

easyJet plc

NOTICE OF ANNUAL GENERAL MEETING 2015

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT ABOUT THE ACTION TO BE TAKEN, YOU SHOULD IMMEDIATELY CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000.

If you have sold or transferred all of your ordinary shares in easyJet plc (the "Company"), you should pass this document, together with the accompanying documents, as soon as possible to the purchaser or transferee or to the person through whom the sale or transfer was made for transmission to the purchaser or transferee.

Notice of the Annual General Meeting of easyJet plc, which has been convened for Thursday, 12 February 2015 at 10.00 a.m. at Hangar 89, London Luton Airport, Luton, Bedfordshire, LU2 9PF, is set out in Part II of this document.

A Form of Proxy for use at the Annual General Meeting is enclosed. To be valid, Forms of Proxy must be completed and returned in accordance with the instructions printed thereon so as to be received by the Company's registrars, Equiniti at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA as soon as possible and in any event not later than 10 February 2015 at 10.00 a.m., being 48 hours before the time appointed for holding the Annual General Meeting. Your appointed proxy must attend the Annual General Meeting for your vote to be counted. Unless you are appointing the Chairman as your proxy, please check with your appointed proxy prior to appointing him/her that he/she intends to attend the Annual General Meeting.

PART I

easyJet plc

(Incorporated and registered in England and Wales with registered number 3959649)

Directors

John Barton (Chairman) / Charles Gurassa / Carolyn McCall OBE / Chris Kennedy / Adèle Anderson / Dr. Andreas Bierwirth / John Browett / Keith Hamill OBE / Andy Martin / François Rubichon

Registered office

Hangar 89
London Luton Airport
Luton
Bedfordshire
LU2 9PF

14 January 2015

Dear Shareholder

I am writing to inform you that the Annual General Meeting (the "Meeting") of the Company will be held at 10.00 a.m. on Thursday, 12 February 2015 at Hangar 89, London Luton Airport, Luton, Bedfordshire, LU2 9PF. The formal notice of the Meeting and resolutions to be proposed are set out in Part II on page 11 of this document.

If you would like to vote on the resolutions but cannot come to the Meeting, you can appoint another person as your proxy to exercise all or any of your rights to attend, vote and speak at the Meeting by using one of the methods set out in the notes to the notice of the Meeting.

The purpose of this letter is to explain certain elements of the business to be considered at the Meeting. Resolutions 1 to 22 inclusive are proposed as ordinary resolutions, while Resolutions 23 to 25 inclusive are proposed as special resolutions.

Annual report and accounts for the year ended 30 September 2014 (Resolution 1)

Shareholders will be asked to receive the Annual report and accounts for the year ended 30 September 2014. The Annual report and accounts was published and made available to shareholders on 5 December 2014.

Directors' Remuneration Report (Resolutions 2 and 3)

These Resolutions seek shareholder approval for a revised Directors' Remuneration Policy, the Annual Report on Remuneration and the Annual Statement by the Chairman of the Remuneration Committee, which together form the Directors' Remuneration Report. The Directors' Remuneration Report can be found on pages 71 to 88 (inclusive) of the Annual report and accounts.

Whilst the Company sought approval for its current Directors' Remuneration Policy at the last Annual General Meeting, the Remuneration Committee considered it appropriate, given the expiry of the Company's Long Term Incentive Plan, to undertake a wider review of directors' remuneration and is proposing to make the changes to the Directors' Remuneration Policy which are set out in further detail in the Annual Statement by the Chairman of the Remuneration Committee on page 71 of the Annual report and accounts.

Two resolutions are therefore required by the regulations which came into force on 1 October 2013 in this area, the first being a binding resolution on the Company's revised Directors' Remuneration Policy and the second being a separate advisory resolution on the Annual Statement by the Chairman of the Remuneration Committee and the implementation of the Company's current remuneration policy in terms of the payments and share awards made to Directors during the year (i.e. the Annual Report on Remuneration).

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Resolution 2 is the ordinary resolution to approve the revised Directors' Remuneration Policy, which can be found on pages 72 to 80 (inclusive) of the Annual report and accounts. The Directors' Remuneration Policy sets out the Company's future policy on Directors' remuneration, including the setting of the Directors' pay and the granting of share awards. Details on how the policy will be applied in practice for 2014/15 are set out in the Annual Report on Remuneration on page 80 and 81 of the Annual report and accounts. If Resolution 2 is approved, the effective date of the revised remuneration policy will be 12 February 2015.

All future payments by the Company to the Directors and any former directors must, once approved, be made in accordance with the revised policy (unless a payment is separately approved by a shareholder resolution). The revised Directors' Remuneration Policy will, once approved and provided that it remains unchanged, apply for up to three financial years.

Resolution 3 is the ordinary resolution to approve the Annual Statement by the Chairman of the Remuneration Committee and the Annual Report on Remuneration which can be found on pages 71, 72, and 80 to 88 (inclusive) of the Annual report and accounts. The Annual Report on Remuneration gives details of the implementation of the Company's current remuneration policy in terms of the payments and share awards made to the Directors in connection with their performance and that of the Company during the year ended 30 September 2014. This resolution is advisory and will not affect the way in which the policy has been implemented or the future remuneration that is paid to any Director.

The Company's auditors during the year, PricewaterhouseCoopers LLP, have audited those parts of the Directors' Remuneration Report that are required to be audited and their report relating to the Directors' Remuneration Report can be found on page 97 of the Annual report and accounts.

Payment of ordinary dividend (Resolution 4)

An ordinary dividend of 45.4 pence per ordinary share for the year ended 30 September 2014 is recommended for payment by the Directors.

If shareholders approve the recommended ordinary dividend, this will be paid on Friday 20 March 2015 to all shareholders who are on the register of members at the close of business at 5.00 p.m. on Friday 27 February 2015 with an ex-dividend date of Thursday 26 February 2015. Payments will be made by cheque or BACS (where there is an existing dividend mandate). The ordinary dividend equates to an aggregate distribution to shareholders of approximately £180 million.

Election / re-election of Directors (Resolutions 5 to 14 inclusive)

In accordance with the UK Corporate Governance Code, which provides for all directors of companies forming part of the FTSE 350 to be subject to annual re-election by shareholders, all of the Board is standing for re-election (or, in the case of Dr. Andreas Bierwirth and François Rubichon, who were appointed as Non-Executive Directors of the Company on 22 July 2014, election) by shareholders at this year's Annual General Meeting.

Resolutions 5, 6, 8 and 11 to 14 (inclusive) relate to the election of Dr. Andreas Bierwirth and François Rubichon, and to the re-election of Charles Gurassa, Adèle Anderson, John Browett, Keith Hamill and Andy Martin who are the Directors that the Board has determined are independent directors for the purposes of the UK Corporate Governance Code (the "Independent Directors"). Under the Listing Rules, because Sir Stelios Haji-Ioannou, easyGroup Holdings Limited, Polys Haji-Ioannou and Clelia Haji-Ioannou together comprise controlling shareholders of the Company (that is, they exercise or control in concert more than 30% of the voting rights of the Company), the election or re-election of any Independent Director by shareholders must be approved by a majority vote of both:

- (1) the shareholders of the Company; and
- (2) the independent shareholders of the Company (that is the shareholders of the Company entitled to vote on the election of Directors who are not controlling shareholders of the Company).

Resolutions 5, 6, 8, and 11 to 14 (inclusive) are therefore being proposed as ordinary resolutions which all shareholders may vote on, but in addition the Company will separately count the number of votes cast by independent shareholders in favour of the resolution (as a proportion of the total votes of independent shareholders cast on the resolution) to determine whether the second threshold referred to in (2) above has been met. The Company will announce the results of the resolutions on this basis as well as announcing the results of the ordinary resolutions of all shareholders.

Under the Listing Rules, if a resolution to re-elect an Independent Director is not approved by a majority vote of both the shareholders as a whole and the independent shareholders of the Company at the Annual General Meeting, a further resolution may be put forward to be approved by the shareholders as a whole at a meeting which must be held more than 90 days after the date of the first vote but within 120 days of the first vote. Accordingly, if any of Resolutions 5, 6, 8 and 11 to 14 (inclusive) is not approved by a majority vote of the Company's independent shareholders at the Annual General Meeting, the relevant Director(s) will be treated as having been re-elected only for the period from the date of the Annual General Meeting until the earlier of (i) the close of any general meeting of the Company, convened for a date more than 90 days after the Annual General Meeting but within 120 days of the Annual General Meeting, to propose a further resolution to re-elect him or her, (ii) the date which is 120 days after the Annual General Meeting and (iii) the date of any announcement by the Board that it does not intend to hold a second vote. In the event that the Director's re-election is approved by a majority vote of all shareholders at a second meeting, the Director will then be re-elected until the next Annual General Meeting.

The Company is also required to provide details of (i) any previous or existing relationship, transaction or arrangement between an Independent Director and the Company, its Directors, any controlling shareholder or any associate of a controlling shareholder; (ii) why the Company considers the proposed

Independent Director will be an effective Director; (iii) how the Company has determined that the proposed Director is an Independent Director and (iv) the process by which the Company has selected each Independent Director. This is set out below:

Previous/existing relationships: The Company has received confirmation from each of the Independent Directors that, except as disclosed below, there is no existing or previous relationship, transaction or arrangement that the Independent Directors have or have had with the Company, its Directors, any controlling shareholder or any associate of a controlling shareholder.

- Between 2005 and 2012 (two years prior to his appointment as a Director in July 2014), François Rubichon was Managing Director of Aéroports de Paris, during which time they had a commercial relationship with various airline carriers, including easyJet. This relationship was taken into account by the Board when determining François' independence.
- Keith Hamill served as the Non-Executive Chairman of Go Fly Limited when it was acquired by easyJet in July 2002 (seven years prior to his appointment in March 2009). This relationship was taken into account by the Board when determining Keith's independence.
- The Independent Directors from time to time attend networking or fundraising events with or at the invitation of other Directors but the Board is satisfied that this has no bearing on their independence.
- Independent Directors have in the past sat on the same board of another company together, or one Independent Director has sat on a board of a company where another Independent Director has been a senior executive. However the last instance took place over seven years ago and the Board is satisfied that this has no bearing on the relevant Independent Directors' independence.

Effectiveness: Biographical details of each of the Directors, who are seeking re-election, or in the case of Dr. Andreas Bierwirth and François Rubichon, seeking election, appear on pages 54 and 55 of the Annual report and accounts. The biographical details set out the experience which

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each Independent Director has. The Board considers, following a formal external performance evaluation (as referred to on page 68 of the Annual report and accounts), that each Director continues to contribute effectively and to demonstrate commitment to his or her role.

This consideration of effectiveness is based on, amongst other things, the business skills, industry experience, business model experiences and other contributions individuals may make (including diversity considerations), both as an individual and also in contributing to the balance of skills, knowledge and capability of the Board as a whole, as well as the commitment of time for Board and committee meetings and other duties.

Independence: Each Independent Director's independence was determined by reference to the relevant provisions of the UK Corporate Governance Code. The Board considers that each of the Independent Directors is independent in character and judgement and that there are no relationships or circumstance which are likely to affect, or could appear to affect, his / her judgement.

Selection: In accordance with long-standing Board practice, the searches for Independent Directors involved the use of recruitment consultants. The Nominations Committee were responsible in each case for identifying and nominating, for the approval of the Board, candidates to fill Board vacancies. For further information on the selection process relating to the appointment of Dr. Andreas Bierwirth and François Rubichon during the 2014 financial year, please refer to page 64 of the Annual report and accounts.

Auditors (Resolutions 15 and 16)

The Company is required at each general meeting at which the Company's Annual report and accounts for the previous financial year are presented to appoint auditors to hold office until the next such meeting. Accordingly, Resolution 15 re-appoints PricewaterhouseCoopers LLP as auditors to the Company. Resolution 16 authorises the Directors to fix the remuneration of the auditors.

Political donations and political expenditure (Resolution 17)

Resolution 17 is designed to deal with rules on political donations and expenditure contained in Part 14 of the Companies Act 2006 (the 'Act') (Sections 362 to 379). Under Section 378 of the Act, a company may not make donations to an EU political party, or other EU political organisation, or to an independent election candidate in the EU, of more than £5,000 in total, or incur any EU political expenditure, without first obtaining the authority of shareholders.

Although the Company does not make and does not intend to make political donations to political parties or political organisations or independent election candidates, or to incur political expenditure, the legislation is very broadly drafted and may catch such activities as funding seminars or functions to which politicians are invited, or may extend to bodies concerned with policy review, law reform and representation of the business community that the Company and its subsidiaries might wish to support. Accordingly, the Directors have decided to put forward this Resolution to renew the authority granted by shareholders at the Annual General Meeting of the Company held on 13 February 2014 to permit political donations and political expenditure in case any of its activities in its normal course of business, are caught by the legislation.

This authority will cover the period from the date Resolution 17 is passed until the end of the 2016 Annual General Meeting of the Company, or if earlier, on 12 May 2016. As permitted under the Act, Resolution 17 also covers any political donations made, or any political expenditure incurred, by any subsidiaries of the Company.

Authority of Directors to allot shares (Resolution 18)

Under Section 551 of the Act, the directors of a company are not permitted to allot shares (or grant certain rights over shares) unless authorised to do so by shareholders.

At the last Annual General Meeting of the Company held on 13 February 2014, the Directors were given authority to allot relevant securities within the meaning of Section 551 of the Act up

to an aggregate nominal amount of £10,824,204 representing approximately 10% of the Company's issued ordinary share capital on 13 January 2014, being the latest practicable date prior to the publication of the notice of that Annual General Meeting. This authority expires at the end of this year's Annual General Meeting.

The Investment Association (IA), which was created following the merging of the Investment Affairs division of the Association of British Insurers (ABI) and the Investment Management Association (IMA) in June 2014, has assumed responsibility for the guidance previously issued by the ABI on share capital management, including directors' authority to allot shares. As with the previous ABI guidelines, the new guidelines published by the IMA on directors' authority to allot shares state that IA members will permit, and treat as routine, resolutions seeking authority to allot shares representing up to one-third of a company's issued share capital. In light of these guidelines, your Board considers it appropriate that the Directors be granted an authority to allot shares in the capital of the Company and Resolution 18 gives the Directors the necessary authority to allot shares up to an aggregate nominal amount of £10,838,107. This amount is equivalent to approximately 10% of the issued share capital of the Company on 12 January 2015 (being the latest practicable date prior to the publication of this document). The power will last until the end of the 2016 Annual General Meeting of the Company or, if earlier, on 12 May 2016. This authority will be subject to the Company's authorised share capital limit, also taking into account any share capital that might be reserved for issue from time to time under the terms of the Company's share option schemes.

The Directors do not have any present intention to exercise this authority. However the Directors consider it appropriate to maintain the flexibility that this authority provides. It is intended to renew this authority at successive Annual General Meetings. The Company does not currently hold any of its shares in treasury.

Approval of the easyJet 2015 Long Term Incentive Plan (Resolution 19)

The Company's existing long-term incentive plan is due to expire in September 2015 and so the

Directors are proposing that shareholders approve the easyJet 2015 Long Term Incentive Plan (the "LTIP") to operate for awards granted on or after 1 October 2015.

The Directors consider that the existing plan has been an effective way of providing a direct link between a significant proportion of the remuneration of key individuals and the Company's continued improved performance.

The new LTIP will operate a simplified structure under which only performance share awards will be granted, whereas the previous plan provided for both performance share awards and matching shares. This change is consistent with the encouragement we have received from shareholders to simplify our pay arrangements. As a result of this simplification, the maximum normal annual award limit under the LTIP will be reduced to 250% of salary, save in exceptional circumstances (for example on recruitment) where awards may be made up to 300% of salary, which is the limit under the current plan. Finally, the Company is introducing the ability to apply a two-year post-vesting holding period which will result in a requirement that any shares received following vesting should be retained by the participant on a net of tax basis during that period. As provided in the revised Remuneration Policy, this provision will apply to awards granted to Executive Directors.

Clawback provisions will operate in the new LTIP on the same basis as in the existing plan, enabling any overpayment through the vesting of share awards as a result of a misstatement of the Company's results or errors in calculating the performance conditions to be reclaimed within a three-year period.

A summary of the main provisions of the revised LTIP can be found in the Appendix.

Extension to the easyJet UK Sharesave Plan and the easyJet International Sharesave Plan (Resolutions 20 and 21)

Resolutions 20 and 21 seek shareholders' approval for the continued operation of the easyJet UK Sharesave Plan (the "UK SAYE"), and the easyJet International Sharesave Plan (the "International SAYE"), for a further period of 10 years from the date of the Annual General Meeting.

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The UK SAYE is a tax-advantaged plan which is open to all UK employees of easyJet who are eligible to apply for options on the relevant eligibility date each year. Under the UK SAYE, options are granted to be exercisable in conjunction with either three-year or five-year savings arrangements, up to a monthly limit of £500.

The International SAYE is an equivalent plan to the UK SAYE but made available to non-UK employees who are eligible employees on the relevant eligibility date each year. As with the UK SAYE, participants can enter into savings arrangements into which they save the equivalent of up to £500 per month in local currency.

Options under each of the UK SAYE and International SAYE may be granted at a discount of up to 20% to the market price at the time of the invitation.

The UK SAYE and International SAYE have been updated for changes to the applicable legislation applying to sharesave plans, but otherwise the terms remain as were approved by shareholders in 2005.

Extension to the easyJet Share Incentive Plan (Resolution 22)

Resolution 22 seeks shareholders' approval for the continued operation of the easyJet Share Incentive Plan (the "SIP") for a further period of 10 years from the date of the Annual General Meeting.

The SIP is a tax-advantaged plan which is open to all UK employees of easyJet who are eligible to apply for shares on the relevant eligibility date each year. Under the SIP, each year up to £3,600 of free shares may be awarded to each eligible employee. In addition up to £1,800 of shares may be purchased by each eligible employee and may then be matched by the Company with up to two matching shares for each purchased share. The Company may choose which of these elements is operated in any year and to what level and, in addition, may require, or permit, dividends on shares received or acquired to be reinvested in further shares.

The SIP includes a non-tax advantaged part which may be used for non-UK employees to receive or acquire shares on similar terms to UK

employees. However, the Company also operates the easyJet International Share Incentive Plan (the "International SIP") for non-UK employees. Awards under the International SIP cannot be satisfied using new issue or treasury shares, and so approval from shareholders to operate the International SIP is not required.

The SIP has been updated for changes to the applicable legislation, but otherwise the terms remain as were approved by HMRC in 2005.

Disapplication of pre-emption rights (Resolution 23)

If the Directors wish to exercise the authority under Resolution 18 and offer unissued shares for cash, the Act requires that, unless shareholders have given specific authority for the waiver of their statutory pre-emption rights by way of special resolution, the new shares be offered first to existing shareholders in proportion to their existing shareholdings. In certain circumstances, it may be in the best interests of the Company to allot shares (or to grant rights over shares) for cash without first offering them to existing shareholders in proportion to their holdings. Resolution 23 would authorise the Directors to disapply the strict statutory pre-emption provisions.

This would provide the Directors with a degree of flexibility to act in the best interests of the Company so that: (i) the Company can follow normal practice in the event of a rights issue, open offer or other offer of securities in favour of the existing shareholders in proportion to their shareholdings; and (ii) a limited number of shares may be issued for cash to persons other than existing shareholders.

In compliance with the new IMA guidelines described in Resolution 18, this authority will permit the Directors to allot:

- (a) shares up to an aggregate nominal amount of £10,838,107 (representing approximately 10% of the Company's issued share capital) on an offer to existing shareholders on a pre-emptive basis (subject to any adjustments, such as for fractional entitlements and overseas shareholders, as the Directors see fit); and

(b) shares up to a maximum aggregate nominal amount of £5,419,053, representing approximately 5% of the issued ordinary share capital of the Company as at 12 January 2015 (being the latest practicable date prior to the publication of this document) otherwise than in connection with an offer to existing shareholders.

The Directors have no present intention of exercising this authority. If given, the authority will expire at the conclusion of the 2016 Annual General Meeting of the Company or 12 May 2016, if earlier.

The Directors confirm their intention to follow the provisions of the Pre-emption Group's Statement of Principles regarding cumulative usage of authorities within a rolling three-year period. These principles provide that companies should not issue shares for cash representing more than 7.5% of the company's issued share capital in any rolling three-year period, other than to existing shareholders, without prior consultation with shareholders.

Your Directors believe that the authority sought in this Resolution is in the best interests of the Company and note that it complies with the IMA guidelines and follows the Pre-emption Group's Statement of Principles. The vast majority of FTSE 350 companies obtain the maximum authority to allot shares and to disapply pre-emption rights on the basis permitted in the IMA guidelines.

Purchase of own shares (Resolution 24)

Resolution 24 gives the Company authority to buy back its own ordinary shares in the market as permitted by the Act. The authority limits the number of shares that could be purchased to a maximum of 39,720,813 representing approximately 10% of the Company's existing issued ordinary share capital as at 12 January 2015 (being the latest practicable date prior to the publication of this document) and sets minimum and maximum prices. This authority will expire at the conclusion of the 2016 Annual General Meeting of the Company, or if earlier, on 12 May 2016.

Your Directors are of the opinion that it would be advantageous for the Company to be in a position to purchase its own shares should such action be deemed appropriate by the Board. The Directors have no present intention of exercising the authority to purchase the Company's ordinary shares but will keep the matter under review, taking into account the financial resources of the Company, the Company's share price and future funding opportunities. The authority will be exercised only if the Directors believe that to do so would result in an increase in earnings per share and would be in the interests of shareholders generally. Other investment opportunities, appropriate gearing levels and the overall position of the Company will be taken into account in reaching such a decision. Any purchases of ordinary shares would be by means of market purchases through the London Stock Exchange.

As a result of Sir Stelios, Clelia and Polys Haji-Ioannou and their shareholding vehicles having previously been deemed by the Takeover Panel to be concert parties for the purposes of the Takeover Code, any market purchase would most likely be subject to prior consultation with the Takeover Panel and would be likely to require further shareholder approval. This is because, unless the concert party position is deemed to have changed, a market purchase of the Company's shares could increase the percentage of voting rights in which the Haji-Ioannou concert parties are interested in a situation where they are already interested in at least 30% of the Company's voting rights and so technically trigger a mandatory offer obligation under Rule 9 of the Takeover Code.

Listed companies purchasing their own shares are allowed to hold them in treasury as an alternative to cancelling them. No dividends are paid on shares whilst held in treasury and no voting rights attach to treasury shares.

If Resolution 24 is passed at the Meeting and any purchases were made, it is the Company's present intention that it would cancel all of the shares it may purchase pursuant to the authority granted to it. However, in order to respond properly to the Company's capital requirements and prevailing market conditions, the Directors would need to reassess at the time of any and each actual

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purchase whether to hold the shares in treasury or cancel them, provided it was permitted to do so.

As at 12 January 2015 (being the latest practicable date prior to the publication of this document), there were warrants and options over 8,498,472 ordinary shares in the capital of the Company representing 2.14% of the Company's issued ordinary share capital. If the authority to purchase the Company's ordinary shares was exercised in full, these warrants and options would represent 2.38% of the Company's issued ordinary share capital.

Length of notice of general meetings other than AGMs (Resolution 25)

Resolution 25 is a resolution to allow the Company to hold general meetings (other than Annual General Meetings) on 14 days' notice.

The minimum notice period for general meetings of listed companies is 21 days, but companies may reduce this period to 14 days (other than for Annual General Meetings) provided that:

- (a) the company offers a facility for shareholders to vote by electronic means. This condition is met if the company has a facility enabling all shareholders to appoint a proxy by means of a website; and
- (b) on an annual basis, a shareholders' resolution approving the reduction of the minimum notice period from 21 days to 14 days is passed.

The Board is therefore proposing Resolution 25 as a special resolution to approve 14 days as the minimum period of notice for all general meetings of the Company other than Annual General Meetings. The approval of this Resolution will be effective until the end of the 2016 Annual General Meeting of the Company, when it is intended that the approval will be renewed.

It is widely acknowledged that the ability of companies to hold meetings at short notice is important and commercially desirable in certain circumstances. The Directors realise that this must be balanced against the need for shareholders to have sufficient time to evaluate, investigate and comment upon any issues relating to general meeting motions in particular where the proposals

are of such complexity that shareholders require more time to consider their voting decision.

The Board's intention is not therefore to use this shorter notice period other than in limited exceptional circumstances which are time-sensitive, rather than as a matter of routine, and only where the flexibility is merited by the business of the meeting and is thought to be in the interests of shareholders as a whole. The Directors do not have any current intention to exercise this authority but consider it appropriate to ensure that the Company has the appropriate flexibility to respond to all eventualities.

Action to be taken

You will find enclosed a Form of Proxy for use at the Meeting. Please complete, sign and return the enclosed form as soon as possible in accordance with the instructions printed thereon whether or not you intend to be present at the Meeting. Forms of Proxy should be returned so as to be received by the Company's registrars, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA as soon as possible and in any event no later than 10.00 a.m. on 10 February 2015, being 48 hours before the time appointed for the Meeting.

Recommendation

The Board considers that all the resolutions in the notice of the Meeting are likely to promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. Your Directors unanimously recommend that you vote in favour of the Resolutions as they intend to do in respect of their own beneficial holdings (including those of their connected persons) which amount in aggregate to 433,009 shares representing approximately 0.11% of the existing issued ordinary share capital of the Company as at 12 January 2015, being the latest practicable date prior to the publication of this document.

Yours faithfully



John Barton
Chairman

PART II

easyJet plc

(Incorporated and registered in England and Wales with registered number 3959649)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the fourteenth Annual General Meeting of the Company will be held at Hangar 89, London Luton Airport, Luton, Bedfordshire LU2 9PF on Thursday, 12 February 2015 at 10.00 a.m. to consider and, if thought fit, to pass Resolutions 1 to 22 inclusive as ordinary resolutions and Resolutions 23 to 25 inclusive as special resolutions:

Ordinary resolutions:

1. To receive the Annual report and accounts for the year ended 30 September 2014.
2. To approve the Directors' Remuneration Policy set out on pages 72 to 80 (inclusive) in the Annual report and accounts.
3. To approve the Annual Statement by the Chairman of the Remuneration Committee and the Annual Report on Remuneration for the year ended 30 September 2014 set out on pages 71, 72, and 80 to 88 (inclusive) in the Annual report and accounts.
4. To declare an ordinary dividend for the year ended 30 September 2014 of 45.4 pence for each ordinary share in the capital of the Company.
5. To elect Dr. Andreas Bierwirth as a Director.
6. To elect François Rubichon as a Director.
7. To re-elect John Barton as a Director.
8. To re-elect Charles Gurassa as a Director.
9. To re-elect Carolyn McCall OBE as a Director.
10. To re-elect Chris Kennedy as a Director.
11. To re-elect Adèle Anderson as a Director.
12. To re-elect John Browett as a Director.
13. To re-elect Keith Hamill OBE as a Director.
14. To re-elect Andy Martin as a Director.
15. To re-appoint PricewaterhouseCoopers LLP as auditors of the Company to hold office until the conclusion of the 2016 Annual General Meeting of the Company.
16. To authorise the Directors to determine the remuneration of the auditors.
17. THAT in accordance with Sections 366 and 367 of the Companies Act 2006 (the 'Act') the Company and all companies which are subsidiaries of the Company at the date on which this Resolution 17 is passed or during the period when this Resolution 17 has effect be generally and unconditionally authorised to:
 - (a) make political donations to political parties or independent election candidates not exceeding £5,000 in total;
 - (b) make political donations to political organisations other than political parties not exceeding £5,000 in total; and
 - (c) incur political expenditure not exceeding £5,000 in total,(as such terms are defined in the Act) during the period beginning with the date of the passing of this Resolution and ending at the end of the 2016 Annual General Meeting of the Company or, if earlier, on 12 May 2016 provided that the authorised sum referred to in paragraphs (a), (b) and (c) above, may be comprised of one or more amounts in different currencies which, for the purposes of calculating the said sum, shall be

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- converted into pounds sterling at the exchange rate published in the London edition of the Financial Times on the date on which the relevant donation is made or expenditure incurred (or the first business day thereafter) or, if earlier, on the day in which the Company enters into any contract or undertaking in relation to the same provided that, in any event, the aggregate amount of political donations and political expenditure made or incurred by the Company and its subsidiaries pursuant to this Resolution shall not exceed £15,000.
18. THAT, subject only to any limitations as to authorised share capital contained in the Company's Articles of Association, the Directors be and they are hereby generally and unconditionally authorised in accordance with Section 551 of the Act, in substitution for all existing authorities to the extent unused, to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company ("Rights") up to an aggregate nominal amount of £10,838,107, provided that this authority shall expire on the conclusion of the 2016 Annual General Meeting of the Company or, if earlier, on 12 May 2016, save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors may allot shares and grant Rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired. All unexercised authorities previously granted to the Directors to allot shares and grants Rights are hereby revoked.
19. THAT the easyJet 2015 Long Term Incentive Plan, the rules of which are produced to the meeting and signed by the Chairman for the purposes of identification, and a summary of the main provisions of which is set out in the Appendix to the Notice of Annual General Meeting, be and are hereby approved, and the directors be authorised to do all such acts and things as they may consider appropriate to bring the same into effect.
20. THAT the easyJet UK Sharesave Plan, the rules of which are produced to the meeting and signed by the Chairman for the purposes of identification, be extended for a further period of ten years from the date of the Annual General Meeting, and the directors be authorised to do all such acts and things as they may consider appropriate to bring the same into effect.
21. THAT the easyJet International Sharesave Plan, the rules of which are produced to the meeting and signed by the Chairman for the purposes of identification, be extended for a further period of ten years from the date of the Annual General Meeting, and the directors be authorised to do all such acts and things as they may consider appropriate to bring the same into effect.
22. THAT the easyJet Share Incentive Plan, the trust deed and rules of which are produced to the meeting and signed by the Chairman for the purposes of identification, be extended for a further period of ten years from the date of the Annual General Meeting, and the directors be authorised to do all such acts and things as they may consider appropriate to bring the same into effect.

Special resolutions:

23. THAT the Directors be and they are hereby empowered pursuant to Section 570 and Section 573 of the Act to allot equity securities (within the meaning of Section 560 of the Act) for cash either pursuant to the authority conferred by the Resolution 18 or by way of a sale of treasury shares as if Section 561(1) of the Act did not apply to any such allotment provided that this authority shall be limited to the allotment of equity securities:
- (a) in connection with a rights issue, open offer or other offer of securities in favour of the holders of ordinary shares on the register of members at such record dates as the Directors may determine and other persons entitled to participate therein where the equity securities respectively attributable to the interest of the ordinary shareholders are in proportion (as nearly

as may be practicable) to the respective numbers of ordinary shares held or deemed to be held by them on any such record dates, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory or by virtue of shares being represented by depositary receipts or any other matter whatsoever; and

- (b) (otherwise than pursuant to sub-paragraph (a) of this Resolution 23) to any person or persons up to the aggregate nominal amount of £5,419,053,

and shall expire upon the expiry of the general authority conferred by Resolution 18, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

24. THAT the Company be generally and unconditionally authorised to make market purchases (within the meaning of Section 693(4) of the Act) of ordinary shares of 27 ²/₇ pence each of the Company, on such terms and in such manner as the Directors may from time to time determine, provided that:

- (a) the maximum number of ordinary shares hereby authorised to be acquired is 39,720,813 representing approximately 10% of the issued ordinary share capital of the Company as at 12 January 2015 (being the latest practicable date prior to the publication of this document);
- (b) the minimum price (excluding expenses) which may be paid for any such ordinary share is 27 ²/₇ pence;
- (c) the maximum price (excluding expenses) which may be paid for any such share is the higher of: (i) an amount equal to 105% of the average of the middle market

quotations for an ordinary share in the Company as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased; and (ii) the amount stipulated by Article 5(1) of the EU Buy-back and Stabilisation Regulation (being the higher of the price of the last independent trade and the highest current independent bid for an ordinary share in the Company on the trading venues where the market purchases by the Company pursuant to the authority conferred by this Resolution 24 will be carried out);

- (d) the authority hereby conferred shall expire on the date of the 2016 Annual General Meeting of the Company or 12 May 2016, whichever is earlier, unless previously renewed, varied or revoked by the Company in general meeting; and
- (e) the Company may make a contract to purchase its ordinary shares under the authority hereby conferred prior to the expiry of such authority, which contract will or may be executed wholly or partly after the expiry of such authority, and may purchase its ordinary shares in pursuance of any such contract.

25. 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



Giles Pemberton
Director of Corporate Governance and Group
General Counsel

14 January 2015

Registered office:
Hangar 89, London Luton Airport, Luton,
Bedfordshire, LU2 9PF

Registered in England and Wales with registered
number 3959649.

NOTES

1. To be entitled to attend and vote at the Meeting whether in person or by proxy, members must be registered in the register of members of the Company at 6.00 p.m. on 10 February 2015 (or, if the Meeting is adjourned, at 6.00 p.m. on the date that is two days prior to the adjourned Meeting). Changes to entries on the register of members after 6.00 p.m. on 10 February 2015 shall be disregarded in determining the rights of any person to attend or vote (and the number of votes they may cast) at the Meeting or adjourned Meeting.
2. A member entitled to attend and vote at the Meeting may appoint one or more persons (who need not be members) as his/her proxy or proxies to exercise all or any of his/her rights to attend, speak and vote at the Meeting. A member can appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attaching to a different share or shares held by him/her. Completion and submission of an instrument appointing a proxy will not preclude a member from attending and voting in person at the Meeting.
3. A proxy need not be a member of the Company but must attend the Meeting in person to represent you. Your proxy could be the Chairman, another Director of the Company or another person who has agreed to attend to represent you. Your proxy must vote as you instruct and must attend the Meeting for your vote to be counted. Unless you are appointing the Chairman as your proxy, please check with your appointed proxy prior to appointing him/her that he/she intends to attend the Meeting. Details of how to appoint the Chairman or another person as your proxy using the Form of Proxy are set out on the Form of Proxy and in its notes. Appointing a proxy does not preclude you from attending the Meeting and voting in person on any matters in respect of which the proxy or proxies is or are appointed but in the event that and to the extent that you personally vote your shares, your proxy shall not be entitled to vote and any vote cast by your proxy in such circumstances shall be ignored.
4. A Form of Proxy, which may be used to make this appointment of proxy and give proxy instructions, accompanies this notice. To be valid the Form of Proxy for use at the Meeting: (i) shall be in writing made under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, under its common seal or under the hand of some officer or attorney or other person duly authorised in that behalf (and the signature on the appointment of proxy need not be witnessed); and (ii) must be received, together with the power of attorney or other authority (if any) under which it is authenticated, or a certified copy of such authority or in some other way approved by the Board, by the Company's registrars, Equiniti Limited, at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA not less than 48 hours before the time appointed for holding the Meeting being not later than 10.00 a.m. on 10 February 2015. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact Equiniti Limited direct on 0871 384 2577. Calls to this number are charged at 8 pence per minute plus network extras. Other telephone provider costs may vary. The Equiniti overseas helpline number is +44 (0)121 415 7047. Lines are open from 8.30 a.m. to 5.30 p.m. (UK time) Monday to Friday. As an alternative to completing a hard copy Form of Proxy, proxies may be appointed electronically or through CREST in accordance with notes 8 and 9 below.
5. A copy of this notice has been sent for information only to persons who have been nominated by a member of the Company to enjoy information rights under Section 146 of the Companies Act 2006 (a "Nominated Person"). The rights to appoint a proxy cannot be exercised by a Nominated Person; they can only be exercised by the member. However, a Nominated Person may have a right under an agreement between him/her and the member by whom he/she was nominated to be appointed as a proxy for the Meeting or to have someone else so

- appointed. If a Nominated Person does not have such a right or does not wish to exercise it, he/she may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.
6. If you are a Nominated Person, you have been nominated to receive general shareholder communications directly from the Company but it is important to remember that your main contact in terms of your investment remains as it was (i.e. the registered member of the Company, or perhaps the custodian or broker, who administers the investment on your behalf). Therefore, any changes or queries relating to your personal details and holding (including any administration thereof) must continue to be directed to your existing contact at your investment manager or custodian. The Company cannot guarantee dealing with matters that are directed to it in error. The only exception to this is where the Company, in exercising one of its powers under the Companies Act 2006, writes to you directly for a response.
 7. To change your proxy instructions you may return a new Form of Proxy using the methods set out below. Please contact the Company's registrars, Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA if you require another Form of Proxy. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two (or more) valid but differing appointments of proxy are received in respect of the same share(s) for use at the same meeting and in respect of the same matter, the one which is last validly received (regardless of its date or of the date of its execution or submission) shall be treated as replacing and revoking the other or others as regards the relevant share(s). If the Company is unable to determine which appointment was last validly received, none of them shall be treated as valid in respect of the relevant share(s).
 8. Shareholders who prefer to register the appointment of their proxy electronically via the internet can do so through Equiniti's website at www.sharevote.co.uk where full instructions on the procedure are given. The Voting ID, Task ID and Shareholder Reference Number printed on the Form of Proxy will be required in order to use this electronic proxy appointment system. Alternatively, shareholders who have already registered with Equiniti's online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at www.shareview.co.uk. The on-screen instructions give details on how to complete the appointment process. A proxy appointment made electronically will not be valid if sent to any address other than those provided or if received after 10.00 a.m. on Tuesday 10 February 2015.
 9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting to be held on 12 February 2015 and any adjournment(s) thereof by using the procedures described in the CREST Manual on the Euroclear website (www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting 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.
 10. 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 instructions, as described in the CREST Manual. The message regardless of whether it constitutes the appointment of a proxy or 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 (ID RA19) by

NOTES CONTINUED

10.00 a.m. on Tuesday 10 February 2015 (the latest time for receipt of proxy appointments specified in this notice of Meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer'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.

11. 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 messages. 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(s), to procure that his/her 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 service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
12. 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.
13. Please note that the Company takes all reasonable precautions to ensure no viruses are present in any electronic communication it sends out but the Company cannot accept responsibility for loss or damage arising from the opening or use of any email or attachments from the Company and recommends that shareholders subject all messages to virus checking procedures prior to use. Please note that any electronic communication received by the Company that is found to contain any virus will not be accepted.
14. A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the Meeting. In accordance with the provisions of the Companies Act 2006, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares.
15. Members satisfying the thresholds in Section 527 of the Companies Act 2006 can require the Company to publish a statement on its website setting out any matter relating to (a) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Meeting; or (b) any circumstances connected with an auditor of the Company ceasing to hold office since the last Annual General Meeting, that the members propose to raise at the Meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the Meeting includes any statement that the Company has been required to publish on its website.
16. The Company must cause to be answered at the Meeting any question relating to the business being dealt with at the Meeting which is put by a member of the Company attending the Meeting, except: (i) if to do so would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information; or (ii) if the answer has already been given on a website in the form of an answer to a question; or (iii) if it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.

17. As at 12 January 2015, being the latest practicable date prior to the publication of this document, the Company's issued share capital consists of 397,208,133 ordinary shares, carrying one vote each. Therefore the total voting rights in the Company are 397,208,133.
18. Voting on the resolutions will be conducted by way of a poll rather than a show of hands. This is a more transparent method of voting as shareholder votes are to be counted according to the number of shares held. As soon as practicable after the Meeting, the results of the voting at the Meeting and the number of proxy votes cast for and against and the number of votes actively withheld in respect of each resolution will be announced via a Regulatory Information Service and also placed on the Company's website: <http://corporate.easyjet.com/>.
19. The following information is available on the Company's website (<http://corporate.easyjet.com/>): (i) the contents of this notice of the Meeting; (ii) details of the total number of shares in respect of which members are entitled to exercise voting rights at the Meeting; and (iii) the following interests which have been disclosed to the Company since 30 September 2014 in accordance with the FCA's Disclosure and Transparency Rules (DTR) (a) Directors' interests under DTR 3.1.2; and (b) the interests of persons with disclosable interests in the Company's issued ordinary shares under DTR 5. If applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will also be made available on the Company's website.
20. Copies of the terms and conditions of appointment of Non-Executive Directors are available for inspection at the registered office of the Company during normal business hours on any weekday and will be available at the place of the Meeting from 15 minutes prior to the commencement of the Meeting until the conclusion thereof.
21. You may not use any electronic address provided in this notice of Meeting to communicate with the Company for any purposes other than those expressly stated.
22. Dividends will be paid by the Company's registrars, Equiniti, in the manner that you have instructed them to make dividend payments which will be by cheque or direct payment. A tax voucher will be issued or made available on-line. Participants in the easyJet employee share schemes will be sent a separate communication explaining the payment of the ordinary dividend in respect of their shares in employee share schemes.
23. A copy of each of the rules of the easyJet 2015 Long Term Incentive Plan, the easyJet UK Sharesave Plan, the easyJet International Sharesave Plan and the easyJet Share Incentive Plan are available for inspection at the offices of Herbert Smith Freehills LLP, Exchange House, Primrose Street, London EC2A 2EG during normal business hours on any weekday and will be available at the place of the Meeting from 15 minutes prior to the commencement of the Meeting until the conclusion thereof.

APPENDIX

THE EASYJET 2015 LONG TERM INCENTIVE PLAN (THE "LTIP")

Administration

Awards may be granted, and the LTIP will be administered, by the Board, or a duly authorised committee of the Board. The current intention is that the LTIP will be administered and awards granted by the Remuneration Committee (and this will always be the case in respect of awards for Executive Directors).

Eligibility

Awards may be granted to any of the employees of the Company or its subsidiaries, including the Executive Directors.

Form of awards

Under the LTIP, awards will take the form of:

- a conditional right to receive Shares which will be automatically transferred to the award holder following vesting (a "Conditional Award");
- a nil or nominal-cost option, exercisable by the award holder following vesting during a permitted exercise period (extending not later than the tenth anniversary of the date of award) (an "Option"); or
- an interest in Shares which will be held on behalf of the award holder until vesting (a "Forfeitable Share Award"). The award holder will not be entitled to call for or otherwise deal in the Shares subject to a Forfeitable Share Award prior to vesting, save that the award holder may instruct the nominee who is holding the Shares under the Forfeitable Share Award to vote in respect of the Shares.

Non-Transferable and Non-Pensionable

Awards are non-transferable, save to personal representatives following death, and do not form part of pensionable earnings.

Plan Limits

Shares may be newly issued, transferred from treasury or market purchased.

In line with the Company's other share plans (including the current long-term incentive plan),

the number of Shares subject to outstanding options or awards granted within the previous 10 years and the number of Shares issued for the purpose of options and awards granted within the previous 10 years shall not exceed 10% of the Company's ordinary share capital in issue immediately prior to the proposed date of grant under all employees' share schemes adopted by the Company.

These limits do not include rights to Shares which have been released, lapsed or otherwise become incapable of exercise or vesting.

Treasury shares will count as new issue shares for the purpose of these limits for so long as institutional investor bodies consider that they should be so counted.

Individual limit

The maximum market value of the Shares over which an employee may be granted an award under the LTIP in any financial year shall not exceed an amount equal to 250% of the employee's gross annual basic salary at that time. In exceptional circumstances, this limit may be increased to 300% at the discretion of the Remuneration Committee.

Dividend equivalents

Award holders may receive an additional payment (or Shares of equivalent value) equal to the dividends during the vesting period which would have been paid on the number of Shares that vest assuming a reinvestment of those dividends.

Timing of grant of awards

Awards may, save in exceptional circumstances, only be granted within a period of 42 days following the date of announcement by the Company of its interim or final results (or as soon as practicable thereafter if the Company is restricted from being able to grant awards during such period). In respect of the recruitment of an eligible employee an award may be granted as soon as practicable after the eligible employee commences holding office or employment with any Group Company.

Awards may not be granted more than ten years after the date the plan is approved by the shareholders of the Company.

Performance conditions

The Remuneration Committee will determine the performance conditions which will apply to awards and which will be measured over a period of not less than three years. The Remuneration Committee may specify a shorter period where an award is granted in exceptional circumstances, including in connection with the recruitment of an eligible employee. There will be no provision for re-testing. The Remuneration Committee may alter the performance conditions if events happen after the date of grant that cause the Remuneration Committee to consider that any element of the performance condition is no longer a fair measure of the Company's performance, provided that the revised target is not considered to be materially less challenging in the circumstances. Performance conditions proposed for Executive Directors are outlined in the Company's remuneration policy, and will be set out in the annual report on directors' remuneration.

Vesting

Awards will normally only vest three years after the date of grant, while the award holder remains in office or employment with the Group, and to the extent that relevant performance conditions have been met. The Remuneration Committee may specify a shorter vesting period only where an award is granted in exceptional circumstances, for example in connection with the recruitment of an eligible employee.

If the Remuneration Committee so determines, an award may be satisfied in whole or in part by a cash payment as an alternative to the issue or transfer of Shares.

Retention period

The Remuneration Committee may determine that, whilst the award holder remains an employee, he shall not be entitled to sell or dispose of the Shares that are received pursuant to an award, save in the event of a corporate action or to satisfy any tax liability in respect of the award, for a period of two years from vesting. The Remuneration Committee may arrange for the award holders' Shares to be held by a nominee during this period.

Leavers

An award will normally lapse where the award holder ceases to hold office or employment with

the Group. Awards will not lapse where the cessation of office or employment with the Group is due to injury, redundancy, retirement, the transfer of the award holder's employment in connection with a business sale, the company with which the award holder holds office or employment ceasing to be a member of the Group, or any other reason if the Remuneration Committee so determines (a "Good Leaver").

Where an award holder ceases employment for a Good Leaver reason, the award will continue and vest on its normal vesting date. However, the Remuneration Committee may determine that the award will instead vest on or at any time following the date of cessation. Where an award holder ceases employment for a Good Leaver reason, an award in the form of an Option will be exercisable during a period of twelve months from its vesting date or, for an already exercisable Option, from the date of cessation. On the death of a Participant, an award shall immediately vest, and if granted in the form of an Option, will be exercisable during a period of twelve months from the date of his death.

Corporate actions

In the event of a change of control, awards will normally vest and Options may be exercised for a period of up to six months. In the event of the passing of a resolution for the voluntary winding-up of the Company, awards will vest and Options will be exercisable for a period of up to two months. In the event of a demerger of a substantial part of the Group's business, a special dividend or a similar event affecting the value of the Shares to a material extent, awards may be adjusted as set out below or the Remuneration Committee may allow awards to vest, in which case Options may be exercised for a period of two months, or such other period as the Remuneration Committee may permit. Where the corporate action forms part of an internal re-organisation awards will generally not vest, and instead will be rolled-over into awards over shares in the new controlling company of equivalent value. The Remuneration Committee may also determine that such a roll-over will apply on a takeover if the acquiring company has offered replacement awards over its shares.

Extent of vesting

Awards will only vest (including for leavers or on a corporate action) to the extent that the relevant performance conditions have been satisfied. Where an award vests prior to the normal vesting date, the Remuneration Committee will assess performance using such information as it determines to be appropriate.

Where, prior to the normal vesting date, an award holder ceases employment due to death or for a Good Leaver reason, or there is a corporate action, the number of Shares in respect of which an award vests will, unless the Remuneration Committee determines otherwise, be pro-rated on the basis of the number of whole months which have elapsed from grant to the date of cessation or the corporate action (as applicable).

Variation of capital

The number of Shares subject to awards may be adjusted, in such manner as the Board or Remuneration Committee, as applicable, may determine, following any variation of share capital of the Company, or a demerger of a substantial part of the Group's business, a special dividend or a similar event affecting the value of Shares to a material extent.

Alterations

The Board may amend the rules of the LTIP as it considers appropriate, subject to any relevant legislation, provided that no modification may be made which confers any additional advantage on participants relating to eligibility, plan limits, the basis of individual entitlement, the price payable for the acquisition of Shares and the provisions for the adjustment of options and awards without prior shareholder approval, except in relation to performance conditions or minor amendments to benefit the administration of the LTIP to take account of a change in legislation, or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or the Company (or other Group companies).

Claw-back

The Remuneration Committee may apply claw-back where at any time before or within three years of vesting it determines that the financial results of the Company were misstated or an error was made in any calculation or in assessing performance, which resulted in the number of Shares in respect of which the option or award was granted or vested being more than it should have been.

A claw-back may be satisfied in a number of ways, including by reducing the amount of any future bonus, by reducing the vesting of any subsisting or future awards, by reducing the number of Shares under any vested but unexercised option and/or by either one or both of a requirement to make a cash payment or transfer of shares to the Company.

The claw-back provisions will not apply following the occurrence of a takeover or similar corporate event unless an award is rolled-over into an award over shares in the new controlling company.

Overseas plans

The Board may establish further plans for the benefit of overseas employees based on the LTIP but modified as necessary or desirable to take account of overseas tax, exchange control or securities laws. Any awards granted under such plans would count towards the individual and overall plan limits outlined above.