



PROVIDENT FINANCIAL SAVINGS RELATED SHARE OPTION SCHEME 2022

Approved by shareholders of the Company in general meeting on [●] June 2022 and adopted by the Company

CONTENTS

RULE		PAGE
1	DEFINITIONS AND INTERPRETATION.....	1
2	INVITATION AND APPLICATION FOR OPTIONS.....	4
3	SCALING DOWN	6
4	GRANT OF OPTIONS.....	7
5	PLAN LIMITS.....	8
6	RIGHTS OF EXERCISE AND LAPSE OF OPTIONS	8
7	TAKEOVERS AND OTHER CORPORATE EVENTS.....	10
8	EXCHANGE OF OPTIONS	11
9	EXERCISE OF OPTIONS	12
10	ADJUSTMENT OF OPTIONS	13
11	ADMINISTRATION.....	13
12	AMENDMENTS	15
13	EMPLOYMENT RIGHTS.....	16
14	MISCELLANEOUS	17

1 DEFINITIONS AND INTERPRETATION

1.1 In this Plan, unless the context otherwise requires:

Appropriate Period means a period as determined in paragraph 38(3) of Schedule 3;

Associated Company has the meaning given by paragraph 47(1) of Schedule 3;

Board means the board of directors for the time being of the Company or a duly authorised committee of the board or a duly authorised person, or any successor entity;

Bonus Date means the date on which a bonus becomes payable under the terms of the relevant Savings Contract and from which date an Option is normally exercisable;

Company means Provident Financial plc (registered in England with number 00668987);

Continuous Service has the same meaning as for "continuous employment" given in the Employment Rights Act 1996;

Control means control within the meaning in section 719 of ITEPA and **Controlled** will be construed accordingly;

CTA 2010 means the Corporation Tax Act 2010;

Date of Grant means the date on which the Grantor grants an Option under Rule 4;

Date of Invitation means the date on which an invitation is made to Eligible Employees under Rule 2;

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

Eligible Employee means any person who at the Date of Grant is either:

- (i) an employee or full time director of, a Participating Company and, in the case of a director, on terms which require them to devote not less than 25 hours (excluding meal breaks) per week to their duties;
 - (a) whose earnings from their employment are (or would be if there were any) general earnings to which section 15 of ITEPA applies and are resident in the United Kingdom; and
 - (b) who has the qualifying period (if any) of Continuous Service (not exceeding five years prior to the Date of Grant) that the Board determines; or
- (ii) any employee or full time director of a Participating Company not within (i) above who the Board determines to be an Eligible Employee in respect of any particular invitation.

Employees' Share Scheme means a scheme for encouraging or facilitating the holding of shares or debentures in a company by or for the benefit of:

- (i) the bona fide employees or former employees of the Company, the Company's Subsidiary or holding company or a Subsidiary of the Company's holding company; or
- (ii) the spouses, civil partners, surviving spouses, surviving civil partners or children or step-children under the age of 18 of such employees or former employees;

Exercise Price means the total amount payable on the exercise of an Option, whether in whole or in part, being an amount equal to the relevant Option Price multiplied by the number of Shares in respect of which the Option is exercised;

Five Year Bonus means the amount of bonus (if any) payable under a Savings Contract following the fifth anniversary of the start date of that Savings Contract and the payment of 60 Monthly Contributions under that Savings Contract;

Grantor means, in relation to an Option, the Person who granted it, which may be the Company or any other Person and, for the avoidance of doubt, excludes an employee benefit trust;

Group Company means the Company or any of its Subsidiaries;

HMRC means HM Revenue & Customs;

Invitation Period means the period of 42 days commencing on any of the following:

- (i) the day immediately following the date the Plan is approved by Shareholders;
- (ii) any day on which any change to the legislation affecting savings-related share option schemes is announced or made;
- (iii) the day after the date on which the Company makes an announcement of its results for the last preceding financial year, half-year or other period; or
- (iv) any date on which the Board resolves that exceptional circumstances exist;

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

London Stock Exchange means London Stock Exchange plc or any successor body carrying on the business of the London Stock Exchange;

Market Value means:

- (i) while the Shares are admitted to the Daily Official List of the United Kingdom Listing Authority and listed on the Main Market of the London Stock Exchange, or are listed on any other Recognised Stock Exchange, in relation to a Share on any day its closing middle market quotation (as derived from the Daily Official List of the London Stock Exchange or other Recognised Stock Exchange as the case may be) on that day or, if the Board decides the average of the closing middle market quotations of Shares (as derived from that list) over the period of three dealing days ending with that day; or
- (iii) if the Shares are not so admitted, the meaning of the market value of a Share shall be determined in accordance with the applicable provisions of Part VIII of the Taxation of Chargeable Gains Act 1992, as agreed in advance with HMRC Shares and Assets Valuation;

Maximum Contribution means the lesser of;

- (i) a Monthly Contribution of £500 or any other maximum amount permitted under paragraph 25 of Schedule 3 as the maximum amount of a Monthly Contribution; and
- (ii) the maximum Monthly Contribution determined by the Board;

Minimum Contribution means the lesser of:

- (i) a Monthly Contribution of £10 or any other amount stipulated under Schedule 3 as the minimum amount of a Monthly Contribution; and
- (ii) the minimum Monthly Contribution determined by the Board, not being less than £5;

Monthly Contribution means the monthly amount agreed to be paid by a Participant under a Savings Contract;

Option means a right which has been granted or is proposed to be granted to acquire Shares under the Plan;

Option Price means, subject to any adjustment under Rule 10, the price per share at which a Participant may acquire Shares on the exercise of an Option as determined by the Board and stated at the Date of Grant in accordance with Rule 2.4 (which must not be less than the nominal value of a Share if the Shares are to be subscribed);

Participant means any Eligible Employee to whom an Option has been granted, or (where the context requires) their personal representatives;

Participating Company means:

- (i) the Company; and
- (ii) any other company which is under the Control of the Company and is a Subsidiary of the Company;

Person means any individual, corporation, partnership, limited liability company, trust or other entity of whatever nature;

Plan means the Provident Financial Savings Related Share Option Scheme 2022 as amended from time to time in accordance with the Rules;

Plan Period means the period starting on the date the Plan is adopted by the Company and ending on the tenth anniversary of that date;

Recognised Stock Exchange has the same meaning ascribed to it in Section 1005 of the Income Tax Act 2007;

Redundancy has the same meaning as defined by section 139(1) of the Employment Rights Act 1996;

Restriction means a restriction set out in paragraph 48(3) of Schedule 3;

Retirement means retirement (with consent of the Participant's employer) at any age from the office or employment by virtue of which a Participant is eligible to participate in the Plan;

Rules means these Plan rules as amended from time to time;

Savings Body the savings body designated by the Board for the purpose of the Plan;

Savings Contract means a contract under a certified contractual savings scheme within the meaning of paragraph 48(1) of Schedule 3, which is approved by HMRC for the purposes of Schedule 3;

Savings Contract Repayment means

- (i) the aggregate repayment which corresponds to any particular rate of saving under a Savings Contract, being the repayment of all Monthly Contributions made plus the Three Year Bonus or the Five Year Bonus, as applicable, payable on the Bonus Date; or
- (ii) to the extent that Rules 3 or 5 apply to adjust the number of Shares under Option, the amount applied to calculate the number of Shares comprised in the Option;

Schedule 3 means Schedule 3 to ITEPA;

Share means a fully paid ordinary share in the capital of the Company which satisfies the conditions of paragraphs 18 to 22 of Schedule 3;

Subsidiary means a company (A) which is a subsidiary of another company (B) if:

- (i) that other company (B):
 - a) is a member of it and controls the composition of its board of directors; or
 - b) holds more than half in nominal value of its equity share capital; or
- (ii) the first mentioned company (A) is a subsidiary of any company which is that other company's (B's) subsidiary;

Three Year Bonus means the amount of bonus (if any) payable under a Savings Contract following the third anniversary of the starting date of that Savings Contract and payment of 36 Monthly Contributions under that Savings Contract;

TUPE means the Transfer of Undertakings (Protection of Employment) Regulations 2006; and

Variation means in relation to the equity share capital of the Company a capitalisation issue, a rights issue or open offer, a subdivision, a consolidation or reduction or any other variation.

1.2 The headings in the Rules are for convenience and should be ignored when construing them.

1.3 Unless the context otherwise requires, words in the singular include the plural and vice versa.

1.4 Reference in the Rules to any statutory provisions are to those provisions as amended, extended or re-enacted from time to time, and include any regulations or other subordinate legislation made under them.

2 INVITATION AND APPLICATION FOR OPTIONS

2.1 Time when invitations may be made

During the Plan Period, the Grantor may during an Invitation Period invite all Eligible Employees to apply for Options.

2.2 Form of invitation

The Grantor will specify the form of the invitations to apply for Options. Invitations may be made by letter, poster, circular, advertisement, electronically or any other means or combination of means determined by the Grantor.

If the Option Price is advertised by poster, the Date of Invitation will be the day following the day or, as the case may be, the last of the three dealing days by reference to which the Option Price is determined. If Shares are listed on the London Stock Exchange, the Date of Invitation must be chosen so that each dealing day used to determine the Option Price is within the Invitation Period.

2.3 **Content of invitation**

Each invitation will specify:

- (a) the date by which an application for an Option must be received (being not less than 14 days after the Date of Invitation);
- (b) the Option Price (or how the Option Price will be determined);
- (c) subject to Rule 2.9, any choice of Saving Contracts (in terms of the number of Monthly Contributions payable) and Bonus Dates (where there is more than one possible Bonus Date in respect of a particular Savings Contract);
- (d) the Minimum Contribution;
- (e) the maximum Monthly Contribution, which, when added to any other Monthly Contribution being made under any other Savings Contract, must not be more than £500 or as otherwise specified in paragraph 25 of Schedule 3; and
- (f) if any bonus payable under a Savings Contract shall not be taken into account in determining the number of Shares made subject to an Option.

2.4 **Option Price**

The Grantor will decide the Option Price for an invitation. The Option Price will not be less than the higher of:

- (a) 80% of the Market Value of a Share on the Dealing Day immediately preceding the Date of Invitation or, if the Board decides, 80% of the Market Value at such other time or times as may be agreed in advance with HMRC; and
- (b) if the Shares are to be subscribed, their nominal value,

but subject to any adjustment under Rule 10.

2.5 **Applications**

An Eligible Employee may apply for an Option in the form specified by the Grantor. The application will contain any undertakings and/or declarations from Eligible Employees that the Grantor or the Savings Body requires for the Plan. The application must include or be accompanied by a proposal to enter into a Savings Contract with the Savings Body. Eligible Employees must apply for Options within 21 days following the Date of Invitation (or any shorter period, but not less than 14 days, determined by the Grantor).

2.6 **Number of Shares under Option**

An application for an Option shall be for an Option to acquire the largest whole number of Shares which could be acquired at the Option Price with an amount equal to the total of the expected Monthly Contributions plus the bonus payable under the relevant Savings Contract

on the bonus date unless it was specified in the invitation that the bonus would not be included for this purpose.

2.7 Employee's specification

An Eligible Employee must specify:

- (a) the Monthly Contribution (being a multiple of £1) which, subject to Rules 2.10 and 3, the Eligible Employee wishes to make; and
- (b) subject to Rule 2.9, whether the Savings Contract Repayment is to include the Three Year Bonus or the Five Year Bonus.

If appropriate, the Grantor shall be authorised to complete the Savings Contract proposal of the Savings Body, with the amount of Monthly Contribution.

2.8 Shares available

The Grantor may specify a maximum number of Shares available under an invitation.

2.9 Bonus available

The Grantor may allow Eligible Employees when applying for an Option to elect for the Three Year Bonus and/or the Five Year Bonus. If the Grantor does not specify in the invitation documents, Eligible Employees may only elect for the Three Year Bonus.

2.10 Limit on participation

A Participant's proposed Monthly Contribution cannot:

- (a) when added to any Monthly Contributions then being made under any other Savings Contract linked to an Option granted under the Plan or any other savings related Plan approved under Schedule 3, exceed the Maximum Contribution; or
- (b) be less than the Minimum Contribution,

and, for the purpose of calculating the Maximum Contribution, the Grantor may determine that any Monthly Contributions to Savings Contracts previously entered into by the Participant and subsequently cancelled without the related Option being exercised, shall be included (and the period of time for including the Monthly Contribution shall be the unexpired period of the Savings Contract).

3 SCALING DOWN

3.1 Method

If there are insufficient Shares available to satisfy valid applications for Options, the Grantor may use any of the following methods, or a combination of methods, to scale down applications to the extent necessary to eliminate the excess:

- (a) treat the bonus of each Eligible Employee as wholly excluded from the Savings Contract Repayment; or
- (b) reduce pro-rata the proposed Monthly Contribution of each Eligible Employee which is in excess of an amount chosen by the Grantor (though such amount may not,

unless determined otherwise by the Grantor before the Date of Invitation, exceed £50); or

- (c) reduce pro-rata the proposed Monthly Contribution of each Eligible Employee, provided that this amount is not less than the Minimum Contribution; or
- (d) treat any applications for a Five Year Bonus as an application for a Three Year Bonus.

3.2 Applications modified

If scaling down is necessary each application will be deemed to have been modified or withdrawn in accordance with the method chosen under this Rule 3 and the Grantor will complete or amend, as appropriate, each Savings Contract proposal to reflect any reduction in Monthly Contributions. The Grantor will then grant Options under Rule 4, but the period of 30 days in Rule 4.2 will be increased to 42 days.

4 GRANT OF OPTIONS

4.1 Option grant

Subject to Rule 3, Options will be granted by the Grantor to each Eligible Employee who has applied for an Option over the largest whole number of Shares that can be acquired at the Option Price with the Savings Contract Repayment related to their respective applications. An Option will be granted so that it constitutes a binding contract between the Company and the Participant.

There will be no payment for the grant of an Option.

4.2 Time of grant

Options will be granted within 30 days after the date on which the Option Price is determined or, if the Option Price is determined over three consecutive dealing days, within 30 days after the earliest of those dealing days, but not later than [●] 2032 (that is, the expiry of the period of 10 years beginning with the date on which the Plan is approved by shareholders of the Company).

4.3 Notification of grant

A Participant will be notified of the grant of an Option and may be issued with a confirmation of the grant of their Option specifying the details of the Option, including whether or not the Shares which may be acquired may be subject to any Restrictions and, if so, details of the Restrictions will be given. Alternatively, a Participant may be advised where that information can be accessed, or be given the opportunity to obtain such details electronically.

4.4 Options personal to Participants

An Option may not, nor may any rights in respect of it, be transferred, assigned, charged or otherwise disposed of to any person, except on the death of a Participant, to the Participant's personal representatives, and shall lapse immediately on any attempt to do so.

4.5 Approvals and consents

The grant of an Option will be subject to obtaining any approval or consent required under any applicable UK or overseas regulations or enactments.

5 PLAN LIMITS

5.1 The 10% in 10 years limit

The number of Shares which may be allocated, as defined in Rule 5.3, under the Plan on any day shall not, when added to the aggregate of the number of Shares which have been allocated in the previous 10 years under the Plan and any other Employees' Share Scheme adopted by the Company, exceed that number of Shares that represents 10% of the ordinary share capital of the Company in issue immediately prior to that day.

5.2 Exclusions from the limits

In calculating the limit in Rule 5.1, any Shares where the right to acquire them was released or lapsed without being exercised will be disregarded. Partnership shares awarded under any share incentive plan operated by the Company under Schedule 2 of ITEPA will also be disregarded.

5.3 Meaning of allocated

References to "allocated" Shares mean, in the case of any share option plan, the placing of unissued shares under option and, in relation to other types of Employees' Share Scheme, means the issue and allotment of Shares or transfer of Shares out of treasury (including any issue and allotment of Shares, or transfer of Shares out of treasury, to any trustees to satisfy the exercise of any option, award or contractual right granted under any Employees' Share Scheme unless such Shares are already treated as allocated under this Rule 5.3).

5.4 Adjustment to Shares to be taken into account

Where Shares which have been issued under the Plan or any other Employees' Share Scheme of the Company are to be taken into account for the purposes of the limit in Rule 5.1 and a Variation has taken place between the date of issue of those Shares and the date on which the limit is to be calculated, then the number of Shares taken into account for the purposes of the limit will be adjusted in the manner the Board considers appropriate to take account of the Variation.

6 RIGHTS OF EXERCISE AND LAPSE OF OPTIONS

6.1 General rules for exercise

Except as provided in Rules 6.2 and 6.3, an Option may only be exercised by a Participant while they are a full time director or employee of a Participating Company or an Associated Company.

6.2 Timing of exercise

Subject to Rule 7, an Option can be exercised at any time for a period of six months following the earliest of:

- (a) the applicable Bonus Date;
- (b) the Participant ceasing to be a full time director or employee of a Participating Company or an Associated Company:
 - (i) by reason of injury, disability, Redundancy or Retirement;

- (ii) by reason of a relevant transfer within the meaning of TUPE or, if the Participant is a director or employee of an Associated Company, that company ceasing to be an Associated Company of the Company by reason of a change of control (as determined in accordance with sections 450 and 451 of CTA 2010); or
 - (iii) more than three years after the Date of Grant for any other reason (except for dismissal for misconduct);and
- (c) the passing of a resolution for voluntary winding-up of the Company (other than for the purpose of a reconstruction or amalgamation).

6.3 **Death**

Any Option held by a Participant who dies can be exercised by their personal representatives within 12 months after the earlier of:

- (a) the date of the Participant's death; or
- (b) the Bonus Date (if death occurs within 6 months of the Bonus Date).

6.4 **Corporate events**

A Participant may exercise the Option any time within the periods specified for the exercise of Options in Rules 7.1 to 7.4.

6.5 **Lapsing of Options**

Except in the case of either a Participant's death when an Option will lapse on the expiry of twelve months from the earlier of the date of the Participant's death or the Bonus Date, as appropriate, or a Participant ceasing to be a full time director or employee of a Participating Company or an Associated Company in any circumstances referred to in Rule 6.2(b) when an Option will lapse on the earlier of the expiry of six months from the Participant's termination in the circumstances referred to in Rule 6.2(b) or the Bonus Date, an Option will lapse on the earliest of:

- (a) the expiry of six months from the Bonus Date;
- (b) the date on which the Participant ceases to be a full time director or employee of a Participating Company or an Associated Company in any circumstances other than those referred to in Rule 6.2(b);
- (c) the Participant's right to continue making savings contributions lapsing under the provisions of the Savings Contract other than on death or for the purpose of exercising an Option;
- (d) the expiry of the respective periods specified in Rules 7.1 to 7.4, except where an Option is released in consideration of the grant of a New Option under Rule 8; and
- (e) the Participant being deprived of the legal or beneficial ownership of the Option by operation of law, or doing or omitting to do anything which causes them to be so deprived or being declared bankrupt.

6.6 **Cessation of Plan related employment**

For the purposes of this Rule 6, a Participant will not be treated as ceasing to be an employee or full time director of a Participating Company until they are no longer employed by the Company or any Associated Company.

7 TAKEOVERS AND OTHER CORPORATE EVENTS

7.1 General offers

If any person (or any group of persons acting in concert) obtains Control of the Company as a result of making a general offer to acquire:

- (a) the whole of the issued share capital of the Company, which is made on a condition such that, if it is satisfied, the offeror will have Control of the Company; or
- (b) all the shares in the Company which are of the same class as the Shares,

the Board shall within 7 days (or such longer period as the Board may decide) after becoming aware of that event notify every Participant of it and, subject to Rule 6.5 and Rule 8.3, any Option may be exercised within one month after the date the offeror will have Control of the Company or acquires all the shares in the Company (as described above) or such longer period as the Board may permit, provided such period is not, in any event, later than 6 months after such person has obtained Control of the Company, or such offer has become wholly unconditional (as appropriate).

7.2 Compulsory acquisition

In the event that any person becomes bound or entitled to acquire shares in the Company under sections 979 to 982 or 983 to 985 of the Companies Act 2006, the Board shall as soon as practicable, notify every Participant of that event and, subject to Rule 6.6 and Rule 8.3, any Option may be exercised at any time when that person remains so bound or entitled, but to the extent that it is not exercised within that period an Option shall (regardless of any other provision of the Plan) lapse at the end of that period.

7.3 Scheme of arrangement

In the event that under section 899 of the Companies Act 2006 a court sanctions a compromise or arrangement applicable to or affecting (i) all the ordinary share capital of the Company or all the shares of the same class as the shares to which the Option relates; or (ii) all the shares, or all the shares of that same class, which are held by a class of shareholder identified otherwise than by reference to their employment or directorships or their participation in a SAYE option scheme that meets the requirements of Schedule 3, the Board shall, as soon as practicable, notify every Participant of that event and, subject to Rule 6.5 and Rule 8.3, any Option may be exercised within six months after such court sanction, but to the extent that it is not exercised within that period an Option shall (regardless of any other provision of the Plan) lapse at the end of that period.

7.4 Voluntary winding up

In the event that the Company passes a resolution for voluntary winding up the Board shall, as soon as practicable, notify every Participant of that event and, subject to Rule 6.5 and Rule 8.3, any Option may be exercised within six months after the passing of the resolution for the winding up, but to the extent that it is not exercised within that period an Option shall (regardless of any other provision of the Plan) lapse at the end of that period.

8 EXCHANGE OF OPTIONS

8.1 If any company (**Acquiring Company**):

- (a) obtains Control of the Company as a result of making a general offer to acquire:
 - (i) the whole of the issued ordinary share capital of the Company which is made on condition such that if it is satisfied the Acquiring Company will have Control of the Company; or
 - (ii) all the shares in the Company which are of the same class as the Shares, in either case ignoring any Shares which are already owned by it or a member of the same group of companies; or
- (b) obtains Control of the Company in pursuance of a compromise or arrangement sanctioned by the court under section 899 of the Companies Act 2006; or
- (c) becomes entitled to acquire Shares under sections 979 to 982 of the Companies Act 2006,

any Participant may, at any time within the Appropriate Period, by agreement with the Acquiring Company, release any Option which has not lapsed (**Old Option**) in consideration of the grant to them of an Option (**New Option**) which (for the purposes of paragraph 39 of Schedule 3) is equivalent to the Old Option but relates to shares in a different company (whether the Acquiring Company itself or some other company falling within paragraph 18(b) or (c) of Schedule 3).

8.2 The New Option

The New Option will not be regarded as equivalent to the Old Option unless the conditions set out in paragraph 39(4) of Schedule 3 are satisfied, but so that the provisions of the Plan will for this purpose be construed as if:

- (a) the New Option were an option granted under the Plan at the same time as the Old Option;
- (b) references to Shares were references to the shares over which the New Option is granted;
- (c) references to the Company were references to the different company mentioned in Rule 8.1 except for the purposes of the definition of "Participating Company" where "Company" shall retain its original meaning; and
- (d) Rule 12.2 were omitted.

8.3 Internal reorganisations

In the event that:

- (a) an offer (as referred to in Rule 7.1) is made or a compromise or arrangement (as referred to in Rule 7.3) is proposed which is expected to result in the Company becoming Controlled by a new company (**New Company**); and

- (b) at least 75% of the shares in the New Company are expected to be held by substantially the same persons who immediately before the offer or proposal was made were shareholders in the Company; and
- (c) the Board and the New Company agree that this Rule should apply,

then an Option shall not become exercisable under Rule 7.1 or Rule 7.3 but shall be automatically surrendered within the Appropriate Period in consideration for the grant of a New Option which, for the purposes of paragraph 39(4) of Schedule 3, is equivalent to the Old Option but relates to shares in the New Company and Rule 8.2 other than Rule 8.2(d) will apply.

9 EXERCISE OF OPTIONS

9.1 Exercise in whole or in part

An Option may be exercised in whole or in part.

9.2 Manner of exercise

An Option may be exercised by the Participant giving notice of exercise to or at the direction of the Company in a form approved by the Grantor and as required by the Savings Body. For the avoidance of doubt, the effective date of exercise of an Option will be the date that the Company has received both the notice of exercise and the funds equal to the Exercise Price representing the repayment under the Participant's related Savings Contract. If an Option is exercised in part, the unexercised part will lapse.

9.3 Monies available for exercise

The Exercise Price payable on exercise of an Option cannot exceed the amount of the repayment made (including any interest or any bonus) under the Participant's related Savings Contract. For this purpose, the repayment under the Savings Contract will exclude the repayment of any Monthly Contribution the date of payment of which falls more than one month after the date on which the repayment is made.

9.4 Issue or transfer of Shares

Subject to Rule 9.5, Shares will be allotted or transferred to a Participant (or their nominee) pursuant to the exercise of an Option within 30 days following the effective exercise of the Option.

9.5 Consents

The delivery of any Shares under the Plan will be subject to obtaining any necessary approval or consent.

9.6 Ranking of Shares

Shares acquired by a Participant under the Plan will rank equally in all respects with the Shares then in issue, except that they shall not rank for any right attaching to them by reference to a record date preceding the date on which the Shares are transferred to the Participant.

9.7 Listing

If the Shares are listed on the London Stock Exchange or any other Recognised Stock Exchange, the Company will apply for listing of any Shares issued under the Plan before or as soon as practicable after their allotment.

10 ADJUSTMENT OF OPTIONS

10.1 Variation of equity share capital

If there is a Variation in the equity share capital of the Company:

- (a) the number and/or the nominal value of Shares over which an Option is granted;
- (b) the Option Price; and
- (c) where an Option has been exercised but on the date of the Variation no Shares have been delivered pursuant to that exercise, the number of Shares which may be delivered and the price at which they may be acquired,

will be adjusted in the manner the Board determines so that (as nearly as may be without involving fractions of a Share or an Option Price calculated to more than two decimal places) the Exercise Price will remain unchanged.

10.2 Nominal value of Shares

Apart from under this Rule 0, no adjustment under Rule 10.1 can reduce the Option Price to less than the nominal value of a Share. Where an Option subsists over both issued and unissued Shares, an adjustment may only be made if the reduction of the Option Price in respect of both the issued and the unissued Shares can be made to the same extent. Any adjustment made to the Option Price of Options over unissued Shares will only be made if and to the extent that the Board is authorised to:

- (a) capitalise from the reserves of the Company a sum equal to the amount by which the nominal value of the Shares in respect of which the Option is exercisable exceeds the adjusted Exercise Price; and
- (b) apply that sum in paying up the Shares

so that on exercise of the Option the Board will capitalise that sum and apply it in paying up the Shares.

10.3 Schedule 3 requirements

While the Plan meets, and is to continue to meet, the requirements of Schedule 3, no adjustment under Rule 10.1 will have effect unless such adjustment meets the requirements of paragraph 28(3A) of Schedule 3.

10.4 Notifying Participants of adjustments

The Grantor will take the steps it considers necessary to notify Participants of any adjustment made under Rule 10 and may call in, cancel, endorse, issue or re-issue any certificate as a result of that adjustment.

11 ADMINISTRATION

11.1 Notice by the Grantor

Save as provided for by law, any notice, document or other communication given by, or on behalf of, the Grantor or to any person in connection with the Plan shall be deemed to have been duly given if delivered to them at their place of work, if they are in employment with any Group Company, if sent by e-mail to such e-mail address as may be specified by them from time to time or, in the case of a Participant who remains in employment with any Group Company, to such e-mail address as is allocated to them by any Group Company, or sent through the post in a pre-paid envelope to the postal address last known to the Company to be their address and, if so sent, shall be deemed to have been duly given on the date of posting.

11.2 Deceased Participants

Save as provided for by law, any notice, document or other communication so sent to a Participant shall be deemed to have been duly given notwithstanding that such Participant is then deceased (and whether or not the Company has notice of their death) except where their personal representatives have established title to the satisfaction of the Company and supplied to the Company an e-mail or postal address to which notices, documents and other communications are to be sent.

11.3 Notice to the Grantor

Save as provided for by law any notice, document or other communication given to the Grantor (or any relevant person appointed by the Grantor) in connection with the Plan shall be delivered by hand or sent by email, fax or post to the Company Secretary (or any relevant person appointed by the Grantor) at the Company's registered office (or such other e-mail or postal address as may from time to time be notified to Participants) but shall not in any event be duly given unless it is actually received at the registered office or such e-mail or postal address.

11.4 Replacement option certificates

If any option certificate (or other document or documents evidencing grant as appropriate) is worn out, defaced or lost, it may be replaced on the evidence that the Grantor requires being provided.

11.5 Shares to cover Options

The Grantor will ensure that sufficient Shares are available to satisfy all outstanding Options.

11.6 Administration of the Plan

The Plan will be administered by the Board. The Board has full authority, consistent with the Plan, to administer the Plan, including authority to interpret and construe any provision of the Plan and to adopt any regulations for administering the Plan and any documents it thinks necessary or appropriate. The Board's decision on any matter concerning the Plan will be final and binding on all Participants.

11.7 Costs of introducing and administering the Plan

The costs of introducing and administering the Plan will be borne by the Company. However, the Company may require any Subsidiary of the Company to enter into an agreement which obliges that Subsidiary to reimburse the Company for any costs borne by the Company, directly or indirectly, in respect of the Subsidiary's officers or employees. The Company may also enter into a similar agreement with any Participating Company or Associated Company which is not a Subsidiary of the Company.

12 AMENDMENTS

12.1 The Board's power to amend the Plan

Subject to the provisions of Rule 12, the Board can at any time amend any of the provisions of the Plan in any respect or the terms of any Option.

12.2 Shareholders' approval

No amendment to the advantage of Participants will be made under Rule 12.1 to the definitions of "Eligible Employee", "Option Price" and "Variation", or to the limit on the number of Shares which may be issued under the Plan, the rights attaching to Options and Shares, or the terms of this Rule 12 without the prior approval by ordinary resolution of the members of the Company in general meeting unless the amendment is:

- (a) minor and to benefit the administration of the Plan;
- (b) to take account of any changes in legislation; or
- (c) to obtain or maintain favourable taxation, exchange control or regulatory treatment for the Company, a Subsidiary of the Company or an Associated Company or any Participant.

12.3 Amendments to the disadvantage of Participants

No amendment to the material disadvantage of Participants shall be made under Rule 12.1 unless:

- (a) the Board shall have invited every relevant Participant to indicate whether or not they approve the amendment; and
- (b) the amendment is approved by a majority of those Participants who have given such an indication.

12.4 Notice of amendments

Participants will be given written notice of any amendments to the Plan made under Rule 12.1 as soon as reasonably practicable after they have been made.

12.5 Prohibited amendment

No amendment will be made to the Plan if, as a result of the amendment, it would cease to be an Employees' Share Scheme.

12.6 Schedule 3 requirements

While the Plan meets, and is to continue to meet, the requirements of Schedule 3, no amendment to a key feature of the Plan will have effect unless such amendment meets the requirements of Schedule 3.

12.7 Overseas Eligible Employees

The Board may adopt additional sections of the Plan applicable in any jurisdiction, under which Options may be subject to additional and/or modified terms and conditions, having regard to any securities, exchange control or taxation laws, regulations or practice, which may

apply to the Participant, the Company or any Participating Company. Any additional section must conform to the basic principles of the Plan and must not enlarge to the benefit of Participants the limits in Rule 2.10 or Rule 5. Any additional section and all Options granted under that section will be governed by and construed in accordance with the laws of England and Wales but will not form part of the Plan for the purposes of Schedule 3.

13 EMPLOYMENT RIGHTS

13.1 Employment

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

13.2 Benefits not pensionable

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

13.3 No consequential losses on termination

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

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

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

13.4 No consequential losses on transfer of employer

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

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

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

13.5 No expectation of invitation or grant

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

14 MISCELLANEOUS

14.1 Termination of the Plan

The Plan will terminate at the end of the Plan Period or at any earlier time by the passing of an appropriate resolution by the Board. Termination of the Plan will not affect the subsisting rights of Participants.

14.2 The Plan and funding the purchase of Shares

Any Participating Company may provide money to the trustees of any trust or any other person to enable them to acquire Shares to be held for the purposes of the Plan, or enter into any guarantee or indemnity for those purposes, to the extent permitted by any applicable law.

14.3 Severability

The invalidity or non-enforceability of one or more provisions of the Plan will not affect the validity or enforceability of the other provisions of the Plan.

14.4 Third parties

No third party has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Plan.

14.5 Data protection

If a Participant is employed outside the European Economic Area or the United Kingdom and consent is needed for the collection, processing or transfer of their personal data under applicable local law, by participating in the Plan, the Participant gives their consent for the purposes of the Plan.

For the purposes of compliance with the General Data Protection Regulation (EU) 2016/679, and any UK or other legal or regulatory equivalent, the Company will separately provide a Participant with information on the collection, processing and transfer of their personal data, including the grounds for processing.

If UK law diverges from EU law, then any references in the Plan documentation to EU legislation will be interpreted as to the UK equivalent legislation, as in force from time to time.

14.6 Governing law

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