares over which that Award has been made or to any number of Shares falling between those two amounts). The Award will then lapse to the extent of any reduction.

5.4 Decision binding

The determination of the Committee under Rule 5.2 (*Determining the Performance Condition and other conditions*) and/or Rule 5.3 (*Formulaic outcomes*) above shall be final and binding (save in the case of manifest error) and the Company and the Committee shall be under no liability to any person by reason of such determination.

5.5 Discretion to delay Vesting

Notwithstanding anything else in these Plan Rules, the Committee may, where they determine it appropriate to do so, delay the Vesting of an Award; the issue or transfer of Shares or the payment of cash pursuant to an Award which Vests; the ability of a Participant to exercise an Option and / or the expiry of a Holding Period, either in whole or in part. For the avoidance of doubt, where this Rule 5.5 is applied, the periods which shall constitute any Holding Period and any timeframe for operating clawback, shall be extended accordingly.

6 CONSEQUENCES OF VESTING

6.1 Allocations

Within 30 days of an Allocation Vesting (or as soon as reasonably practicable thereafter), the Board shall, subject to Rule 8 (*Restrictions, consents and tax*), procure the issue or transfer of the Vested Shares to the Participant (or a nominee for the Participant).

6.2 Options

An Option shall, subject to Rule 8 (*Restrictions, consents and tax*), be exercisable in respect of Vested Shares during the period commencing on the date on which the Option Vests and ending on the tenth anniversary of the Award Date (or such earlier date as the Committee may determine for such Option prior to the grant of the Award). An Option will lapse on the expiry of the exercise period in this Rule 6.2 or earlier under Rule 12 (*Leavers*) or Rule 0 (*Takeovers and other corporate events*).

6.3 Dividend Equivalent Payments

Any Dividend Equivalent Payment shall be made as soon as practicable after the issue or transfer of Vested Shares and:

- (a) in the case of a cash payment, shall be subject to such deductions (on account of tax or similar liabilities) as may be required by law or as the Committee may reasonably consider to be necessary or desirable; or
- (b) in the case of a provision of Shares, Rule 8 (*Restrictions, consents and tax*) shall apply as if such provision was the Vesting of an Award.

6.4 Cash settlement, phantom Awards and share alternative

- (a) Subject to Rule 8.3 (*Tax Liability*), the Committee may decide to satisfy an Allocation or an Option by paying an equivalent amount in cash in substitution for the Participant's right to acquire Shares. For Options, the cash amount must be equal to the amount by which the Market Value of the Vested Shares in respect of which Option is exercised exceeds the Exercise Price on the date of exercise ("**Option Gain**"). The Committee may also decide to satisfy an Option by paying the Option Gain in Shares (rounded down to the nearest whole Share). Finally, an Award may be granted on the basis that it will be satisfied in the manner contemplated in this Rule 6.4.
- (b) In respect of Awards which consist of a right to receive a cash amount, the Committee may decide instead to satisfy the Vesting of such Awards by the delivery of Shares, subject to Rule 8.3 (*Tax Liability*). The number of Shares will

be calculated by reference to the Market Value of the Shares on the date of Vesting for Allocations and the date of exercise for Options.

- (c) If an Allocation is subject to a Holding Period, this Rule may only apply in respect of such number of Vested Shares as is sufficient to pay the Tax Liability that arises on the Vesting of the Allocation.
- (d) If an Option which is subject to a Holding Period is exercised prior to the expiry of the Holding Period, this Rule may only apply in respect of such number of Vested Shares as is sufficient to pay the Tax Liability that arises and the Exercise Price payable.
- (e) This Rule shall not apply in relation to Awards made in relation to any jurisdiction where the presence of this Rule 6.4 would cause:
 - (i) the operation of this Rule to be unlawful or for it to fall outside any applicable securities law exemption; or
 - (ii) adverse tax consequences for the Participant or any Group Company as determined by the Committee.

7 EXERCISE OF OPTIONS

7.1 Exercise in whole or in part

An Option must be exercised to the maximum extent possible at the time of exercise unless the Committee decides that a Participant may exercise their Option in respect of such fewer number of Shares as it decides.

7.2 Manner of exercise

The exercise of any Option shall be effected in the form and manner prescribed by the Committee. Unless the Committee, acting fairly and reasonably determines otherwise, any notice of exercise shall, subject to Rule 8 (*Restrictions, consents and tax*), take effect only when the Company receives it, together with, where applicable, payment relating to the Exercise Price payable or an agreement to secure that such a payment is made under arrangements acceptable to the Committee.

7.3 Exercise date

If any conditions must be fulfilled before an Option can be exercised, the Option will not be validly exercised unless and until the Committee is satisfied that those conditions have been fulfilled. Otherwise, the exercise date will be the date of receipt of the items referred to in Rule 7.2 (*Manner of exercise*).

7.4 Issue or transfer of Shares

Subject to Rule 8 (*Restrictions, consents and tax*), Shares will be issued or transferred to a Participant (or their nominee) pursuant to the exercise of an Option within 30 days following the exercise date.

8 RESTRICTIONS, CONSENTS AND TAX

8.1 Dealing Restrictions

- (a) The Vesting of an Award and the exercise of an Option shall be subject to any Dealing Restrictions.
- (b) If the Vesting, exercise or the issue or transfer of Shares in satisfaction of an Award is prevented by any Dealing Restriction, the period for Vesting, exercise, issue or transfer will be delayed for that Award until the Dealing Restriction no longer applies.

8.2 Consents

All allotments and transfers of Shares will be subject to any necessary consents under any relevant exchange or regulations for the time being in force in the United Kingdom or elsewhere. The Participant will be responsible for complying with any requirements the Participant needs to fulfil in order to obtain or avoid the necessity for any such consent.

8.3 Tax Liability

- (a) The Participant will be responsible for all taxes, social security contributions and other liabilities arising out of or in connection with an Award, its exercise (in the case of an Option) or the acquisition, holding or disposal of Shares ("**Tax Liability**").
- (b) Where any Group Company or any person other than the Participant has any obligation to pay or account for such a Tax Liability, the Company will normally arrange for sufficient Shares to be sold on behalf of the Participant to produce net proceeds equal to the amount of the liability. The proceeds will be paid to the Group Company or other person.
- (c) Notwithstanding Rule 8.3(b) the Company may at any time, decide that all or part of such Tax Liability will instead be met in any one or more of the following ways:
 - (i) allowing the Participant to fund the Tax Liability directly;
 - (ii) deducting the amount of the Tax Liability from any cash payment due under the Plan;

- (iii) reducing the number of Shares to which the Participant would otherwise be entitled and / or
 - (iv) deducting the amount from any payment of salary, bonus or other payment due to the Participant.
- (d) If required to do so by the Company, the Participant will enter into any tax elections (including, without limitation, under sections 430 or 431 of ITEPA) in relation to Shares received under the Plan.

9 HOLDING PERIOD

9.1 Operation

- (a) Where this Rule 9 applies, any Shares issued or transferred to a Participant following the Vesting of an Award or in the case of an Option, following exercise ("**Retained Shares**"), shall be subject to a Holding Period during which the Participant agrees to restrict their dealings in the Retained Shares.
- (b) The Committee may impose terms and conditions on Retained Shares including that such Retained Shares should be held by a designated nominee appointed by the Company on the Participant's behalf and a Participant may be required to enter into such documentation required by the Committee from time to time to give effect to the restrictions in this Rule 9 (*Holding Period*).
- (c) Where the Committee requires, a Participant must provide proof of continued beneficial ownership of the Retained Shares during and at the end of any Holding Period.
- (d) If a Participant acquires further Shares by reason of their holding of Retained Shares, those newly acquired Shares will also be held subject to the terms of this Rule 9 (*Holding Period*) as they apply to the original Retained Shares until the expiry of the Holding Period unless the Committee determines otherwise.
- (e) Retained Shares will not be subject to any risk of forfeiture during the Holding Period other than in connection with the operation of Rule 11 (*Operation of malus and clawback*).
- (f) For the avoidance of doubt, to the extent that a Participant exercises an Option after the end of a Holding Period, the resulting Shares will not be subject to the Holding Period.

9.2 Tax and the Holding Period

- (a) Where a Tax Liability arises in respect of Vested Shares at the start of or during the Holding Period, then Rule 8.3 (*Tax Liability*) will apply. For that purpose, Shares may be issued or transferred and sold to the extent necessary to fund any Tax Liability with the resulting net of tax number of Vested Shares being the Retained Shares.
- (b) Where required by the Company, the issue or transfer of Shares following the Vesting of an Award and subject to a Holding Period, shall be conditional upon the Participant entering into any election under section 431 of ITEPA (or any overseas equivalent).

9.3 Terms applicable to Retained Shares

The following will apply to Retained Shares during the Holding Period:

- (a) A Participant or beneficial holder of the Retained Shares will be entitled to vote and to receive dividends and have all other rights of a shareholder in respect of the Retained Shares from the date they become the beneficial owner.
- (b) A Participant may not transfer, assign or otherwise dispose of the Retained Shares or any interest in them (or instruct anyone to do so) except:
 - (i) in the case of the sale of sufficient entitlements nil-paid in relation to a Share, to take up the balance of the entitlements under a rights issue or similar event; or
 - (ii) to fund any Tax Liability.
- (c) Any securities which the Participant receives in respect of Retained Shares as a result of an event described in Rule 0 (*Takeovers and other corporate events*) during the Holding Period will, unless the Committee decides otherwise, be subject to the same restrictions as the corresponding Retained Shares.
- (d) To the extent that Retained Shares are forfeited under Rule 11 (*Operation of malus and clawback*), the Participant is deemed to consent to the immediate transfer of their beneficial ownership for no consideration or nominal consideration, to any person (which may include the Company, where permitted) specified by the Committee.
- (e) At the end of the Holding Period the terms applicable to Retained Shares will cease to apply and the Participant agrees, to the extent applicable, that they will direct their nominee / trustee to transfer the Retained Shares to the Participant or an alternative recipient(s) specified by the Participant.

9.4 Duration of the Holding Period

The Holding Period will start immediately on the date on which an Award Vests and will end on:

- (a) the second anniversary of the Normal Vesting Date or such other date specified by the Committee on the Award Date;
- (b) the date of a Takeover;
- (c) the death of the Participant;
- (d) if the Committee so determines, on the date of any of the corporate events described in Rule 0 (*Takeovers and other corporate events*);
- (e) if the Committee so determines, where a Participant ceases to be an Employee;
- (f) such other date as the Committee may, in its absolute discretion, determine.

9.5 Permitted transfers during the Holding Period

Subject to the prior approval of the Committee, the Participant may, at the start of or during the Holding Period, transfer or assign some or all of their Retained Shares (whether gross or net of any Tax Liability) to their spouse or civil partner or to the Participant's personal pension plan ("**transferee**") or family trust, provided that the transferee has agreed to comply with the Holding Period, any other terms and conditions imposed by the Committee and the decisions of the Committee and the transferee agrees not to sell, transfer, assign or dispose of those Retained Shares until the expiry of the Holding Period.

9.6 Interaction with the Company's share ownership guidelines or requirements

Nothing in this Rule 9 (*Holding Period*) shall remove and/or reduce any additional requirements that may apply to the Participant under the Company's share ownership guidelines or requirements (from time to time).

10 MALUS / CLAWBACK

10.1 Application of malus and/or clawback

- (a) The Committee may apply malus and/or clawback under Rule 11 (*Operation of malus and clawback*) in relation to an Award if one of the circumstances specified in Rule 10.2 (*Circumstances in which malus and/or clawback may be applied*) has occurred and the Committee makes a determination under Rule 10.3 (*Impact of circumstances*) within the time period specified in Rule 10.4 (*Time frame for operating malus and/or clawback*).

- (b) References in this Rule 10 (*malus / clawback*) to Participants shall include, where relevant, former Participants.

10.2 Circumstances in which malus and/or clawback may be applied

This Rule 10.2 (*Circumstances in which malus and/or clawback may be applied*) applies in relation to an Award if the Committee, in its absolute discretion, determines that any of the following circumstances exist:

- (a) any financial results or other measure of performance used in assessing the extent to which the Award Vested (or which influenced such assessment), whether relating to any Group Company or business unit, individual conduct, capability or performance or otherwise, were misstated or incorrect or were misleading;
- (b) an error was made in determining the extent to which an Award Vested and which resulted in the Award Vesting (or Shares being issued or transferred and/or cash being paid) to a greater extent than would otherwise have been the case;
- (c) the Committee determines that there is reasonable evidence that the Participant engaged in conduct (including by omission) that amounts to misconduct;
- (d) an event, act or omission occurs that the Committee determines constitutes or is reasonably anticipated to result in, the corporate failure of any Group Company, where “corporate failure” may include a material reduction in the value of the relevant company, any involuntary insolvency or similar circumstances or any event that the Committee determines has a material negative impact on any of the stakeholders in the Company.

Except where stated to apply from an earlier time, the circumstances referred to above will apply if they have occurred at any time on or after the start of the financial year in which the Award Date falls.

10.3 Impact of circumstances

This Rule 10.3 (*Impact of circumstances*) applies in relation to an Award if the Committee, in its discretion, determines that if the circumstances mentioned in Rule 10.2 (*Circumstances in which malus and/or clawback may be applied*) had existed, and the Committee had been fully aware that they existed, at the Award Date or, in the case of an Award that has already Vested, at the date of Vesting, then:

- (a) the Committee would not have granted the Award;
- (b) the Committee would have granted the Award in relation to a smaller number of Shares; or

- (c) in the case of an Award that has already Vested:
 - (i) it would not have Vested (or the Committee would not have permitted it to Vest) at all, or
 - (ii) it would only have Vested (or the Committee would only have permitted it to Vest) in relation to a smaller number of Shares.

10.4 Timeframe for operating malus and/or clawback

The Committee may make a determination in relation to an Award under Rule 10.3 (*Impact of circumstances*) at any time prior to the third anniversary of its Normal Vesting Date. If an investigation into the conduct or actions of any Participant or any Group Company has started prior to the third anniversary of the Award's Normal Vesting Date, the Committee may, in its absolute discretion, determine that the provisions of Rule 10 (*malus / clawback*) and Rule 11 (*Operation of malus and clawback*) may be applied to an Award until such later date as the Committee may determine to allow that investigation to be completed.

11 OPERATION OF MALUS AND CLAWBACK

11.1 When this Rule 11 applies

This Rule 11.1 applies to an Award if the circumstances set out in Rule 10.2 (*Circumstances in which malus and/or clawback may be applied*) apply to that Award.

11.2 Where Awards are not yet Vested or Options have not yet been exercised - malus

If, at the date of the determination under Rule 10.3 (*Impact of circumstances*), the Award has not yet Vested or, in the case of an Option, has not yet been exercised, the Committee may cancel the Award or reduce it by such number of Shares as the Committee considers to be fair and reasonable, taking account of all circumstances that the Committee considers to be relevant.

11.3 Where Awards have Vested or Options have been exercised — clawback

If, at the date of the determination under Rule 10.3 (*Impact of circumstances*), the Award has Vested or, in the case of an Option, it has been exercised, the Committee may determine an amount to be clawed back ("**Clawback Amount**") in relation to the Award.

11.4 Calculating the Clawback Amount

The Clawback Amount shall be such amount as the Committee considers to be fair and reasonable, taking account of all circumstances that the Committee considers to be relevant, but shall not be more than:

- (a) in relation to an Option that has been exercised, the greater of:
 - (i) the Market Value of the Shares measured on the date the Option was exercised minus the Exercise Price (if any), and
 - (ii) the Market Value of the Shares measured on the date of the determination under Rule 10.3 (*Impact of circumstances*) minus the Exercise Price (if any); and
- (b) in relation to an Award which is not an Option, the greater of:
 - (i) the Market Value of the Shares measured on the Normal Vesting Date, and
 - (ii) the Market Value of the Shares measured on the date of the determination, under Rule 10.3 (*Impact of circumstances*).

11.5 Reduction of Tax Liability

If the Participant has paid or is liable for any Tax Liability in relation to the Award or the Shares and which cannot be recovered from or repaid by the relevant tax authority (whether directly or indirectly), the Committee may in its discretion decide to reduce the Clawback Amount to take account of this unrecoverable tax amount. In deciding whether to reduce the Clawback Amount, the Committee shall take account of such factors it thinks fit, which may include market practice, corporate governance rules and guidelines, and the expectations of shareholders.

11.6 No obligation to treat all Awards or Participants in the same way

For the avoidance of doubt, the Committee is not obliged to determine a Clawback Amount in relation to any particular Award, even if the Committee does determine a Clawback Amount in relation to other Awards that were held by the same or other Participants which had the same Award Date or Normal Vesting Date.

11.7 Payment of Clawback Amount

The Participant shall reimburse the Company for the Clawback Amount, in any way acceptable to the Committee, on or as soon as possible after the Committee determines a Clawback Amount in relation to the Award. If the Participant fails to reimburse the Company within 30 days after the determination, the Company shall obtain reimbursement from the Participant in any (or any combination) of the following ways:

- (a) by reducing or cancelling any Options that the Participant has not exercised or Awards that have not yet Vested;

- (b) by reducing or cancelling any cash bonus payable to the Participant by any Group Company;
- (c) by reducing or cancelling any future or existing award made or option granted to the Participant under any other Employees' Share Scheme or bonus scheme operated by any Group Company (other than a Schedule 2 SIP or a Schedule 3 SAYE option scheme, as those terms are defined in ITEPA);
- (d) by requiring the Participant to make a cash payment to a Group Company;
- (e) by requiring the Participant to transfer Shares to an employee benefit trust for no consideration; or
- (f) by reducing the Participant's salary.

12 LEAVERS

12.1 General rule on ceasing employment

- (a) Unless Rule 12.2 (*Good leavers*) applies, an Award which has not Vested will lapse on the date the Participant ceases to be an Employee.
- (b) The Committee may decide that an Award which has not Vested will lapse on the date on which the Participant gives or receives notice of termination of their employment with any Group Company (whether or not such termination is lawful), unless Rule 12.2 (*Good leavers*) applies.

12.2 Good leavers (excluding death)

If a Participant ceases to be an Employee for any of the reasons set out below, their Award will Vest as described in Rule 12.3 (*Extent of Vesting*) and Rule 12.4 (*Earlier Vesting*). The reasons are:

- (a) injury or disability (evidenced to the satisfaction of the Committee);
- (b) retirement with the agreement of the Participant's employer;
- (c) redundancy, but only in circumstances which give rise to a redundancy payment;
- (d) the Participant's employing company ceasing to be a Group Company;
- (e) a transfer of the undertaking or the part of the undertaking, in which the Participant works to a person who is not a Group Company;
- (f) any other reason, if the Committee so decides in any particular case.

12.3 Extent of Vesting

Where Rule 12.2 (*Good leavers*) applies:

- (a) the Award shall not lapse and shall Vest on the Normal Vesting Date in accordance with Rule 5 (*Vesting of Awards*) unless Rule 12.4 (*Earlier Vesting*) applies; and
- (b) the number of Vested Shares will be reduced by the proportion which the number of calendar days from the date of cessation to the end of the Pro-Rating Period bears to the number of calendar days in the Pro-Rating Period (except that the Committee may decide not to pro-rate the Award, or pro-rate it to a lesser or different extent, if it regards it appropriate to do so taking into account all relevant considerations).

The “**Pro-Rating Period**” shall be such period as the Committee decides and normally means the period from the Award Date to the Normal Vesting Date (so that the reduction only reflects the proportion of the Vesting period which has elapsed).

12.4 Earlier Vesting

If Rule 12.2 (*Good leavers*) applies, the Committee may decide that the Participant's Award should Vest on the date of leaving or a later date determined by the Committee. The Committee will then:

- (a) determine the extent to which any Performance Condition has been or is likely to be satisfied in accordance with its terms or if the Performance Condition does not provide for it, in such manner as the Committee considers reasonable taking into account the shortened Performance Period; and
- (b) apply the requirements of Rule 12.3(b).

12.5 Leaving employment and exercising Options

If a Participant who holds an Option leaves employment for one of the reasons in Rule 12.2 (*Good leavers*), their Option will remain exercisable for a period of 12 months from the date on which it Vests, after which it will lapse save that the Committee can in its discretion extend that period (but not beyond the tenth anniversary of the Award Date).

12.6 Leavers during the Holding Period

- (a) If an Award is subject to a Holding Period and a Participant leaves during the Holding Period, their Shares shall continue to be subject to the Holding Period unless the Holding Period expires earlier in the circumstances set out in Rule 9.4 (*Duration of the Holding Period*).

- (b) Any unexercised Option held by the Participant must be exercised within 12 months of the expiry of the Holding Period and if the Option has not been exercised at the end of this period it will lapse.

12.7 Termination agreement

Where Rule 12.2 (*Good leavers*) or Rule 12.4 (*Earlier Vesting*) applies and the Participant has entered into an agreement setting out the terms that will apply and which shall relate to the termination of their employment, if so determined by the Committee, Awards will not Vest until the Participant has complied with or is released from their obligations under that agreement.

12.8 Post-Employment Shareholding Requirement

The Committee may determine that any Award held by a Participant after they have ceased employment will lapse if the Participant fails to abide by any applicable Post-Employment Shareholding Requirement.

12.9 Leavers – change in circumstances

If a Participant is treated as a good leaver under Rule 12.2 (*Good leavers*), the Committee may:

- (a) require the Participant to confirm, in such form and at such time or times as the Committee requires that in the period between the date of cessation and the date of Vesting they have not started employment with or otherwise provide services for which they are remunerated to, any other person;
- (b) make the delivery of any Shares to satisfy the Vesting of the award (if it is an Allocation) or the exercise of the Award (if it is an Option) conditional on the Participant giving the confirmation referred to in Rule 12.9(a);
- (c) determine that the Award will lapse if:
 - (i) the Participant does not give the confirmation referred to in Rule 12.9(a);
or
 - (ii) if the Committee determines that in the period between the date of cessation and the date of Vesting the Participant has started employment with or otherwise provide services for which they are remunerated to, any other person.

12.10 Overseas transfer

If a Participant remains an Employee but is transferred to work in another country or changes tax residence status and, as a result, they would:

- (a) suffer a tax disadvantage in relation to their Awards (this being shown to the satisfaction of the Committee); or
- (b) become subject to restrictions on their ability to exercise their Awards or to hold or deal in the Shares or the proceeds of the sale of the Shares acquired on exercise because of the securities laws or exchange control laws of the country to which they are transferred,

then the Committee may decide that the Awards will Vest on a date they choose before or after the transfer takes effect and the Award will Vest to the extent they permit. The Committee may make any Vesting subject to additional conditions, which may include (but are not limited to or by):

- (i) any requirements to retain Shares from the date of Vesting to the date on which the Award would have Vested but for any decision under this Rule 12.9; and/or
- (ii) that Shares acquired may be forfeited if the Participant ceases to be an Employee between the date of Vesting and the date on which the Award would have Vested but for any decision under this Rule 12.9 in circumstances in which the Award would have lapsed under Rule 12 but for any decision under this Rule 12.9.

12.11 Death

If a Participant ceases to be an Employee by reason of death their Award will Vest on the date of death or a later date determined by the Committee. The Committee will then apply the requirements of Rule 12.4(a) and Rule 12.4(b) and any Holding Period shall cease to apply in accordance with Rule 9.4 (*Duration of the Holding Period*).

12.12 Meaning of “ceasing to be an Employee”

A Participant will only be treated as “***leaving employment***” or “***ceasing to be an employee***”, when they are no longer an Employee of any Group Company or if they recommence employment with a Group Company within seven days of leaving.

13 TAKEOVERS AND OTHER CORPORATE EVENTS

13.1 Time of Vesting

- (a) Awards will Vest on a Takeover to the extent described in Rule 13.2 (*Extent of Vesting*) unless exchanged under Rule 13.4 (*Exchange of Awards*). Awards will then lapse as to the balance except to the extent exchanged.
- (b) If the Company is or may be affected by any demerger, delisting, distribution (other than an ordinary dividend) or other transaction or significant corporate event which, in the opinion of the Committee, might affect the current or future value of any Award, the Committee may allow an Award to Vest. The Award will Vest to the extent specified in Rule 13.2 (*Extent of Vesting*) and will lapse as to the balance unless exchanged under Rule 13.4 (*Exchange of Awards*). The Committee may impose other conditions on Vesting.

13.2 Extent of Vesting

Awards will Vest under Rule 13.1 (*Time of Vesting*) to the extent that:

- (a) any Performance Conditions are satisfied on the date of Vesting;
- (b) they are reduced by the proportion which the number of calendar days from the date of Vesting to the end of the Pro-Rating Period bears to the number of calendar days in the Pro-Rating Period (except that the Committee may decide not to pro-rate Awards, or pro-rate them to a lesser extent, if it regards it appropriate to do so taking into account all relevant considerations).

The Committee will determine the extent to which any Performance Condition is satisfied in accordance with its terms or, if the terms do not set out how the determination is to be done, in such manner as it considers reasonable taking into account the shortened Performance Period.

13.3 Exercise period for Options

Subject to any other lapse provisions under the Plan, Options will lapse one month after Vesting under this Rule 13 to the extent not exercised or exchanged.

13.4 Exchange of Awards

An Award will not Vest under Rule 13.1 (*Time of Vesting*) but will be exchanged as referred to in Rule 13.6 (*Exchange terms*) to the extent that:

- (a) an offer to exchange the Award is made and accepted by a Participant; or

- (b) the Committee, with the consent of the Acquiring Company, decides before the Takeover that the Award will be automatically exchanged (particularly where all or substantially all of the shares in the Acquiring Company are expected to be held by the same persons who immediately before acquiring Control of the Company were shareholders in the Company).

13.5 Timing of exchange

Where an Award is to be exchanged under Rule 13.4 (*Exchange of Awards*), the exchange is effective immediately following the Takeover.

13.6 Exchange terms

Where a Participant is granted a new award in exchange for an existing Award, the new Award:

- (a) must confer a right to acquire shares in the Acquiring Company or another body corporate determined by the Acquiring Company;
- (b) must be equivalent to the existing Award as determined by the Committee, subject to the imposition of any other term the Committee considers appropriate in all the circumstances.

13.7 Composition of the Committee and definition of Acquiring Company

In this Rule 0 (*Takeovers and other corporate events*):

- (a) “**Committee**” means those persons who were members of the remuneration committee of the Company immediately before the event by virtue of which it applies; and
- (b) “**Acquiring Company**” means a person who has or who obtains Control of the Company.

14 AMENDMENTS

14.1 General rule on amendments

Except as described in the rest of this Rule 14 (*Amendments*), the Committee may at any time amend the Plan (including the terms of any Award already granted) in any way.

14.2 Shareholder approval

- (a) Except as described in Rule 14.2(b), the Company in general meeting must approve in advance any proposed amendment to the Plan or to an Award to the advantage of present or future Participants, which relates to:

- (i) eligibility;
 - (ii) the limits on the number of Shares which may be issued or transferred from treasury under the Plan;
 - (iii) the maximum entitlement for any Participant;
 - (iv) the basis for determining a Participant's entitlement to, and the terms of, Shares or cash provided under the Plan;
 - (v) any adjustment of Awards on a Variation; and
 - (vi) the terms of this Rule 14.2 (*Shareholder approval*).
- (b) The Committee can amend the Plan or the terms of any Award without the requirement to obtain the approval of the Company in general meeting for any minor amendments:
- (i) to benefit the administration of the Plan;
 - (ii) to comply with or take account of the provisions of any proposed, existing or changed legislation;
 - (iii) to obtain or maintain favourable tax, exchange control or regulatory treatment of any Group Company or any present or future Participant.
- (c) The Committee does not need to obtain the approval of shareholders for any amendment to the Performance Conditions or other conditions imposed under Rule 2.3 (*Award terms*) as permitted by Rule 2.4 (*Performance Conditions*) and Rule 2.5 (*Other conditions*) or the terms of any such Performance Condition or other condition.

14.3 Participant consent

If the Committee proposes an amendment to the Plan or the terms of any Award (other than a permitted amendment to the Performance Conditions or other conditions imposed under Rule 2.3 (*Award terms*)) which would be to the material disadvantage of Participants in respect of subsisting rights under the Plan, then:

- (a) the Committee will invite each so disadvantaged Participant to indicate whether or not they approve the amendment; and
- (b) such amendment will only take effect if the majority (assessed by reference to the size of affected Awards) of the Participants who respond to an invitation made in accordance with Rule 14.3(a) consent to that amendment.

14.4 Notice

The Committee may (but is not obliged to) give written notice of any amendments made to any Participant affected.

15 EMPLOYMENT RIGHTS

15.1 Employment

The rights and obligations of any Participant under the terms of their office or employment with the Company (or any Group Company or former Group Company) shall not be affected by being a Participant. Nothing in this Plan confers upon the Participant any right to continue in the employment of the Company (or any Group Company or former Group Company), or will affect the right of the Company (or any Group Company or former Group Company) to terminate the employment of the Participant.

15.2 Benefits not pensionable

The value of any benefit realised under the Plan by Participants shall not be taken into account in determining any pension or similar entitlements.

15.3 No consequential losses on termination

Participants shall have no rights to compensation or damages from the Company, any Group Company or any former Group Company on account of any loss in respect of Awards where such loss arises (or is claimed to arise), in whole or in part, from:

- (a) termination of office or employment with; or
- (b) notice to terminate office or employment given by or to,

the Company, any Group Company or any former Group Company. This exclusion of liability shall apply however termination of office or employment, or the giving of notice, is caused and however compensation or damages may be claimed.

15.4 No consequential losses on transfer of employer

Participants have no rights to compensation or damages from the Company, any Group Company or any former Group Company on account of any loss in respect of Awards where such loss arises (or is claimed to arise), in whole or in part, from:

- (a) any company ceasing to be a Group Company; or
- (b) the transfer of any business from a Group Company to any person that is not a Group Company.

This exclusion of liability shall apply however the change of status of the relevant Group Company, or the transfer of the relevant business, is caused, and however compensation or damages may be claimed.

15.5 No expectation of grant

The granting of an Award on a particular basis or to a particular Participant in any year does not create any right or expectation of the grant of Awards on the same basis, or at all, or to any particular individual in that or any subsequent year.

15.6 Third party rights

Nothing in the Plan confers any benefit, right or expectation on a person who is not an Employee. No such third party has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Plan or any condition applicable to an Employee's Award. This does not affect any other right or remedy of a third party which may exist.

16 MISCELLANEOUS

16.1 Supervision of the Plan

The Plan will be supervised by the Committee which has authority to make such rules and regulations for the administration of the Plan as it considers necessary or desirable. The Committee may delegate any and all of its rights and powers under the Plan including the administration of the Plan.

16.2 Committee's decisions final and binding

The decision of the Committee on the interpretation of the Plan or in any dispute relating to an Award or matter relating to the Plan will be final and conclusive.

16.3 Regulations

The Committee has the power from time to time to make or vary regulations for the administration and operation of the Plan but these must be consistent with the Rules, especially Rule 14 (*Amendments*).

16.4 Documents sent to shareholders

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

16.5 Share rights

Shares issued to satisfy Awards under the Plan will rank equally in all respects with the Shares in issue on the date of allotment. They will not rank for any rights attaching to

Shares by reference to a record date preceding the date of allotment. Where Shares are transferred to a Participant, including a transfer out of treasury, the Participant will be entitled to all rights attaching to the Shares by reference to a record date on or after the transfer date. The Participant will not be entitled to rights before that date.

16.6 Listing

If and for so long as the Shares are listed and traded on a public market, the Company will apply for listing of any Shares issued under the Plan as soon as practicable.

16.7 Costs

The Company will pay the costs of introducing and administering the Plan. The Company may ask a Participant's employer or any Group Company to bear the costs in respect of an Award (including for example any trading or other working costs) to that Participant.

16.8 No liability for delay

No Group Company shall be liable for any loss arising from any delay in giving effect to any notice or communication received from an Employee or Participant or in procuring the exercise of an Option or a sale, allotment or transfer of any Shares.

16.9 Severance of Rules

If any provision of the Plan is held to be invalid, illegal or unenforceable for any reason by any court with jurisdiction, then, for the purposes of that jurisdiction only:

- (a) such provision will be deleted; and
- (b) the remaining provisions will continue in full force and effect,

unless the Committee decides otherwise.

16.10 Notices

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

- (a) by personal delivery or by post, in the case of a company to its registered office, and in the case of an individual to their last known address, or, where they are a director or Employee of a Group Company, either to their last known address or to the address of the place of business at which they perform the whole or substantially the whole of the duties of their office or employment;
 - (b) in an electronic communication to their usual business address or such other address for the time being notified for that purpose to the person giving the notice;
- or

(c) by such other method as the Committee determines.

16.11 Data protection

As part of the Plan, the Company will process personal data about Participants from time to time. The Company will process such personal data in accordance with applicable data protection legislation and in accordance with its employee privacy policy (as amended from time to time) and privacy notices issued to employees. The latest version of the employee privacy policy can be found in the staff handbook.

16.12 Termination of the Plan

The Plan will terminate on the Expiry Date or on such earlier date as the Committee decides. Termination will not affect existing rights granted under the Plan.

16.13 Governing law

The Plan and all Awards shall be governed by and construed in accordance with the law of England and Wales and the Courts of England and Wales have exclusive jurisdiction to hear any dispute.

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