

**TREATT plc**

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**RULES OF  
THE TREATT SAVE AS YOU EARN  
SHARE OPTION SCHEME**

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**Approved by shareholders on 30 January 2015 (and amended by the Remuneration  
Committee of the Company under authority from the Directors on 26 November 2021 and 20  
November 2024)  
Ratified by shareholders on 30 January 2025:**

**This is a copy of the rules of The Treatt Save As You Earn Share Option Scheme  
as produced to the Annual General Meeting  
of Treatt plc held on 30 January 2025 and initialled by the  
Chair for the purposes of identification only**

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**Chair**

**THE TREATT 2015 SAVE AS YOU EARN SHARE OPTION  
SCHEME**

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**RULES OF  
THE TREATT SAVE AS YOU EARN SHARE OPTION  
SCHEME**

This Scheme is an employees' share scheme approved and established by resolution of the Remuneration Committee of the Directors of the Company passed on 27 November 2014 and approved by shareholders of the Company by ordinary resolution passed on 30 January 2015.

**PART A: INTERPRETATION AND ADMINISTRATION**

**1. DEFINITIONS AND INTERPRETATION**

1.1 In this Scheme, the following words and expressions shall have the meanings given below:-

<b>"3 year Option"</b>	an Option linked to a 3 year Savings Contract
<b>"5 year Option"</b>	an Option linked to a 5 year Savings Contract
<b>"Acquisition Cost"</b>	in relation to the exercise of an Option, an amount equal to the product of:-  (a) the maximum number of Shares in respect of which that Option could then be exercised (or such lesser number as is specified in the notice of exercise) and  (b) the Exercise Price of such Shares
<b>"Announcement"</b>	the preliminary announcement to the London Stock Exchange of the results of the Company for any financial period
<b>"Applicant"</b>	a person who, in response to an Invitation, submits an Application
<b>"Application"</b>	an application for the grant of an Option made in accordance with Rule 7
<b>"Application Date"</b>	in relation to any Invitation, such date (being not less than 14 nor more than 21 days after the Invitation Date) as shall be determined by the Directors to be the last day on which an Application may be submitted
<b>"Associated Company"</b>	any company which, in relation to the Company, is an associated company as that term is defined in paragraph 47 of Schedule 3
<b>"Auditors"</b>	(a) the auditors for the time being of the Company;  (b) if the Company has joint auditors, the auditors determined by the Committee; or

	(c) any other firm of registered auditors, as determined by the Committee
<b>"Bonus Date"</b>	(a) the repayment date for a Savings Contract in relation to a 3-year Option; or  (b) the repayment date for a Savings Contract in relation to a 5-year Option;
<b>"Companies Act"</b>	the Companies Act 2006
<b>"Company"</b>	Treatt plc (registered in England no 1568937)
<b>"Control"</b>	has the meaning given in section 719 of the ITEPA 2003
<b>"Date of Grant"</b>	in relation to any Option the date on which such Option is granted
<b>"Dealing Day"</b>	a day on which the London Stock Exchange is open for business
<b>"Directors"</b>	the board of directors of the Company or a duly authorised committee of the directors
<b>"Eligible Employee"</b>	(a) any Employee or Full-time Director who, at the Date of Grant of an Option:-  (i) is employed by a Participating Company;  (ii) has been continuously employed by one or more Participating Companies throughout the period of 5 years ending with the Date of Grant (or such other period immediately preceding that date as the Directors may from time to time determine not being more than 5 years); and  (iii) is chargeable to tax in respect of his office or employment under sections 15 or 21 of ITEPA; or  (b) any Employee or director of any Participating Company who is nominated by the Directors as an Eligible Employee for the purposes of this Scheme  provided that no person shall be eligible to participate in this Scheme if he is precluded by virtue of paragraph 10 of Schedule 3
<b>"Employee"</b>	an employee of any Participating Company
<b>"Employee's Savings Contract"</b>	the Savings Contract entered into by an Eligible Employee or an Optionholder in connection with

	the grant to him of an Option (and any reference to " <b>his Savings Contract</b> " shall be construed accordingly)
<b>"other employees' share scheme"</b>	any other employee share option or incentive schemes (except this Scheme) established by the Company under which Shares have been or may be issued by the Company
<b>"Exercise Price"</b>	in relation to an Option, the price per Share payable upon the exercise of such Option
<b>"Full-time Director"</b>	a director of any Participating Company who is required to work at least 25 hours per week (excluding meal breaks), disregarding holiday entitlement
<b>"Grantor"</b>	in relation to an Option, the Company or such other person (including a Trustee) as intends to grant or has granted such Option
<b>"Group"</b>	the Company and any company which is for the time being a Subsidiary
<b>"HMRC"</b>	His Majesty's Revenue & Customs
<b>"Invitation"</b>	an invitation to apply for an Option issued in accordance with Rule 5
<b>"Invitation Date"</b>	the date on which an Invitation is issued in accordance with Rule 5
<b>"ITEPA"</b>	the Income Tax (Earnings and Pensions) Act 2003
<b>"Jointly-Owned Company"</b>	has the meaning given in paragraph 46(5) of Schedule 3
<b>"Market Value"</b>	<p>(a) if on any Invitation Date, Shares are admitted to the Official List, the average of the middle market quotations of a Share as derived from the Daily Official List of the London Stock Exchange for the 3 consecutive Dealing Days last preceding the Invitation Date; or</p> <p>(b) if the Shares are not admitted to the Official List, the market value of a Share on the Invitation Date as determined in accordance with Part VIII of the Taxation of Chargeable Gains Act 1992 and agreed in advance with HMRC Shares and Assets Valuation</p>
<b>"Official List"</b>	the Official List maintained by the Financial Conduct Authority

<b>"Option"</b>	a right to acquire Shares granted in accordance with, and subject to, the rules of this Scheme
<b>"Option Certificate"</b>	a certificate evidencing the grant of an Option as mentioned in Rule 10.5
<b>"Optionholder"</b>	a person who has been granted an Option or, if that person has died and where the context requires, his Personal Representatives
<b>"Ordinary Share Capital"</b>	the issued ordinary share capital of the Company other than fixed-rate preference shares, including any Shares held in treasury
<b>"Participating Company"</b>	the Company and any other company which is for the time being a Subsidiary to which the Directors have resolved that this Scheme shall extend for the time being
<b>"Personal Representatives"</b>	<p>the personal representatives of an Optionholder, being either:-</p> <p>(a) the executors of his will to whom a valid grant of probate has been made; or</p> <p>(b) if he dies intestate, the duly appointed administrator(s) of his estate</p> <p>who, in either case, have produced to the Company evidence of their appointment as personal representatives</p>
<b>"Related Company"</b>	a company which, in relation to the Company, is an "associated company" as that term is defined in paragraph 35(3) of Schedule 3
<b>"Relevant Savings Body"</b>	the Savings Body which is a party to an Employee's Savings Contract
<b>"Repayment Value"</b>	the aggregate amount of all the monthly savings contributions payable under an Employee's Savings Contract, together with the amount of such bonus as would be due on the Bonus Date
<b>"Savings Arrangement"</b>	a certified SAYE savings arrangement (as defined in section 703 of the Income Tax (Trading and Other Income) Act 2005) that is nominated by the Directors and by an officer of HMRC for the purposes of Schedule 3
<b>"Savings Body"</b>	the bank or building society operating a Savings Arrangement
<b>"Savings Contract"</b>	a savings contract entered into under a Savings Arrangement

<b>"SAYE Code"</b>	has the meaning given in section 516(3) of ITEPA
<b>"Schedule 3"</b>	Schedule 3 to ITEPA
<b>"Scheme"</b>	The Treatt Savings Related Share Option Scheme as set out in these rules as amended from time to time
<b>"Shares"</b>	fully-paid ordinary shares in the capital of the Company which satisfy the conditions set out in paragraphs 18-20 (inclusive) and paragraph 22 of Schedule 3 (or following a reconstruction, demerger or reorganisation of the Company or a change of Control in accordance with Rule 17, Shares or other securities acquired by virtue of, or in exchange for, such shares)
<b>"Subscription Option"</b>	a right to subscribe for Shares granted in accordance with, and subject to, the rules of this Scheme
<b>"Subsidiary"</b>	any company which is for the time being both a subsidiary (as defined in section 1159 of the Companies Act) of the Company and under the Control of the Company
<b>"Trust"</b>	The Treatt Employees' Share Trust or another employees' share trust established by the Company for the benefit of employees of members of the Group
<b>"Trustee"</b>	the trustee or trustees for the time being of the Trust
1.2	References to Shares in respect of which an Option subsists at any time are to be read and construed as references to the Shares over which the Option is then held (and in respect of which it has not then lapsed and ceased to be exercisable).
1.3	Words and expressions used in this Scheme and in the ancillary documents which are not defined in this Rule 1 have the meanings they bear in the SAYE Code.
1.4	Any reference to any enactment includes a reference to that enactment as from time to time modified, extended or re-enacted.
1.5	Any reference to the exercise of an Option includes a reference to the exercise of an Option in respect of a lesser number of Shares than the maximum permitted under Rule 15.1.
1.6	Words denoting the masculine gender shall include the feminine.
1.7	Words denoting the singular shall include the plural and vice versa.
1.8	References to rules are to the rules of this Scheme and no account shall be taken of the rule headings which are for ease of reference only.



2. **ADMINISTRATION**

- 2.1 The Directors may from time to time make and vary such rules and regulations which are consistent with these rules and establish such procedures for their administration and implementation as they think fit.
- 2.2 If any question, dispute or disagreement arises as to the interpretation of this Scheme or of any rules, regulations or procedures relating to it or as to any question or right arising from or related to this Scheme, the decision of the Directors shall (except as regards any matter required to be determined by the Auditors) be final and binding upon all persons.
- 2.3 In any matter in which they are required to act in connection with this Scheme, the Auditors shall be deemed to be acting as experts and not as arbitrators and the Arbitration Act 1996 shall not apply.
- 2.4 The Company shall bear the costs of the administration and implementation of this Scheme.

## **PART B: ISSUE OF INVITATIONS AND GRANT OF OPTIONS**

### **3. ELIGIBILITY**

The Directors on behalf of, and with the consent of, the Grantor may, at their discretion issue (or procure the issue) of Invitations to apply for Options to all persons who are, or at the intended Date of Grant may be, Eligible Employees.

### **4. TIMING OF INVITATIONS**

#### **4.1 Invitations may be issued:-**

4.1.1 during the period of 42 days following 30 January 2025;

4.1.2 during the period of 42 days beginning with the fourth Dealing Day following an Announcement; and

4.1.3 at any other time if, in the opinion of the Directors, the circumstances are exceptional.

4.2 If the Company is restricted by statute, order or regulation (including any regulation, order or requirement imposed on the Company by the London Stock Exchange, the Financial Conduct Authority or any other regulatory authority) from issuing Invitations within any period as mentioned in Rule 15.1, Invitations may be issued at any time during the period of 42 days beginning with the date on which such restriction is removed.

### **5. INVITATIONS**

5.1 Invitations shall be in writing or by e-mail and may be in the form of notices, advertisements, circulars or otherwise for the general attention of Employees and to which Employees' attention is drawn by notices issued with pay and salary advice slips.

5.2 An Invitation may not be issued by e-mail to any person unless that person is known by his employer company to have personal access during his normal business hours to information sent by e-mail.

#### **5.3 Each Invitation shall:-**

5.3.1 be in the same terms as all other Invitations issued on the same occasion;

5.3.2 invite the recipient to apply for one or more (as the Directors shall specify) 3 year Option and/or, 5 year Option;

5.3.3 specify the form and manner in which the recipient may apply for an Option and the Application Date;

5.3.4 identify the Savings Body;

5.3.5 state the minimum amount of monthly savings contribution which may be made under a Savings Contract (which shall not be more than £10 or, if the Directors so determine, such other minimum amount as is permitted under the terms of the relevant Savings Contract);

5.3.6 state the maximum amount of monthly savings contribution which may be made by an Optionholder (being such sum as is mentioned in Rule 9.2);

5.3.7 if the Directors so determine, include a statement that if it becomes necessary to scale-back Applications pursuant to Rule 8, scaling-back shall, in the first instance, apply to every Application for a monthly savings contribution greater than an amount that the Directors shall specify in the Invitation; and

and shall otherwise be in such form as the Grantor may determine.

5.4 On any occasion on which Invitations are issued, the Directors may in their discretion (and acting with the consent of the Grantor where appropriate) determine and announce the maximum number of Shares in respect of which Options will be granted in response to Applications made pursuant to the Invitations issued on that occasion.

## 6. **THE EXERCISE PRICE**

6.1 Subject to any adjustment in accordance with Rule 20, the Exercise Price shall be determined by the Grantor but shall be not less than the higher of (i) 80% (rounded up to the nearest whole penny) of the Market Value of a Share on the Invitation Date and (ii) if the Option is to be satisfied by the issue of new Shares, the nominal value of a Share.

6.2 The Exercise Price shall be the same in relation to all Options granted on the same occasion and, in relation to Subscription Options, shall not be less than the nominal value of a Share.

## 7. **APPLICATIONS FOR OPTIONS**

7.1 Any person to whom an Invitation has been issued may apply for an Option by submitting an Application (which may be in electronic form) to the person specified in the Invitation.

7.2 The Application shall:-

7.2.1 be received at the address stipulated in the Invitation not later than the Application Date;

7.2.2 specify the amount of the savings contributions proposed to be paid each month under the Employee's Savings Contract (or, if more than one, each such Savings Contract) and authorise the Applicant's employer (from time to time) to deduct such amount (or such lesser amount as may be determined pursuant to Rule 8) from the Applicant's pay;

7.2.3 if the terms of the Invitation so permit, indicate whether or not the Applicant applies for one or more 3 year Option(s) and/or one or more 5 year Option(s);

7.2.4 include or be accompanied by an application for a Savings Contract linked to each such Option in a form approved by the Relevant Savings Body;

7.2.5 be duly completed and signed by the Applicant;

7.2.6 otherwise comply with any terms and conditions specified in the Invitation;

7.2.7 be subject to the Applicant being an Eligible Employee at the Date of Grant; and

7.2.8 be otherwise in such form as the Directors may determine.

7.3 Subject to Rule 8, the total number of Shares in respect of which any Application shall be made shall be the whole number of Shares for which the Acquisition Cost payable would be as nearly as may be equal to, but not exceed, the amount which would be the Repayment Value of the Employee's Savings Contract if the amount of each of the contributions payable

under that Savings Contract (or under each such Savings Contract) was equal to the maximum amount specified by the Applicant in his application.

7.4 If no Application is received by the Application Date, an Invitation shall be deemed to have been declined.

## 8. ACCEPTANCE AND SCALING-DOWN OF APPLICATIONS

8.1 Subject to the following provisions of this Rule 8, each Application shall be accepted to the extent of the total number of Shares in respect of which it is made (as mentioned in Rule 7.3).

8.2 If the total number of Shares in respect of which Applications have been made on any occasion would result in any of the limits in Rules 5.4 or 12.1 being exceeded, the number of Shares in respect of which each Application is accepted shall be reduced in accordance with the following provisions of this Rule 8.

8.3 If the Invitation included a statement as mentioned in Rule 5.4, and subject to Rules 7 and 8.7, the number of Shares in respect of which each Application is treated as having been made shall be determined on the basis that the amount of monthly savings contribution under the Savings Contract is reduced to the amount so specified.

If, after the application of Rule 8.3, the total number of Shares for which Applications are deemed to have been made on that occasion exceeds any of the limits in Rules 5.4 or 12.1 the number of Shares in respect of which each Application shall be accepted shall be reduced as specified:-

8.3.1 the reduction shall be as nearly as may be on a proportionate basis, to the extent necessary to ensure that none of the limits in Rules 5.4 or 12.1 is exceeded and the amount of monthly savings contributions to be made under the Savings Contracts linked to each such Option shall be reduced accordingly; but

8.3.2 the number of Shares for which any Application shall be accepted shall not be reduced below the number for which the Acquisition Cost payable would be as nearly as may be equal to, but not exceed, the Repayment Value of the Employee's Savings Contract linked to that Option if the monthly savings contributions under each such Savings Contract were £5 or such other minimum amount per month specified in the Invitation (the "**Minimum Number of Shares**").

8.4 The provisions of Rule 4 shall, if necessary, be applied repeatedly until either none of the limits in Rules 5.4 and/or 12.1 will be exceeded or the number of Shares for which each Application would be accepted is reduced to the Minimum Number of Shares.

8.5 If, notwithstanding the provisions of Rules 8.2 to 8.4 (inclusive) any one or more of the limits in Rules 5.4 and 12.1 would still be exceeded, the selection of Applications for acceptance shall be made by the Directors on the basis that each Application (after adjustment as mentioned above) has an equal chance of selection for acceptance.

8.6 If, on any occasion, an Applicant has applied for more than one 3 year Option or 5 year Option, as the case may be, in applying the provisions of this Rule 8 the number of Shares in respect of which Applications have been received from such Applicant for all such 3 year Options (or, as the case may be, all such 5 year) shall first be aggregated and treated as if a single Application for such an Option had been received in respect of the aggregate number of such Shares.

8.7 Having, in the case of an Applicant who has applied for more than one 3 year Option (or, as the case may be, more than one 5 year Option) identified the maximum aggregate number of Shares in respect of which such Applications may be accepted (the "**Maximum Number of Shares**"):-

8.7.1 the Maximum Number of Shares shall be divided by the number of Options for which such Applicant had applied;

8.7.2 the monthly contributions to be made under each Savings Contract for which an Application has been made shall be identified; and

8.7.3 such Applications shall be deemed to have been made, and shall be accepted, on that basis

**PROVIDED THAT** if in consequence the amount of monthly contributions to be made under any such Savings Contract would be less than the minimum amount specified pursuant to Rule 5.3.5, the number of Savings Contracts for which Applications shall be deemed to have been made, and shall be accepted, shall be reduced so as to ensure that the monthly contributions to be made in each case is not less than that minimum amount.

8.8 As soon as reasonably practicable after the Application Date, the Directors (acting with the consent of the Grantor where appropriate) shall:-

8.8.1 determine the maximum number of Shares in respect of which each Application may be accepted; and

8.8.2 cause each Application for a Savings Contract to be submitted to the Relevant Savings Body.

## 9. **INDIVIDUAL LIMIT ON PARTICIPATION**

9.1 The aggregate amount of an Employee's monthly savings contributions under his Savings Contract, when added to the aggregate amount of his monthly savings contributions under any other Savings Contracts, may not at any time exceed the sum specified in Rule 9.2.

9.2 The sum mentioned in Rule 9.1 is:-

9.2.1 £500;

9.2.2 such other amount specified in the relevant Savings Contract; or

9.2.3 such other maximum amount (not exceeding such other maximum amount per month specified from time to time in paragraph 25 of Schedule 3) as the Grantor may determine

**SAVE THAT** if on any occasion the Grantor shall determine for these purposes a sum ("the new limit") which is less than the maximum aggregate of the monthly contributions applicable on any previous occasion, that determination shall be made without prejudice to any Option previously granted to an Optionholder or to any Employee's Savings Contract previously entered into by any Optionholder if the aggregate monthly savings contributions payable by that Optionholder under such Savings Contract would thereby exceed the new limit.

## 10. GRANT OF OPTIONS

- 10.1 Subject to the following provisions of this Rule 10, Options shall be granted within the period of 30 days beginning with the first of the days by reference to which the Exercise Price is determined on any occasion.
- 10.2 The Grantor (or, if the Grantor is the Company, the Directors) shall pass a resolution granting an Option to acquire the whole number of Shares for which the Acquisition Cost payable would be as nearly as possible equal to, but not exceed, the amount which would be the Repayment Value of the Employee's Savings Contract to each Applicant who is an Eligible Employee. The Date of Grant shall be the date of such resolution.
- 10.3 If, on any occasion, it is necessary to reduce the number of Shares in respect of which any Applications are accepted, the reference in Rule 10.1 to a period of "30" days shall be read as if it were in reference to "42" days.
- 10.4 No payment shall be required for the grant of an Option.
- 10.5 As soon as reasonably practicable after the Date of Grant, the Grantor shall issue to each Optionholder (or procure the issue of) an Option Certificate in such form as it may determine (which may be an electronic form) which specifies:-
- 10.5.1 the Grantor;
  - 10.5.2 the Date of Grant;
  - 10.5.3 the maximum number of Shares in respect of which the Option is granted; and
  - 10.5.4 the Exercise Price.

## 11. RELATIONSHIP WITH CONTRACT OF EMPLOYMENT

- 11.1 The grant of an Option shall not form part of the Optionholder's entitlement to remuneration or benefits pursuant to his contract of employment. The existence of a contract of employment between any person and the Company or any present or past Subsidiary, Associated Company or Jointly-Owned Company shall not give the Optionholder any right or entitlement to have an Option granted to him in respect of any number of Shares or any expectation that an Option might be granted to him, whether subject to any conditions or at all.
- 11.2 The rights and obligations of an Optionholder under the terms of his contract of employment with the Company or any present or past Subsidiary, Associated Company or Jointly-Owned Company shall not be affected by the grant of an Option or his participation in this Scheme.
- 11.3 The rights granted to an Optionholder on the grant of an Option shall not give the Optionholder any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with the Company or any present or past Subsidiary, Associated Company or Jointly-Owned Company for any reason whatsoever (whether or not the termination is ultimately held to be wrongful or unfair).
- 11.4 An Optionholder shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to exercise an Option in consequence of the loss or termination of his office or employment with the Company or any present or past Subsidiary, Associated Company or Jointly-Owned Company for any reason whatsoever (whether or not the termination is ultimately held to be wrongful or unfair).

11.5 The value of any benefit realised under the Scheme will not be taken into account in determining any pension or similar entitlement.

## 12. **NON-TRANSFERABILITY OF OPTIONS**

12.1 During his lifetime, only the person to whom an Option is granted may exercise that Option.

12.2 An Option shall immediately cease to be exercisable if the Optionholder:-

12.2.1 transfers or assigns it (other than to his Personal Representatives), mortgages, charges or otherwise disposes of it;

12.2.2 is adjudged bankrupt or an interim order is made because he intends to propose a voluntary arrangement to his creditors under the Insolvency Act 1986;

12.2.3 makes or proposes a voluntary arrangement under the Insolvency Act 1986, or any other plan or arrangement in relation to his debts, with his creditors or any section of them; or

12.2.4 is otherwise deprived (except on death) of the legal or beneficial ownership of the Option by operation of law or doing or omitting to do anything which causes him to be so deprived.

## 13. **COMPANY LIMITS ON SUBSCRIPTION FOR NEW SHARES**

13.1 The Company may issue Shares to the Trustee for the purpose of enabling the Trustee to satisfy any obligations it may have to transfer Shares to Optionholders on the exercise of Options.

13.2 The number of Shares in respect of which Subscription Options may be granted on any day, when added to the number of Shares issued or in respect of which rights to subscribe for Shares have previously been granted (and which have neither been exercised nor ceased to be exercisable) pursuant to this Scheme and any other employees' share scheme in the period of 10 years preceding that day shall not exceed such number of Shares as represents 10% of the Ordinary Share Capital on that day.

13.3 The total number of Shares over which Options may be granted in response to Applications may not exceed the maximum number of Shares (if any) determined and published by the Grantor on any occasion pursuant to Rule 5.4.

13.4 To the extent that the Trustee has purchased Shares to be transferred to Optionholders in satisfaction of any Subscription Options, the Shares over which such Options are held shall be left out of account for the purposes of this Rule 13.

13.5 For the purposes of this Rule 13, references to rights to subscribe for Shares shall:-

13.5.1 include references to a right to acquire Shares issued or to be issued out of treasury; and

13.5.2 exclude any Options or rights to subscribe for Shares which have in fact been, or will be, satisfied by the transfer of Shares by an existing shareholder (other than the Company itself).

## PART C: EXERCISE OF OPTIONS

### 14. EXERCISE OF OPTIONS

#### *General rule*

- 14.1 Subject to the following provisions of this Rule 14 and Rules 16, 17 and 17, an Option shall only be exercisable within the period of 6 months after the Bonus Date. If the Option is not then exercised, it shall lapse and cease to be exercisable at the end of that period.

#### *Employment in Associated Company at Bonus Date*

- 14.2 If, at the Bonus Date, an Optionholder holds an office or employment in a company which is not a Participating Company, but is an Associated Company, then the Optionholder may exercise an Option within the period of 6 months after the Bonus Date. If the Option is not then exercised, it shall lapse and cease to be exercisable at the end of that period.

#### *Scheme-related employment ends*

- 14.3 Subject to Rule 14.7, if an Optionholder ceases to be an Employee by reason of:-

- 14.3.1 injury or disability (evidenced to the satisfaction of the Directors);
- 14.3.2 dismissal by reason of redundancy (within the meaning of the Employment Rights Act 1996);
- 14.3.3 retirement ; or
- 14.3.4 any other circumstances more than 3 years after the Date of Grant

then (without prejudice to any rights the Optionholder has under the Employee's Savings Contract to make independent arrangements with the Savings Body to continue to make Contributions following cessation of his employment):-

- (a) his Option may be exercised, to the extent permitted by Rule 15.1.2, during the period of 6 months commencing on the date on which the Optionholder ceases to be an Employee;
- (b) to the extent not exercised, the Option shall lapse and cease to be exercisable at the end of the relevant 6 month period;
- (c) an Option may not in any event be exercised more than 6 months after the Bonus Date.

- 14.4 Subject to Rule 14.7, if an Optionholder ceases to be an Employee by reason of:-

- 14.4.1 the company with which he holds office or employment by virtue of which he is eligible to participate in this Scheme ceasing to be a company of which the Company has Control; or
- 14.4.2 the fact that the office or employment by virtue of which he is eligible to participate in this Scheme relates to a business or part of a business which is transferred to a person which is not an Associated Company;

then, without prejudice to any rights the Optionholder has under the Employee's Savings Contract to make independent arrangements with the Savings Body to continue to make Contributions following cessation of his employment:-



- (a) his Option may be exercised, to the extent permitted by Rule 15.1.2, during the period of 6 months commencing on the date on which the Optionholder ceases to be an Employee;
- (b) to the extent not then exercised, the Option shall lapse and cease to be exercisable at the end of the relevant period;
- (c) an Option may not in any event be exercised more than 6 months after the Bonus Date.

*Death of Optionholder*

14.5 If an Optionholder dies, his Personal Representatives may exercise an Option:-

14.5.1 if the Optionholder dies before the Bonus Date, to the extent permitted by Rule 15.1.2, during the period of 12 months commencing on the date of his death;

14.5.2 if the Optionholder dies within the period of 6 months after the Bonus Date, during the period of 12 months commencing on the Bonus Date

and, if it is not then exercised, the Option shall lapse and cease to be exercisable at the end of the relevant 12 month period.

*Cessation of scheme-related employment in other circumstances*

14.6 Subject to Rule 14.7, if at any time an Optionholder ceases to be an Employee otherwise than as mentioned in Rules 14.3, 14.4 or 14.5, any Option which he holds shall lapse and cease to be exercisable upon cessation.

*Time when scheme-related employment ends*

14.7 No Optionholder shall be treated for the purposes of Rules 14.3, 14.4 or 14.6 as ceasing to be an Employee until he no longer holds any office or employment in a Participating Company or any Related Company.

*Early repayment of contributions*

14.8 If an Optionholder obtains repayment of the contributions under a Savings Contract, the relevant Option shall immediately cease to be exercisable unless such Option is then exercisable by reason of this Rule 14 or Rules 16 or 17.

*No exercise more than 6 months after Bonus Date*

14.9 Except as provided in Rule 14.5, no Option shall be capable of being exercised later than 6 months after the Bonus Date.

*Exercise once only*

14.10 An Option may be exercised once only. If, on exercise, an Option is not exercised to the extent permitted by Rule 15.1, it shall lapse and cease to be exercisable in respect of the balance of the Shares over which it was granted.

**15. MANNER OF EXERCISE OF OPTIONS**

15.1 An Option may only ever be exercised in respect of the following number of Shares:-

- 15.1.1 if the Option is exercisable pursuant to Rule 14.1, 14.2 or 14.5.2, the maximum number of Shares over which it subsists; or
- 15.1.2 if the Option is exercisable pursuant to Rules 14.4, 14.5.1, 16, 17 or 17:-
- (a) the number of Shares for which the Acquisition Cost payable is most nearly equal to, but does not exceed, the aggregate amount of contributions paid under the Employee's Savings Contract (excluding the amount of any monthly contribution, the due date of payment of which, is more than one calendar month after the date on which repayment is made under the Employee's Savings Contract); and
  - (b) the amount of any bonus and interest received or due under the Employee's Saving Contract as at that date; or
  - (c) (if less) the maximum number of Shares in respect of which the Option subsists; or
- 15.1.3 in either case, such lesser number of Shares as the Optionholder specifies in his notice of exercise pursuant to Rule 15.2.
- 15.2 An Option shall be exercised by the Optionholder giving written notice (which may be in electronic form) to the Company or to such person at such address as may from time to time be notified to Optionholders by the Grantor which:-
- 15.2.1 is given at any time when the Option is exercisable;
- 15.2.2 states that the Option is being exercised in respect of all the Shares in respect of which it is then capable of being exercised or otherwise specifies the number of Shares in respect of which the Option is being exercised in accordance with Rule 15.1;
- 15.2.3 unless the Directors otherwise permit, is accompanied by the Option Certificate relating to that Option;
- 15.2.4 is accompanied by the Acquisition Cost or a duly completed application to the Relevant Savings Body for payment of the Repayment Value of the Employee's Savings Contract; and
- 15.2.5 is in such form and accompanied by such documents as the Directors may determine.
- 15.3 Subject to Rule 15.7, not later than 30 days after the date on which the Grantor shall have received the Acquisition Cost, the Grantor shall either allot and issue (if the Grantor is the Company), or procure the transfer, to the Optionholder of the number of Shares over which the Option is then exercised and as soon as reasonably practicable thereafter:-
- 15.3.1 if at that time Shares are listed on the Official List, procure that Shares allotted to the Optionholder are admitted to the Official List; and
- 15.3.2 issue, or procure the issue of, a definitive share certificate or such other acknowledgement of shareholding as is prescribed from time to time in respect of the Shares so allotted or transferred.
- 15.4 If the amount received by the Grantor is greater than the Acquisition Cost of the Shares in relation to which the Optionholder has served a notice of exercise under Rule 15.2, the Grantor shall procure repayment of the excess amount to the Optionholder.

- 15.5 The Grantor may, if the Optionholder so requests in writing, allot and issue or transfer some or all of the Shares to:-
- 15.5.1 a nominee of the Optionholder (provided that beneficial ownership of such Shares shall be vested in the Optionholder);
  - 15.5.2 to an account manager (or his nominee) of an individual savings account on terms that the Shares shall be in the beneficial ownership of the Optionholder notwithstanding that title to such Shares shall be vested in the account manager or his nominee or jointly in one of them and the Optionholder; or
  - 15.5.3 to the trustee or manager of a registered pension scheme under Chapter 4 of Part 4 of the of the Finance Act 2004

and for the purposes of Rule 15.5.2, the terms 'account manager' and 'individual savings account' shall have the meanings they bear in the Individual Savings Account Regulations 1998 (SI 1998/1870).

- 15.6 All Shares allotted or transferred on the exercise of any Option shall rank equally in all respects with the Shares then in issue, except for any rights attaching to such Shares by reference to a record date prior to the date of such allotment or transfer.
- 15.7 The allotment or transfer of Shares on the exercise of an Option shall be subject to the Articles of Association of the Company and to any necessary consents of any governmental or other authorities (whether in the United Kingdom or elsewhere) under any enactments or regulations from time to time in force. It shall be the responsibility of the Optionholder to comply with any requirements to be fulfilled in order to obtain or obviate the necessity for any such consent.

## **PART D: CORPORATE TRANSACTIONS**

### **16. RECONSTRUCTION**

- 16.1 If the court sanctions a compromise or arrangement of the Company pursuant to section 899 of the Companies Act, the Optionholder shall be entitled to exercise his Option (to the extent permitted by Rule 15.1.2), during the period of 6 months commencing on the date on which the court sanctions the compromise or arrangement. To the extent not exercised, the Option shall lapse and cease to be exercisable at the end of the relevant 6 month period. Any such exercise shall be conditional on the compromise or arrangement becoming effective and the Optionholder transferring or otherwise dealing with the Shares issued or transferred to him as a result of the exercise of his Option so as to place him in the same position (or as near as possible) as would have been the case if such Shares had been subject to such compromise or arrangement.

### **17. WINDING-UP**

- 17.1 If notice is given to the holders of Shares of a resolution for the voluntary winding-up of the Company, notice of the same shall be given by the Directors to all Optionholders. Each Optionholder shall be entitled to exercise his Option, to the extent permitted by Rule 15.1.2, at any time within the period of 6 months commencing on the date on which the resolution is passed.
- 17.2 All Options shall immediately lapse and cease to be exercisable upon the commencement of a winding-up of the Company.

### **18. CHANGE OF CONTROL**

- 18.1 If, as a result of:-

- 18.1.1 a general offer to acquire the whole of the Ordinary Share Capital which is made on a condition such that if it is satisfied the person making the offer will have Control of the Company; or
- 18.1.2 a general offer to acquire all the shares in the Company of the same class as the Option Shares; or
- 18.1.3 the court sanctioning a compromise or arrangement under either section 899 or section 901F of the Companies Act that is applicable to or affects (i) all the Ordinary Share Capital 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 shareholders identified otherwise than by reference to their employment or directorships or their participation in a Schedule 3 SAYE option scheme; or
- 18.1.4 shareholders becoming bound by a non-UK reorganisation (as defined in paragraph 47A of Schedule 3) that is applicable to or affects (i) all the Ordinary Share Capital 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 shareholders identified otherwise than by reference to their employment or directorships or their participation in a Schedule 3 SAYE option scheme

the Company comes under the Control of another person or persons:-

- (a) the Grantor shall as soon as reasonably practicable thereafter notify every Optionholder accordingly;

- (b) the Optionholder shall be entitled to exercise his Option, to the extent permitted by Rule 15.1.2, within 6 months of the date when the person making the offer has obtained Control of the Company and any condition subject to which the offer is made has been satisfied (but in any event not more than 6 months after the Bonus Date);
- (c) to the extent not exercised, the Option shall lapse and cease to be exercisable at the end of the relevant 6 month period and shall only remain in existence for the purpose of forming the subject of an offer (if any) made pursuant to Rule 0 and shall lapse on the expiry of the "appropriate period" as defined in Rule 19.2 if such offer is made but is not accepted by the Optionholder.

18.2 If, at any time any person becomes entitled or bound to acquire Shares under sections 979-982 or 983-985 of the Companies Act, the Optionholder shall be entitled to exercise his Option, to the extent permitted in Rule 15.1.2, at any time when that person remains so entitled or bound (but not in any event more than 6 months after the Bonus Date). To the extent not exercised, the Option shall lapse and cease to be exercisable at the end of the relevant 6 month period and shall only remain in existence for the purpose of forming the subject of an offer (if any) made pursuant to Rule 0 and shall lapse on the expiry of the "appropriate period" as defined in Rule 19.2 if such offer is made but is not accepted by the Optionholder.

18.3 If any of the events described in Rules 18.1 or 18.2 give rise to a change of Control of the Company and, as a result of the change of Control, Shares will no longer satisfy the requirements of Part 4 of Schedule 3, Options may be exercised within the period of 20 days following the change of Control. If the option is not exercised, the option will lapse on the expiry of the 20 days following the change of Control.

18.4 If the Directors reasonably expect an event of the kind described in Rules 18.1 or 18.2 to occur, they may make arrangements permitting Options to be exercised for a period of 20 days ending with the date of the event in question. If the Directors make arrangements for the exercise of Options under this Rule 18.4, unless the Directors determine otherwise, any Option not exercised in accordance with those arrangements will lapse on the date of the event in question. If the event does not occur within 20 days of the purported exercise, the Option shall be treated as not having been exercised.

## 19. **RELEASE OF OPTIONS AND GRANT OF NEW RIGHTS**

If any company (in this Rule referred to as the "acquiring company") obtains Control of the Company as a result of the occurrence of any of the events described in Rules 18.1 or 18.2, an Optionholder may, at any time within the "appropriate period" as mentioned in Rule 19.2, by agreement with the acquiring company, release his rights under his Option in consideration of the grant to him of rights to acquire shares in the acquiring company or any other company falling within sub-paragraphs (b) and (c) of paragraph 18 of Schedule 3 (read and construed as if references in those provisions to the Company were references to the acquiring company) **PROVIDED THAT:-**

- (a) such rights will be exercisable only in accordance with the provisions of this Scheme as it had effect immediately before the release of the rights referred to above (read and construed as mentioned in Rule 19.3);
- (b) the shares to which the new rights relate satisfy the provisions of paragraphs 18-20 (inclusive) and paragraph 22 of Schedule 3;

- (c) the total market value (as determined using a methodology agreed with HM Revenue & Customs), immediately before such release, of the Shares over which the Option then subsists is equal to the total market value (as similarly determined), immediately after such grant, of the shares over which new rights are granted to the Optionholder; and
- (d) the total amount payable by the Optionholder for the acquisition of shares on exercise of the new rights is equal to the total amount that would have been payable for the acquisition of Shares on exercise of the Option.

19.2 In Rule 0 the "appropriate period" means:-

19.2.1 in a case falling within Rule **Error! Reference source not found.**, the period of 6 months beginning with the time when the person making the offer has obtained Control of the Company and any condition or conditions subject to which the offer is made has or have been satisfied or waived; and

19.2.2 in a case falling within Rule **Error! Reference source not found.**, the period during which the acquiring company remains bound or entitled as mentioned in that Rule.

19.3 For the purposes mentioned in sub-clause **Error! Reference source not found.** of the provisos to Rule 0, the provisions of this Scheme shall be read and construed as if:-

19.3.1 references to "the Company", except for the purposes of the definition of Participating Company and Rule 21.2, were references to the company in respect of whose shares the new rights are granted;

19.3.2 references to "Shares", were references to such shares;

19.3.3 references to "Option", were references to such rights;

19.3.4 references to "Optionholder", were references to the persons to whom such rights are granted;

19.3.5 references to "Ordinary Share Capital", were references to the ordinary share capital (other than fixed rate preference shares) of such company;

19.3.6 references to "the Directors", except for the purposes of Rule 21.2, were references to the directors of such company; and

19.3.7 references to "the Exercise Price", were references to the price per share payable upon the exercise of such new rights.

19.4 Rights granted pursuant to Rule 0 shall be regarded for the purposes of the SAYE Code and for the purposes of the subsequent application of the provisions of this Scheme as having been granted on the Date of Grant of the corresponding rights released as mentioned in Rule 0.

19.5 For the purposes of Rules 17 and 19 a person shall be deemed to have Control of a company if he and others acting in concert with him have together obtained Control of it.

## PART E: AMENDMENTS

### 20. VARIATION OF SHARE CAPITAL ETC

20.1 If the Ordinary Share Capital is increased or altered by way of a capitalisation or rights issue, sub-division, consolidation, reduction or there is any other variation in the share capital of the Company, the Directors (on behalf of the Grantor, if appropriate) may make such adjustment as they consider appropriate:-

20.1.1 to the number or description of Shares subject to any Option; and/or

20.1.2 to the Exercise Price; and/or

20.1.3 where an Option has been exercised but no Shares have been allotted or transferred in accordance with Rule 15.3, to the number of Shares which may be so allotted or transferred and the Acquisition Cost in relation to such Shares

#### PROVIDED THAT:-

- (a) the total market value of the shares which may be acquired by the exercise of the Option is immediately after the variation or variations substantially the same as what it was immediately before the variation or variations;
- (b) the total price at which those shares may be acquired is immediately after the variation or variations substantially the same as what it was immediately before the variation or variations;
- (c) except in the case of a sub-division, consolidation or a capitalisation issue, the Auditors shall give written confirmation that the adjustment is, in their opinion, fair and reasonable;
- (d) except insofar as the Directors (on behalf of the Company) agree to capitalise the Company's reserves and apply the same at the time of exercise in paying up the difference between the Exercise Price and the nominal value of the Shares, the Exercise Price of any Subscription Option shall not be reduced below a Share's nominal value;
- (e) the number of Shares as so adjusted has been rounded down to the nearest whole number; and
- (f) if the Grantor is not the Company, no such adjustment shall be made without the Grantor's consent.

20.2 The Directors (on behalf of the Grantor) shall notify every Optionholder affected by an adjustment under Rule 20.1 as soon as reasonably practicable after making the adjustment. The Directors shall deliver, or procure the delivery of, a revised Option Certificate to any Optionholder who asks for an amended Option Certificate.

### 21. ALTERATION OF THE SCHEME

21.1 The Directors may make any alteration or addition to this Scheme (including amendments necessary to take account of any comments of the London Stock Exchange) and to ensure that this Scheme complies with the conditions as set out in Schedule 3.

21.1.1 no alteration or addition shall be made to the advantage of existing or new Optionholders to the provisions relating to eligibility to participate, the overall limitations on the issue of new Shares, the individual limitations on Option grants

under this Scheme, the basis for determining Optionholders' rights to acquire Shares, the adjustment of such rights in the event of variation of the Ordinary Share Capital or this Rule 21 without the prior approval by ordinary resolution of the shareholders of the Company **SAVE THAT** the provisions of this Rule 21.1.1 shall not apply to the extent that the alteration or addition is in the opinion of the Directors:-

- (a) a minor amendment which is necessary or appropriate to benefit the administration of this Scheme;
- (b) to take account of any change in legislation; or
- (c) to obtain or maintain favourable tax, exchange control or regulatory treatment for existing or new Optionholders, the Company, any Related Company or any Associated Company; and

21.1.2 if in relation to any Options the Grantor is not the Company, no alteration or addition shall be made to the terms of the Options without the approval of the Grantor.

21.2 Details of any alteration or addition shall be given to any affected Optionholder as soon as reasonably practicable.



## **PART F: MISCELLANEOUS**

### **22. SERVICE OF DOCUMENTS**

- 22.1 Except as otherwise provided in this Scheme, any notice or document to be given by, or on behalf of, the Company or other Grantor, the Directors, the Trustee, the Savings Contract operator or any administrator of this Scheme to any Eligible Employee or Optionholder in accordance or in connection with this Scheme shall be duly given:-
- 22.1.1 by sending it through the post in a pre-paid envelope to the address last known to the Company to be his address and, if so sent, it shall be deemed to have been duly given if sent by first class post, on the day after posting and if sent by second class post, on the second day after posting; or
- 22.1.2 if he holds office or employment with any member of the Group or any Associated Company or Jointly-Owned Company, by delivering it to him at his place of work or by sending a facsimile transmission or e-mail addressed to him at his place of work and, if so sent, it shall be deemed to have been duly given at the time of transmission.
- 22.2 A notice or document shall not be duly given by e-mail unless that person is known by his employer company to have personal access during his normal business hours to information sent to him by e-mail.
- 22.3 Any notice or document so sent to an Employee or Optionholder shall be deemed to have been duly given notwithstanding that such Optionholder is then deceased (and whether or not the Company or other Grantor has notice of his death) except where his Personal Representatives have supplied to the Company an alternative address to which documents are to be sent.
- 22.4 Any notice or document to be submitted or given to the Company or other Grantor, the Directors, the Trustee, the Savings Contract operator or any administrator of this Scheme in accordance or in connection with this Scheme may be delivered, sent by post, facsimile transmission or e-mail but shall not in any event be duly given unless:-
- 22.4.1 it is actually received (or, in the case of an e-mail, opened) by the individual at the relevant recipient from time to time nominated for the purposes of receiving notices or documents under this Scheme and whose name and address is notified to Optionholders; and
- 22.4.2 if given by e-mail (and if so required by the Company), it includes a digitally encrypted signature of the Optionholder.
- 22.5 For the purposes of this Scheme, an e-mail shall be treated as not having been duly made or received if the recipient of such e-mail notifies the sender that it has not been opened because it contains, or is accompanied by, a warning or caution that it could contain or be subject to, a virus or other computer programme which could alter damage or interfere with any computer software or e-mail.

### **23. DATA PROTECTION**

Personal data relating to Optionholders may be collected, processed and transferred for any purpose relating to the operation of the Scheme in compliance with relevant UK or overseas regulations or enactments and any data privacy notice and/or policies of any Participating Company in force from time to time.

24. **OBLIGATION TO ENSURE SUFFICIENT SHARES**

24.1 The Company shall always keep available sufficient unissued Shares to satisfy the exercise in full of all the Subscription Options for the time being remaining capable of being exercised under this Scheme.

24.2 No Option to purchase existing Shares shall be granted by any person unless that person beneficially owns the Shares at the Date of Grant or the Directors are satisfied that sufficient Shares will be made available to satisfy the exercise in full of all Options granted or to be granted by that person.

24.3 The Company may issue Shares, and grant rights to acquire Shares, to the trustees of any trust established for the benefit of persons who include Group employees for the purpose of enabling such trustees, in the exercise of their powers to:-

24.3.1 grant Options; and

24.3.2 transfer or procure the issue or transfer of Shares on the exercise of Options granted by the trustees

**PROVIDED THAT** any Shares issued or in respect of which rights are granted by the Company (and, if not exercised, do not lapse) shall count in applying the overall limitations on the issue of Shares imposed by Rule 13.

25. **JURISDICTION**

25.1 This Scheme and any Option shall be governed by, and construed in all respects in accordance with, English law.

25.2 The courts of England shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning an Option and any matter arising from or in relation to this Scheme.

26. **THIRD PARTY RIGHTS**

Except as otherwise expressly stated to the contrary, neither this Scheme nor the Contracts (Rights of Third Parties) Act 1999 shall have the effect of giving any third party any rights under this Scheme and that Act shall not apply to this Scheme nor to any Option.