

JUST GROUP PLC

JUST GROUP PLC LONG TERM INCENTIVE PLAN

Approved by shareholders at the
9 May 2023 Annual General Meeting

Adopted by the Board on [] May 2023

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1. DEFINITIONS

1.1 In this Plan references to the following words shall bear the following meanings:

Admission Date means the day on which the Shares are first admitted to the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's market for listed securities;

Annual Base Salary means the annual base salary of the Eligible Person in respect of their employment with the Group, excluding any overtime pay, bonuses and payments under any other form of incentive scheme;

Award means an award made pursuant to this Plan which may be a conditional award of Shares, an Option or other right to receive Shares without payment or a Cash Award;

Award Certificate means a certificate (or communication) sent to a Participant pursuant to Rule 2.3;

Award Value means the value of the relevant Award at the Date of Grant being the number of Shares (or Notional Shares in the case of a Cash Award) the subject of the Award multiplied by the average of the middle market quotations for Shares as derived from the London Stock Exchange Daily Official List for the five Dealing Days (or such shorter period as the Committee may determine) preceding the Date of Grant;

the Board means the board of directors of the Company or a duly constituted committee of it;

Capital Reorganisation means any variation in the share capital or reserves of the Company (including, without limitation, by way of capitalisation issue, rights issue, sub-division, consolidation, or reduction);

Cash Award means a conditional right to receive a cash amount determined in accordance with Rule 14;

the Committee means the remuneration committee of the Board or such duly constituted committee of the Board as may replace it;

the Company means Just Group plc (formerly known as Just Retirement Group plc), a company incorporated in England with the number 8568957, whose registered office is at Enterprise House, Bancroft Road, Reigate, Surrey RH2 7RP;

Control has the meaning given to that term by Section 995 of the Income Tax Act 2007;

Date of Grant means in respect of any Award, the date on which it is granted;

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

Discretionary Share Scheme means an Employees' Share Scheme in which participation is solely at the discretion of the Committee;

Eligible Person means any person who is an executive director or employee of any Group Company;

Employees' Share Scheme has the meaning given by Section 1166 of the Companies Act 2006;

Financial Year has the meaning given by Section 390 of the Companies Act 2006;

Good Leaver means a Participant who ceases to be a director or employee of a company in the Group without becoming or remaining a director or employee of another Group Company by reason of:

- (a) death, ill health, injury, or disability evidenced to the satisfaction of the Committee; or
- (b) redundancy (within the meaning of the Employment Rights Act 1996); or
- (c) retirement with the consent of the Committee, acting fairly and reasonably;
- (d) their employing company ceasing to be a Group Company;
- (e) the business or part of the business in which they are employed being transferred to a transferee which is not a Group Company; or
- (f) other exceptional circumstances (other than summary dismissal) where the Committee so decides in its absolute discretion (acting on a fair and reasonable basis);

Grant Period means the period of 42 days beginning on the date of the approval of the Plan by shareholders and thereafter any period of 42 days commencing on:

- (a) the day immediately following the day on which the Company announces its results for the last preceding Financial Year, half-year or other period; or
- (b) any day on which the Committee resolves that exceptional circumstances exist which justify the grant of Awards;

Group means the Company and its subsidiaries (as defined in Section 1159 of the Companies Act 2006) from time to time (each such company being a **Group Company**);

Holding Period means a period following the Vesting Date of an Award set by the Committee during which the Participant may not transfer, assign, charge or otherwise dispose of (except on the Participant's death to their personal representatives) the Shares subject to the Award, save to the extent necessary to discharge any Taxable Amount due following the Vesting Date of an Award or, in respect of an Option, the exercise of the Award;

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

Listing Rules means the Listing Rules published by the Financial Conduct Authority (as amended from time to time);

the **London Stock Exchange** means London Stock Exchange plc or any successor body thereto;

Market Value means, in relation to a Share on any day, for so long as the Shares are listed on a recognised stock exchange, the closing middle-market quotation of a Share

as derived from the London Stock Exchange Daily Official List on that day or otherwise as determined by the Committee;

Notional Share means a share equal in value to a Share but having no legal rights attributable to a Share;

Option means a conditional nil-cost option to acquire Shares granted pursuant to this Plan;

Option Period means, in respect of an Option, the period commencing on the Vesting Date of an Option and expiring on such date thereafter as the Committee shall determine at the Date of Grant pursuant to Rule 2 not being later than the tenth anniversary of the Date of Grant save that the Option Period in the case of a Good Leaver shall be automatically shortened so as to expire on the first anniversary of the date on which the relevant Option vests (or if later, the six month anniversary of the end of the applicable Holding Period if any) unless the Committee permits otherwise;

Participant means any individual who holds a subsisting Award (including, where the context permits, the legal personal representatives of a deceased Participant);

Performance Period means the period over which any Performance Conditions attaching to an Award must be satisfied;

Performance Conditions means the condition or conditions related to performance set by the Committee pursuant to Rule 2 (as amended from time to time in accordance with Rule 12 [bookmark21](#));

the Plan means this Just Group plc Long Term Incentive Plan and as amended from time to time;

Recovery and Withholding means an obligation to repay the amounts referred to in clauses 1 and 3 of Appendix 1 to the Plan;

Relevant Corporate Event means a corporate event such as a demerger, delisting, special dividend or other event which, in the opinion of the Committee may affect the current or future value of the Shares;

Restricted Share Unit has the meaning given to it in Rule 3.2;

Reorganisation means a reorganisation whereby a new holding company acquires the Company in circumstances where there is a complete or substantial identity between the holders of Shares before the reorganisation and the holders of ordinary shares in the capital of the new holding company after the reorganisation;

Shares means fully paid and irredeemable ordinary shares in the capital of the Company or shares representing those shares following any Capital Reorganisation;

Takeover means the obtaining of Control of the Company whether effected by way of a general offer to acquire all of the Shares not already owned by the offeror and/or any person acting in concert with them, a scheme of arrangement pursuant to Section 895 of the Companies Act 2006 or otherwise (excluding for the avoidance of doubt any Reorganisation);

Transfer Date means the time at which Control of the Company passes to the offeror

which shall, in the event of a Takeover effected by way of a general offer, be when the offer becomes or is declared unconditional in all respects, and in the event of a Takeover effected by way of a scheme of arrangement, be when the scheme of arrangement is sanctioned by the court;

Treasury Shares means Shares held in accordance with Sections 724-732 of the Companies Act 2006;

Trustee means the trustee or trustees for the time being of any appropriate employee benefit trust established by the Company (or any Group Company) from time to time for the benefit of employees of the Group; and

Vesting Date means the vesting date set by the Committee pursuant to Rule 2 in respect of an Award or the earlier date that becomes the Award's Vesting Date pursuant to Rule 7 as relevant.

1.2 In this Plan (unless the context requires otherwise):

1.2.1 any reference to any statute or statutory provision shall be construed as including a reference to any modification, re-enactment or extension of such statute or statutory provision for the time being in force, to any subordinate legislation made under the same and to any former statutes or statutory provisions which it consolidated or re-enacted;

1.2.2 the singular includes a references to the plural and vice versa;

1.2.3 headings shall be ignored in construing the Plan; and

1.2.4 any reference to a Rule is to a rule of this Plan.

2. **PARTICIPATION**

2.1 The Committee may at any time during a Grant Period, at its absolute discretion, make an Award to any individual who is an Eligible Person at the Date of Grant provided that if any provision of any statute, order, regulation or government directive or the Company's dealing rules precludes the grant of any Awards within any Grant Period then such Awards may be granted within the period of twenty-one days after the lifting of such restriction.

2.2 The Committee shall on or before the Date of Grant determine or approve:

2.2.1 the number of Shares (or Notional Shares in the case of a Cash Award) which shall be subject to the Award;

2.2.2 the Performance Conditions for the Award;

2.2.3 the Performance Period for the Award;

2.2.4 the Vesting Date;

2.2.5 whether the Award shall be a conditional award of Shares, an Option or a Cash Award;

2.2.6 in the case of an Award which is an Option, the Option Period;

- 2.2.7 any other restrictions or requirements that the Committee shall determine are appropriate;
 - 2.2.8 whether a payment determined by reference to the value of the dividends may apply in relation to the Award in accordance with Rule 10.6 (this determination can also be made after the Date of Grant); and
 - 2.2.9 whether a Holding Period is to apply to an Award (which, unless the Committee decides otherwise, shall be two years).
- 2.3 Awards shall be granted by the execution of a deed of grant by the Company. A single deed of grant may be executed in favour of any number of Eligible Persons. As soon as practicable after the Date of Grant the Company shall send an Award Certificate to each Eligible Person selected to be a Participant. The Award Certificate will notify the Participant of their selection and the matters set out in Rule 2.2.
- 2.4 A Participant may waive an Award or any part of it by giving written notice to the Company within 14 days of receiving an Award Certificate. In such a case, the Award shall, to the extent waived, be treated as never having been granted and (if already issued) any paper Award Certificate shall be returned to the Company for cancellation or (in the case of waiver in part) for amendment. No consideration shall be payable by the Company for any such renunciation.
- 2.5 Unless otherwise earlier pursuant to these Rules or the Committee determines otherwise, the Vesting Date shall be the date falling on the third anniversary of the Date of Grant of the Award.
- 2.6 No Awards shall be made under the Plan after the tenth anniversary of shareholders' approval for the Plan at the 2023 Annual General Meeting of the Company.
- 2.7 No payment shall be required for the grant of an Award.
- 2.8 The Performance Conditions for an Award shall be deemed to include an additional term (or otherwise include such an additional term) that the Committee may reduce the level of vesting that would otherwise apply under the Performance Conditions for the purposes of the Plan to such lesser amount (including to zero) as it in its absolute discretion considers to be appropriate having regard to such factors as it considers relevant, including the performance of the Company, any individual or business.

3. **RESTRICTED SHARE UNITS**

- 3.1 This Rule 3 shall apply notwithstanding any other Rule of the Plan.
- 3.2 Subject to Rule 3.3 below, the Committee may, in such circumstances as it in its absolute discretion considers appropriate (including, without limitation, the recruitment or retention of an individual), grant Awards which are not subject to any Performance Conditions (each such Award being a *Restricted Share Unit*).
- 3.3 No Restricted Share Unit may be granted to an executive director of the Company.
- 3.4 Any provision of these Rules which requires testing of Performance Conditions shall apply to Restricted Share Units (Awards not subject to any Performance Conditions) as if such Performance Conditions have been satisfied in full.

4. **INDIVIDUAL LIMITATIONS**

- 4.1 No Award may be granted to an Eligible Person if, as a result, the aggregate Award Values of all Awards under the Plan made to them during a Financial Year would exceed 250% of the Annual Base Salary of the Eligible Person at the date of the latest Award in that Financial Year unless the Committee resolves that exceptional circumstances exist which justify the grant of Awards which exceed this limit.
- 4.2 If the grant of any Award would have the result of breaching the limit in Rule 4.1, that Award shall be treated as taking effect over the maximum number of Shares (or Notional Shares in the case of a Cash Award) over which it could have been granted without breaching such limit.

5. **PLAN LIMITATIONS**

- 5.1 Subject to rules 5.2 and 5.3, no Award shall be granted to the extent that the result of that grant would be that:

- (a) the aggregate number of Shares that could be issued on the vesting or exercise of that Award and any other Awards granted at the same time, when added to the number of Shares that:

- (i) could be issued on the vesting or exercise of any other subsisting share award or options granted during the preceding ten years under the Plan or any other Employees' Share Scheme established by the Company; and
- (ii) have been issued on the vesting or exercise of any share award or options granted during the preceding ten years under the Plan or any other Employees' Share Scheme established by the Company;

would exceed 10 percent of the ordinary share capital of the Company for the time being in issue; and

- (b) the aggregate number of Shares that could be issued on the vesting or exercise of that Award and any other Award granted at the same time, when added to the number of Shares that:

- (i) could be issued on the vesting or exercise of any other subsisting share awards or options granted during the preceding ten years under the Plan or any other Discretionary Share Scheme established by the Company; and
- (ii) have been issued on the vesting or exercise of any share awards or options granted during the preceding ten years under the Plan or any other Discretionary Share Scheme established by the Company,

would exceed 5 percent of the ordinary share capital of the Company for the time being in issue.

- 5.2 Any Shares which could be or have been issued on the vesting or exercise of any Award granted prior to the Admission Date under any Employees' Share Scheme established by the Company shall be ignored for the purposes of calculating the limits in this Rule 5.

- 5.3 Shares issued in respect of awards of free shares under the Company's share incentive

plan for which invitations were issued prior to the Admission Date shall be ignored for the purposes of calculating the limits in this Rule 5.

- 5.4 For as long as UK institutional shareholder guidelines so recommend, Treasury Shares held by the Company shall be treated as issued or capable of being issued for the purpose of this Rule 5 as relevant.
- 5.5 Reference in this Rule 5 to the *issue* of Shares shall, for the avoidance of doubt, mean the issue and allotment of new Shares (but not transfer of existing Shares other than Treasury Shares).

6. VESTING DATE

- 6.1 Upon the Vesting Date of any Award (unless it has already lapsed, vested or been cancelled in accordance with these Rules) the Committee shall determine the extent to which the Award shall vest by reference to the Performance Conditions and to the extent permitted under any operation of the Recovery and Withholding provisions set out in Appendix 1 to the Plan. Awards will vest to the extent determined and the remainder of the Award shall lapse.
- 6.2 Notwithstanding any other provision in these Rules, if dealing in Shares or in respect of the Award is precluded by law, the Listing Rules and/or the Company's dealing rules on the Vesting Date, in the case of a conditional award of Shares, the Award shall not vest until the date on which any such restriction is lifted; or, in the case of an Option, it may nevertheless vest unless the Committee determines otherwise.
- 6.3 Notwithstanding any other provision in these Rules, Awards shall lapse automatically on the earlier of:
 - 6.3.1 the expiry of any Option Period; and
 - 6.3.2 the Participant being declared bankrupt or entering into any general composition with or for the benefit of their creditors including a voluntary arrangement under the Insolvency Act 1986.

7. CESSATION OF EMPLOYMENT

- 7.1 If a Participant ceases to be a director or employee of a Group Company without becoming or remaining a director or employee of another Group Company then (subject to Rule 7.2):
 - 7.1.1 if they are a Good Leaver, their Award shall vest on the Vesting Date (unless the Committee determines in its absolute discretion that the Award shall vest upon cessation of employment or directorship in accordance with Rule 7.1 in which case such date shall become the *Vesting Date* for the purposes of such Award), to the extent the Committee determines that the Performance Conditions are satisfied on the Vesting Date. Any Award that does not so vest, or (in respect of an Option) which is not subsequently exercised by a Good Leaver within the Option Period (or by the expiry of such shorter period for exercise as applies for the Award under Rule 8), shall lapse; and
 - 7.1.2 if they are not a Good Leaver, their Award shall lapse automatically and in full on cessation of employment or directorship.

- 7.2 Unless the Committee decides otherwise, the Participant shall only be entitled to receive, or exercise their right to call for, a proportion of the Shares (or Notional Shares in the case of a Cash Award) which would otherwise have vested. Such proportion shall be calculated by dividing the number of months from the Date of Grant to the date on which the Participant's employment or directorship ceased by the number of months from the Date of Grant to the original Vesting Date. The Committee may, at its absolute discretion, determine that such a Participant shall be entitled to receive such higher or lower proportion of the Shares (or Notional Shares in the case of a Cash Award) which are the subject of their Award as it considers appropriate.
- 7.3 For the purposes of Rule 7.1, a Participant shall not be treated as ceasing to be a director or employee of a Group Company if absent from work wholly or partly because of maternity, paternity or adoption leave until the Participant ceases to be entitled to exercise any statutory or contractual right to return to work.

8. TAKEOVER, REORGANISATION, WINDING UP AND OTHER CORPORATE EVENTS

- 8.1 Subject to Rule 9.1, in the event of a Takeover, all Awards shall vest or become exercisable on the Transfer Date to the extent the Committee shall have determined (immediately before the Transfer Date) that the Performance Conditions have been satisfied provided that, unless the Committee has determined otherwise, the Participant shall only be entitled to receive a proportion of the Shares (or Notional Shares in the case of a Cash Award) which would otherwise have vested or become exercisable. Such proportion shall be calculated by dividing the number of months from the Date of Grant to the Transfer Date by the number of months from the Date of Grant to the original Vesting Date. To the extent they do not vest or become exercisable Awards shall lapse on the Transfer Date.
- 8.2 Subject to Rule 9.1, following a Takeover, any unexercised Options shall lapse on the date falling six months after the Transfer Date, unless any person becomes bound or entitled to acquire Shares under section 979 to section 982 or section 983 to section 985 of the Companies Act 2006, in which case they shall lapse on the expiry of the period of 30 days from the date on which such a notice is first issued (whether or not the Option Period has commenced). Failing any permitted exercise, the Options (or such part thereof as the Committee may specify) shall, without prejudice to the operation of Rule 9.1, lapse automatically upon the expiry of the 30 day period.
- 8.3 In the event of a Reorganisation, Participants may, at the absolute discretion of the Committee, be required to exchange their Awards in accordance with the terms of Rule 9.
- 8.4 Upon the passing of a resolution to wind up the Company or on the occurrence of a Relevant Corporate Event, to the extent the Performance Conditions are satisfied (as determined by the Committee) and subject to, if the Committee so determines in its absolute discretion, a reduction in the extent to which the Award vests to reflect the early vesting: (i) all Awards which do not require to be exercised shall vest; and (ii) all Options shall become exercisable from the date of the Relevant Corporate Event or, if relevant, the date on which a notice is sent to the members of the Company of a resolution to wind the Company up (provided that any such exercise shall be conditional on the passing of such a resolution) and the Remuneration Committee shall specify the period in which such Options shall be exercisable and whether such Options shall lapse at the end of the specified period.

9. EXCHANGE OF AWARDS

9.1 In the event of a Takeover, the Committee may, acting fairly and reasonably and having regard to all the circumstances of the Takeover, determine at any time before Awards vest pursuant to rules 8.1 or 8.2 (as applicable) that the Participant may agree to exchange their Award in accordance with rule 9.2 or that Awards will not vest under rules 8.1 or 8.2 (as applicable) but shall automatically be exchanged in accordance with rule 9.2 on such date as the Committee determines.

9.2 Where Awards are to be exchanged under this rule 9.2, any Award (the *Old Award*) will be surrendered in consideration of the grant to the Participant of a new Award (the *New Award*) which, in the Committee's opinion, is equivalent to the Old Award but relates to shares in a different company (the *New Grantor*). The provisions of the Plan shall be construed in relation to the New Award as if:

(a) the New Award were an award granted under the Plan at the same time as the Old Award;

references to the Performance Conditions were references to such new performance conditions (if any) relating to the business or shares of the New Grantor or any member of the New Grantor's group as the Committee may consider are appropriate in the circumstances;

(b) references to the Company and the Group were references to the New Grantor and its group;

(c) references to the Board were references to the board of directors of the New Grantor or such duly authorised committee of such board;

(d) references to the Committee were references to the appropriate committee(s) of the board of the New Grantor; and

(e) references to Shares were references to shares in the New Grantor.

10. VESTING AND EXERCISE

10.1 Subject to Rule 14, the Committee shall, as soon as reasonably practicable following the vesting of any Award which is not an Option, procure the issue or transfer to the Participant or to such person as they may direct of such number of Shares as the Committee has determined to have vested.

10.2 Upon any Option becoming exercisable the Committee or Company (or its agents as relevant) shall notify the Participant that it is exercisable (and to what extent). Subject to any earlier lapse in accordance with these Rules, Options may be exercised at any time within the relevant Option Period, at the end of which they shall lapse. Exercise shall be in such form and manner as approved by the Company for the purposes of the operation of the Plan from time to time. Options may be exercised in whole only. Subject to Rule 14, the Committee shall, as soon as reasonably practicable following exercise (and in any event within 28 days) procure the issue or transfer to the Participant or to such person as they may direct such number of Shares as the Participant has exercised. Exercise shall take effect for the purposes of the Plan at such time(s) as provided for under the prevailing exercise processes approved by the Company in relation to the Plan from time to time.

- 10.3 Where any exercise would be prohibited by law or the Company's dealing rules the period during which the Participant may exercise their Option shall be extended by the length of any such period of prohibition PROVIDED THAT an Award may not be exercised after the expiry of the Option Period.
- 10.4 Any issue or transfer of Shares under the Plan shall be subject to such consent of any of the authorities wherever situated as may from time to time be required and the Participant shall be required, so far as they are able, to procure compliance with the requirements of, or to obtain or obviate the necessity for, such consents.
- 10.5 The Participant shall have no rights in respect of any Shares which are the subject of an Award until such Shares are issued or transferred to them. The Participant shall be entitled to all rights in respect of Shares issued or transferred to them with effect from the date of issue or transfer (save for rights in respect of which the record date was prior to that date).
- 10.6 A Participant shall in relation to their Award, if the Committee so determines on or before the Date of Grant of the Award (or at such later time (if any) at the discretion of the Committee), be entitled to receive a payment determined by reference to the value of the dividends that would have been paid on their Award's number of vested Shares (or such number of Shares equal to the number of vested Notional Shares as relevant) in respect of dividend record dates occurring during the period between the Date of Grant and the date of vesting of the Award (or, where Shares under an Option are subject to a Holding Period, the earlier of the date of expiry of the Holding Period or the date of exercise of the Option). The basis on which the value of such dividends may be calculated (which may assume the reinvestment of dividends) shall be as approved by the Committee. The timing and form (cash or Shares) of the payment shall also be as approved by the Committee.

11. **HOLDING PERIOD**

When the Committee has determined that a Holding Period should apply to an Award, the Committee shall transfer or allot for no consideration the legal ownership of, in the case of a conditional award of Shares, the number of Shares that vest on the Vesting Date or, in the case of an Option, the number of Shares over which an Option is exercised to any person specified by the Committee to be held during or for the remainder of the Holding Period and the Shares so held shall be subject to the provisions of Appendix 2. Regardless of the foregoing the Committee retains discretion to enforce the Holding Period in such alternative manner as it considers appropriate.

12. **AMENDMENT TO PERFORMANCE CONDITIONS**

- 12.1 Where an Award vests before the Vesting Date in circumstances where the Performance Conditions cannot be measured in the manner originally intended, the Committee shall determine the extent to which the Award vests by reference to the Company's performance over the period from the Date of Grant to the date of vesting, having such regard to the Performance Conditions as it considers appropriate.
- 12.2 The Committee may amend any Performance Conditions if:
- 12.2.1 one or more events occur which cause the Committee to reasonably consider that it would be appropriate to amend the Performance Conditions;

12.2.2 in the case of Awards granted to executive directors (including former) of the Company, the amended Performance Conditions will, in the reasonable opinion of the Committee, be not materially less difficult to satisfy than the unaltered Performance Conditions would have been but for the event or events in question; and

12.2.3 the Committee shall act fairly and reasonably in making the alteration.

13. **SOURCE OF SHARES**

The Trustee may acquire Shares in the market or subscribe for Shares in order to satisfy Awards and for this purpose any Group Company and the Trustee may enter into an agreement or agreements governing the funding of the Trust by a Group Company and/or conferring a right on the Trustee to subscribe for Shares (subject to the limits set out in Rule 5 above). The Company may also utilise Treasury Shares to satisfy or to allow the Trustee to satisfy Awards.

14. **SATISFACTION OF CASH AWARDS AND OTHER AWARDS IN CASH**

14.1 On the Vesting Date of a Cash Award, the Committee shall pay, or procure the payment of, a cash amount to the Participant, the amount of which shall be determined in accordance with Rule 14.3.

14.2 At any time before or after the time at which an Award (other than a Cash Award) has vested (or, in the case of an Option, has been exercised) and provided that the underlying Shares have yet to be issued or transferred to the Participant, the Committee may, in its absolute discretion where it considers it appropriate to do so for legal or regulatory reasons, determine to satisfy an Award by payment of a cash amount, the amount of which shall be determined in accordance with Rule 14.3.

14.3 The cash amount that shall be paid to satisfy an Award under Rule 14.1 or 14.2 above shall be equal to the product of:

14.3.1 the number of vested Shares (or vested Notional Shares, in the case of a Cash Award) subject to the Award; and

14.3.2 the Market Value of a Share on the date on which the Award vested or, in the case of an Option, was exercised;

less any income tax or social security contribution which any Group Company is liable to withhold.

15. **VARIATION**

On any variation of the share capital of the Company (whether by way of capitalisation or rights issue or open offer, sub-division or consolidation of the Shares or a share capital reduction or otherwise) or any demerger, special dividend, rights issue or other event which may, in the opinion of the Committee, affect the current or future value of the Shares, the number of Shares (or Notional Shares in the case of a Cash Award) subject to, and/or the Performance Conditions in respect of, any Award may be varied in such manner as the Committee may in its absolute discretion determine and such decision of the Committee shall be final and binding on the Participants, the Company and the Trustee.

16. TAXATION

16.1 If a Participant incurs a liability to income tax under ITEPA or to primary Class 1 National Insurance Contributions or to any other tax, social security or other similar charge or levy in any jurisdiction (the *Taxable Amount*) in respect of or by virtue of their participation in the Plan (including without limitation in respect of or by virtue of the allocation, release and transfer, acquisition, ownership or disposal of Shares allocated to them pursuant to the Plan or the occurrence of any event treated as a chargeable event for the purposes of Part 7 of ITEPA) and the Company, the Trustee or any company which employs the Participant is required to account for such liability, the Company, the Trustee or any company which employs the Participant shall have the following rights:

16.1.1 a right to require a Participant as a condition to vesting or exercise of an Award to pay the Taxable Amount together with any amount payable by the Participant pursuant to Rule 16.2.1 to one of the parties stated at Rule 16.1 (or to enter into such other arrangements as the Company deems appropriate to procure such payment); and

16.1.2 a right to sell a sufficient number of Shares the subject of an Award to cover payment of the Taxable Amount.

16.2 The Company may also:

16.2.1 require the Participant at any time to enter into an agreement with their employing company to allow their employing company to recover from the Participant the Secondary Class 1 National Insurance Contribution liability relating to a charge under Rule 16.1 in respect of which such an election may lawfully be made or enter into a joint election with their employing company that the Secondary Class 1 National Insurance Contribution liability shall be transferred to the Participant or otherwise to indemnify the Company in respect of any other similar taxes or social security contributions payable by any Group Company in respect of the grant, vesting or exercise of an Award; and

16.2.2 require the Participant at any time to enter into a joint election pursuant to Section 431(1) of ITEPA.

17. RELATIONSHIP BETWEEN THE PLAN AND THE PARTICIPANTS' EMPLOYMENT AND LOSS OF OFFICE

17.1 Awards made under the Plan and any profits or gains made as a result of such Awards are not pensionable under any Group Company's pension arrangements.

17.2 Participation in the Plan does not:

17.2.1 confer upon any person any right to participate in the Plan at any time in the future either at all or on any particular basis;

17.2.2 confer upon any person any right to continue in employment with any Group Company;

17.2.3 restrict the right of any Group Company to terminate the employment of any Participant without liability at any time with or without cause;

17.2.4 impose upon any Group Company or the Committee or any Trustee any duty to exercise any power or discretion under the Plan to the advantage of any Participant; or impose upon any Group Company or the Committee or any Trustee or their representatives, agents and employees any liability whatsoever (whether in contract, tort, or otherwise howsoever) in connection with:

- (a) the loss of a Participant's right to receive Shares under the Plan;
- (b) the loss of an individual's eligibility to be the subject of Awards under the Plan; and/or
- (c) the manner in which any power or discretion under the Plan is exercised or the failure or refusal of any person to exercise any power or discretion under the Plan.

17.3 Awards under the Plan shall not afford to a Participant any additional right to compensation on the termination of their employment which would not have existed had the Plan not existed and, accordingly, any individual who participates in the Plan shall waive any rights to compensation or damages in consequence of the termination of their office or employment with a Group Company for any reason whatsoever insofar as these rights arise or may arise from them ceasing to have rights under the Plan as a result of such termination or from the loss or diminution in value of such rights and/or entitlements notwithstanding any provision to the contrary in their contract of employment. By participating in the Plan a Participant is deemed to have agreed to the provisions of this Rule 17.3.

18. **NO ASSIGNMENT AND BANKRUPTCY**

18.1 No Participant may transfer, assign, pledge, charge or otherwise dispose of or deal with their rights in respect of an Award or (prior to the transfer or issue to them pursuant to Rule 10) any Shares which are the subject of an Award (except, in the case of an Option, to the extent necessary to enable a personal representative to exercise the Award following the death of a Participant) and in the event a Participant purports to transfer, assign, pledge, charge or otherwise dispose of or deal with an Award or their rights under it such Award shall lapse.

18.2 If a Participant becomes bankrupt all Awards held by them shall lapse (unless and to the extent otherwise determined by the Committee).

19. **DECISIONS OF THE COMMITTEE**

19.1 The Committee may amend any of the provisions of the Plan in any way it thinks fit save that:

19.1.1 no amendment to the advantage of Participants may be made to the provisions relating to the persons to whom Awards may be made under the Plan, the limitations on the number of Shares subject to the Plan, the maximum entitlement for any one Participant and the basis for determining a Participant's entitlement to, and the terms of, Shares or other securities, cash or other benefits to be provided (and for the adjustment thereof if there is a variation of capital) without the prior approval of the Company in general meeting (provided that amendments may be made without such sanction if they are minor amendments to benefit the administration of the Plan or amendment to take account of any change in legislation or to obtain or maintain favourable tax, exchange control

or regulatory treatment for Participants or any Group Company);

19.1.2 no amendment to the material disadvantage of Participants may be made which will affect Awards which have been made without the approval of the majority of the Participants adversely affected by the amendment; and

19.1.3 the Trustee's consent shall be required to any amendment which may materially affect the Trustee.

19.2 The decision of the Committee on any matter relating to the interpretation of the Rules of the Plan or any other matter concerning the Plan shall be final and binding.

19.3 The Committee may terminate the Plan at any time, without prejudice to Participants' rights in respect of Awards which have already been made.

20. **GOVERNING LAW**

This Plan is governed by and shall be construed in accordance with English law.

21. **INTERNATIONAL**

21.1 Notwithstanding any other provision of this Plan, the Committee may from time to time amend or alter the provisions of the Plan and the terms of Awards as they may in their absolute discretion consider necessary or desirable to comply with or take account of relevant overseas legal, taxation or securities laws provided that such alterations or amendments shall be made in accordance with the provisions of Rule 19.

21.2 Any alteration or amendment to this Plan made in pursuance of Rule 21.1 in relation to the operation of the Plan in a particular jurisdiction shall be contained in a separate Appendix in respect of the operation of the Plan in that jurisdiction to be attached hereto.

APPENDIX 1

RECOVERY AND WITHHOLDING

Clause 1 of this Appendix applies to Awards regardless of any of the other provisions of the Plan.

Clause 2 of this Appendix applies to Awards regardless of any of the other provisions of the Plan but shall not apply after the Company is subject to an event described in Rules 8.1 or 8.4 (*Takeover, Reorganisation, Winding Up and other Corporate Events*) unless Awards are exchanged for new awards under Rule 9 (*Exchange of Awards*).

1. **Withholding between grant and vesting**

Notwithstanding any other Rule of the Plan, the Committee may in its absolute discretion determine at any time before the Vesting Date of an Award held by a Participant (the "**relevant individual**") to:

- (a) cancel the Award; or
- (b) impose further conditions on the Award; and/or
- (c) require the Participant to make cash payment to the Company in respect of the Award; and/or
- (d) reduce the number of Shares (or Notional Shares in the case of a Cash Award) to which the Award relates (including, if appropriate, reducing to zero)

in circumstances in which the Committee considers such action is appropriate ("**Withholding**"). The circumstances in which the Committee may exercise its discretion include, but are not limited to:

- (i) where the Committee forms the view that the Company materially misstated its financial results for whatever reason and that such misstatement resulted either directly or indirectly in that Award having been granted over a higher number of Shares (or Notional Shares in the case of a Cash Award) than would have been the case had that misstatement not been made; or
- (ii) where the Committee forms the view that the number of Shares over which the Award (or Notional Shares in the case of a Cash Award) was granted was based on any other kind of material error or miscalculation and/or on the basis of any information or assumption that the Committee subsequently discovers to have been materially inaccurate or misleading for any reason and which resulted either directly or indirectly in the Award having been granted over a higher number of Shares (or Notional Shares in the case of a Cash Award) than would otherwise have been the case; or
- (iii) the relevant individual's material misconduct; or

- (iv) there has been a material failure of risk management by the Company, any Group Company or a relevant business unit; or
- (v) there has been a material miscalculation of any relevant performance measure; or
- (vi) the Company suffering corporate failure which results in the appointment of a liquidator or administrator; or
- (vii) there are circumstances which in the Committee's opinion have (or would have if made public) a material impact on the reputation of the Company or any Group Company.

The amount or value of any cancellation, cash payment and/or reduction under clauses 1(a), 1(c) or 1(d) above shall be such amount or value as the Committee decides is appropriate in the circumstances save that where the cancellation, cash payment and/or reduction arises as a result of one or more of the events under sub-clauses 1(i), 1(ii), 1(v), 1(vi) or 1(vii) above the amount or value of the cancellation, cash payment and/or reduction shall be all or part of the additional value which the Committee considers has been granted to, vested and/or was otherwise received by the relevant individual.

Any reduction of an Award pursuant to this clause 1 shall take effect immediately prior to the Award vesting unless the Committee decides it shall take effect at such earlier time as it decides.

If the Committee exercises its discretion in accordance with this Clause 1 the Award shall be deemed to have been granted over the reduced number of Shares (or Notional Shares in the case of a Cash Award) or none of them (as the case may be), and the Award shall vest in accordance with the Rules by reference to this reduced number of Shares (or Notional Shares in the case of a Cash Award) or none of them (as the case may be).

2. **Recovery following vesting**

The Committee may at any time before the third anniversary of the date on which an Award vests decide that the relevant individual shall be subject to an obligation to repay the amounts referred to in clause 3 below ("**Recovery**") if:

- (a) the Committee forms the view that the Company materially misstated its financial results for whatever reason and that such misstatement resulted either directly or indirectly in that Award vesting over a higher number of Shares (or Notional Shares in the case of a Cash Award) than would have been the case had that misstatement not been made; or
- (b) the Committee forms the view that in assessing any Performance Conditions and/or any other conditions imposed on the Award such assessment was based on a material error, or on materially inaccurate or misleading information or assumptions and that such material error, information or assumptions resulted either directly or indirectly in that Award vesting to a greater degree than would have been the case had that error not been made or inaccurate or misleading information or assumptions relied on; or
- (c) the relevant individual ceases to be a director or employee of a Group Company as a result of material misconduct on the part of that individual or the Committee is of the view that the relevant individual could have been summarily terminated

by reason of their material misconduct; or

- (d) there has been a material failure of risk management by the Company, any Group Company or a relevant business unit.

3. **Amount to be subject to Recovery**

Where clause 2(a) and/or clause 2(b) above applies, the Committee shall decide on the amount to be subject to Recovery, which shall be all or part of the additional value which the Committee considers has been granted to, vested and/or was otherwise received by the relevant individual as referred to in those clauses but if the relevant individual is required to repay all or part of such additional value pursuant to clause 4(b) below then the Committee may consider whether that amount should take into account any income tax and national insurance contributions (or their equivalent) paid by the relevant individual and any possibility of them reclaiming such income tax national insurance contributions.

Where clause 2(c) and/or clause 2(d) above applies, the amount to be subject to Recovery and Withholding shall be such amount as the Committee decides is appropriate.

4. **Satisfaction of Recovery**

Where clause 2 above applies, the Recovery shall be satisfied as set out in clause 4(a) and/or clause 4(b) below.

- (a) The Committee may reduce (including, if appropriate, reducing to zero) any of the following elements of the remuneration of the relevant individual;
 - (i) the amount of any future bonus which would, but for the operation of the Recovery and Withholding, be payable to the relevant individual under any bonus plan operated by any Group Company; and/or
 - (ii) the extent to which any subsisting Awards held by the relevant individual vests notwithstanding the extent to which any Performance Conditions and/or any other conditions imposed on any such Award has been satisfied; and/or
 - (iii) the extent to which any rights to acquire Shares granted to the relevant individual under any share incentive plan (other than the Plan and any share plan that is tax-advantaged under ITEPA) operated by any Group Company vest or become exercisable notwithstanding the extent to which any conditions imposed on such rights to acquire Shares have been satisfied; and/or
 - (iv) the number of Shares subject to any vested but unexercised Option; and/or
- (b) The number of Shares subject to any vested but unexercised right to acquire Shares granted to the relevant individual under any share incentive plan (other than the Plan and any plan that is tax-advantaged under ITEPA) operated by any Group Company; and/or
- (c) The Committee may require the relevant individual to pay to such Group Company as the Committee may direct, and on such terms as the Committee

may direct (including, but without limitation to, on terms that the relevant amount is to be deducted from the relevant individual's salary or from any other payment to be made to the relevant individual by any Group Company), such amount as is required for the Recovery and Withholding to be satisfied in full.

Any reduction made pursuant to clause 4(a)(i) and/or clause 4(a)(iii) above shall be made at such time or times as the Committee determines appropriate which in the case of unvested rights shall ordinarily be at the time they would otherwise ordinarily vest.

5. Reduction in Awards to give effect to recovery and withholding provisions in other plans

The Committee may decide at any time to reduce the number of Shares subject to an Award (or Notional Shares in the case of a Cash Award) (including, if appropriate, reducing to zero) to give effect to recovery and withholding provisions of any form and/or name contained in any incentive plan (other than the Plan) or any bonus plan operated by any Group Company. The value of the reduction shall be in accordance with the terms of the relevant provisions in the relevant plan or, in the absence of any such term, on such basis as the Committee, acting fairly and reasonably, decides is appropriate.

APPENDIX 2

SHARES SUBJECT TO HOLDING PERIOD

This Appendix shall apply to any Shares received following the Vesting Date of a conditional award or exercise of an Option which are subject to a Holding Period unless (at its discretion) the Committee determines to enforce the Holding Period in such alternative manner as it considers appropriate.

1. **Rights during the Holding Period**

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

- (a) the Participant will be entitled to vote and to receive dividends and have all other rights of a shareholder in respect of the Shares from the date the Participant becomes the beneficial owner of them;
- (b) the Participant may not transfer, assign or otherwise dispose of the Shares or any interest in them (or instruct anyone to do so) except in the case of:
 - (i) the sale of sufficient entitlements nil-paid in relation to a Share to take up the balance of the entitlements under a rights issue;
 - (ii) a forfeiture as described in paragraph 2 below;
 - (iii) to fund any tax liability in accordance with Rule 16; or
 - (iv) where any tax liability arising on the vesting or exercise of an Award has been funded by the Participant from their own resources, the disposal of such number of the Shares received on vesting or exercise as would otherwise have been sold to satisfy any tax liability in accordance with Rule 16;
- (c) any securities which the Participant receives in respect of Shares subject to a Holding Period as a result of an event described in Rule 15 during the Holding Period will, unless the Committee decides otherwise, be subject to the same restrictions as the corresponding Shares subject to a Holding Period. This will not apply to any Shares which a Participant acquires on a rights issue or similar transaction to the extent that they exceed the number they would have acquired on a sale of sufficient rights under the rights issue nil-paid to take up the balance of the rights.

2. **Forfeiture of Shares**

To the extent that Shares subject to a Holding Period are recovered under Appendix 1 (Recovery and Withholding), the Participant is deemed to consent to the immediate transfer of their beneficial ownership of the Shares, for no consideration or nominal consideration, to any person (which may include the Company, where permitted) specified by the Committee.

3. **End of the Holding Period**

3.1 The Holding Period will end on earliest of the following:

- (a) the date on which the Holding Period will normally end, as set by the Committee on the Date of Grant, subject to the Committee's discretion to end the Holding Period early if the Participant dies;
- (b) the date on which the Committee decides that the number of Shares subject to a Holding Period is sufficiently small that the continuation of the Holding Period is not warranted;
- (c) unless the Committee decides otherwise, the date on which the Participant dies;
- (d) the date on which an event by virtue of which Rule 8 applies, unless the Award is exchanged;
- (e) such date as the Committee determines at its discretion.

3.2 At the end of a Holding Period, the restrictions relating to Shares will cease to apply and the Shares may be transferred out of the nominee arrangement to the Participant or as they may otherwise direct.