

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the action you should take, you are recommended to seek your own financial advice from your stockbroker, bank manager, auditor, accountant, solicitor or other independent financial advisor duly authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your ordinary shares in RM plc, please send this document, as soon as possible, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

RM plc

(Incorporated and registered in England and Wales under the Companies Act 1948 with company number 01749877)

Notice of Annual General Meeting

140 Eastern Avenue
Milton Park
Milton
Abingdon
Oxfordshire, OX14 4SB

1 March 2019

PART 1 – LETTER FROM THE CHAIRMAN

Dear Shareholder,

2019 ANNUAL GENERAL MEETING

Set out in this letter, on pages 4 to 8, is a formal notice of the annual general meeting (the "**AGM**") of RM plc ("**RM**" or the "**Company**") to be held on Wednesday, 27 March 2019 at 11.30am at 140 Eastern Avenue, Milton Park, Abingdon, Oxfordshire, OX14 4SB. The purpose of this letter is to explain the resolutions numbered 3 to 8 which are proposed in the notice of AGM (the "**Notice**") as ordinary business, as well as resolutions 11 to 17 which are proposed in the Notice as special business.

1. Re-election of Directors (Resolutions 3 to 8)

The Board has decided that all of the directors of the Company ("**Directors**") will stand for re-election in accordance with the UK Corporate Governance Code. As such, all six Directors (John Poulter, Andy Blundell, David Brooks, Patrick Martell, Neil Martin and Deena Mattar) are retiring and offering themselves for re-election. Biographical details for each of these Directors are contained in the Company's 2018 Annual Report and Financial Statements.

Andy Blundell was appointed as a Non-Executive Director on 25 May 2017 and was elected by shareholders in March 2018. Patrick Martell was appointed as a Non-Executive Director on 1 January 2014 and was elected by shareholders in March 2014. Deena Mattar was appointed as a Non-Executive Director on 1 June 2011 and was elected by shareholders in March 2012. Each of these Directors' appointment is governed by a fixed-term letter of appointment.

The Board believes that the contribution and commitment of each of Andy Blundell, Patrick Martell and Deena Mattar as Non-Executive Directors is beneficial to the Company. As Chairman, I confirm that their performances are effective and demonstrate their commitment to their roles.

David Brooks is an Executive Director and was appointed Chief Executive Officer on 1 March 2013. Neil Martin is an Executive Director and was appointed Chief Financial Officer on 28 September 2015.

2. Directors' remuneration report (Resolution 11)

Resolution 11 is to seek the approval of the Directors' Remuneration Report (other than the part containing the Directors' Remuneration Policy) for the financial year ended 30 November 2018. The report is set out in the 2018 Annual Report and Financial Statements. The resolution is advisory in nature and no individual Director's remuneration is dependent on it.

3. Issues and repurchases of ordinary shares (Resolutions 12 to 15)

The Notice includes an ordinary resolution renewing the Directors' authority to allot shares, two special resolutions dis-applying shareholders' pre-emption rights to a limited extent and a special resolution authorising the Company to make market purchases of its shares.

Resolution 12 renews the authority granted to the Directors to allot new ordinary shares in accordance with section 551 of the Companies Act 2006 (the "**Act**") up to a nominal amount of £639,047, being one-third of the issued ordinary share capital of the Company as at 27 February 2019 (being the latest practicable date prior to the publication of this document).

Resolution 13 renews the Directors' authority in accordance with section 561 of the Act to allot further ordinary shares for cash without first being required to offer such shares to existing shareholders. If approved, the resolution will authorise the Directors to issue ordinary shares for cash in connection with a rights issue or open offer and otherwise to issue ordinary shares for cash, including the sale on a non pre-emptive basis of treasury shares for cash, up to a maximum nominal amount of £95,857, being equal to 5 per cent of the nominal value of the Company's issued ordinary share capital as at 27 February 2019 (being the latest practicable date prior to the publication of this document). The Directors do not intend to issue more than 7.5 per cent of the issued ordinary share capital of the Company for cash on a non pre-emptive basis in any rolling three year period without prior consultation with the shareholders, the Investment Association and the Pensions and Lifetime Savings Association.

Resolution 14 authorises the Directors to allot further ordinary shares for cash in connection with acquisitions or other specified capital investments which are announced contemporaneously with the allotment, or which have taken place in the preceding six month period and are disclosed in the announcement of the allotment. This authority, which is being sought in accordance with the Pre-Emption Group's Statement of Principles, is limited to a maximum nominal amount of £95,857, being equal to 5 per cent of the nominal value of the Company's issued ordinary share capital as at 27 February 2019 (being the latest practicable date prior to the publication of this document).

Resolution 15 renews the Directors' authority to make market purchases of up to 10 per cent of the Company's issued ordinary shares. The Board believes that it would be appropriate to have the option to use a proportion of the Company's cash resources to make market repurchases of ordinary shares. The minimum price which may be paid for each share is the nominal value and the maximum price which may be paid for each share is an amount equal to the higher of 5 per cent above the average of the middle market quotations of the Company's ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased and the amount stipulated by Article 5(6) of the Market Abuse Regulation (596/2014/EU).

Each of these authorities will expire on the date of the next annual general meeting of the Company or on 31 May 2020, whichever is the earlier.

The Company will only exercise the authority granted by the proposed resolution 15 where the Board reasonably believes that repurchasing its ordinary shares will increase earnings per share of the ordinary shares in issue after the purchase and, accordingly, is in the best interests of shareholders generally. Any ordinary shares purchased by the Company pursuant to the authority conferred by resolution 15 will either be cancelled and the number of shares reduced accordingly or, if the Directors think fit, they may be held as treasury shares.

As at 27 February 2019 (being the latest practicable date prior to the publication of this document), there are no warrants, or outstanding options, to subscribe for shares in the capital of the Company outstanding and no treasury shares in issue.

4. Notice of general meetings (Resolution 16)

Resolution 16 seeks approval, subject to the Company's Articles of Association, for the Company to call general meetings (other than annual general meetings) on 14 clear days' notice. The notice period required by the Act for general meetings of the Company is 21 days unless shareholders approve a shorter notice period, which cannot, however, be less than 14 clear days. Annual general meetings will continue to be held on at least 21 clear days' notice. Resolution 16 seeks the approval required by the Act, which will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed. In order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting. The flexibility offered by resolution 16 will be used when, taking into account the circumstances, the Directors consider this appropriate in relation to the business of the meeting and in the interests of the Company and the shareholders as a whole.

5. New RM plc Performance Share Plan 2019 (Resolution 17)

Resolution 17 is to authorise the adoption of the RM plc Performance Share Plan 2019 (the "**2019 PSP**").

The 2019 PSP replaces the Company's existing performance share plan that will lapse in January 2020 (the "**Old PSP**"). Shareholder approval is being sought for the 2019 PSP at the AGM to ensure that the Company has the

appropriate share incentives and that they operate consistently with the revised remuneration policy. No new awards will be made under the Old PSP after the date of the AGM, provided shareholder approval is obtained for the 2019 PSP.

The 2019 PSP reflects the Directors' remuneration policy as set out in the Directors' remuneration report. The principal terms of the 2019 PSP are set out in the Appendix to this document on pages 9 to 11.

The rules of the 2019 PSP will be available for inspection during normal business hours on Monday to Friday (excluding bank holidays) at the Company's registered office and at the offices of Osborne Clarke LLP at One London Wall, London, EC2Y 5EB from the date of this document until the close of the AGM and at the place of the AGM for at least 15 minutes before the AGM and during the AGM.

Action to be taken

You will not receive a hard copy form of proxy for the 2019 AGM in the post. Instead, you will be able to vote electronically using the link www.signalshares.com. You will need to log into your Signal Shares account, or register if you have not previously done so. To register you will need your Investor Code, which is detailed on your share certificate or available from the Company's Registrar, Link Asset Services (previously called Capita).

Voting by proxy prior to the AGM does not affect your right to attend the AGM and vote in person should you so wish. Proxy votes must be received no later than 11.30am on Monday 25 March 2019

You may request a hard copy form of proxy directly from the Company's Registrar, Link Asset Services (telephone: 0371 664 0391). Calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00am – 5.30pm, Monday to Friday excluding public holidays in England and Wales.

Recommendation

The Directors believe that the adoption of all the resolutions to be put to the AGM are in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that you vote in favour of all the resolutions to be proposed at the AGM, as they themselves intend to do in respect of their own beneficial shareholdings which in aggregate, as at 27 February 2019 (being the latest practicable date prior to the publication of this document), amount to a total of 673,039 ordinary shares, representing approximately 0.80 per cent of the existing issued ordinary share capital of the Company.

Yours faithfully

John Poulter
Chairman

PART 2 - NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of RM plc (the "Company") will be held at 140 Eastern Avenue, Milton Park, Abingdon, Oxfordshire, OX14 4SB on Wednesday, 27 March 2019 at 11.30am (or at any adjournment thereof) to consider and, if thought fit, pass resolutions 1 to 12, which will be proposed as ordinary resolutions of the Company, and resolutions 13 to 17, which will be proposed as special resolutions of the Company:

Ordinary resolutions

Ordinary business

1. To receive and consider the Company's financial statements, the strategic report and the reports of the Directors of the Company and the auditor of the Company for the year ended 30 November 2018.
2. To declare a final dividend for the year ended 30 November 2018 of 5.70 pence per ordinary share.
3. To re-elect John Poulter as a Director of the Company.
4. To re-elect Andy Blundell as a Director of the Company.
5. To re-elect David Brooks as a Director of the Company.
6. To re-elect Patrick Martell as a Director of the Company.
7. To re-elect Neil Martin as a Director of the Company.
8. To re-elect Deena Mattar as a Director of the Company.
9. To re-appoint KPMG LLP as auditor of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
10. To authorise the Directors to determine the remuneration of the auditor.

Special business

11. To approve the Remuneration Report contained in the Company's Annual Report and Financial Statements for the year ended 30 November 2018 (other than the part containing the Directors' Remuneration Policy).
12. That:
 - (a) the Directors be generally and unconditionally authorised, in accordance with section 551 of the Companies Act 2006 (the "**Act**"), to exercise all powers of the Company to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company up to an aggregate nominal amount of £639,047;
 - (b) this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 31 May 2020;
 - (c) the Company may, before this authority expires, make an offer or agreement which would or might require shares to be allotted or rights to be granted after it expires and the Directors may allot shares or grant rights in pursuance of such offer or agreement as if this authority had not expired; and
 - (d) all previous unutilised authorities under section 551 of the Act shall cease to have effect (save to the extent that the same are exercisable pursuant to section 551(7) of the Act by reason of any offer or agreement made prior to the date of this resolution which would or might require shares to be allotted or rights to be granted on or after that date).

Special Resolutions

13. That:

(a) the Directors be given power:

(i) (subject to the passing of resolution 12), to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred on them by that resolution under section 551 of the Act; and

(ii) to allot equity securities as defined in section 560(3) of the Act (sale of treasury shares) for cash,

in either case as if section 561 of the Act did not apply to the allotment but this power shall be limited:

(A) to the allotment of equity securities in connection with an offer or issue of equity securities to or in favour of:

I. holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings; and

II. holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities;

and so that the Directors may make such exclusions or other arrangements as they consider expedient in relation to treasury shares, fractional entitlements, record dates, shares represented by depositary receipts, legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange or any other matter; and

(B) to the allotment of equity securities pursuant to the authority granted under resolution 12 and/or by virtue of section 560(3) of the Act (in each case otherwise than under sub-paragraph (A) above) up to a maximum nominal amount of £95,857;

(b) this power shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 31 May 2020;

(c) all previous unutilised authorities under sections 570 and 573 of the Act shall cease to have effect; and

(d) the Company may, before this power expires, make an offer or agreement which would or might require equity securities to be allotted after it expires and the Directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.

14. That:

(a) the Directors be given power in addition to the authority granted pursuant to resolution 13:

(i) (subject to the passing of resolution 12), to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred on them by that resolution under section 551 of the Act; and

(ii) to allot equity securities as defined in section 560(3) of the Act (sale of treasury shares) for cash,

in either case as if section 561 of the Act did not apply to the allotment but this power shall be:

(A) limited to the allotment of equity securities pursuant to the authority granted under resolution 12 and/or by virtue of section 560(3) of the Act up to a maximum nominal amount of £95,857; and

(B) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice;

(b) this power shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 31 May 2020;

(c) all previous unutilised authorities under sections 570 and 573 of the Act shall cease to have effect; and

- (d) the Company may, before this power expires, make an offer or agreement which would or might require equity securities to be allotted after it expires and the Directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.
15. That, in accordance with the Act, the Company be and is hereby unconditionally and generally authorised to make market purchases (as defined in section 693 of the Act) of ordinary shares in the capital of the Company on such terms and in such manner as the Directors may determine, provided that:
- (a) the maximum number of ordinary shares which may be purchased under this authority is 8,387,501 ordinary shares of 2 2/7 pence each;
 - (b) the minimum price which may be paid for each ordinary share purchased under this authority is the nominal value thereof;
 - (c) the maximum price which may be paid for an ordinary share purchased under this authority shall be not more than the higher of an amount equal to 5 per cent above the average of the middle market quotations of an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased and the amount stipulated by Article 5(6) of the Market Abuse Regulation (596/2014/EU);
 - (d) this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution, or at close of business on 31 May 2020, whichever is earlier unless such authority is renewed prior to such time;
 - (e) the Company may make a contract or contracts to purchase ordinary shares under this authority before its expiry which will or may be executed wholly or partly after the expiry of this authority and may make a purchase of ordinary shares in pursuance of such contract; and
 - (f) all existing authorities for the Company to make market purchases of ordinary shares are revoked, except in relation to the purchase of shares under a contract or contracts concluded before the date of this resolution and which has or have not yet been executed.
16. That, subject to the Company's Articles of Association, a general meeting (other than an annual general meeting) may be called on not less than 14 clear days' notice.

Ordinary Resolution

17. That the rules of the RM plc Performance Share Plan 2019 (the "**2019 PSP**"), described in the circular of which the notice containing this resolution forms part and in the form produced in draft to the meeting and for the purposes of identification initialled by the Chairman of the meeting, be and are hereby approved and adopted and that the Directors be and are hereby authorised to do all such other acts and things as they may consider appropriate to implement the 2019 PSP.

By order of the Board

Greg Davidson
Company Secretary
1 March 2019

Registered Office: 140 Eastern Avenue
Milton Park
Milton
Abingdon
Oxfordshire
OX14 4SB

Notes:

The following notes explain your general rights as a shareholder and your right to attend and vote at the AGM or to appoint someone else to vote on your behalf.

1. To be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the number of votes they may cast), shareholders must be registered in the Register of Members of the Company at close of trading on 25 March 2019. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the AGM.
2. Shareholders, or their proxies, intending to attend the AGM in person are requested, if possible, to arrive at the venue at least 20 minutes prior to the commencement of the AGM at 11.30am GMT on 27 March 2019 so that their shareholding may be checked against the Company's Register of Members and attendances recorded.
3. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the AGM. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different ordinary share or ordinary shares held by that shareholder. A proxy need not be a shareholder of the Company.
4. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first named being the most senior).
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the AGM.
6. You can vote:
 - By logging on to www.signalshares.com and following the instructions.
 - You may request a hard copy form of proxy directly from the Company's Registrar, Link Asset Services (previously called Capita) (telephone: 0371 664 0391). Calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00am - 5.30pm, Monday to Friday excluding public holidays in England and Wales.
 - In the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.

In order for a proxy appointment to be valid, a form of proxy must be completed. In each case the form of proxy must be received by Link Asset Services at 34 Beckenham Road, Beckenham, Kent, BR3 4ZF by 11.30am on 25 March 2019.

7. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
8. The return of a completed form of proxy, electronic filing or any CREST Proxy Instruction (as described in the notes below) will not prevent a shareholder from attending the AGM and voting in person if he/she wishes to do so.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM (and any adjournment of the AGM) by using the procedures described in the CREST Manual (available from www.euroclear.com/site/public/EUI). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by 11.30am on 25 March 2019. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It

is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

12. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that no more than one corporate representative exercises powers in relation to the same shares.
13. As at 27 February 2019 (being the latest practicable business day prior to the publication of this Notice), the Company's ordinary issued share capital consists of 83,875,016 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 27 February 2019 are 83,875,016.
14. Under Section 527 of the Companies Act 2006, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's financial statements (including the Auditor's Report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual financial statements and reports were laid in accordance with Section 437 of the Companies Act 2006 (in each case) that the shareholders propose to raise at the relevant meeting. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM for the relevant financial year includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.
15. Any shareholder attending the AGM has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the AGM that the question be answered.
16. Copies of the Directors' letters of appointment and service contracts (as applicable) are available for inspection during normal business hours at the registered office of the Company on any business day from the date of this Notice until the time of the AGM and may also be inspected at the AGM venue, as specified in this Notice, from 11.30am on the day of the AGM until the conclusion of the AGM.
17. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in either this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.
18. A copy of this Notice, and other information required by Section 311A of the Companies Act 2006, can be found on the Company's website at www.rmplc.com.

Appendix

SUMMARY OF THE PRINCIPAL FEATURES OF THE RM PLC PERFORMANCE SHARE PLAN 2019 ("2019 PSP")

Eligibility

The 2019 PSP will be operated and administered by the remuneration committee of the board of directors of the Company ("**Remuneration Committee**"). The Remuneration Committee will determine who may participate in the 2019 PSP and this will extend to any employee (including an executive director) of the Company or any of the Company's subsidiaries (together the "**Group**").

Forms of Awards

Awards under the 2019 PSP may be in the form of:

- a conditional right to acquire ordinary shares in the Company ("**Shares**");
- an option (whether nil-cost or otherwise) to acquire Shares, which may include an option which satisfies the conditions of Schedule 4, Income Tax (Earnings and Pensions) Act 2003;
- restricted Shares; or
- a right to receive a cash amount which relates to the value of a certain number of notional Shares

(together the "**Awards**").

Awards in the form of an option will normally lapse on the date immediately before the tenth anniversary of the date of grant if they remain unexercised at that date.

Performance conditions

Awards for executive directors of the Company will be subject to the satisfaction of a performance condition measured over a performance period of at least three years, which will determine the proportion (if any) of the Award which will be capable of vesting. The Remuneration Committee may also set and test performance conditions which may attach to Awards not granted to executive directors of the Company.

Performance conditions may be amended or substituted if one or more events occur which cause the Remuneration Committee to consider that an amended or substituted performance condition would be more appropriate. Any amended or substituted performance condition that relates to Awards granted to executive directors of the Company would not be materially less difficult to satisfy than the original condition was intended to be.

The performance conditions applicable to Awards granted to executive directors in any one year will be fully disclosed in the Company's annual report and financial statements for that year.

In relation to the testing of the performance condition and the ultimate number of Shares subject to an Award that vest, the Remuneration Committee will have the right, in its absolute discretion, to reduce (down to zero, if appropriate) the number of Shares that would vest, taking account of the performance of the Company and the contribution of the participant over the performance period.

Individual limits

Awards will not be granted to a participant under the 2019 PSP over Shares (or notional Shares in the case of cash awards) with a market value (as determined by the Remuneration Committee) in excess of 150 per cent. of salary in respect of any financial year. In practice the size of Awards may be further limited by the Directors' remuneration policy.

Grant of Awards

Awards may only be granted within the period of 42 days following the approval of the 2019 PSP by the Company's shareholders, the announcement of the Company's results for any period (whether full year results or interim results), from the date on which an individual becomes an eligible employee under the rules of the 2019 PSP or any day on which the Remuneration Committee determines that exceptional circumstances exist. If, during any such period, the Company is restricted from granting Awards, Awards may be made immediately following such restrictions ceasing to apply.

Terms of Awards

Awards may be granted over newly issued Shares, treasury Shares or Shares purchased in the market. Awards are not transferable (other than on death). No payment will be required from participants for the grant of any Awards.

Dividends

The Remuneration Committee may determine that on the vesting of an Award in the form of a conditional Share award, or on the exercise of an Award in the form of a nil-cost option, a participant shall receive an amount in cash and/or Shares equivalent to the value of some or all of the dividends (and special dividends at the discretion of the Remuneration Committee) that would have been paid on the vested Shares between the date of grant and the date of vesting.

Limits on the issue of Shares

The 2019 PSP is subject to the following overall limits:

- the number of Shares which may be issued or issuable pursuant to rights granted in any 10 year period under the 2019 PSP and under any other employees' share plan adopted by the Company may not exceed 10 per cent. of the issued ordinary share capital of the Company from time to time; and
- the number of Shares which may be issued or issuable pursuant to rights granted in any 10 year period under the 2019 PSP and under any other discretionary employees' share plan adopted by the Company may not exceed 5 per cent. of the issued ordinary share capital of the Company from time to time.

Treasury Shares will be treated as newly issued for the purpose of these limits until such time as guidelines published by leading institutional investor representative bodies determine otherwise.

The above limits may be varied by the Remuneration Committee or Board, as appropriate, to take into account any variation in the Company's share capital from time to time.

Vesting of Awards

The extent to which the performance conditions have been achieved and the level at which an Award consequently vests will normally be determined as soon as practicable after the end of any performance period (or on such later date as the Remuneration Committee determines).

In the case of executive directors, the vesting period will be a minimum period of three years.

At any time before or after the point at which an Award (which is not restricted Shares or a cash Award) has vested, but the underlying Shares have yet to be issued or transferred to the participant, the Remuneration Committee may decide to pay a participant a cash amount equal to the value of the Shares he/she would otherwise have received.

Any Shares or cash that are to be issued, transferred or paid (as appropriate) to a participant in respect of a vested Award (including a cash Award) will be issued, transferred or paid (as appropriate) within thirty days of the date of vesting or, in the case of an option, within thirty days of exercise.

Holding period

On vesting, Awards may be subject to an additional post-vesting holding period. In the case of executive directors, all Awards will be subject to a post-vesting holding period of at least two years.

Reduction for malus and clawback

The Remuneration Committee may, in its absolute discretion, determine at any time prior to the later of the first anniversary of the vesting of an Award and the completion of the next audit of the Company's accounts after the vesting of an Award to:

- reduce the number of Shares to which an Award relates;
- cancel an Award; or
- impose further conditions on an Award; or
- require the participant to transfer to the Company a number of Shares or a cash amount,

in circumstances where there has been a deliberate act of fraud which resulted in the financial statements or results for the Company being materially restated (other than restatement due to a change in accounting policy or to rectify a minor error) and such fraud resulted either directly or indirectly in that Award vesting to a greater degree than would otherwise have been the case had that fraud not occurred.

Prior to the vesting of Award, then the Committee may apply malus provisions to:

- reduce the number of Shares to which an Award relates;
- cancel an Award; or
- impose further conditions on an Award,

in the circumstances justifying clawback above or any other matters that the Remuneration Committee considers appropriate.

Cessation of employment

Where the participant ceases to be employed by any member of the Group prior to the vesting of an Award by reason of death, ill health, injury, disability, a sale of the entity that employs the participant out of the Group, redundancy or for any other reason at the Remuneration Committee's discretion (a "**Good Leaver**"), a participant's unvested Award will usually continue and the Award will vest on the normal vesting date, unless the Committee determines that the Award shall Vest on such other date as the Committee may specify at the date of cessation.

The extent to which an unvested Award will vest for a Good Leaver will be determined by: (i) the extent to which any performance condition is satisfied at the end of any performance period or, as appropriate, at the date on which the participant ceases to be employed by a Group company; and (ii) unless the Remuneration Committee decide otherwise, pro-rating to reflect the period from the start of the performance period until the date of cessation of employment.

For vested Awards subject to the holding period, a participant's Award will usually continue and be released at the end of the holding period, unless the Committee determines that the Award shall be released on such other date as the Committee may specify at the date of cessation.

Awards, whether vested or not, will lapse immediately where the participant is lawfully dismissed without notice and in all other circumstances to the extent that the Awards do not vest.

In the case of Good Leavers, Awards in the form of nil-cost options will normally be exercisable from the date the option may be exercised until the first anniversary of such date.

Corporate events

On a change of control of the Company, the number of Shares in respect of which Awards vest shall be determined by the Committee, to the extent to which any performance condition has been satisfied at the date of change of control and, unless the Remuneration Committee determines otherwise, pro-rating to reflect the period from the start of the performance period to the date of the relevant event (or such other relevant period). Where an Award is in the form of an option, this will then be exercisable for a period of one month and will then lapse.

Alternatively, the Remuneration Committee may permit or, in the case of an internal reorganisation or, if the Remuneration Committee determines, any other event, require Awards to be exchanged for equivalent awards which relate to Shares in a different company.

If other corporate events occur such as a demerger, special dividend or other event which, in the opinion of the Remuneration Committee, may affect the value of Shares to a material extent, the Remuneration Committee may determine that Awards will vest conditional on the event occurring. The number of Shares in respect of which Awards vest shall be determined by the Committee, having regard to the extent to which any performance condition has been satisfied and, unless the Remuneration Committee determines otherwise, pro-rating to reflect the period from the start of the performance period to the date of the relevant event (or such other relevant period). If the event does not occur, Awards will continue.

Rights attaching to Shares

All Shares issued or transferred under the 2019 PSP will rank *pari passu* with all other Shares of the Company for the time being in issue (save as regards any rights attaching to such Shares by reference to a record date prior to the date of issue or transfer to the participant).

Adjustments

In the event of any rights of capitalisation issue, sub-division, consolidation, reduction or other variation of the ordinary share capital, the Remuneration Committee or the Board, as appropriate, may make such adjustments as it considers appropriate to the number of Shares subject to Awards and/or, in the case of options, the price payable on the exercise of options.

Amendments and termination

The Remuneration Committee or the Board, as appropriate, may amend the 2019 PSP at any time, provided that prior approval of the Company's shareholders in a general meeting will be required for amendments to the advantage of employees relating to eligibility, limits, the basis for determining a participant's entitlement to, and the terms of, the Shares comprised in an Award and the impact of any variation of capital.

However, any minor amendment to benefit administration, or any amendment to take account of legislative changes, or to obtain or maintain favourable tax, exchange control or regulatory treatment in any jurisdiction, may be made by the Remuneration Committee or the Board, as appropriate, without shareholder approval.

No further Awards may be made under the 2019 PSP on or after the tenth anniversary of the approval by shareholders of the 2019 PSP but the rights of existing participants will not be affected by any termination.

Overseas plans

The Remuneration Committee or the Board, as appropriate, may establish such sub-plans or schedules to the 2019 PSP, modified to take account of local tax, exchange controls or securities laws if required to do so or if it is beneficial to do so in any overseas jurisdiction, provided that any Shares made available under such plans are treated as counting against the limits on individual and overall participation in the 2019 PSP.

Pension benefits

Benefits under the New Share Plans are non-pensionable.