
Kenmare Resources plc

The Kenmare Incentive Plan 2014

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1 *Interpretation*

1.1 *Definitions*

In this Scheme, unless the context otherwise requires, the following words and expressions have the following meanings:

Acting In Concert has the meaning given to that expression in the Irish Takeover Panel Act 1997 as amended from time to time;

Annual Award means an award made under the Scheme which shall consist of:

- a Cash Element award; and / or
- a Share Element award;

Annual Award Certificate means a statement in a form determined by the Company setting out details of the Annual Award as set out in Rule 2.4;

Annual Performance Target means an objective performance target or targets imposed as a condition of Crystallisation of an Annual Award under Rule 3.1 and as substituted or varied in accordance with Rule 3.3;

Award Date means the date on which the Annual Award is made in accordance with Rule 2.3;

Award Dividend Period means:

- in relation to an Option, the period from the Award Date until the date on which the Option is exercised by the Award Holder; and
- in relation to a Conditional Share Award, the Vesting Period;

Award Dividends means, in respect of a Share Element, the dividends (not including any associated tax credit) that would have been paid during the Award Dividend Period on the number of Scheme Shares in respect of which the Share Element Vests which shall, if the Grantor so determines, exclude the value of all or any part of any special dividend or dividend in specie;

Award Holder means an individual to whom an Annual Award or Initial KIP Award has been made or, if that person has died and where the context requires, his legal personal representatives;

Award Holder's Employer means such Group Member as is an Award Holder's employer or, if he has ceased to be employed within the Group, was his employer or such other Group Member, or such other person as, under applicable Irish tax legislation, the PAYE Regulations or any other statutory or regulatory enactment (whether in Ireland, the United Kingdom or otherwise) is obliged to account for any Award Tax Liability;

Award Price means any consideration payable by the Award Holder in respect of a Share Element or an Option, subject to the provisions of Rule 17;

Award Tax Liability means, in relation to an Award Holder, any liability of the Award Holder's Employer or of any other person (apart from the Award Holder) to account to the Irish Revenue Commissioners, HMRC or other tax authority for any amount of, or representing, income tax or employee PRSI, universal social charge, or any equivalent charge in the nature of tax or social security contributions (whether under the laws of Ireland, the United Kingdom or otherwise) which may arise on or in connection with the making, vesting, exercise or release of, or the acquisition of Scheme Shares or of any interest in Scheme Shares pursuant to, an Annual Award or Initial KIP Award or any

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cash payment made under this Scheme or otherwise in relation to an Annual Award or Initial KIP Award;

Cash Deferred Share Award means an amount of Cash Element that has been Crystallised into an Option or Conditional Share Award under the scheme, which is not subject to Performance Targets;

Cash Element means a right to receive a cash amount subject to the satisfaction of an Annual Performance Target and to Rule 6.4;

Cash Element Percentage means a proportion of the Crystallisation Amount which is specified in the Annual Award Certificate as being paid as the Cash Element;

Committee means the remuneration committee of the board of directors of the Company or such other committee, comprising a majority of non-executive directors of the Company, to which the board of directors delegates responsibility for overseeing the operation of this Scheme or, following a change of Control of the Company, those persons who comprised the remuneration committee or such other committee of the board of directors immediately before such change of Control;

Company means Kenmare Resources plc incorporated and registered in Ireland under the Companies Acts 1963 to 2013 with registered number 37550;

Conditional Share Award means a conditional right under the Scheme to acquire Scheme Shares;

Control has the meaning given to it by section 432 of the Taxes Consolidation Act 1997;

Crystallisation means the process of calculating the value of the Crystallisation Amount, based on the Maximum Annual Award Opportunity subject to the extent to which Annual Performance Targets have been achieved and **Crystallise** shall be interpreted accordingly;

Crystallisation Amount means the amount of Annual Award that Crystallises;

Crystallisation Date means the date on which the Annual Award is Crystallised into the Cash Element and Share Element;

Daily Official List means the Financial Conduct Authority's list of securities that have been admitted to listing and which is maintained by the Financial Conduct Authority;

Dealing Day means any day on which the London Stock Exchange, or if the Scheme Shares are not traded on a market of the London Stock Exchange, such other recognised stock exchange, is open for business;

Dealing Restrictions means restrictions on dealings imposed by statute, order or regulation or Government directive, or by the Model Code or any code adopted by the Company based on the Model Code;

Deferred Share Award means an amount of Share Element that is transferred into an Option or Conditional Share Award made under the Scheme which is not subject to any Performance Targets;

Deferred Share Award Percentage means the proportion of the Share Element which is specified in the Annual Award Certificate that will be made in Deferred Share Awards;

Eligible Employee means an individual who at the Award Date is an employee (including Executive Director) of a Group Member;

Employees' Share Scheme has the meaning set out in section 1166 of the UK Companies Act 2006;

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Exercise Period means, in respect of an Option, the period set by the Committee on the Share Element Award Date during which an Option may be exercised;

Financial Conduct Authority means the “competent authority” as that expression is defined in Part VI of the UK Financial Services and Markets Act 2000;

Gain means in relation to net settling in Rule 14.9 the difference between (i) the Market Value of a Scheme Share on the date of exercise of an Option and (ii) the Award Price, multiplied by the number of Scheme Shares in respect of which the Option is being exercised;

Grantor means:

- in relation to an Annual Award or Initial KIP Award made by the Company, the Committee; and
- in relation to an Annual Award or Initial KIP Award made by the Trustees, the Trustees;

Group means the Company and its Subsidiaries from time to time and **Group Member** shall be interpreted accordingly;

Holding Period means a specified period during which an Award Holder is subject to a restriction on sale of any shares made under an the Scheme (other than to meet tax liabilities);

Initial KIP Award means a Performance Share Award made under the provisions of Rule 9;

Irish Official List means the Irish Stock Exchange’s list of securities that have been admitted to listing and which is maintained by the Irish Stock Exchange;

Irish Stock Exchange means the Irish Stock Exchange Limited;

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

Market Value on any day means if at the relevant time Scheme Shares are listed in the Daily Official List of the London Stock Exchange, the middle market quotation (as derived from that list) on the preceding Dealing Day. Where Scheme Shares are not so listed, the market value of a Scheme Share as described in section 548 of the TCA;

Maximum Annual Award Opportunity means the maximum amount payable pursuant to an Annual Award expressed as a percentage of Salary which shall not exceed the amount specified in Rule 2.9;

Model Code means the Model Code on directors’ dealings in securities as set out in Listing Rule 9, Annex 1 of the Listing Rules issued by the Financial Conduct Authority and as amended from time to time;

New Holding Company means a company which obtains Control of the Company where 90% or more of the New Holding Company’s ordinary shares are held in substantially the same proportions by substantially the same persons who previously held the Company’s ordinary shares;

Option means a right to acquire Scheme Shares granted under the Scheme;

PAYE means the deduction of tax and PRSI, universal social charge in accordance with applicable Irish tax legislation or equivalent taxation rules in other jurisdiction;

Performance Period means the period of time over which a Performance Target or Annual Performance Target is measured;

Performance Share Award means an amount of Share Element that has been transferred into an Option or a Conditional Share Award made under the Scheme which is subject to Performance Targets;

Performance Share Award Percentage means the proportion of the Share Element which is specified in the Annual Award Certificate that is made in Performance Share Awards;

Performance Target means an objective performance target or targets imposed as a condition of the Vesting of a Performance Share Award under Rule 10.1 and as substituted or varied in accordance with Rule 10.3;

PRSI means Pay Related Social Insurance contributions;

Regulatory Information Service means a service that is approved by the UK Financial Conduct Authority on meeting the primary information provider criteria and is on the list of Regulatory Information Services maintained by the UK Financial Conduct Authority (or any overseas equivalent);

Reference Price means the mean Market Value of a Scheme Share during the Year to which the Annual Award relates, or in the case of Initial KIP Awards the Market Value of a Scheme Share at a date determined by the Committee, which will normally be the date of grant of Initial KIP Awards;

Relevant Employment means employment or office holding with any Group Member;

Reorganisation means any variation in the share capital of the Company, including but without limitation a capitalisation issue, rights issue, demerger or other distribution, a special dividend or distribution, rights offer or bonus issue and a sub-division, consolidation or reduction in the capital of the Company;

Rules mean the rules of the Scheme;

Salary means the higher of:

- basic gross salary paid by the Group to an Award Holder expressed as an annual rate as at the Award Date (before the application of any salary sacrifice arrangement and excluding any pension contributions and any other benefits-in-kind);
- basic gross salary paid by the Group to an Award Holder (before the application of any salary sacrifice arrangement and excluding any pension contributions and any other benefits-in-kind) for the period of 12 months ending on the last day of the month immediately preceding the month in which the Annual Award is made;

Scheme means The Kenmare Incentive Plan 2014 as amended from time to time. For the avoidance of doubt, the Scheme is intended to be an employees' share scheme under section 2 of the Companies (Amendment) Act 1983;

Scheme Shares means ordinary shares in the capital of the Company (or any shares representing them);

Share Element means:

- a Cash Deferred Share Award;
- a Deferred Share Award; and / or
- a Performance Share Award

made under the Scheme;

Share Element Award Date means the date at which the Share Element award is made in accordance with Rule 9.2;

Share Element Certificate means a statement in a form determined by the Company setting out details of the Share Element award as set out in Rule 9.3;

Share Element Percentage means a proportion of the Crystallisation Amount which is specified in the Annual Award Certificate as being Crystallised into Share Awards;

Share Ownership Requirement means any requirement, as may be notified to an Award Holder by the Committee from time to time, for him to maintain a holding of a number of Scheme Shares;

Subsidiary has the meaning set out in section 115 of the Companies Act 1963;

TCA means the Taxes Consolidation Act 1997;

Trustees means the trustees of any trust created by a Group Member which, when taken together with the Scheme, constitutes an employees' share scheme within the meaning of section 2 of the Companies (Amendment) Act 1983;

Vest means:

- in relation to a Share Element Award which is an Option, the Option becoming capable of exercise by the Award Holder;
- in relation to a Share Element Award which is a Conditional Share Award, the Award Holder becoming entitled to have Scheme Shares transferred to him; and

Vesting Period means the period between the Share Element Award Date and the date that it Vests; and

Year means a financial year of the Company.

1.2 Interpretation

In the Scheme, unless otherwise specified:

- save as provided for by law a reference to writing includes any mode of reproducing words in a legible form and reduced to paper or electronic format or communication including, for the avoidance of doubt, correspondence via e-mail; and
- the Interpretation Act 2005 applies to the Scheme in the same way as it applies to an enactment.

2 Making of Annual Awards

2.1 Annual Awards made by Committee

Subject to Rules 2.5 and 2.6 the Committee may from time to time make Annual Awards to Eligible Employees.

2.2 Terms of Annual Awards

Subject to the Rules, the Committee will in its absolute discretion determine whether or not any Annual Awards are made at any particular time and, if they are, who they are made to and the terms of such Annual Awards.

2.3 Procedure for making Annual Awards and Award Date

An Annual Award shall be made by the Committee passing a resolution. The Award Date shall be the date on which the Committee passes the resolution or such later date as specified in the resolution. An Annual Award Certificate shall be issued to each Award Holder as soon as practicable following the making of the Annual Award.

2.4 Contents of Annual Award Certificate

An Annual Award Certificate shall state:

1. the amount of the Annual Award opportunity;
2. the Annual Performance Target;
3. the earliest date on which the Annual Award can Crystallise;
4. the Cash Element Percentage;
5. the Share Element Percentage (and whether or not the Share Element shall be constituted by Options);
6. the Deferred Share Award Percentage;
7. the Performance Share Award Percentage; and
8. any further conditions of the Annual Award.

2.5 When Annual Awards may be made

The Committee may make an Annual Award at any time before the tenth anniversary of shareholder approval of the Scheme.

2.6 To whom Annual Awards may be made

An Annual Award may be made to any individual who is an Eligible Employee at the Award Date. Unless the Committee determines otherwise, an Annual Award will not be made to an Eligible Employee who on or before the Award Date has given or received notice of termination of his Relevant Employment (whether or not lawful).

2.7 Right to refuse Annual Awards

An Award Holder may, by notice in writing to the Company within thirty days after the Annual Award Date say he does not want it in whole or part. In such a case, the Annual Award shall to that extent be treated as never having been made. No payment is required from the Award Holder or the Grantor.

2.8 Annual Awards non-transferable

An Annual Award shall be personal to the Award Holder and, except in the case of the death of an Award Holder, shall not be capable of being transferred, charged or otherwise alienated and shall lapse immediately if the Award Holder purports to transfer, charge or otherwise alienate the Annual Award.

2.9 Plan Limits applying to Annual Awards

The Maximum Annual Award Opportunity of an Annual Award shall not exceed 350% of the Award Holder's Salary, or such other limit as may be determined by the Committee from time to time. For Annual Awards granted in FY2014 and FY2015 the Annual Award shall not exceed 250% of salary.

3 Annual Performance Target

3.1 Setting of Annual Performance Target

The Crystallisation of an Annual Award and the extent to which it Crystallises will be subject to the satisfaction of an Annual Performance Target and any other conditions set by the Committee.

3.2 Nature of Annual Performance Target

The Annual Performance Target and any further conditions imposed under Rule 3.1 shall be set out in, or attached in the form of a schedule to, the Annual Award Certificate.

3.3 Substitution, variation or waiver of Annual Performance Target

If an event occurs which causes the Committee to consider that the Annual Performance Target or any further condition imposed under Rule 3.1 subject to which an Annual Award has been made is no longer appropriate, the Committee may substitute, vary or waive the Annual Performance Target or the condition in such manner (and make such consequential amendments to the Rules) as:

- is reasonable in the circumstances; and
- except in the case of waiver produces a fairer measure of performance and is not materially less difficult to satisfy, taking account of the event.

The Annual Award shall then take effect subject to the Annual Performance Target or other condition as substituted, varied or waived.

3.4 Notification of Award Holders

The Committee shall, as soon as practicable, notify each Award Holder concerned of any determination made by it under Rule 3.3.

4 Retention of Annual Awards on cessation of Relevant Employment before Crystallisation Date

4.1 General Rule

If an Award Holder ceases to be in Relevant Employment before the Crystallisation Date (see Rule 6.2) then unless Rule 4.2 applies, their Annual Award shall lapse on the date of cessation. Rule 4.4 shall apply to determine if an Award Holder has ceased Relevant Employment.

4.2 Special Cases

Notwithstanding Rule 4.1, if an Award Holder dies, or ceases to be in Relevant Employment before the Crystallisation Date by reason of:

- injury, ill-health or disability;
- redundancy within the meaning of the Redundancy Payment Acts 1967 to 2007;
- retirement by agreement with the company by which he is employed;
- the Award Holder being employed by a company which ceases to be a Group Member;
- the Award Holder being employed in an undertaking or part of an undertaking which is transferred to a person who is not a Group Member; or

- any other circumstances if the Committee at any time decides in any particular case

then the Annual Awards will continue until the Crystallisation Date on which they would otherwise have Crystallised with the Annual Performance Target and any other conditions considered on the Crystallisation Date.

The Committee may alternatively decide that the date of cessation shall be the Crystallisation Date and the Crystallisation Amount will be determined by the Committee in its absolute discretion taking into account such factors as the Committee may consider relevant including, but not limited to, the satisfaction of the Annual Performance Target as at the time of cessation and any further condition imposed under Rule 3.1.

In both cases, the Crystallisation Amount shall be reduced to take account of the period from the Award Date to the date of the event as a proportion of the period from the Award Date until the original Crystallisation Date.

Where this Rule 4.2 applies, the Share Element amount shall, subject to the application of Rule 6.5, be settled by an equivalent value of cash payment and Award Holders shall be entitled to receive a payment in respect of their Cash Element and any such Share Element as soon as practicable after the determination of the amount payable.

The Committee reserves the right to make adjustments to the pro rating of the Crystallisation Amount and the treatment of the Share Element as it deems appropriate.

4.3 *Award Holder relocated abroad*

Notwithstanding Rule 6.2 if it is proposed that an Award Holder, while continuing to be in Relevant Employment, should work in a country other than the country in which he is currently working and, by reason of the change, the Award Holder would:

- suffer less favourable tax treatment in respect of his Annual Award; or
- become subject to a restriction on his ability to exercise an Option, to have issued or transferred to him, the Scheme Shares or to hold or deal in such Scheme Shares or the proceeds of sale of such Scheme Shares

at the discretion of the Committee, and taking account of the commercial intention of the Annual Award, make such adjustments to the Crystallisation or Vesting of the Annual Award as it deems appropriate.

4.4 *Meaning of ceasing to be in Relevant Employment*

For the purposes of the Scheme, an Award Holder shall not be treated as ceasing to be in Relevant Employment until he no longer holds any office or employment with any Group Member.

5 *Takeover, Reconstruction, Amalgamation or Winding-Up of Company before Crystallisation Date*

5.1 *Takeover*

Subject to Rule 18, where a person, other than a New Holding Company, obtains Control of the Company as a result of making an offer to acquire Scheme Shares, Annual Awards shall Crystallise on the date the person obtains Control as set out below.

The Crystallisation Amount will be determined by the Committee in its absolute discretion taking into account such factors as the Committee may consider relevant including, but not limited to, the time the Annual Award has been held by the Award Holder and having regard to the Annual Performance Target and any further condition imposed under Rule 3.1.

The Share Element amount may, at the discretion of the Committee, be settled by an equivalent value of cash payment and Award Holders shall be entitled to receive a payment in respect of their Cash Element and any such Share Element as soon as practicable after the determination of the amount payable.

5.2 *Compulsory acquisition of Company*

Subject to Rule 18, if a person, other than a New Holding Company, becomes entitled or bound to acquire shares in the Company under Regulation 23 of the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006 or section 204 of the Companies Act 1963, a proportion of the Annual Awards shall Crystallise as set out below.

The Crystallisation Amount will be determined by the Committee in its absolute discretion taking into account such factors as the Committee may consider relevant including, but not limited to, the time the Annual Award has been held by the Award Holder and having regard to the Annual Performance Target and any further condition imposed under Rule 3.1.

The Share Element amount may, at the discretion of the Committee, be settled by an equivalent value of cash payment and Award Holders shall be entitled to receive a payment in respect of their Cash Element and any such Share Element as soon as practicable after the determination of the amount payable.

5.3 *Reconstruction or amalgamation of Company*

Subject to Rule 18, if a person, other than a New Holding Company, proposes to obtain Control of the Company in pursuance of a compromise or arrangement sanctioned by the court under section 201 of the Companies Act 1963 Annual Awards will Crystallise on the date of the court sanction as set out below.

The Crystallisation Amount will be determined by the Committee in its absolute discretion taking into account such factors as the Committee may consider relevant including, but not limited to, the time the Annual Award has been held by the Award Holder and having regard to the Annual Performance Target and any further condition imposed under Rule 3.1.

The Share Element amount may, at the discretion of the Committee, be settled by an equivalent value of cash payment and Award Holders shall be entitled to receive a payment in respect of their Cash Element and any such Share Element as soon as practicable after the determination of the amount payable.

5.4 *Winding-up of Company*

Subject to Rule 18, if notice is given of a resolution for the voluntary winding-up of the Company Annual Awards will Crystallise on the date notice is given.

The Crystallisation Amount will be determined by the Committee in its absolute discretion taking into account such factors as the Committee may consider relevant including, but not limited to, the time the Annual Award has been held by the Award Holder and having regard to the Annual Performance Target and any further condition imposed under Rule 3.1.

The Share Element amount may, at the discretion of the Committee, be settled by an equivalent value of cash payment and Award Holders shall be entitled to receive a payment in respect of their Cash Element and any such Share Element as soon as practicable after the determination of the amount payable.

5.5 Demergers and Other Events

The Committee may determine that Annual Awards Crystallise if it becomes aware that the Company will be affected by a demerger, distribution (which is not an ordinary dividend) or other transaction not otherwise covered by the Rules.

The Crystallisation Amount will be determined by the Committee in its absolute discretion taking into account such factors as the Committee may consider relevant including, but not limited to, the time the Annual Award has been held by the Award Holder and having regard to the Annual Performance Target and any further condition imposed under Rule 3.1.

The Share Element amount may, at the discretion of the Committee, be settled by an equivalent value of cash payment and Award Holders shall be entitled to receive a payment in respect of their Cash Element and any such Share Element as soon as practicable after the determination of the amount payable.

5.6 Meaning of “obtains Control of the Company”

For the purpose of Rule 5 a person shall be deemed to have obtained Control of the Company if he and others Acting In Concert with him have together obtained Control of it.

5.7 Notification of Award Holders

The Committee shall, as soon as reasonably practicable, notify each Award Holder of the occurrence of any of the events referred to in this Rule 5 and explain how this affects their position under the Plan.

5.8 Crystallisation of Annual Awards in contemplation of an event

Where the Committee is aware that an event is likely to occur under Rule 5, the Committee may determine that the Annual Awards Crystallise in accordance with Rule 5, immediately prior to the event taking place and may in the case of Options may require that the Options must be exercised within such time frame as is specified by the Committee in its absolute discretion, provided such time frame is not less than two weeks from the date of notification after which date such Option may lapse.

6 Testing of Annual Performance Target and Crystallisation of Annual Awards

6.1 Testing of Annual Performance Target

As soon as practicable after the end of the Performance Period, the Committee shall determine whether and the extent to which the Annual Performance Target and any further condition imposed under Rule 3.1 have been satisfied.

6.2 Crystallisation Date of Annual Awards

Subject to Rules 4 and 5, an Annual Award will Crystallise on the latest of:

- the relevant date specified in the Annual Award Certificate under Rule 2.4; and
- the date on which the Committee determines that the Annual Performance Target and any further conditions imposed under Rule 3.1 have been satisfied subject to the provision that an award cannot Crystallise at a time when Dealing Restrictions apply.

6.3 *Determining the Crystallisation Amount*

As soon as practicable after the Crystallisation Date, the Committee will have regard to the extent to which the Annual Performance Target has been achieved and shall determine the Crystallisation Amount.

6.4 *Determining the split between Cash Element and Share Element*

Subject to Rule 6.5, the Crystallisation Amount is split between the Cash Element and Share Element as follows:

- the proportion of the Crystallisation Amount transferred into the Cash Element will be the Cash Element Percentage, as set out in the Annual Award Certificate and is subject to a maximum of 75% of Salary (or such other limit as may be determined by the Committee from time to time). Any excess over 75% of Salary (the “Excess Cash Amount”) will be transferred into Cash Deferred Share Awards;
- the proportion of the Crystallisation Amount transferred into Deferred Share Awards will be the Share Element Percentage multiplied by the Deferred Share Award Percentage, as set out in the Annual Award Certificate; and
- the proportion of the Crystallisation Amount transferred into Performance Share Awards will be the Share Element Percentage multiplied by the Performance Share Award Percentage, as set out in the Annual Award Certificate.

The number of Scheme Shares to be granted to Award Holders under the Share Element will be the total Share Element amount divided by the Reference Price of the Scheme Shares in all cases rounded to the nearest share.

6.5 *Modifications to the Cash Element Percentage*

The Committee has the discretion to reduce the Cash Element Percentage, including to nil. If the Committee determines to reduce the Cash Element Percentage, any amount that otherwise would have been transferred into the Cash Element will be transferred into Cash Deferred Share Awards.

7 *Lapse of Annual Awards*

Notwithstanding any other provision of the Rules, Annual Awards shall lapse on the earliest of:

- the Committee determining that the Annual Performance Targets have not been satisfied either in whole or in part and can no longer be satisfied in whole or in part in which case the Annual Awards shall lapse either in whole or as to such part in relation to which the Annual Performance Targets can no longer be satisfied;
- subject to Rule 4.2, the Award Holder ceasing to be in Relevant Employment;
- the Crystallisation Date, where they lapse in accordance with Rule 6.3;
- any date provided for under these Rules; and
- the date on which the Award Holder becomes bankrupt or enters into a compromise with his creditors generally.

8 Entitlement to payment of the Cash Element

Award Holders shall be entitled to receive a payment in respect of their Cash Element as soon as practicable after the determination of the amount payable under Rule 6.4 (or from such other event as Rules 4 and 5 provide) based on Rule 6 above.

9 Making of Share Element awards

9.1 Share Element awards made by Committee

As soon as practicable after the Crystallisation Date, the Grantor will grant Share Element awards as determined in Rule 6.4. The Share Element will be granted in the form of Options or Conditional Share Awards as determined by the Committee.

In addition, subject to Rule 9.6 the Committee may from time to time make Initial KIP Awards in the form of Performance Share Awards to Eligible Employees. The Initial KIP Award shall be made by the Committee passing a resolution.

9.2 Share Element Award Date

The Share Element Award Date shall be the Crystallisation Date, or in the case of Initial KIP Awards the date the Committee passes the resolution or such later date as specified in the resolution. A Share Element Certificate shall be issued to each Award Holder as soon as practicable following the making of the Share Element award.

9.3 Contents of Share Element Certificate

A Share Element Certificate shall state:

1. the number of Scheme Shares subject to the Cash Deferred Share Award, Deferred Share Award and Performance Share Award;
2. whether the Share Element award comprises an Option or Conditional Share Awards;
3. the Award Price (if any);
4. the date or dates on which the Share Element award will Vest, which shall not normally be earlier than three years after the Share Element Award Date;
5. whether or not any dividend equivalents will be payable under Rule 14.10;
6. in the case of an Option, the Exercise Period;
7. in the case of Performance Share Awards, the Performance Target;
8. the Holding Period; and
9. any further conditions of the Share Element award.

9.4 When Share Element awards may be made

The Committee may make a Share Element award at any time before the tenth anniversary of shareholder approval of the Scheme.

9.5 To whom Share Element awards may be made

Share Element awards may be made to any individual who is an Eligible Employee at the Share Element Award Date. Unless the Committee determines otherwise, a Share Element award will not be made to an Eligible Employee who on or before the Share Element Award Date has given or received notice of termination of his Relevant Employment (whether or not lawful).

9.6 *Plan Limits applying to Share Element awards*

The maximum Initial KIP Award for each Eligible Employee in aggregate shall not exceed 200% of the Award Holder's Salary at the date of making of the Initial KIP Award.

9.7 *Share Ownership Requirements*

The Committee may require, as a condition of making a Share Element award, that, subject to the Award Holder being permitted to sell sufficient Scheme Shares to meet his obligations under Rule 20, the Award Holder must retain any Scheme Shares in respect of which the Share Element awards made to him Vests unless and until he has met his Share Ownership Requirement.

9.8 *Share Element awards non-transferable*

A Share Element award shall be personal to the Award Holder and, except in the case of the death of an Award Holder, shall not be capable of being transferred, charged or otherwise alienated and shall lapse immediately if the Award Holder purports to transfer, charge or otherwise alienate the Share Element award.

10 *Performance Target*

10.1 *Setting of Performance Target*

The Vesting of a Performance Share Award and the extent to which it Vests will be subject to the satisfaction of a Performance Target and any other conditions set by the Committee.

10.2 *Nature of Performance Target*

The Performance Target and any further condition imposed under Rule 10.1 shall be:

- objective; and
- set out in, or attached in the form of a schedule to, the Share Element Certificate.

10.3 *Substitution, variation or waiver of Performance Target*

If an event occurs which causes the Committee to consider that the Performance Target or any further condition imposed under Rule 9.6 subject to which a Share Element award has been made is no longer appropriate, the Committee may substitute, vary or waive the Performance Target or the condition in such manner (and make such consequential amendments to the Rules) as:

- is reasonable in the circumstances; and
- except in the case of waiver produces a fairer measure of performance and is not materially less difficult to satisfy.

The Share Element award shall then take effect subject to the Performance Target or other condition as substituted, varied or waived.

10.4 *Notification of Award Holders*

The Committee shall, as soon as practicable, notify each Award Holder concerned of any determination made by it under Rule 10.

11 *Malus*

Notwithstanding any other provision of the Rules, the Committee may, at the time of Vesting of a Share Element award or at any time before, reduce the number of Scheme Shares subject to a Share Element award in whole or in part (including, for the avoidance of doubt, to nil) in the following circumstances:

- discovery of a material misstatement in the audited consolidated accounts of the Company or the audited accounts of any Group Member;
- a regulatory breach by the Company or the Group resulting in material financial or reputational harm;
- action or conduct of an Award Holder or Award Holders which, in the reasonable opinion of the Committee, amounts to fraud or gross misconduct; and/or
- discovery of an error in the assessment of the extent to which an Annual Performance Target or a Performance Target applicable to an Award Holder's Annual Award or Initial KIP Award has been satisfied.

In determining the reduction which should be applied under this Rule 11, the Committee shall act fairly and reasonably but its decision shall be final and binding.

For the avoidance of doubt, any reduction under this Rule 11 may be applied on an individual basis as determined by the Committee.

12 *Retention of Share Element awards (and Exercise of Options) on cessation of Relevant Employment before Vesting Date*

12.1 *General Rule*

If an Award Holder ceases to be in Relevant Employment before the Vesting Date (see Rule 14) then unless Rules 12.2 or 12.3 applies, their Share Element award shall lapse on the date of cessation. Rule 12.5 shall apply to determine if an Award Holder has ceased Relevant Employment.

12.2 *Death*

Notwithstanding Rule 12.1 if an Award Holder dies, a proportion of his Share Element awards shall Vest immediately. The proportion of the Share Element awards which shall Vest will be determined by the Committee in its absolute discretion taking into account such factors as the Committee may consider relevant including, but not limited to, the time the Share Element award has been held by the Award Holder and having regard to the Performance Target and any further condition imposed under Rule 10.1.

In the case of Options, if an Award Holder dies, his personal representatives shall be entitled to exercise the Vested proportion of his Options at any time during the twelve month period following death. If not so exercised, the Option shall lapse at the end of such period.

12.3 *Injury, disability, redundancy, retirement etc*

Notwithstanding Rule 12.1 if an Award Holder ceases to be in Relevant Employment by reason of:

- injury, ill-health or disability;
- redundancy within the meaning of the Redundancy Payment Acts 1967 to 2007;
- retirement by agreement with the company by which he is employed;

- the Award Holder being employed by a company which ceases to be a Group Member;
- the Award Holder being employed in an undertaking or part of an undertaking which is transferred to a person who is not a Group Member; or
- any other circumstances if the Committee at any time decides in any particular case

the Share Element award will continue until the normal time of Vesting and with the Performance Target and any other conditions considered at the time of Vesting.

The Committee may alternatively decide that the date of cessation shall be the date of Vesting and the proportion of the Share Element Vesting will be determined by the Committee in its absolute discretion taking into account such factors as the Committee may consider relevant including, but not limited to, the satisfaction of the Performance Target as at the time of cessation and any further condition imposed under Rule 10.1.

Unless the Committee decides otherwise, regardless of when the Share Element awards Vest, the number of Scheme Shares will be reduced pro rata to reflect the number of whole months from the Share Element Award Date until cessation as a proportion of the original Vesting period.

In the case of Options, the Award Holder shall be entitled to exercise the Vested proportion of his Options at any time during the period ending six months after the date of cessation of his employment or, if the Committee has decided that the Share Element award will continue until the normal time of Vesting, during the period ending six months after the normal time of Vesting or during such other longer period as the Committee determines. If not so exercised, the Option shall lapse at the end of such period.

12.4 Award Holder relocated abroad

Notwithstanding Rule 14.1 if it is proposed that an Award Holder, while continuing to be in Relevant Employment, should work in a country other than the country in which he is currently working and, by reason of the change, the Award Holder would:

- suffer less favourable tax treatment in respect of his Share Element awards; or
- become subject to a restriction on his ability to exercise an Option, to have issued or transferred to him the Scheme Shares subject to a Share Element award or to hold or deal in such Scheme Shares or the proceeds of sale of such Scheme Shares

at the discretion of the Committee, and taking account of the commercial intention of the Annual Award, make such adjustments to the Crystallisation or Vesting of the Share Element award as it deems appropriate.

12.5 Meaning of ceasing to be in Relevant Employment

For the purposes of the Scheme, an Award Holder shall not be treated as ceasing to be in Relevant Employment until he no longer holds any office or employment with any Group Member.

12.6 Interaction of Rules

In the case of an Option:

- If the Option has become exercisable under Rule 12.3 and, during the period allowed for the exercise of the Option under Rule 12.3 the Award Holder dies, the period allowed for the exercise of the Option shall be the period allowed by Rule 12.2;
- If the Option has become exercisable under Rule 12 and, during the period allowed for the exercise of the Option under Rule 12, the Option becomes exercisable under Rule 13 also (or

vice versa), the period allowed for the exercise of the Option shall be the shorter of the period allowed by Rule 12 and the period allowed by Rule 13.

13 Takeover, Reconstruction, Amalgamation or Winding-up of Company

13.1 Takeover

Subject to Rule 18, where a person, other than a New Holding Company, obtains Control of the Company as a result of making an offer to acquire Scheme Shares, Share Element awards shall Vest on the date the person obtains Control as set out below.

The proportion of the Share Element awards which shall Vest will be determined by the Committee in its absolute discretion taking into account such factors as the Committee may consider relevant including, but not limited to, the time the Share Element award has been held by the Award Holder and having regard to the Performance Target and any further condition imposed under Rule 10.1.

In the case of Options, such proportion of the Options may be exercised at any time during the period of six months beginning with the time when the person making the offer has obtained Control. If not so exercised, the Options shall lapse at the end of such period unless the Committee determines otherwise, in which case the Options shall continue in force until such time as they lapse in accordance with the Rules.

13.2 Compulsory acquisition of Company

Subject to Rule 18, if a person, other than a New Holding Company, becomes entitled or bound to acquire shares in the Company under Regulation 23 of the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006 or section 204 of the Companies Act 1963, a proportion of the Share Element awards shall Vest as set out below.

The proportion of the Share Element awards which shall Vest will be determined by the Committee in its absolute discretion taking into account such factors as the Committee may consider relevant including, but not limited to, the time the Share Element award has been held by the Award Holder and having regard to the Performance Target and any further condition imposed under Rule 10.1.

In the case of Options, such proportion of the Options may be exercised at any time during the period beginning with the date the person serves a notice under section 204 and ending seven clear days before the date on which the person ceases to be entitled to serve such a notice. If not so exercised, the Options shall lapse at the end of the seven days.

13.3 Reconstruction or amalgamation of Company

Subject to Rule 18, if a person, other than a New Holding Company, proposes to obtain Control of the Company in pursuance of a compromise or arrangement sanctioned by the court under section 201 of the Companies Act 1963 Share Element awards will Vest on the date of the court sanction as set out below.

The proportion of the Share Element awards which shall Vest will be determined by the Committee in its absolute discretion taking into account such factors as the Committee may consider relevant including, but not limited to, the time the Share Element award has been held by the Award Holder and having regard to the Performance Target and any further condition imposed under Rule 10.1.

A Vested Option may be exercised at any time during the period of six months from the compromise or arrangement being sanctioned by the court and if not exercised within that period it shall lapse.

13.4 *Winding-up of Company*

Subject to Rule 18, if notice is given of a resolution for the voluntary winding-up of the Company Share Element awards will Vest on the date notice is given.

The proportion of the Share Element awards which shall Vest will be determined by the Committee in its absolute discretion taking into account such factors as the Committee may consider relevant including, but not limited to, the time the Share Element award has been held by the Award Holder and having regard to the Performance Target and any further condition imposed under Rule 10.1.

A Vested Option may be exercised at any time during the period of six months from the date of the notice and if not exercised within that period it shall lapse.

13.5 *Demergers and Other Events*

The Committee may determine that Share Element awards Vest if it becomes aware that the Company will be affected by a demerger, distribution (which is not an ordinary dividend) or other transaction not otherwise covered by the Rules.

The proportion of the Share Element awards which shall Vest will be determined by the Committee in its absolute discretion taking into account such factors as the Committee may consider relevant including, but not limited to, the time the Share Element award has been held by the Award Holder and having regard to the Performance Target and any further condition imposed under Rule 10.1.

A Vested Option may be exercised at any time during the period determined by the Committee and if not exercised within that period it shall lapse.

13.6 *Meaning of “obtains Control of the Company”*

For the purpose of Rule 13 a person shall be deemed to have obtained Control of the Company if he and others Acting In Concert with him have together obtained Control of it.

13.7 *Notification of Award Holders*

The Committee shall, as soon as reasonably practicable, notify each Award Holder of the occurrence of any of the events referred to in this Rule 13 and explain how this affects their position under the Plan.

13.8 *Vesting of Share Element awards in contemplation of an event*

Where the Committee is aware that an event is likely to occur under Rule 13, the Committee may determine that the Share Element awards Vest, in accordance with Rule 13, immediately prior to the event taking place and may in the case of Options may require that the Options must be exercised within such time frame as is specified by the Committee in its absolute discretion, provided such time frame is not less than two weeks from the date of notification after which date such Option may lapse.

14 *Vesting of Share Element awards*

14.1 *Testing of Performance Targets*

As soon as practicable after the end of the Performance Period, the Committee shall determine whether and the extent to which the Performance Target and any further conditions imposed under Rule 10.1 have been satisfied.

Following this determination the Committee shall notify Award Holders of the amount of the Share Element award which is capable of Vesting.

14.2 *Earliest date for Vesting of Share Element awards*

Subject to Rules 12 and 13, a Share Element award will Vest on the latest of:

- three years after the Share Element Award Date;
- the relevant date specified in the Share Element Certificate under Rule 9.3; and
- the date on which the Committee determines that the Performance Target and any further condition imposed under Rule 10.1 have been satisfied.

14.3 *Effect of Share Element award Vesting*

Subject to the Rules, the effect of a Share Element award Vesting shall be:

- in the case of an Option, that the Award Holder is entitled to exercise the Option at any time during the Exercise Period to the extent that it has Vested and subject to the Holding Period set out in the Share Element Certificate; and
- in the case of a Conditional Share Award, that the Award Holder shall become entitled to the Scheme Shares to the extent that the Share Element award has Vested and subject to the Holding Period set out the Share Element Certificate.

14.4 *No Vesting or Exercise while Dealing Restrictions apply*

Scheme Shares may not be issued or transferred to an Award Holder (nor, in the case of an Option, may the Option be exercised) while Dealing Restrictions apply.

14.5 *Effect of Cessation of Relevant Employment*

Subject to Rule 12, a Share Element award shall Vest and an Option may be exercised only while the Award Holder is in Relevant Employment and if an Award Holder ceases to be in Relevant Employment, any Share Element award granted to him shall lapse on cessation. This Rule 14.5 shall apply where the Award Holder ceases to be in Relevant Employment in any circumstances (including, in particular, but not by way of limitation, where the Award Holder is dismissed unfairly, wrongfully, in breach of contract or otherwise).

An Award Holder who has given or received notice of termination of Relevant Employment (whether or not lawful) may not exercise an Option during any period when the notice is effective and a Share Element award granted to him shall not Vest during this period. If a Share Element award would otherwise have Vested during this period, and the notice is withdrawn, the Share Element award will Vest when the notice is withdrawn.

14.6 *Options may be exercised in whole or in part*

Subject to Rules 14.4 and 14.5, a Vested Option may be exercised in whole or in part at any time. If exercised in part, the unexercised part of the Option shall not lapse as a result and shall remain exercisable.

14.7 *Procedure for exercise of Options*

- An Option shall be exercised by the Award Holder delivering to the Grantor a duly completed notice of exercise in the form from time to time prescribed by the Company, specifying the

number of Scheme Shares in respect of which the Option is being exercised, and either accompanied by the Award Price (if any) in full or confirmation of arrangements satisfactory to the Grantor for the payment of the Award Price, together with any payment and/or documentation required under Rule 20 and, if required, the Share Element Certificate.

- For the avoidance of doubt, the date of exercise of an Option shall be the date of the receipt of the notice of exercise and compliance with the first paragraph of this Rule 14.7.
- To the extent that a Vested Option remains unexercised on the last day of the Exercise Period, the Grantor will, subject to the conditions set out below being satisfied, be deemed to have received a valid notice of exercise for such Option with a direction to sell a sufficient number of Shares arising on the exercise of the Option to fund the Award Price. The condition referred to is that $A - B$ is greater than C , calculated as follows: A equals the expected sale proceeds of the Scheme Shares resulting from the exercise of the Option; B equals any costs of any sale; and C equals the Award Price. A Share Element award Holder may give notice (in a form determined by the Committee) that this paragraph is not to apply in respect of an Option.

14.8 Issue or transfer of Scheme Shares

Subject to Rules 14.9 and 19 and to any necessary consent and to compliance by the Award Holder with the Rules, the Grantor shall, as soon as practicable and in any event not later than thirty days after:

- the exercise date in the case of an Option arrange, for the issue or transfer to the Award Holder of the number of Scheme Shares specified in the notice of exercise together with, in the case of the partial exercise of an Option, a Share Element Certificate in respect of, or the original Share Element Certificate endorsed to show, the unexercised part of the Option; and
- the Vesting of a Share Element award, in the case of a Conditional Share Award, arrange for the issue or transfer to the Award Holder of the number of Scheme Shares in respect of which the Share Element award has Vested.

14.9 Net or Cash Settling

Subject to Rules 17, 19 and 20, the Grantor may on exercise of an Option:

- make a cash payment to the Award Holder equal to the Gain on the date of exercise of the Option; or
- arrange for the transfer or issue to the Award Holder of Scheme Shares with a Market Value equal to the Gain on the date of exercise of the Option (rounded down to the nearest whole Scheme Share). The Award Holder shall not be required to make payment for these Plan Shares.

Subject to Rule 19 the Grantor may on the Vesting of a Conditional Share Award make a cash payment to the Award Holder equal to the Market Value of the Plan Shares in respect of which the Conditional Share Award has Vested.

Where the Grantor settles a Share Element award in the manner described in this Rule 14.9, this shall be in full and final satisfaction of the Award Holder's rights under the Share Element award.

14.10 Dividend Equivalents

A Share Element award (except an award of Conditional Share Awards where the right to dividends has not been waived) may include the right to receive an amount of cash or Scheme Shares or Options in relation thereto on Vesting equal in value to the dividends which were payable on the number of Scheme Shares in respect of which the Share Element award has Vested during the period between the Share Element Award Date and the date of Vesting. The payment shall not include any associated tax credit.

The Grantor may decide at any time not to apply this Rule 14.10 to all or any part of a special dividend or dividend in specie.

14.11 *US Taxpayers*

This Rule 14.11 shall apply to US Taxpayers. Notwithstanding anything to the contrary contained in the Plan, no Option may be exercised later than 2.5 calendar months after the end of the Taxable Year in which the Option first becomes exercisable, provided that the Option shall lapse on the date it would have lapsed had this rule not applied. The Rules of the Plan shall be interpreted accordingly.

For the purposes of this Rule 14.11, Taxable Year means the 12 month period in respect of which the Option Holder is obliged to pay US Tax or, if it would result in a longer exercise period, the 12 month period in respect of which the Option Holder's employing company is obliged to pay tax. US Taxpayer means a person who is subject to taxation under the tax rules of the United States of America.

15 *Lapse of Share Element awards*

Notwithstanding any other provision of the Rules, Share Element awards shall lapse on the earliest of:

- the Committee determining that the Performance Targets have not been satisfied either in whole or in part and can no longer be satisfied in whole or in part in which case the Share Element awards shall lapse either in whole or as to such part in relation to which the Performance Targets can no longer be satisfied;
- subject to Rules 12.2 and 12.3, the Award Holder ceasing to be in Relevant Employment;
- the Vesting Date, where they lapse in accordance with Rule 14;
- in the case of an Option, seven years from the date of the Share Element Certificate;
- any date provided for under these Rules; and
- the date on which the Award Holder becomes bankrupt or enters into a compromise with his creditors generally.

16 *Scheme Limits*

16.1 *General*

The aggregate number of Scheme Shares over which Share Element awards may be made shall be limited as set out in this Rule 16. In the event of any conflict between the limits in this Rule 16, the lower limit shall prevail.

16.2 *Ten per cent in ten years*

A Share Element award may not be made if the result of making the Share Element award would be that the aggregate number of Scheme Shares issued or committed to be issued in the preceding ten year period under:

- Share Element awards under the Scheme; or
- options or awards made under any other Employees' Share Scheme (whether or not discretionary) operated by the Group

would exceed ten per cent of the Company's issued ordinary share capital at that time.

16.3 *Five per cent in ten years*

A Share Element award may not be made if the result of making the Share Element award would be that the aggregate number of Scheme Shares issued or committed to be issued in the preceding ten year period under:

- Share Element awards under the Scheme; or
- options or awards made under any other discretionary Employees' Share Scheme adopted by the Group

would exceed five per cent of the Company's issued ordinary share capital at that time.

16.4 Calculation

For the purpose of the limits contained in this Rule 16:

- for as long as required by guidance issued by the Association of British Insurers treasury shares shall be included in the limit as if they were new issue shares;
- there shall be disregarded any Scheme Shares where the right to acquire the Scheme Shares has lapsed or been renounced;
- there shall be disregarded any Scheme Shares which the Trustees have purchased, or determined that they will purchase, in order to satisfy a Share Element award or the exercise of an option or the vesting of other rights of an employee under any other Employees' Share Scheme operated by the Group; and
- any Scheme Shares issued in relation to a Share Element award, or on the exercise of an option or the vesting of other rights of an employee under any other Employees' Share Scheme operated by the Group shall be taken into account once only (when the Share Element award is made or the option is granted or the right awarded) and shall not fall out of account when the Share Element award Vests, the option is exercised or other rights vest.

16.5 Scaling down

If the making of a Share Element award would cause the limits in this Rule 16 to be exceeded, such Share Element award shall take effect as a Share Element award over the maximum number of Scheme Shares which does not cause the limit to be exceeded. If more than one Share Element award is made on the same Share Element Award Date, the number of Scheme Shares which would otherwise be subject to each Share Element award shall be reduced pro rata.

If a Share Element award has been scaled down in accordance with this Rule, the Committee may determine at its discretion that an equivalent Cash Element shall be made in lieu and may specify such deferred payment terms and conditions as it considers appropriate.

17 Share Element awards to be nil-cost

An Award Holder shall not be required to make any payment on the granting of a Share Element award, the exercise of an Option or the Vesting of a Conditional Share Award other than such amount that may be required to pay the nominal value of the relevant Scheme Shares.

Where the Grantor has determined that a Share Element award will be satisfied by the issue of new shares, the Company will ensure that at the time of the issue of the Scheme Shares arrangements are in place to pay up the nominal value of the relevant Scheme Shares.

18 Exchange of Share Element awards

18.1 Where Exchange applies

If a company (including for the purposes of this Rule 18 a New Holding Company) ("the Acquiring Company") acquires Control of the Company an Award Holder may, at any time during a period specified by the Board, by agreement with the Acquiring Company, release his Annual Award or Share Element award in consideration of the grant to him of a New Award.

In the case of an Option, if the Option Holder does not release the Option within the specified period, the Option shall lapse at the end of such period.

18.2 ***Terms of Exchange***

The following applies in respect of a New Award:

1. The date of award of the New Award shall be deemed to be the same as the date of award of the original award.
2. Any New Award consisting of Share Element awards (“New Share Element Awards”) will be in respect of the shares in a company determined by the Committee.
3. In the application of the Scheme to the New Share Element Award, where appropriate, references to “Company” and “Scheme Shares” shall be read as if they were references to the company to whose shares the New Share Element Award relates.
4. The New Share Element Award must be equivalent to the Share Element award and it will Vest at the same time and in the same manner as the Share Element award.

19 ***Adjustment of Annual Awards on Reorganisation***

19.1 ***Power to adjust Annual Awards***

In the event of a Reorganisation, the number of Scheme Shares subject to a Share Element award which is an Option or a Conditional Share Award, the description of the Scheme Shares, the Award Price, or any one or more of these, shall be adjusted in such manner as the Grantor, together with the Committee where relevant, shall determine.

19.2 ***Notification of Award Holders***

The Grantor shall, as soon as reasonably practicable, notify each Award Holder of any adjustment made under this Rule 19 and explain how this affects their position under the Plan.

20 ***Accounting for Award Tax Liability***

20.1 ***Withholdings***

Unless the Award Holder discharges any liability that may arise himself, the Grantor, the Company or such other Group Member which is the Award Holder’s Employer (as the case may be) may withhold such amount, or make such other arrangements as it may determine appropriate, for example to sell or withhold Scheme Shares (in respect of a Share Element award), to meet any Award Tax Liability.

20.2 ***Execution of Document by Award Holder***

The Grantor may require an Award Holder to execute a document in order to bind himself contractually to any such arrangement as is referred to in Rule 20.1 and return the executed document to the Grantor by a specified date. It shall be a condition of Vesting of the Share Element award that the executed document be returned by the specified date unless the Grantor determines otherwise.

21 ***Issue and Listing of Scheme Shares***

21.1 ***Rights attaching to Scheme Shares***

All Scheme Shares issued and/or transferred under the Scheme shall, as to voting, dividend, transfer and other rights, including those arising on a liquidation of the Company, rank equally in all respects

and as one class with the shares of the same class in issue at the date of issue or transfer save as regards any rights attaching to such Scheme Shares by reference to a record date prior to the date of such issue or transfer.

21.2 ***Listing of Scheme Shares***

If and so long as Scheme Shares are listed on the Official List and traded on the London Stock Exchange and/or listed on the Irish Official List and traded on the Irish Stock Exchange, the Company will apply for the listing and trading on such market(s) of any Scheme Shares issued under the Scheme as soon as practicable.

22 ***Relationship of Scheme to Contract of Employment***

22.1 ***Contractual Provisions***

Notwithstanding any other provision of the Scheme:

- the Scheme shall not form part of any contract of employment between any Group Company and an Eligible Employee;
- unless expressly so provided in his contract of employment, an Eligible Employee has no right to be made an Annual Award or Initial KIP Award and the receipt of an Annual Award or Initial KIP Award in one year is no indication that the Award Holder will be made any subsequent Annual Award or Initial KIP Awards;
- the Scheme does not entitle any Award Holder to the exercise of any discretion in his favour;
- the benefit to an Eligible Employee of participation in the Scheme (including, in particular but not by way of limitation, any Annual Awards or Initial KIP Awards held by him) shall not form any part of his remuneration or count as his remuneration for any purpose and shall not be pensionable; and
- if an Eligible Employee ceases to be in Relevant Employment for any reason, he shall not be entitled to compensation for the loss or diminution in value of any right or benefit or prospective right or benefit under the Scheme (including, in particular but not by way of limitation, any Annual Awards or Initial KIP Awards held by him which lapse by reason of his ceasing to be in Relevant Employment) whether by way of damages for unfair dismissal, wrongful dismissal, breach of contract or otherwise.

22.2 ***Deemed Agreement***

By accepting the making of an Annual Award or Initial KIP Award, an Award Holder is deemed to have agreed to the provisions of these Rules, including this Rule 22.

23 ***Administration of Scheme***

23.1 ***Annual Awards and Initial KIP Awards non-transferable***

An Annual Award or Initial KIP Award shall be personal to the Award Holder and, except in the case of the death of an Award Holder, shall not be capable of being transferred, charged or otherwise alienated and shall lapse immediately if the Award Holder purports to transfer, charge or otherwise alienate the Annual Award or Initial KIP Award.

23.2 *Responsibility for administration*

The Committee and the Grantor, where appropriate, shall be responsible for, and shall have the conduct of, the administration of the Scheme. The Committee may from time to time make, amend or rescind regulations for the administration of the Scheme provided that such regulations shall not be inconsistent with the Rules.

23.3 *Committee's decision final and binding*

The decision of the Committee shall be final and binding in all matters relating to the Scheme, including but not limited to the resolution of any dispute concerning, or any inconsistency or ambiguity in the Rules or any document used in connection with the Scheme.

23.4 *Grantor to consult with Committee*

Where the Grantor is not the Company and has made, or proposes to make, a Share Element award, the Grantor shall consult with, and take account of the wishes of, the Committee before making any determination or exercising any power or discretion under the Scheme.

23.5 *Discretionary nature of Annual Awards and Initial KIP Awards*

All Annual Awards and Initial KIP Awards shall be made entirely at the discretion of the Committee in respect of Annual Awards, and the Grantor in respect of Share Element awards or Initial KIP Awards.

23.6 *Provision of information*

Where the Grantor is not the Company, the Grantor and an Award Holder shall provide to the Company as soon as reasonably practicable such information as the Company reasonably requests for the purpose of complying with its obligations under the relevant taxation laws.

23.7 *Cost of Scheme*

The cost of introducing and administering the Scheme shall be met by the Company. The Company shall be entitled, if it wishes, to charge an appropriate part of such cost to a Subsidiary or the Grantor.

23.8 *Data protection*

By accepting the making of an Annual Award or Initial KIP Award, an Award Holder is deemed to consent to the holding, processing and transfer of personal data in relation to the Award Holder by or to the Company, any Group Member, the Trustees, any third party broker, registrar or administrator or any future purchaser of the Company or relevant Group Member employing the Award Holder for all purposes relating to the operation of the Scheme.

23.9 *Third party rights*

Nothing in these Rules confers any benefit, right or expectation on a person who is not an Award Holder. No such third party has any rights to enforce any terms of these Rules.

24 *Amendment of Scheme*

24.1 *Power to amend Scheme*

Subject to Rules 24.2 and 24.3, the Committee may from time to time amend the Rules, including (but without limitation):

- for the purposes of establishing a sub-plan for the benefit of employees located overseas;
- to permit the delivery and award of shares at the date of grant subject to restrictions; or
- to permit the imposition (or extension) after the date of award but during the Vesting Period of a Holding Period in respect of Scheme Shares to be delivered as part of an Annual Award or Initial KIP Award under the Scheme.

24.2 Amendments to Scheme

Without the prior approval of the Company in general meeting, an amendment may not be made for the benefit of existing or future Award Holders to the Rules relating to:

- the basis for determining an Eligible Employee's entitlement (or otherwise) to be made an Annual Award or Initial KIP Award and/or to acquire Scheme Shares on the exercise of an Option and/or to become absolutely entitled to Scheme Shares subject to a Conditional Share Award (as the case may be) under the Scheme;
- the Maximum Annual Award Opportunity;
- the persons to whom an Annual Award or an Initial KIP Award may be made;
- the limit on the aggregate number of Scheme Shares over which Share Element awards may be made;
- the price at which Scheme Shares may be acquired under an Share Element award;
- the adjustment of Annual Awards or Initial KIP Awards on a Reorganisation;
- this Rule 24.2

except for:

- an amendment which is of a minor nature and benefits the administration of the Scheme; or
- an amendment which is of a minor nature and is necessary or desirable in order to take account of a change of legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants in the Scheme, the Company or some other Group Member.

24.3 Rights of existing Award Holders

An amendment may not adversely affect the rights of an existing Award Holder except where the Award Holder has approved the amendment.

25 Notices

25.1 Notice by Grantor

Save as provided for by law, any notice, document or other communication given by, or on behalf of, the Grantor or to any person in connection with the Scheme shall be deemed to have been duly given if delivered to him at his place of work, if he is in Relevant Employment if sent by e-mail to such e-mail address as may be specified by him from time to time, or sent through the post in a pre-paid envelope to the postal address last known to the Company to be his address and, if so sent, shall be deemed to have been duly given on the date of posting.

25.2 Notice to Grantor

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

26 ***Governing Law and Jurisdiction***

26.1 ***Scheme governed by Irish law***

The formation, existence, construction, performance, validity and all aspects whatsoever of the Scheme, any term of the Scheme and any Annual Award made under it shall be governed by Irish law.

26.2 ***Irish courts to have jurisdiction***

The Irish courts shall have jurisdiction to settle any dispute which may arise out of, or in connection with, the Scheme.

26.3 ***Jurisdiction agreement for benefit of Company***

The jurisdiction agreement contained in this Rule 26 is made for the benefit of the Company only, which accordingly retains the right to bring proceedings in any other court of competent jurisdiction.

26.4 ***Award Holder deemed to submit to such jurisdiction***

By accepting the making of an Annual Award or Initial KIP Award, an Award Holder is deemed to have agreed to submit to such jurisdiction.