

MITCHELLS & BUTLERS PLC

TRUST DEED AND RULES

OF THE

MITCHELLS & BUTLERS SHARE INCENTIVE PLAN

Shareholders' Approval: 2023
Directors' Adoption: 2023
Expiry Date: 2033

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Trust Deed and Rules of the Mitchells & Butlers

Share Incentive Plan

This Trust Deed and Rules of the Mitchells & Butlers Share Incentive Plan are made as a deed on 6 June 2003 between:

- (1) Mitchells & Butlers plc; and
- (2) Equiniti Share Plan Trustees Limited.

The Plan was originally approved and established by a resolution of the Board passed on 12 April 2003.

The Plan was renewed by a resolution of the Board passed on 7 March 2013 and by a resolution of the Shareholders on 31 January 2013.

The Plan was further renewed on:

- 19 March 2015 to incorporate amendments made to the Plan with effect on and from 17 July 2013 by virtue of section 14 and Schedule 2 to the Finance Act 2013;
- with effect on and from 6 April 2014 by virtue of section 51 and Schedule 8 to the Finance Act 2014; and
- 19 August 2016 to incorporate amendments made to the Plan with effect on and from the same date to reflect the provisions of the Market Abuse Regulation which came into force on 3 July 2016.

The Plan was renewed by a resolution of the Board passed on [•] 2023 and by a resolution of the Shareholders on [•] 2023.

The Plan has effect from the date of formal approval of the Plan by Shareholders.

Part A - Definitions

1 Definitions and Interpretation

1.1. Definitions

In the Plan, the following words and expressions shall bear, unless the context otherwise requires, the meanings set forth below:

"**Accumulation Period**" means the period during which a Participant's Contributions are held prior to their application by the Trustees in acquiring Partnership Shares and which shall not be longer than the period specified in paragraph 51(1) of Schedule 2 (currently 12 months).

"**Adoption Date**" means the date of adoption of the Plan by the Company in general meeting.

"**Associated Company**" has the meaning given by Paragraph 94 of Schedule 2.

"**Associated Plan**" means any Schedule 2 SIP established by the Company or an Associated Company.

"**Award Day**" means the date on which Free Shares or Matching Shares are awarded under the Plan.

"**Award System**" means the system of calculating the number of Free Shares to be awarded from time to time, adopted by the Directors and which satisfies paragraph 9 of Schedule 2 (participation on same terms).

"**the Company**" means Mitchells & Butlers plc.

"**Contributions**" means deductions from a Participant's Salary for the purpose of acquiring Partnership Shares.

"**Directors**" means the board of directors of the Company or a duly authorised committee.

"**Dividend Shares**" means Shares which the Trustees acquire by reinvesting some or all of Participants' cash dividends from their Plan Shares or, if the context so requires, any New Shares issued or otherwise representing such Shares.

"**Employee**" means an employee of a Participating Company.

"**Employment**" means employment by the Company or any Associated Company.

"Free Shares" means Shares awarded to Participants without payment or, if the context so requires, any New Shares issued or otherwise representing such Shares.

"Holding Period" means the period for holding Free Shares, Matching Shares and Dividend Shares in the Plan.

"ITA" means the Income Tax Act 2007.

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

"ITTOIA" means the Income Tax (Trading and Other Income) Act 2005.

"The London Stock Exchange" means the London Stock Exchange plc or any successor body thereto.

"Market Abuse Regulation" means the Market Abuse Regulation (EU) 596/2016 which came into force on 3 July 2016, as incorporated into English law by the European Union (Withdrawal) Act 2018, or any such legislation superseding this legislation.

"Market Value" means, on any day where Shares are admitted to the Official List of the UK Listing Authority and traded on the London Stock Exchange, the mid-market closing price derived from the Daily Official List of the London Stock Exchange on the preceding day and, where Shares are not so admitted, the meaning it has by virtue of Part VIII of the Taxation of Chargeable Gains Act 1992 and agreed in advance with the HMRC Shares and Assets Valuation. Where the Shares are subject to a Restriction or risk of forfeiture, the Market Value shall be determined without reference to that Restriction or risk.

"Matching Shares" means Shares awarded without payment in proportion to any Partnership Shares allocated to Participants or, if the context so requires, any New Shares issued or otherwise representing such Shares.

"Method 1" means the method described in paragraph 41 of Schedule 2.

"Method 2" means the method described in paragraph 42 of Schedule 2.

"New Shares" has the meaning given by paragraph 87(7) of Schedule 2 to the Act.

"Participant" means any Employee who has joined the Plan.

"Participating Company" means an employer participating in the Plan, being the Company, any Subsidiary and any other company which may participate under Schedule 2 and which is so designated by the Directors.

"Partnership Shares" means Shares which the Trustees allocate to Participants in respect of their Contributions or, if the context so requires, any New Shares issued or otherwise representing such Shares.

"Performance Measures" means targets set by the Directors from time to time, which meet the requirements of paragraph 39 of Schedule 2 and govern the availability, number or value of Free Shares to be awarded.

"Plan" means the Mitchells & Butlers Share Incentive Plan, as changed from time to time.

"Plan Shares" mean the Shares awarded or allocated to Participants under the Plan or, if the context so requires, any New Shares issued or otherwise representing such Shares.

"Reconstruction" means a transaction affecting any Shares as described in Paragraph 86 of Schedule 2.

"Restriction" has the meaning given to that term by paragraph 99 of Schedule 2.

"Salary" has the meaning in paragraph 43(4) of Schedule 2.

"Schedule 2" means Schedule 2 to ITEPA.

"Schedule 2 SIP" has the meaning given to that term by paragraph 1 of Schedule 2;

"Share" means a share in the capital of the Company, which meets the requirements of Part 4 of Schedule 2 and any security which forms part of any new holding referred to in paragraph 86 of Schedule 2.

"Subsidiary" means a company which is under the control of the Company within the meaning of Section 1159 of the Companies Act 2006.

"Takeover" means a transaction affecting any Plan Shares, as mentioned in paragraph 37 of Schedule 2 to the Act.

"Treasury Shares" means Shares held by the Company in treasury in accordance with Section 724 of the Companies Act 2006.

"Trustees" means Equiniti Share Plan Trustees Limited or the trustees for the time being of the Plan.

1.2. Interpretation.

In these rules:

1.2.1 words and expressions not otherwise defined herein have the same meaning they have in ITEPA;

1.2.2 unless the context otherwise requires, references to a person include any individual, firm, body corporate (wherever incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representative body (whether or not having separate legal personality); and

1.2.3 unless the context otherwise requires, headings do not affect the interpretation of these rules; the singular shall include the plural and vice versa; and references to one gender include all genders.

1.3. Enactments.

Except as otherwise expressly provided in these rules, any express reference to an enactment includes references to: (i) that enactment as amended, consolidated or re-enacted by or under any other enactment before or after the Adoption Date; (ii) any enactment which that enactment re-enacts (with or without modification); and (iii) any subordinate legislation (including regulations) made (before or after the Adoption Date) under that enactment, as amended, consolidated or re-enacted as described at (i) or (ii) above.

Part B - Operation of the Plan and Joining the Plan

2 Operation of the Plan

2.1. Purpose of the Plan

The purpose of the Plan is to help and encourage the holding of Shares by Participants or for their benefit through a Schedule 2 SIP.

The Trustees may achieve the purpose of the Plan by applying the capital and income of the Plan assets to or for the benefit of Participants as described in the Plan rules.

2.2. Time of Operation

The Directors can only operate the Plan between its approval by the Company in general meeting and the 10th anniversary of that date.

Free Shares will only be awarded within 42 days commencing on any of the following:

- 2.2.1** the day after the announcement of the Company's results to the London Stock Exchange for any period;
- 2.2.2** any day on which the Directors resolve that exceptional circumstances exist which justify an award of Free Shares; and
- 2.2.3** any day on which changes to the legislation or regulations affecting Schedule 2 SIPs are announced, effected or made.

If the Directors or the Trustees cannot award Free Shares due to restrictions imposed by statute, order, regulation or Government directive, or by any code adopted by the Company based on the Market Abuse Regulation, the Directors or the Trustees may award Free Shares within 42 days after the lifting of such restrictions.

2.3. Schedule 2 SIP

This Plan is intended to be a Schedule 2 SIP for the purposes of ITEPA and the Plan and any Free Shares, Partnership Shares, Matching Shares or Dividend Shares granted under it shall be interpreted, operated and administered in a manner that is consistent with that intention and in the case of any conflict between this Plan and the provisions of sections 488 to 515 and Schedule 2 to ITEPA (the “**legislation**”), the legislation shall prevail.

3 Joining the Plan

3.1. Employees to be invited

Subject to Rules 3.2 and 3.3, whenever the Directors decide to operate the Plan, they must invite all Employees who:

3.1.1 are UK resident taxpayers (within the meaning of paragraph 8(2) of Schedule 2); and

3.1.2 have been employees of a qualifying company (within the meaning of paragraph 17 of Schedule 2) throughout any qualifying period of service set under Rule 3.5; or

in the case of an individual who does not satisfy the requirement of paragraph 3.1.1 above but is an Employee and satisfies the requirement of paragraph 3.1.2 above, is nominated by the Board as an employee of a Participating Company (or is nominated as a member of a category of such employees), PROVIDED always that in each case the individual is not ineligible to participate in the Plan by virtue of Rule 3.7 of the Plan or because they have served a subsisting notice under Rule 4.9 directing the Trustees not to appropriate Shares to them;

3.2. Prohibited invitations

However, the Directors must not invite any Employee, in any tax year, if at the same time he is to participate in an award of shares under an Associated Plan or would have so participated but for his failure to meet a performance target.

3.3. Free share invitations - Employees under notice

The Directors may decide not to invite Employees to participate in an award of Free Shares if they are under notice of termination of employment.

3.4. Form of invitation and application

The invitation and applications to join the Plan must be made in the form determined by the Directors. This may include invitations and applications by writing or by email, internet (or other electronic means) or interactive voice response. Invitations to eligible Employees and awards under those invitations will be on the same terms for each eligible Employee.

The invitation and the application form will, if applicable, specify whether for that operation of the Plan, Free Shares and/or Partnership Shares and Matching Shares (and where relevant, Dividend Shares) may be acquired. If Partnership Shares are available, the application form will comply with Rule 5.

3.5. Qualifying period of service

The Directors may set a qualifying period of service for any operation of the Plan, and if they do it must apply in relation to, and be the same for, all Employees.

If Free Shares are offered, the qualifying period of service must not be more than 18 months, ending with the Award Day of those Free Shares.

If Partnership Shares are offered and there is no Accumulation Period, the qualifying period of service must not be more than 18 months, ending with the start of Contributions. If there is an Accumulation Period, the qualifying period of service must not be more than 6 months, ending with the start of the relevant Accumulation Period.

3.6. Submission of Application Forms

Employees invited to participate in the Plan and who wish to do so, must submit the completed application form by the date specified. In doing so they agree to the terms and conditions of participation set out in the form. Anyone who has not submitted a completed application form as required will not participate in the Plan. Employees should not submit a completed application form if doing so would be in contravention of the Market Abuse Regulation.

3.7. Limits to participation in other Associated Plans

Subject to Rule 3.2, if an Employee participates in an award of Free Shares, Partnership Shares or Dividend Shares under the Plan in any tax year in which he has already participated in an award of shares under any other Associated Plan then:

- 3.7.1** the maximum annual amount of Free Shares which may be awarded to an Employee in terms of Rule 4.1; and
- 3.7.2** the maximum deductions from Salary that may be made in respect of Partnership Shares in terms of Rule 5.2,

shall apply as if the Plan and the other Associated Plan or Associated Plans were a single plan.

Part C - Free Shares

4 Free Shares

4.1. Limit

If the Plan is operated to provide Free Shares, Free Shares awarded to each Employee participating in the Plan must not have an initial market value of more than £3,600 in any tax year, or any greater amount specified for the purposes of paragraph 35(1) of Schedule 2. "Initial market value" means the Market Value of the Free Shares on the Award Day and the market value of Shares subject to a Restriction or risk of forfeiture shall be determined as if there were no Restriction or risk.

4.2. Terms relating to Free Shares

The Directors will set the following:

- 4.2.1** the Award System for that operation of the Plan including any Performance Measures which apply, using either Method 1 or Method 2 such measures will be fair, objective and relevant to the Company;
- 4.2.2** the Holding Period, which must be at least three years but not more than five years beginning with the Award Day, must be the same for all Free Shares in an award and cannot be increased once that award has been made; and
- 4.2.3** any forfeiture provisions under Rule 4.4.

During this Holding Period, Rule 8.5 applies in relation to the Free Shares.

4.3. Notifying Participants of Performance Measures

If Performance Measures apply to the availability, number or value of Free Shares, the Directors will as soon as reasonably practicable, write and tell:

4.3.1 all Employees in general terms of the Performance Measures to be used to calculate the number of Free Shares awarded to each Participant. But the Directors may exclude from such notice any information if they reasonably consider that to disclose it would prejudice commercial confidentiality; and

4.3.2 each Participant about the Performance Measures which will be used to calculate the number or value of Free Shares awarded to him.

4.4. Forfeiture of Free Shares

The Directors may decide that an award of Free Shares will be made on the basis that, if Participants leave Employment for a specified reason (other than for a reason set out in paragraph 32(2) of Schedule 2) within a specified period (not exceeding 3 years from the Award Day) they will lose any right to receive Free Shares.

4.5. Payments by Participating Companies and acquiring Shares

The Directors will notify each Participating Company of the amount it is required to contribute in respect of an award of Free Shares. Each Participating Company will pay this amount to the Trustees and the Trustees will use the funds to purchase or subscribe for Shares, as agreed with the Directors.

4.6. Awards of Free Shares

4.6.1 The Trustees will award Free Shares to each Participant on the basis set out in the Award System and any Performance Measures.

4.6.2 As soon as practicable after the award of Free Shares, the Trustees will write and tell each Participant of the award. The Trustees will include in the notification the number and description of the Free Shares, the Holding Period applying to the Free Shares and their Market Value on the Award Day, and the details of any Restriction applicable to the Free Shares.

4.6.3 A contract of participation compliant with paragraph 36 of Schedule 2 shall bind the Participants in contract with the Trustee in consideration of the appropriation to him of Free Shares.

4.7. Award Eligibility Requirement

4.7.1 The Trustees will not award Free Shares to a Participant who is not an Employee on the Award Day. The Directors may also decide that Free Shares will not be awarded to Employees who are under notice of termination of employment.

4.7.2 Any award made in breach of Rule 4.7.1 will be void.

4.8. Transfer of legal title

After the end of the Holding Period, the Participant may at any time unless this would

be in contravention of the Market Abuse Regulation direct the Trustees to transfer legal title of Free Shares to him or as he may direct.

4.9. Individuals giving notice

An individual may by notice given to the Company before the day on which Free Shares are appropriated to that individual direct that Free Shares shall not be appropriated to that individual on that day or on each subsequent day on which Free Shares are appropriated. A notice given by an individual under this Rule 4.9 may be revoked by that individual giving the Company a written notice of revocation

Part D - Partnership Shares

5 Partnership Shares

5.1. Application for Partnership Shares

If the Plan is operated to provide Partnership Shares, Employees invited must complete the relevant section of the application form and enter into a partnership share agreement in the form compliant with paragraph 44 of Schedule 2. This section will satisfy the requirements of Part 6 of Schedule 2 and will include: (i) the authorisations and undertakings required under paragraph 44 of Schedule 2; and (ii) the notice required under paragraph 48 of Schedule 2 (notice of possible effect of deductions on benefit entitlement).

5.2. Contributions

Partnership Shares shall be acquired with Contributions deducted at such intervals and in such amounts or percentages as shall be specified in the application form or such other intervals, amounts or percentages as may be agreed between the Company and the Participant from time to time but which shall be subject to the provisions of Rules 5.3 and 5.5.

Any Contributions deducted to acquire Partnership Shares shall, subject to Rules 5.3 and 5.6, be paid to the Trustees as soon as practicable and held by the Trustees on behalf of such Participant until it is applied by the Trustees in acquiring Partnership Shares on their behalf.

5.3. Amount of Contributions

The Directors will determine the maximum Contribution which will apply in relation to that operation of the Plan which will not be more than the lower of:

5.3.1 10% of the Salary in the relevant tax year from which the deduction is made or, where there is an Accumulation Period, 10% of Salary over the Accumulation Period; and

5.3.2 £150 in any month (or a proportionate amount if Salary is not paid monthly) or such greater percentage or amount specified for the purposes of paragraph 46 of Schedule 2 from time to time.

If Contributions exceed these limits, the excess amount will be repaid to the Participant as soon as practicable, after deducting any income tax and national insurance contributions due.

5.4. Minimum Contribution

The Directors may set from time to time a minimum amount (not more than £10) for Contributions on any occasion, irrespective of the intervals at which Contributions are to be deducted. If there is such a minimum amount, it will be set out in the application form.

5.5. Application of Contributions

Subject as provided below, the Trustees agree with each Participating Company to hold all Contributions on behalf of such Participants in accordance with Rule 5.2 and to apply all such monies in the acquisition of Partnership Shares in accordance with the Rules of Plan and to hold any Partnership Shares once acquired and all other trust property so derived UPON TRUST for the Participants respectively entitled to such Partnership Shares and property subject to the Rules of the Plan.

5.6. Limit on Partnership Shares

The Directors may set from time to time a limit on the number of Shares which may be acquired as Partnership Shares. If there is such a limit, it will be set out in the application form.

The application form shall contain an undertaking by the Company to notify a Participant of any limit specified pursuant to this paragraph 5.6 on the number of Shares which may be acquired which notification shall be given:

5.6.1 if there is no Accumulation Period, before any Contributions are deducted; and

5.6.2 if there is an Accumulation Period, before the beginning of the Accumulation Period relating to the Partnership Shares.

5.7. Scaling down

If there is a limit on the number of Shares which may be acquired as Partnership Shares under Rule 5.6 and the Contributions set out in the application forms exceed that number, the Directors will scale down applications by taking any one or more of the following steps in turn:

5.7.1 reduce the excess of Contributions over any set minimum amount for Contributions proportionately; then

5.7.2 reduce all monthly Contributions to any set minimum amount for Contributions; then

5.7.3 select applications to contribute the minimum amount for Contributions by lot.

The Directors will notify Participants of the scaling down and their application forms will be deemed changed or withdrawn.

5.8. Holding Contributions

The Participants' Contributions will be transferred to the Trustees as soon as practicable. The Trustees will hold the Contributions until the Contributions are applied by the Trustees in acquiring Partnership Shares on their behalf in an account with:

5.8.1 a person falling within section 991(2)(b) of the ITA ; or

5.8.2 a building society; or

5.8.3 a firm falling within section 991(2)(c) of the ITA

The account may, but need not, pay interest on the Contributions held. If it does, the Trustees must account to each Participant for the interest earned on his Contributions.

5.9. Repayment of Contributions

The Trustees must pay to a Participant any Contributions it holds (after deducting any income tax and national insurance contributions due) together with any interest if before acquiring Partnership Shares on behalf of the Participant:

5.9.1 they receive a termination notice under Rule 15.1 (Termination);
or

5.9.2 HMRC notifies the Company that the Plan does not comply with the requirements under Schedule 2; or

5.9.3 the Participant ceases to be in Employment during an Accumulation Period.

5.10. Excess Contributions

If the Participant agrees when completing the application form, the Trustees may carry forward and add to the amount of the next Contribution any Contributions not used to acquire Partnership Shares. If there is no such agreement, the Trustees must pay the excess to the Participant as soon as practicable after deducting any income tax and national insurance contributions due.

5.11. Accumulation Periods

The Directors may determine in relation to any operation of the Plan whether there will be an Accumulation Period.

The start and end of any Accumulation Period must be set out in the application form. The Accumulation Period must start on or before the date of the first deduction of Contributions. It must not exceed 12 months. The same Accumulation Period or periods must apply to all Participants for each operation of the Plan.

If, during the Accumulation Period, a transaction occurs in relation to the Shares which results in New Shares, then the Contributions held may with the agreement of the Participant be used at the end of the Accumulation Period to acquire New Shares. By signing the application form Participants agree to the acquisition of New Shares.

5.12. Stopping and re-starting Contributions

A Participant may give written notice to the Company to stop making Contributions. He may also give written notice to the Company at any time that he wishes Contributions to re-start, but he may not make up any missed Contributions. If the Plan is operated with an Accumulation Period, the Directors may determine whether a Participant can re-start his Contributions more than once in an Accumulation Period. If such a determination is made, it will be set out in the application form.

The Company will arrange for Contributions to stop within 30 days of receiving the notice, unless the notice specifies a later date. The Company will arrange for Contributions to re-start by the next due date for Contributions which is more than 30 days after receipt of the notice to re-start.

5.13. Varying Contributions

A Participant may vary his Contributions with the agreement of the Company.

5.14. Withdrawal from agreement to make Contributions

A Participant may at any time withdraw from the agreement to make Contributions made at the time of joining the Plan and ask for the return of any Contributions which have not been used to acquire Partnership Shares by giving written notice to the Company. The Participant will be treated as having stopped Contributions 30 days after the receipt of the notice, unless a later date is specified in the notice. The Trustees must pay to the Participant any Contributions they hold as soon as practicable (after deducting any income tax and national insurance contributions due) together with any interest if payable. Any Partnership Shares already allocated will not cease to be subject to the Plan as a result of such a withdrawal.

5.15. Allocating shares - Accumulation Period

5.15.1 If there is an Accumulation Period, the Contributions shall be applied in the acquisition of Partnership Shares and Trustees must allocate Partnership Shares to each Participant within 30 days after the end of the Accumulation Period relating to that acquisition of Partnership Shares.

5.15.2 The number of Partnership Shares allocated to each Participant will be calculated by reference to one of the following:

- (i) the Market Value of the Shares at the beginning of the Accumulation Period; or
- (ii) the Market Value at the date of acquisition; or
- (iii) the lower of (i) and (ii).

The application form shall specify which of the methods will be used to determine the number of Shares to be acquired on behalf of a Participant.

5.15.3 All Partnership Shares must be allocated on the same date.

5.16. *Allocating shares - no Accumulation Period*

5.16.1 If there is no Accumulation Period, the Trustees must allocate Partnership Shares to the Participants by a date set by the Trustees. This date must be not later than 30 days after the last day on which the relevant deduction of Contributions takes place.

5.16.2 If all the Partnership Shares to be allocated to Employees on that occasion are purchased by the Trustees on the date of allocation, and provided the Company is quoted on the London Stock Exchange, then the number of Shares allocated to each Participant will be calculated using the average price actually paid by the Trustees for the Shares.

5.16.3 If all the Partnership Shares to be allocated to Employees on that occasion are not purchased by the Trustees on the date of allocation then the number of Shares allocated to each Participant will be calculated using the Market Value on the date of allocation.

5.16.4 All Partnership Shares must be allocated on the same date.

5.17. *Allocation Eligibility Requirement*

The Trustees will not allocate Partnership Shares to an individual who is not an Employee at the following times:

5.17.1 where there is no Accumulation Period, at the time the related Contributions are deducted; and

5.17.2 where there is an Accumulation Period, at the time of the first deduction of the related Contributions.

Rule 10.1 applies if an Employee leaves Employment during the acquisition period for an award of Partnership Shares.

5.18. *Notification by Trustees*

As soon as reasonably practicable after the Trustees have allocated Partnership Shares to a Participant, the Trustees will notify that Participant in writing. The Trustees will set out the number and description of the Partnership Shares, the amount of Contributions used to acquire the Shares and the price per Share which was used to calculate the number of Partnership Shares allocated in accordance with Rule 5.15 or 5.16, the Market Value of the Partnership Shares in accordance with which the number of Partnership Shares awarded to the Participant was determined, and the details of any Restriction applicable to the Partnership Shares.

5.19. *Access to Partnership Shares*

A Participant may, at any time unless this would be in contravention of the Market Abuse Regulation, take out of the Plan any Partnership Shares allocated to him. This is

subject to any income tax and national insurance due and Rule 6.4 (Forfeiture of Matching Shares).

A Participant may at any time, unless this would be in contravention of the Market Abuse Regulation, direct the Trustees to transfer the legal title of the Partnership Shares to him or as he may direct.

5.20. Forfeiture

Partnership Shares shall not be subject to any provision for forfeiture.

5.21. Plan ceasing to be a Schedule 2 SIP

If the Plan is not or ceases to be a Schedule 2 SIP by virtue of paragraph 81H or paragraph 81I of Schedule 2, any Contributions held on a Participant's behalf to acquire Partnership Shares shall be paid to the Participant as soon as practicable after:

5.21.1 in the case of paragraph 81H of Schedule 2 to the Act, the last day of the period in which notice of an appeal under paragraph 81K(2)(a) of Schedule 2 to the Act may be given, or if notice of such an appeal is given, the day on which the appeal is determined or withdrawn; or

5.21.2 in the case of paragraph 81I of Schedule 2 to the Act, the last day in the period in which notice of appeal under paragraph 81K(3) of Schedule 2 to the Act may be given, or if notice of such an appeal is given, the day on which the appeal is determined.

5.22. Partnership Shares on a Reconstruction or Takeover

If the Board has determined that an Accumulation Period shall apply in respect of any acquisition of Partnership Shares and a Reconstruction occurs during that Accumulation Period which results in New Shares being issued or allocated in place of the Partnership Shares, the application form shall provide that if the Participant consents, it shall have effect after the Reconstruction as if it were an agreement for the purchase of shares which are New Shares.

Part E - Matching Shares

6 Matching Shares

6.1. Ratio of Matching Shares to Partnership Shares

If the Plan is operated to provide Matching Shares, a Participant who is allocated Partnership Shares is entitled to an award of Matching Shares. Matching Shares shall be awarded to each Participant on the same basis. The Directors will set the ratio of Matching Shares to Partnership Shares from time to time and the ratio which applies will be set out in the application form. The award and same ratio must apply to all those who participate in the related allocation of Partnership Shares.

The ratio cannot exceed the ratio specified in paragraph 60 of Schedule 2, which is currently two Matching Shares to one Partnership Share.

The ratio may change in the circumstances and manner set out in the application form. The Directors will write and tell Participants if the ratio changes, before the allocation of the related Partnership Shares.

6.2. Rights and restrictions

Matching Shares must be shares of the same class and carry the same rights as the Partnership Shares to which they relate.

Rules 4.2.2 (holding period) and 8.5 (restrictions on disposals of Shares) apply to the award of Matching Shares.

6.3. Payments by Participating Companies and acquiring Shares

The Directors will notify each Participating Company of the amount it is required to contribute in relation to Matching Shares. Each Participating Company will pay this amount to the Trustees and the Trustees will immediately use the funds to purchase or subscribe for Shares as agreed with the Directors.

6.4. Forfeiture of Matching Shares

The Directors may decide that an award of Matching Shares will be made on the basis that if a Participant leaves Employment for a specified reason or takes the Matching Shares out of the Plan (other than for a reason specified in paragraph 32(2) of Schedule 2) within a specified period (not exceeding 3 years from the Award Day) he will lose any right to receive Matching Shares.

The Directors may also decide that an award of Matching Shares will be made on the basis that a Participant who takes out of the Plan the Partnership Shares in respect of which the Matching Shares were awarded (other than for a reason specified in paragraph

32(2) of Schedule 2) within a specified period (not exceeding 3 years from the Award Day) will not be entitled to any Matching Shares in respect of those Partnership Shares.

6.5. Awards of Matching Shares

The Trustees will award Matching Shares to each Participant on the basis set out in the application form. The Trustees will award Matching Shares on the same day as they allocate the related Partnership Shares to the Participant.

An individual shall not be eligible to have an appropriation of Matching Shares unless:

6.5.1 if there is no Accumulation Period, they are an Employee at the time the relevant Contribution is deducted; or

6.5.2 if there is an Accumulation Period, they are an Employee at the time the first Contribution for the acquisition of the Partnership Shares to which the Matching Shares relate is deducted from their Salary.

However, the Directors may decide to operate the Plan on the basis that if any Partnership Shares allocated are not sufficient to result in the award of a Matching Share on the same day, the match will be made when sufficient Partnership Shares have been allocated.

6.6. Notification of Awards

The notification requirements set out in Rule 4.6.2 will apply to Matching Shares.

6.7. Transfer of legal title

After the end of the Holding Period, the Participant may at any time unless this would be in contravention of the Market Abuse Regulation direct the Trustees to transfer legal title of Matching Shares to him or as he may direct.

Part F - Dividends

7 Dividends

7.1. Dividend Shares

The Directors may, from time to time, decide that instead of Participants receiving cash dividends:

7.1.1 the Trustees must re-invest some or all of the cash dividends they receive in respect of Plan Shares in additional Shares to be held on behalf of Participants; or

7.1.2 the Trustees must re-invest some or all of the cash dividends as set out in Rule 7.1.1 but only in respect of Plan Shares of Participants who have chosen this by completing the relevant section on the application form.

Any direction by the Directors referred to in this Rule 7.1 must set out:

- (i) the amount of the cash dividends to be applied in acquiring Dividend Shares to be held on behalf of the Participant; or
- (ii) how the amount of cash dividends to be applied in acquiring Dividend Shares to be held on behalf of the Participant is to be determined.

7.2. Trust of Dividend Shares

The Trustees shall hold any Dividend Shares once appropriated in accordance with Rule 7.1 and all other trust property so derived UPON TRUST for the Participants respectively entitled to such Dividend Shares and property subject to the Rules of the Plan.

7.3. Allocating Dividend Shares

7.3.1 If all the Dividend Shares to be allocated to Employees on any occasion are purchased by the Trustees on the date of allocation, and provided the Company is quoted on the London Stock Exchange, then the number of Dividend Shares allocated to each Participant will be calculated using the average price actually paid by the Trustees for the Shares.

7.3.2 If all the Dividend Shares to be allocated to Employees on any occasion are not purchased by the Trustees on the date of allocation, then the number of Dividend Shares allocated to each Participant will be calculated using the Market Value on the date of allocation.

7.3.3 Dividend Shares must be allocated on or before a date set by the Trustees. This date must be no later than 30 days after the date they receive the cash dividend.

7.3.4 The Trustees may treat a cash dividend as applied in acquiring Dividend Shares if they appropriate Shares already held by them.

All the Dividend Shares must be allocated on the same date. In allocating Shares, the Trustees must treat Participants fairly and equally.

7.4. Cash dividends carried forward and paid

The Trustees may retain and carry forward to add to the amount of the next cash dividend to be reinvested the amount of any cash dividend that is to be applied in acquiring Dividend Shares following a direction under Rule 7.1 which is not sufficient for the allocation of one or more Dividend Shares. If any amount is so retained, the Trustees shall hold the amount to be separately identifiable for the purposes of this Rule 7.4.

The Trustees must pay to the Participant, as soon as practicable, any cash amounts referred to above:

7.4.1 if the Participant ceases to be in Employment; or

7.4.2 if the Trustees receive a termination notice under Rule 16.1.

When making the payment, the Trustees will supply to the Participant the information referred to in paragraph 80(4) of Schedule 2.

7.5. Notification

As soon as practicable after the Trustees have allocated any Dividend Shares to a Participant the Trustees will notify the Participant in writing. The Trustees will set out the number and description of those Dividend Shares, the price per Share which was used to calculate the number of Dividend Shares allocated in accordance with Rule 7.3.1 or 7.3.2, the Holding Period and any cash dividends carried forward as described

in Rule 7.4, the Market Value of the Dividend Shares on the allocation date, and the details of any Restriction applicable to the Dividend Shares.

7.6. Rights and restrictions

Dividend Shares must be shares of the same class and carry the same rights as the Shares in respect of which the dividend is paid. They must not be subject to any forfeiture.

Rule 4.2.2 applies to Dividend Shares but the Holding Period must be 3 years starting on the date the Trustees allocated the Dividend Shares as described in Rule 7.3. Rule 8.5 also applies to Dividend Shares.

7.7. Transfer of legal title

After the end of the Holding Period the Participant may at any time direct the Trustees to transfer legal title of Dividend Shares to him or as he may direct.

7.8. Other dividends

Cash dividends payable in respect of Plan Shares and not reinvested in Dividend Shares will belong to the relevant Participant. The Trustees will pay those dividends to the Participant as soon as practicable after receipt.

The Trustees are not required to pay a Participant any interest earned on any dividend to which the Participant is entitled.

The Trustees must hold unclaimed dividends for at least 12 years from the date of declaration of the dividend. If any dividends are unclaimed after this period, the Trustees may keep them and use them for the purposes of the Plan.

Where any dividends received are foreign cash dividends within the meaning of paragraph 75(6) of Schedule 2 the Trustees will notify the Participant of the amount of any foreign tax deducted from the dividend before it was paid.

7.9. Scrip dividends

The Trustees may receive, following a direction from the Participant, Shares credited as fully paid in whole or in part instead of a cash dividend (a scrip dividend). These Shares will not form part of the Participant's Plan Shares. The Trustees will take all reasonable steps to transfer such Shares to the Participant.

Part G - General Rules

8 General rules about Shares

8.1. Listing

If and so long as Shares are admitted to listing on the Official List of the United Kingdom Listing Authority and to dealing on the London Stock Exchange, the Company will where relevant apply for listing of any Shares subscribed under the Plan as soon as practicable after their allotment.

8.2. Rights

Shares issued on subscription will rank equally in all respects with the Shares in issue. However, the Directors may determine that they will not rank equally in all respects for any dividends or other distributions payable or made in respect of a period beginning before their date of issue.

Where Shares are transferred they will have the benefit of all rights attaching to the Shares by reference to a record date on or after the date on which they are allocated or awarded.

The Trustees may award Shares, a proportion of which will rank for a dividend or other right by reference to a record date preceding the relevant Award Day and a proportion of which will not. If this happens, the Trustees will award the Shares to each Participant, as far as practicable, in those same proportions.

8.3. Acquisition of Shares

The Company may, from time to time, ask the Trustees to acquire any number of Shares specified by it for award or allocation to Participants on a later operation of the Plan. If the Trustees agree to acquire Shares, the Company will ensure that the Trustees have sufficient funds to do so. The Trustees may also acquire Shares at any other time, if they have sufficient funds to do so. These Shares must satisfy the conditions specified in Part 4 of Schedule 2. Before any such Shares are awarded or allocated under the Plan, they will be held on general trust for the purposes of the Plan provided that the Trustees shall have power at their absolute discretion (but having regard to the rules against perpetuities) to transfer any such Shares to the trustees of another trust, even if persons who are not Participants may thereby be benefited, so long as the other trust is a trust for the benefit of employees to which Section 86 of the Inheritance Tax Act 1984 applies and its beneficial class is defined by reference to Employment.

8.4. Participant directions

Subject to Rule 8.5 below and Rule 8.11, the Trustees are under an obligation:

8.4.1 to dispose of a Participant's Plan Shares; and

8.4.2 to deal with any right conferred in respect of any of the Participant's Plan Shares to be allotted other shares, securities or rights of any description,

only in accordance with a direction of that Participant or on behalf of that Participant.

8.5. Restrictions on disposals of Shares

8.5.1 The Participant must permit the Trustees to retain his Free Shares, Matching Shares and Dividend Shares throughout the Holding Period. He cannot assign, charge or otherwise dispose of his beneficial interests in the Shares in any way during this period, except in the circumstances in paragraph 36(4) of Schedule 2.

8.5.2 The Trustees may dispose of or acquire from a Participant all or any of that Participant's Plan Shares, or accept a sum from that Participant in order to enable the Trustees to pay the Employer Company an amount sufficient to enable the Employer Company to satisfy any obligation in respect of that Participant's Plan Shares in accordance with Sections 509 to 514 of the Act.

8.6. Plan limits

The number of Shares which may be allocated under the Plan on any day must 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 schemes operated by the Company, exceed 10 per cent of the ordinary share capital of the Company in issue immediately before that day.

In this Rule 8.6 "allocated" means, in the case of any share option scheme, the placing of unissued shares under option and, in relation to other types of employees' share scheme, includes the issue of shares and (for as long as UK institutional shareholders recommend) the issue or transfer of Treasury Shares.

In determining the limits above no account shall be taken of any Shares where the right to acquire Shares was released or lapsed without being exercised.

8.7. Voting

The Trustees will invite Participants to direct them in writing on the exercise of any voting rights attaching to Plan Shares held by the Trustees on their behalf. The Trustees will only be entitled to vote on a show of hands if all directions received from Participants who have given directions in respect of a particular resolution are identical. The Trustees will not be under any obligation to call for a poll. In the event of a poll the Trustees will follow the directions of Participants.

The Trustees must not vote in respect of unallocated Shares or any Shares they hold under the Plan which have not been registered in their name.

8.8. Offers

The Participant (or anyone properly authorised) may direct the Trustees on the appropriate action to take in relation to any right relating to a Participant's Plan Shares to receive other shares, securities or rights of any description. The Trustees may not take any action without such a direction. If the Trustees are to be involved in any liability they may require an indemnity from the Participant which they consider appropriate.

Where the Trustees exercise rights under a rights issue in respect of a Participant's Plan Shares, any shares, securities or rights allotted as a result shall be treated as if they were Plan Shares identical to the Shares in respect of which the rights were conferred and as if they were awarded to the Participant under the Plan in the same way and at the same time as those Shares. But this only applies if the rights issue is offered in respect of all ordinary shares in the company and is subject to paragraphs 88(3) to (5) of Schedule 2.

8.9. Fractional entitlements

Where, following any offer described in Rule 8.8, the Trustees receive rights or securities, they will allocate them among the Participants concerned on a proportionate basis, rounding down if necessary. The Trustees will then add the fractions not allocated and sell the unallocated rights and securities. The Trustees will deduct all expenses of sale and applicable tax from the proceeds of sale and distribute the net proceeds of sale proportionately among the Participants whose allocation was rounded down. However, if a Participant's entitlement is under £3 the Trustees may retain that sum and hold it on trust for the purposes of the Plan.

In any circumstances in which the Trustees receive New Shares which form part of a Participant's Plan Shares the Trustees shall allocate the New Shares to the Participant by reference to the relative times of appropriation of their Plan Shares to which they relate and, if any such allocation should give rise to a fraction of a New Share, the Trustees shall, subject to the Act, round such allocation up or down to the nearest integer as they in their discretion think fit.

8.10. Capital Receipts and other amounts

When the Trustees receive money which is a capital receipt (within the meaning of Section 502 of ITEPA) or the proceeds of any disposal, they will transfer the sum to the Participant after complying with their PAYE obligations. The Trustees may, however, retain any capital receipt under £3 due to any Participant and hold it on trust for the purposes of the Plan.

The Trustees must also pay over to each Participant any money or money's worth relating to any of his Plan Shares, apart from money's worth consisting of New Shares as described in Rule 8.8. But the Trustees are entitled to retain any amounts needed to discharge their PAYE obligations, and cash dividends reinvested or carried forward under Rule 7.4.

8.11. Tax liabilities

The Trustees will maintain the necessary records to comply with their PAYE obligations and those of the Participating Companies, so far as they relate to the Plan in accordance with sections 509 to 514 of ITEPA including any records of any Participants who have participated in any other Associated Plan in accordance with paragraph 71A of Schedule 2.

The Trustees will pay to the relevant employing companies sufficient sums to enable the employing companies to discharge any obligations to make PAYE deductions for income tax or national insurance contributions which arise in the circumstances in Section 510(1) of ITEPA.

The Trustees may dispose of or acquire from a Participant all or any of that Participant's Plan Shares in order to pay the Participant's employer company a sufficient sum in order to meet any PAYE obligation in respect of that Participant's Plan Shares, in accordance with sections 509 to 514 of the Act, unless the Participant makes a payment in advance to the Trustees of a sum equal to the amount required to discharge the obligation.

When a Participant becomes liable to tax under ITEPA or Chapters 3 and 4 of Part 4 of ITTOIA in relation to his Plan Shares, the Trustees must give the Participant any facts and information relevant to determining that liability.

8.12. Capitalisation

Where a company allots any New Shares by way of capitalisation to the Trustees in respect of any Participant's Plan Shares, such New Shares shall to the extent applicable, be dealt with in accordance with Rule 9, and otherwise as capital receipt.

9 Reconstruction and Takeover

9.1. Notification

If there is a Reconstruction or Takeover affecting Plan Shares, the Participants shall be notified of such event and any Participant may give notice in writing to the Trustees instructing them on the action to be taken (and, where appropriate, exercise any right to elect to receive any particular form of applicable consideration available) in respect of any of their Plan Shares.

9.2. Treatment of Consideration

If there is a Reconstruction or Takeover affecting Plan Shares, the applicable consideration received shall (so far as it consists of cash or securities which cannot be held under the Plan) be treated as the proceeds of a disposal under Rule 8.11 and (so far as it consists of New Shares) be held by the Trustees as Plan Shares subject to the Rules of the Plan *mutatis mutandis* as if the same were the Shares in respect of which they are issued, or which they otherwise represent.

9.3. Compulsory acquisition or scheme of arrangement

In the event of any Plan Shares being compulsorily acquired under Sections 974 to 989 of the Companies Act 2006, or if under any scheme of arrangement sanctioned by the Court pursuant to Section 899 of the Companies Act 2006 Plan Shares are transferred to another company or cancelled for a consideration consisting of cash and/or securities or shares, the Participants concerned shall be entitled to receive notification of that event from the Trustees as soon as practicable after such acquisition, transfer or cancellation, and to give instructions to the Trustees in relation to such consideration, and the provisions of this Rule 9 and 8.9 shall apply mutatis mutandis so far as relevant.

10 Leaving Employment

10.1. Leaving Employment

If a Participant leaves Employment, his Plan Shares will cease to be subject to the Plan. For the purposes of this Rule 10 a Participant shall not be treated as ceasing to be in Employment if they remain in the employment of the Company or any Associated Company.

Unless the Directors decide otherwise, the Plan will operate on the basis that, if a Participant leaves Employment for any reason, the Participant's Plan Shares are to be treated as ceasing to be subject to the Plan on the date of the Participant's leaving employment, and the Trustees will transfer the Participant's Plan Shares to the Participant or as he may direct (or, if the Participant has died, to the personal representatives) as soon as reasonably practicable.

If a Participant leaves Employment during the acquisition period relating to an allocation of Partnership Shares, he shall for the purpose of awards of Partnership Shares and Matching Shares be treated as ceasing to be in Employment immediately after the allocation of Partnership Shares, and for the purposes of determining when his Plan Shares cease to be subject to the Plan be treated as ceasing to be in Employment immediately after the allocation of Partnership Shares.

For the purposes of this Rule 10.1 "acquisition period" has the meaning given to it in paragraph 97(3) of Schedule 2.

11 General rules relating to the Plan

11.1. Notices

11.1.1 Any notice or other document which has to be given in connection with the Plan may be delivered to a Participant either personally or sent by post to him in a prepaid envelope at his home address using the records of that Participant's employing company, or such other address as the Company or the Trustees consider appropriate. The Directors may also determine that a notice or document may be (i) sent by e-mail (or other electronic means) to any e-mail or electronic address which according to the records of his employing company is used by him (or such other e-mail or electronic address as he may from time to time specify), or (ii) provided electronically through a website hosted by the Company or an agent of the Company, provided that the Participant is notified by email or post that such notice or document has been or will be provided in this manner.

11.1.2 Any notice or other document which has to be given to the Company or the Trustees in connection with the Plan may be delivered or sent by post to them at their registered offices (or such other place as the Directors or the Trustees may from time to time write to and tell the Participants) or if the Directors allow and subject to such conditions as they may specify, sent by e-mail (or other electronic means) to the e-mail (or electronic) address for the time being notified by the Company.

11.1.3 Notices sent by first class post or second class post will be deemed to have been given 24 hours and 48 hours following the date of posting respectively. Notices sent by e-mail (or other electronic means) in the absence of evidence to the contrary, will be deemed to have been received at the time of transmission. Notices provided through a website will be deemed to have been received on the day they are posted on the website or, if later, the day the Participant is deemed in accordance with this Rule 11.1.3 to have received the notification that it has been provided there.

11.2. Documents sent to Shareholders

The Company may send to Participants copies of any documents or notices normally sent to the holders of its Shares.

11.3. Directors' and Trustees' decisions

The decision of the Directors (or of the Trustees, if the Directors so decide) in any dispute or question affecting any Employee or Participant will be final and binding on the parties concerned.

11.4. Disposals and Payments

The Trustees may dispose of or acquire from a Participant all or any of that Participant's Plan Shares, or accept a sum from that Participant in order to enable the Trustees to pay the Company an amount sufficient to enable the Company to satisfy any obligation in respect of that Participant's Plan Shares in accordance with Sections 509 to 514 of the Act.

11.5. Regulations

The Directors and the Trustees will have the power from time to time to make or vary regulations for the administration and operation of the Plan, but these must be consistent with this Deed.

11.6. Terms of Employment

11.6.1 For the purposes of this Rule 11.6.1, "Employee" means any Participant, any Employee (within the meaning of Rule 1) or any other person.

11.6.2 This Rule 11.6 applies:

- (i) whether the Company has full discretion in the operation of the Plan, or whether the Company could be regarded as being subject to any obligations in the operation of the Plan;
- (ii) during an Employee's employment or employment relationship; and
- (iii) after the termination of an Employee's employment or employment relationship, whether the termination is lawful or unlawful.

11.6.3 Nothing in the Rules or the operation of the Plan forms part of the contract of employment or employment relationship of an Employee. The rights and obligations of an Employee are separate from, and are not affected by, the Plan. Participation in the Plan does not create any right to, or expectation of, continued employment or a continued employment relationship.

11.6.4 The award or allocation of Plan Shares on a particular basis in any year does not create any right to or expectation of the award or allocation of Plan Shares on the same basis, or at all, in any future year.

11.6.5 Without prejudice to Rule 3.1, no Employee is entitled to participate in the Plan, or be considered for participation in it, at a particular level or at all. Participation in one operation of the Plan does not imply any right to participate, or to be considered for participation in any later operation of the Plan.

11.6.6 Without prejudice to an Employee's right to receive any Free or Matching Shares awarded to him or any Partnership Shares or Dividend Shares allocated to him subject to and in accordance with the express terms of the Rules, no Employee has any rights in respect of the exercise or omission to exercise any discretion, or the making or omission to make any decision, relating to the Plan. Any and all discretions, decisions or omissions relating to the Plan may operate to the disadvantage of the Employee, even if this could be regarded as capricious or unreasonable, or could be regarded as in breach of any implied term between the Employee and his employer, including any implied duty of trust and confidence. Any such implied term is excluded and overridden by this Rule 11.6.

11.6.7 No Employee has any right to compensation for any loss in relation to the Plan, including:

- (i) any loss or reduction of any rights or expectations under the Plan in any circumstances or for any reason (including lawful or unlawful termination of employment or the employment relationship);
- (ii) any exercise of a discretion or a decision taken in relation to a Participant or to the Plan, or any failure to exercise a discretion or take a decision;
- (iii) the operation, suspension, termination or amendment of the Plan.

11.6.8 Participation in the Plan is permitted only on the basis that the Participant accepts all the provisions of the Rules, including in particular this Rule 11.6. By participating in the Plan, an Employee waives all rights under the Plan, other than the right to receive any Free or Matching Shares awarded to him or any Partnership Shares or Dividend Shares allocated to him subject to and in accordance with the express terms of the Rules, in consideration for, and as a condition of, his participation in the Plan.

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

11.6.10 Each of the provisions of this Rule 11.6 is entirely separate and independent from each of the other provisions. If any provision is found to be invalid then it will be deemed never to have been part of these Rules and to the extent that it is possible to do so, this will

not affect the validity or enforceability of any of the remaining provisions.

11.6.11 Benefits under this Plan shall not be pensionable.

11.7. *Beneficiary who is incapable*

If the Trustees consider that a person cannot look after his affairs (because of illness, mental disorder, age or other reason) they may use any amounts or Shares due to that person for his or her benefit, or may pay or transfer them to some other person to do so. The receipt of the person to whom the Trustees make payments or transfer Shares will discharge the Trustees from any obligation in respect of the amounts or Shares concerned.

11.8. *Setting up costs*

The Company will pay the costs and expenses of the preparation and execution of these Plan rules.

11.9. *Errors and omissions*

If as a result of an error or omission Free Shares, Partnership Shares, Matching Shares or Dividend Shares are not awarded to a Participant in accordance with the Plan rules, the Trustee may, but without any obligation to do so, do all such acts or things to rectify the error or omission notwithstanding that such actions may fall outside the time limits contemplated by or otherwise conflict with the other provisions of the Plan rules.

12 Assets of the Plan

12.1. *Assets held on trust*

The Trustees hereby agree with each Participating Company to apply all monies received by them from Participating Companies under the Plan in the acquisition of Free Shares or Matching Shares and in paying their expenses, taxation and other liabilities, as the case may be, in accordance with the Rules of the Plan. The Trustees will hold all Shares once appropriated, all the payments they receive, and all trust property so derived from time to time and all income on trust for the purposes of the Plan. The Trustees may also accept gifts of cash and Shares which will be held on trust for the purposes of the Plan.

12.2. *Use of assets*

The Trustees may invest any moneys held by them and not immediately required for the purpose of the Plan in such manner as they may choose. The Trustees are not under a duty to invest trust property.

The Trustees may borrow in order to acquire Shares for the purposes of the Plan or, but only after getting the written consent of the Company, for any other purpose.

12.3. *Plan expenses*

The Trustees will pay the expenses of the Plan (including their own expenses incurred

in attending to Plan business) from the Plan's assets, if the assets are sufficient and the Company decides in writing. If there is no such direction, the expenses of the Plan will be met by the Participating Companies in proportion to the amounts paid by them under the Plan or (if the Directors decide) in proportion to the number of Shares awarded to their Participants under the Plan in the related year, or in proportion to both.

12.4. Trustees' duties relating to Shares

During the Holding Period, the Trustees may only sell, transfer or otherwise dispose of any Free Shares, Matching Shares or Dividend Shares in the following circumstances:

- 12.4.1** if a Participant instructs this as described in Rule 8.8; or
- 12.4.2** to obtain sufficient funds to secure rights arising under a rights issue affecting Plan Shares; or
- 12.4.3** to discharge PAYE obligations under Rule 8.118.10;
- 12.4.4** if they receive a termination notice as described in Rule 16.1; or
- 12.4.5** in accordance with paragraph 90(5) of Schedule 2 to the Act (termination of Plan, early removal with consent of the Participant).

12.5. Trustees holding Shares

Where a Participant loses any right to receive Shares under the Plan, the Trustees shall have power at their absolute discretion (but having regard to the rules against perpetuities) to transfer any such Shares to the trustees of another trust, even if persons who are not Participants may thereby be benefited, so long as the other trust is a trust for the benefit of employees to which Section 86 of the Inheritance Tax Act 1984 applies and its beneficial class is defined by reference to Employment, and subject to that the Trustees will hold those Shares on general trusts for the purposes of the Plan.

13 Trustees

13.1. Appointment and removal

The Company may appoint new or additional trustees or a body corporate as a sole trustee. The Company may also remove trustees.

These powers will be exercised by resolution of the Directors. These powers may be exercised without giving a reason.

There must be at least two trustees, except when there is a sole corporate trustee.

All the trustees must be resident in the United Kingdom for United Kingdom tax purposes, at all times.

13.2. Retirement

A trustee may retire by giving to the Company written notice of his wish to retire. The notice will take effect at the expiry of six months after the date of the notice, or on any

other date agreed with the Company. The retiring trustee need not give a reason for retiring and will not be responsible for any costs arising from his retirement. The retiring trustee will take the necessary action, as directed by the Company, to give effect to his retirement including delivering all documents which he has relating to the Plan. Any continuing trustee is authorised to effect the transfer of Plan assets on behalf of a retiring trustee.

13.3. Exercise of powers

If there is more than one trustee, the Trustees may act by majority vote and may delegate powers duties or discretions to any persons and on any terms (including terms which allow the delegate to sub-delegate).

The Trustees may allow any Shares to be registered in the name of an appointed nominee but these Shares must be registered in a designated account.

Trustees who delegate powers or use a nominee are not divested of any responsibility under the Rules or under Schedule 2.

The Trustees may at any time, and must if the Company so directs, revoke any delegation made under this Rule, or require any Plan assets held by another person to be returned to the Trustees, or both.

13.4. Trustees' charges

A trustee who carries on a profession or business may charge for services provided on a basis agreed with the Company, as also may a company or firm in which a trustee is interested. These charges will also be paid from the Plan assets, if available, unless the Directors decide otherwise.

13.5. Limit of Liability

A trustee will not be liable for any breach of trust except wilful wrongdoing or default (but a paid trustee will also be liable for negligence).

13.6. Indemnity

The Participating Companies will jointly and severally indemnify each of the trustees against any expenses and liabilities which are incurred through acting as a trustee of the Plan but which cannot, for any reason, be met from the Plan's assets. But this does not apply to expenses and liabilities which are incurred through wilful wrongdoing or default (or negligence of a paid trustee) or covered by insurance under Rule 13.7. The indemnity in this Rule 13.6 is in addition to and without prejudice to the right which the Trustees have under general law and the Trustee Act 2000 to be indemnified out of the Plan's assets.

13.7. Insurance

The Trustees may insure the Plan against any loss caused by it or any of its employees, officers, agents or delegates. They may also insure themselves and any of these persons against liability for breach of trust not involving wilful wrongdoing. Except in the case of a paid trustee, the premiums may be paid from the Plan assets.

If the Trustees are insured, they will waive the protection of Rule 13.5.

13.8. *Personal Interest*

The Trustees, and any director, officer or employee of a corporation acting as trustee, may be interested in any securities of a Participating Company or any company in which a Participating Company may be interested. Such person may enter into a contract with any such companies, and will not be liable to account for any profits obtained.

14 Participating Companies

14.1. *Inclusion in the Plan*

An employer wishing to participate in the Plan must enter into a deed with the Company and the Trustees agreeing to comply with the Rules. The deed must be in a form permissible under Schedule 2.

14.2. *Ceasing to participate*

Any Participating Company will cease to participate in the Plan:

14.2.1 when it ceases to be a Subsidiary; or

14.2.2 if and during any times when the Directors decide that the Plan will not apply to it. (But in making this decision the Directors must ensure that the conditions in paragraph 10 of Schedule 2 are still satisfied. These conditions are that the Plan must not have any features which may discourage certain employees from participating and that the Plan cannot benefit mainly directors or higher paid employees).

15 Changing the Rules

15.1. *General*

The Directors and the Trustees may, together by deed at any time, change the Plan rules. But if the Plan is to be maintained as a Schedule 2 SIP, no change may be permitted if the amendment would result in the requirements of Schedule 2 not being met in relation to the Plan.

The power to change the Rules in this Rule 15.1 is also subject to the restrictions in Rule 15.2.

The Directors must not make any changes to the Plan which would breach the rule against perpetuities (see Rule 16.4).

15.2. *Shareholders' approval*

15.2.1 The Company in general meeting must approve in advance by ordinary resolution any proposed change to the advantage of present or future Participants which relates to the following:

- (i) the persons to or for whom Shares may be issued under the Plan;
- (ii) the limitations on the number of Shares which may be issued under the Plan;
- (iii) the maximum entitlement for each Participant under the Plan;
- (iv) the basis for determining each Participant's entitlement to Shares;
- (v) any rights attaching to the Shares;
- (vi) the rights of Participants in the event of a capitalisation issue, rights issue, sub-division or consolidation of shares or reduction or any other variation of capital of the Company; or
- (vii) the terms of this Rule 15.2.1.

Some relaxations of the requirements in this Rule 15.2.1 are set out in Rule 15.2.2.

15.2.2 The Directors need not obtain the approval of the Company in general meeting for any minor changes:

- (i) to benefit the administration of the Plan;
- (ii) which are necessary or desirable in order to obtain or maintain the status of the Plan as a Schedule 2 SIP;
- (iii) to comply with or take account of the provisions of any proposed or existing legislation;
- (iv) to take account of any changes to legislation; or
- (v) to obtain or maintain favourable tax, exchange control or regulatory treatment of any Participating Company, or any present or future Participant.

16 Termination

16.1. Termination notice

The Company in general meeting or the Directors may at any time resolve to terminate the Plan. If they so resolve, they must issue a termination notice and give it without delay to:

16.1.1 the Trustees; and

16.1.2 all individuals who have Plan Shares and each Employee who

has entered into valid application form which was in force immediately before the notice was issued.

16.2. *Effect of termination notice*

Once the Trustees receive the termination notice, they must not award or acquire any more Shares on behalf of Participants.

The Trustees must remove each Participant's Plan Shares from the Plan by either transferring them or the proceeds of their sale to the Participant or as he may direct. (If the Participant has died, his personal representatives may give these instructions.) This should be done as soon as practicable once three months have passed from the date on which the Trustees stopped awarding or acquiring Shares on behalf of Participants. But the Trustees may delay the removal of Plan Shares until this can be done without any liabilities to income tax under sections 501 to 507 of ITEPA. The Trustees may also remove Plan Shares at an earlier time if the Participant agrees after receiving the termination notice.

The Trustees must also pay to Participants, as soon as practicable after they receive the termination notice under paragraph 89(2) of Schedule 2, any cash dividends they are holding (Rule 7.4) or any Contributions they are holding (Rule 5.8).

16.3. *Surplus Assets*

Any surplus assets left after the Trustees have decided when Plan Shares will be removed under Rule 16.2 will be paid to Participating Companies so far as practicable in proportion to the total amounts paid by each of them to the Plan, but the Trustees may decide on payments in different proportions.

16.4. *Perpetuity Period*

The perpetuity period relating to the Plan is eighty years. The Trustees may not award Shares more than seventy six years after the date of these Plan rules.

The end of the "perpetuity period" is the time by which Participants or other persons must have an interest in Shares, without risk of loss of any rights.

17 Data processing

By participating in the Plan, the Participant's attention is drawn to the Company's data privacy notice provided to them, which sets out how the Participant's personal data will be used and shared by the Company and other Group Companies. The data privacy notice does not form part of these Rules and may be updated from time to time. Any such updates shall be notified to the Participant.

18 Governing Law

English law governs the Plan and its administration. The English Courts have exclusive jurisdiction in respect of disputes arising under or in connection with the Plan.

Executed as a deed on the date shown at the top of this document.

EXECUTED as a DEED by }
Mitchells & Butlers plc.

Director

Director/Secretary

EXECUTED as a DEED by }
**Equiniti Share Plan Trustees
Limited**
acting by:

Director

Authorised Signatory