

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other investment adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if you are not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents as soon as possible to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

NOTICE OF ANNUAL GENERAL MEETING



(Incorporated in England and Wales with registered number 09791105)

Notice of the Annual General Meeting of the Company to be held at Buchanan, 107 Cheapside, London EC2V 6DN at **10.30am** on **13 February 2018** is set out in this document. A Form of Proxy for use at the meeting is enclosed. Whether or not you intend to be present at the meeting convened by the Notice, shareholders are requested to complete and return the Form of Proxy accompanying this document in accordance with the instructions set out therein to the Company's registrars, Link Asset Services, PXS 1, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible but in any event so as to arrive no later than 10.30am on 11 February 2018. Appointment of a proxy will not prevent shareholders from attending and voting in person at the Annual General Meeting should they wish to do so.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Watkin Jones plc (the "Company") will be held at 10.30am at Buchanan, 107 Cheapside, London EC2V 6DN on 13 February 2018 for the following purposes:

Ordinary Business

To consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:

1. To receive the Company's financial statements for the year ended 30 September 2017 together with the reports of the Directors and auditor thereon.
2. To declare a final dividend of 4.4 pence per ordinary share of the Company.
3. To approve the Directors' remuneration report for the year ended 30 September 2017. (Please see note 13.)
4. To re-elect Grenville Turner as a Director of the Company.
5. To re-elect Mark Watkin Jones as a Director of the Company.
6. To re-elect Philip Byrom as a Director of the Company.
7. To re-elect Simon Laffin as a Director of the Company.
8. To re-appoint Ernst & Young LLP as the Company's auditor to hold office until the conclusion of the next Annual General Meeting of the Company at which accounts are laid.
9. To authorise the Directors to agree the remuneration of the auditor of the Company.

Special Business

10. To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution pursuant to Section 551 of the Companies Act 2006 (Act):
 - (a) to authorise the Directors generally and unconditionally to exercise all the powers of the Company to allot shares in the Company and/or grant rights to subscribe for, or convert any security into, shares in the Company up to an aggregate nominal amount of £850,811 (such amount to be reduced by the nominal amount of any equity securities allotted under paragraph (b) below in excess of £850,811); and further
 - (b) to authorise the Directors generally and unconditionally to exercise all powers of the Company to allot equity securities (within the meaning of Section 560 of the Act) in connection with a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them up to an aggregate nominal amount of £1,701,622 (such amount to be reduced by the nominal amount of any shares allotted or rights granted under sub-paragraph (a) above),
provided that these authorities replace any existing authorities to allot shares or grant rights and, unless renewed, shall expire on the earlier of the conclusion of the next Annual General Meeting of the Company and 15 months from the date of the passing of this resolution but so as to enable the Company before such date to make offers or agreements which would or might require shares to be allotted after such expiry and the Directors may allot shares in pursuance of such offer or agreement as if the authorities conferred hereby had not expired. (Please see note 15.)
11. Subject to the passing of resolution 10 above, to consider, and if thought fit, to pass the following resolution as a Special Resolution: to empower the Directors in accordance with Sections 570 to 573 of the Act, until the earlier of the conclusion of the next Annual General Meeting of the Company and 15 months from the date of the passing of this resolution, to make allotments of equity securities (as construed in accordance with Section 560 of the Act) for cash pursuant to the authorities that were conferred on the Directors by resolution 10 above or by way of sale of treasury shares as if Section 561 of the Act did not apply to any such allotment (or sale), such power being limited to the allotment of equity securities or sale of treasury shares:
 - (a) in connection with an issue or offer by way of rights in favour of holders of equity securities and of any other person entitled to participate in such issue or offering where the equity securities respectively attributable to the interests of such holders and persons are proportionate (as nearly as may be) to the respective number of equity securities held or deemed to be held by them on the record date of such allotment or are otherwise in accordance with their respective entitlements, subject only to such exclusions or other arrangements as the Directors may deem fit to deal with fractional entitlements or problems arising under the laws of any overseas territory or the requirements of any regulatory authority or any stock exchange; and
 - (b) otherwise than pursuant to paragraph (a) above, up to an aggregate nominal amount of £127,634,
save that the Company may, before expiry of those authorities, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to any such offer or agreement as if such authorities had not expired. (Please see note 16.)

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12. Subject to the passing of resolution 10 above, to consider, and if thought fit, to pass the following resolution as a Special Resolution: to empower the Directors, until the earlier of the conclusion of the next Annual General Meeting of the Company and 15 months from the date of the passing of this resolution, to make allotments of equity securities (as construed in accordance with Section 560 of the Act) for cash pursuant to the authorities that were conferred on the Directors by resolution 10 above or by way of sale of treasury shares as if Section 561 of the Act did not apply to any such allotment (or sale), such power being limited to the allotment of equity securities or sale of treasury shares:
- (a) up to an aggregate nominal amount of £127,634; and
 - (b) used for the purposes of financing (or refinancing, if such refinancing occurs within six months of the original transaction) a transaction which the Directors determine 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, save that the Company may, before expiry of those authorities, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to any such offer or agreement as if such authorities had not expired. (Please see note 16.)
13. To consider and, if thought fit, to pass the following resolution as a Special Resolution: that the Company be and is hereby generally and unconditionally authorised for the purposes of Section 701 of the Act to make one or more market purchases (as defined in Section 693(4) of the Act) of ordinary shares of £0.01 each in the capital of the Company upon such terms and in such manner as the Directors of the Company shall determine provided that:
- (a) the maximum number of ordinary shares hereby authorised to be purchased is 25,526,887 (representing approximately 10% of the Company's issued ordinary share capital at the date of the Notice of this meeting);
 - (b) the minimum price (excluding expenses) which may be paid for an ordinary share is £0.01 per share being the nominal amount thereof;
 - (c) the maximum price (excluding expenses) which may be paid for each ordinary share shall be the higher of (i) 5% above the average of the middle market quotation of an ordinary share of the Company taken from the AIM Appendix of the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which the purchase is made and (ii) the higher of the price of the last independent trade on the trading venues where the purchase is carried out and the highest current independent bid on the trading venues where the purchase is carried out;
 - (d) the authority hereby conferred shall (unless previously renewed or revoked) expire on the earlier of the conclusion of the next Annual General Meeting of the Company and the date which is 15 months after the date on which this resolution is passed; and
 - (e) the Company may make a contract or contracts to purchase ordinary shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of ordinary shares in pursuance of any such contract or contracts as if the authority conferred hereby had not expired. (Please see note 17.)
14. To consider and, if thought fit, to pass the following resolution as a Special Resolution: that a general meeting of the Company, other than an annual general meeting, may be called on not less than 14 clear days' notice. (Please see note 19.)
15. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution: that the Directors be authorised to adopt and establish the Watkin Jones Long Term Incentive Plan 2018, the principal terms of which are summarised in the Appendix to this notice of meeting, and to do all such acts and things which they may consider necessary or desirable to establish and carry it into effect. (Please see note 20.)

By order of the Board

Philip Byrom

Company Secretary

19 January 2018

Registered Office:

21-22 Llandygai Industrial Estate

Llandygai

Bangor

Gwynedd

LL57 4YH

Registered in England and Wales

Number: 09791105

NOTICE OF ANNUAL GENERAL MEETING

continued

Notes

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the time by which a person must be entered in the register of members in order to have the right to attend or vote at the Annual General Meeting is 6.00pm on 11 February 2018. If the meeting is adjourned, the time by which a person must be entered on the register of members in order to have the right to attend or vote at the adjourned meeting is 6.00pm on the day which is two working days prior to the adjourned meeting. Changes to entries on the register of members after the relevant time will be disregarded in determining the rights of any person to attend or vote at the meeting.
2. A member entitled to attend and vote at this meeting is entitled to appoint one or more proxies to exercise all or any of such member's rights to attend, speak and vote on behalf of the member at the Annual General Meeting. A proxy need not be a member of the Company. To be valid a proxy form must be lodged with the Company's registrars, Link Asset Services, not later than 48 hours before the time fixed for the meeting. The appointment of a proxy does not preclude a member from attending the meeting and voting in person, in which case any votes of the proxy will be superseded. Members may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. Members may not appoint more than one proxy to exercise rights attached to any one share.
3. A person to whom this notice is sent who is a person nominated under Section 146 of the Act to enjoy information rights (a Nominated Person) may, under an agreement between himself/herself and the shareholder by whom he/she was nominated, have the right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/ she may under any such agreement have a right to give instructions to the shareholder as to the exercise of voting rights. The statements of the rights of shareholders in relation to the appointment of proxies in note 2 above do not apply to Nominated Persons. The rights described in that note may only be exercised by shareholders of the Company.
4. Any corporate member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
5. Under Section 319A of the Act, a member attending the meeting has the right to ask questions in relation to the business of the meeting. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information (ii) the answer has already been given on a website in the form of an answer to a question or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
6. Copies of the contracts of service between the Directors and the Company and the letters of appointment of the Non-Executive Directors are available for inspection at the registered office of the Company during usual business hours on each business day and will be available for inspection at Buchanan, 107 Cheapside, London EC2V 6DN for 15 minutes prior to and during the Annual General Meeting.
7. As at 18 January 2018, being the last business day prior to the publication of this notice, the Company's issued share capital consisted of 255,268,875 ordinary shares carrying one vote each. The total voting rights in the Company as at 18 January 2018 are therefore 255,268,875.
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST Sponsored Members, and those CREST members who have appointed a voting 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.
9. In order for a proxy appointment or instruction made using the CREST service 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 instruction, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Link Asset Services (ID RA10) by 10.30am on 11 February 2018. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which Link Asset Services is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
10. 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, 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 service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
11. 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. A copy of this notice and other information required by Section 311A of the Act can be found on the Company's website www.watkinjonesplc.com.
13. Unlike companies which are listed on the Main Market of the London Stock Exchange, the Company, as an AIM listed company, is not required to present the Directors' remuneration report to its shareholders under section 439 of the Act. However, the Directors consider it best practice to put the Directors' remuneration report for the year ended 30 September 2017 to its shareholders for approval. The vote is advisory – so the contents of the Directors' remuneration report will not change whether or not the vote is passed.
14. In accordance with the UK Corporate Governance Code, all the Directors will retire and submit themselves for re-election at this Annual General Meeting. Biographies of each of the Directors can be found in the Governance section of the annual report for 2017, together with the Company's website www.watkinjonesplc.com/about-us/our-board-of-directors. Following completion of the Company's annual evaluation of the Directors, it is the view of the Board that both the executive and Non-Executive Directors continue to perform effectively and that it is appropriate for them to continue to serve as Directors of the Company. The Board accordingly supports the re-election of the Directors submitting themselves for re-election.
15. Directors' authority to allot securities. Section 551 of the Act: Ordinary Resolution 10 will, if approved, authorise the Directors to (i) allot shares with an aggregate nominal amount of up to £850,811 (representing 33.33% of the issued share capital at the date of this notice), such amount to be reduced by any shares allotted or rights granted under sub-paragraph (b) of the resolution in excess of £850,811; and (ii) allot shares with an aggregate nominal amount of up to £1,701,622 (representing 66.66% of the issued share capital at the date of this notice), such amount to be reduced by any shares allotted or rights granted under sub-paragraph (a) of the resolution, in connection with a rights issue in favour of ordinary shareholders; in each case for a period of 15 months or, if earlier, until the end of the next Annual General Meeting. These authorities succeed those previously granted. The Directors have no current intention to allot shares except in connection with employee share incentive schemes. However, it is considered prudent to maintain the flexibility that these authorities provide. If they do exercise these authorities, the Directors intend to follow best practice as regards their use as recommended by The Investment Association.
16. Disapplication of pre-emption rights. Under Section 561(1) of the Act, Special Resolutions 11 and 12 will, if approved, disapply the statutory pre-emption rights and enable the Directors to allot shares for cash or sell treasury shares for cash up to a maximum aggregate nominal value of £255,268 (which represents approximately 10% of the Company's issued share capital as at the date of the Notice of this Meeting). The powers proposed under Resolution 11 will be limited to allotments or sales (i) within the authorities granted pursuant to Resolution 10 and (ii) in any other case, up to an aggregate nominal amount of £127,634 (which represents approximately 5% of the Company's issued share capital as at the date of the Notice of this Meeting).
- The powers proposed under Resolution 12 will be limited to allotments or sales (i) up to an aggregate nominal amount of £127,634 (which represents approximately 5% of the Company's issued share capital as at the date of the Notice of this Meeting) and (ii) used only for the purposes of financing (or refinancing, if such refinancing occurs within six months of the original transaction) a transaction which the Directors determine 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. There are no present plans to exercise these authorities and, in accordance with the guidelines issued by the Pre-emption Group, the Directors do not expect to allot shares for cash on a non-pre-emptive basis pursuant to the authorities in Resolutions 11 and 12: (i) in excess of an amount equal to 5% of the issued share capital of the Company; or (ii) in excess of an amount equal to 7.5% of the issued share capital of the Company within a rolling three-year period, without prior consultation with the Company's shareholders, the investment committees of The Investment Association and the Pensions and Lifetime Savings Association, in each case other than in connection with an acquisition or specified capital investment which is announced contemporaneously with the issue or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment. If given, these authorities will expire at the earlier of the end of the next Annual General Meeting and 15 months from the passing of the resolutions. The existing pre-emption powers will expire at the end of this year's Annual General Meeting and the Directors intend to renew this authority annually.

NOTICE OF ANNUAL GENERAL MEETING

continued

Notes continued

17. Authority to purchase own shares. Resolution 13 seeks authority for the Company to make market purchases of up to 10% of its own ordinary shares. The existing power to this effect will expire at the end of this year's Annual General Meeting. The ordinary shares purchased pursuant to this Special Resolution will be either cancelled on buy-back or held in treasury. The Directors only intend to exercise this power if they believe that it would increase earnings per share and would be in the best interests of shareholders generally, or in the case of creation of treasury shares, that to do so would be in the interests of shareholders generally.
18. On the date of this Notice, there are no options to subscribe for ordinary shares in the Company nor does the Company currently hold any shares as treasury shares.
19. Notice of general meetings. The notice period required by the Act for general meetings of traded companies is 21 days unless shareholders approve a shorter notice period, which cannot, however, be less than 14 clear days. The Company is not a traded company for the purposes of the Act but is choosing to put Resolution 14 to Shareholders to comply with best practice and the UK Corporate Governance Code. Annual General Meetings will continue to be held on at least 21 clear days' notice.
- The authority granted by Resolution 14, if passed, will be effective until the Company's next Annual General Meeting, when it is intended that a similar resolution will be proposed. The shorter notice period afforded by Resolution 14 would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole. It is the Directors' intention not to call a meeting on less than 14 working days' notice unless there is a need for urgency.
20. Long Term Incentive Plan. Resolution 15 seeks approval to introduce and operate the Watkin Jones Long Term Incentive Plan ("LTIP") for a period of 10 years from the 2018 AGM. Following a review of senior executive remuneration quantum and structure, the Remuneration Committee feels that it is appropriate to introduce a new long-term incentive arrangement with the primary objective of incentivising the management team to continue to grow earnings and deliver shareholder returns, and therefore ensure that they are appropriately aligned to our shareholders.
- A summary of the principal terms of the LTIP is set out in the Appendix to this notice.
21. Under Section 338 and Section 338A of the Companies Act 2006, members meeting the threshold requirements in those sections have the right to require the Company (i) to give, to members of the Company entitled to receive notice of the Annual General Meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting and/or (ii) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in the business. A resolution may properly be moved or a matter may properly be included in the business unless (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise), (b) it is defamatory of any person, or (c) it is frivolous or vexatious. Such a request may be in hard-copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the Company not later than six clear weeks before the meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.
22. The Board considers the resolutions are likely to promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that shareholders vote in favour of the resolutions as they intend to do in respect of their own beneficial holdings which amount in aggregate to 11,258,791 shares representing approximately 4.4% of the existing issued ordinary share capital of the Company.

LONG TERM INCENTIVE PLAN 2018



Adopted by the Board of the Company on 12 January 2018,
subject to approval by shareholders at the Annual General Meeting to be held on 13 February 2018

The Plan is a discretionary benefit offered by Watkin Jones plc (the "Company") for the benefit of its employees. Its main purpose is to increase the interest of the employees in the Company's long term business goals and performance through share ownership. The Plan is an incentive for the employees' future performance and commitment to the goals of the Company.

Shares purchased or received under the Plan, any cash received under the Plan and any gains obtained under the Plan are not part of salary for any purpose (except to any extent required by statute).

The Plan is being offered for the first time in 2018 and the remuneration committee of the Board of the Company shall have the right to decide, in its sole discretion, whether or not further awards will be granted in the future and to which employees those awards will be granted.

The detailed rules of the Plan are set out overleaf.



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LONG TERM INCENTIVE PLAN

1. Definitions and Interpretation

1.1. In the Plan, unless the context otherwise requires:

“**AIM**” means the AIM market of the London Stock Exchange;

“**AIM Rules**” means the rules for AIM published by the London Stock Exchange, as amended from time to time;

“**Award**” means a Conditional Award or an Option;

“**Board**” means the board of directors of the Company or a duly authorised committee of the Board or a duly authorised person;

“**Clawback**” means the reduction of elements of an individual’s compensation and/or the obligation to repay amounts to a Group Member by an individual in accordance with Rule 12 (Malus and Clawback) in such manner and for such amounts as the Committee determines to be appropriate;

“**Committee**” means the remuneration committee of the Board or, on and after the occurrence of a corporate event described in Rule 11 (Takeovers and other corporate events), the remuneration committee of the Board as constituted immediately before such event occurs;

“**Company**” means Watkin Jones plc (registered in England and Wales with company number 09791105);

“**Conditional Award**” means a conditional right to acquire Shares granted under the Plan;

“**Control**” means control within the meaning of section 719 of ITEPA;

“**Dealing Restriction**” means any restriction on dealing in securities imposed by regulation, statute, order, directive or any code adopted by the Company as varied from time to time;

“**Early Vesting Date**” means the date of an event following which an Award may Vest (and in the case of an Option, be exercised) before the Normal Vesting Date, being either:

- (a) the date of cessation of employment of a Participant in the circumstances referred to in Rule 10.1 (Good leavers) and where the Committee determines that the date of cessation will be an Early Vesting Date; or
- (b) a date of notification referred to in Rule 11.1 (General offers) or Rule 11.2 (Schemes of arrangement and winding up) or the date of Vesting referred to in Rule 11.3 (Demerger and similar events);

“**Grant Date**” means the date on which an Award is granted;

“**Group Member**” means:

- (a) a Participating Company or a body corporate which is the Company’s holding company (within the meaning of section 1159 of the Companies Act 2006) or a Subsidiary of the Company’s holding company;
- (b) a body corporate which is a subsidiary undertaking (within the meaning of section 1162 of the Companies Act 2006) of a body corporate within paragraph (a) above and has been designated by the Board for this purpose; and
- (c) any other body corporate in relation to which a body corporate within paragraph (a) or (b) above is able (whether directly or indirectly) to exercise 20% or more of its equity voting rights and has been designated by the Board for this purpose;

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

“**London Stock Exchange**” means London Stock Exchange plc;

“**Malus**” means the reduction or forfeiture of an Award prior to its Vesting in accordance with Rule 12 (Malus and Clawback) in such manner and for such amounts as the Committee determines to be appropriate;

“**Normal Vesting Date**” means the third anniversary of the Grant Date, or such other date specified by the Committee at the Grant Date as the normal vesting date;

“**Option**” means a right to acquire Shares granted under the Plan;

“**Option Price**” means the amount, if any, payable in order to exercise an Option, subject to adjustment under Rule 13 (Adjustment of Awards);

“**Participant**” means a person who holds an Award including his personal representatives;

“**Participating Company**” means the Company or any Subsidiary of the Company;

“**Performance Condition**” means a condition related to performance which is specified by the Committee under Rule 3.1 (Terms of grant);

“**Plan**” means the Watkin Jones Long Term Incentive Plan 2018 as amended from time to time;

“**Pre-Clawback Vesting Amount**” means the sum arrived at by:

- (a) taking the lower of the value of the Vested Shares subject to an Award on:
 - (i) Vesting in the case of a Conditional Award and exercise in the case of an Option; or
 - (ii) the sale of such Shares (if any) with Shares allocated on a “first in first out” basis; or
 - (iii) the date on which it is determined by the Committee that Clawback should be operated; and
- (b) deducting any tax or social security contributions actually incurred on such Vesting, exercise and/or sale except to the extent that the Committee may require an individual to take reasonable steps to recover such tax and/or social security contributions in which case it will be added back;

“**Retirement**” means retirement as determined by the Participant’s employer (and in the case of executive directors of the Company, the Committee) provided that a Participant’s Award will only Vest if he confirms (in such form as prescribed by the Company) prior to Vesting that he remains so retired and if the former employee fails to provide such confirmation, the Committee may determine that his Award shall lapse immediately;

“**Rule**” means a rule of the Plan;

“**Shares**” means fully paid ordinary shares in the capital of the Company;

“**Subsidiary**” means a body corporate which is a subsidiary (within the meaning of section 1159 of the Companies Act 2006);

LONG TERM INCENTIVE PLAN

continued

1. Definitions and Interpretation *continued*

“**Tax Liability**” means any amount of tax or social security contributions for which a Participant would or may be liable and for which any Group Member (including a former Group Member) would or may be obliged to (or would or may suffer a disadvantage if it were not to) account to any relevant authority;

“**Vest**” means in relation to any Award, there being a determination that any applicable Performance Conditions have been achieved to any extent and either:

- (a) the Normal Vesting Date for that Award has passed; or
- (b) the Award being subject to an Early Vesting Date which has passed.

and “**Vesting**” and “**Vested**” shall be construed accordingly; and

“**Vested Shares**” means those Shares in respect of which an Award Vests.

- 1.2 Any reference in the Plan to any enactment includes a reference to that enactment as from time to time modified, extended or re-enacted.
- 1.3 The singular includes references to the plural and vice versa. Words denoting the masculine gender shall include the feminine.
- 1.4 Expressions in italics and headings are for guidance only and do not form part of the Plan.

2. Eligibility

An individual is eligible to be granted an Award only if he is an employee (including an executive director) of a Participating Company. For the avoidance of doubt a non-executive director of the Company will not be eligible to be granted an Award.

3. Grant of Awards

3.1 Terms of grant

Subject to Rule 3.6 (Timing of grant), Rule 3.7 (Approvals and consents) and Rule 4 (Limits), the Committee may resolve to grant an Award:

- (a) on the terms set out in the Plan; and
- (b) subject to such additional terms (whether a Performance Condition and/or any other terms) as the Committee may specify to any person who is eligible to be granted an Award under Rule 2 (Eligibility), provided that Awards granted to an executive director of the Company shall be subject to a Performance Condition. For the avoidance of doubt, Awards granted to an employee that is not an executive director of the Company may be granted without a Performance Condition.

3.2 Type of Award

On or before the Grant Date, the Committee shall determine whether an Award will be a Conditional Award or an Option. If the Committee does not specify the type of an Award on or before the Grant Date then an Award will be an Option with an Option Price equal to the aggregate nominal value of the Shares subject to the Option.

3.3 Method of grant

An Award shall be granted as follows:

- (a) by deed executed by the Company; and
- (b) in the case of an Option, the Committee shall, subject to Rule 3.2 (Type of Award), determine the Option Price (if any) on or before the Grant Date provided that the Committee may reduce or waive such Option Price on or prior to the exercise of the Option.

No amount shall be paid by an individual for the grant of an Award.

3.4 Dividend Equivalent

- (a) Subject to Rules 3.4(b) and 3.4(c), the number of Shares comprised in an Award shall increase by such number of additional Shares as could have been acquired at the closing mid-market price on each relevant ex-dividend date with the dividends (net of any tax credits) which would have been paid on the Shares comprised in that Award which become Vested Shares (and as increased with assumed re-investment of amounts pursuant to this Rule 3.4) in respect of any ex-dividend dates falling within the period from the Grant Date to the Normal Vesting Date for that Award. Where an Award vests at an Early Vesting Date, no further accrual of dividend equivalents under this Rule 3.4 will occur after such Early Vesting Date. The Committee may exclude from this calculation any special dividend in respect of which an Award Vests in accordance with Rule 11.3 (Demerger and similar events) or an adjustment is made under Rule 13 (Adjustment of Awards).
- (b) The Committee may decide at any time that in lieu of the number of additional Shares calculated under Rule 3.4(a), when a Participant acquires Vested Shares pursuant to the Plan the Participant will instead be paid the cash value of the number of additional Shares calculated pursuant to Rule 3.4(a) with such cash value calculated on such reasonable basis as the Committee determines and paid subject to any withholding for any Tax Liability.
- (c) The Committee may, however, at any time prior to the Normal Vesting Date determine that the provisions of this Rule 3.4 will not apply to some or all of the Awards granted on any particular Grant Date.

3.5 Method of satisfying Awards

Unless specified to the contrary by the Committee on the Grant Date, an Award may be satisfied:

- (a) by the issue of new Shares; and/or
- (b) by the transfer of treasury Shares; and/or
- (c) by the transfer of Shares (other than the transfer of treasury Shares).

The Committee may decide to change the way in which it is intended that an Award may be satisfied after it has been granted, having regard to the provisions of Rule 4 (Limits).

3.6 Timing of grant

Subject to Rule 3.7 (Approvals and consents), an Award may only be granted

- (a) in the 6 weeks beginning with:
 - (i) the dealing day immediately following the date on which the Company announces its results for any period;
 - (ii) the dealing day immediately following any annual general meeting of the Company;
 - (iii) the dealing day following the lifting of any Dealing Restrictions that prevented the grant of Awards pursuant to Rules 3.6(a)(i) and/or 3.6(a)(ii); or
- (b) at any other time when the Committee considers that circumstances are sufficiently exceptional to justify its grant but an Award may not be granted after the expiry of the period of 10 years beginning with the date of the adoption of the Plan.

3.7 Approvals and consents

The grant of any Award shall be subject to obtaining any approval or consent required under the AIM Rules, any relevant share dealing code of the Company, the City Code on Takeovers and Mergers, or any other UK or overseas regulation or enactment.

3.8 Non-transferability and bankruptcy

An Award granted to any person:

- (a) shall not be transferred, assigned, charged or otherwise disposed of by him (except on his death to his personal representatives) and any attempt to do so shall result in its lapse; and
- (b) shall lapse immediately if he is declared bankrupt.

4. Limits

4.1 10 per cent. in 10 years limit

An Award shall not be granted if, at the time of its proposed Grant Date, it would cause the number of Shares allocated (as defined in Rule 4.2) in the immediately preceding 10 year period, under the Plan and under any other employee share plan adopted by the Company, to exceed such number as represents 10 per cent. of the ordinary share capital of the Company in issue at that time.

4.2 Meaning of "allocated"

For the purposes of Rule 4.1:

- (a) Shares are allocated:
 - (i) when an option, award or other contractual right to acquire unissued Shares or treasury Shares is granted;
 - (ii) where Shares are issued or treasury Shares are transferred otherwise than pursuant to an option, award or other contractual right to acquire Shares, when those Shares are issued or treasury Shares transferred;
- (b) any Shares which have been issued or which may be issued to any trustees to satisfy the exercise of any option, award or other contractual right granted under any employee share plan shall count as allocated;
- (c) for the avoidance of doubt, existing Shares other than treasury Shares that are transferred or over which options, awards or other contractual rights are granted shall not count as allocated; and
- (d) for the avoidance of doubt, any option, award or other contractual right to acquire unissued Shares or treasury Shares, granted prior to or immediately after the admission of Shares to AIM shall not count as allocated.

4.3 Post-grant events affecting numbers of "allocated" Shares

For the purposes of Rule 4.1:

- (a) where:
 - (i) any option, award or other contractual right to acquire unissued Shares or treasury Shares is released or lapses (whether in whole or in part); or
 - (ii) after the grant of an option, award or other contractual right the Committee determines that:
 - (aa) where an amount is normally payable on its exercise it shall be satisfied without such payment but instead by the issue of Shares and/or the transfer of treasury Shares and/or the payment of cash equal to the gain made on its exercise; or
 - (bb) it shall be satisfied by the transfer of existing Shares (other than Shares transferred out of treasury) and/ or by settlement in cash

the unissued Shares or treasury Shares which consequently cease to be subject to the option, award or other contractual right from time to time or absolutely (as appropriate) shall not count as allocated; and

- (b) the number of Shares allocated in respect of an option, award or other contractual right shall be such number as the Board shall reasonably determine from time to time.

LONG TERM INCENTIVE PLAN

continued

4. Limits continued

4.4 Changes to investor guidelines

Treasury Shares shall cease to count as allocated Shares for the purposes of Rule 4.1 if institutional investor guidelines cease to require such Shares to be so counted.

4.5 Individual limit

The maximum total market value of Shares (calculated as set out in this Rule 4.5) over which Awards may be granted to any employee (including an executive director) during any financial year of the Company is 200% of his salary (as defined in this Rule 4.5).

For the purpose of this Rule 4.5:

- (i) an employee's salary shall be taken to be his base salary (excluding benefits in kind), expressed as an annual rate payable by the Participating Companies to him on the Grant Date (or such earlier date as the Committee shall determine). Where a payment of salary is made in a currency other than sterling, the payment shall be treated as equal to the equivalent amount of sterling determined by using any rate of exchange which the Committee may reasonably select; and
- (ii) the market value of the Shares over which an Award is granted shall, unless the Committee determines otherwise, be taken to be an amount equal to the closing middle-market quotation of such Shares (as derived from AIM) on the dealing day before the Grant Date or, if the Committee so determines, the average of the closing middle market quotations during a period determined by the Committee not exceeding the 5 dealing days ending with the dealing day before the Grant Date provided such dealing day(s) do not fall within any period when dealings in Shares are prohibited under any Dealing Restrictions.

Where the Committee cannot grant or considers it inappropriate to grant an Award to a particular employee during any financial year of the Company as a result of any Dealing Restrictions, the maximum total value of Shares (calculated as set out in this Rule 4.5) over which Awards may be granted to that employee may be carried forward and granted to that employee on the next occasion on which the Committee decides to grant an Award.

4.6 Effect of limits

Any Award shall be limited and take effect so that the limits in this Rule 4 are complied with.

4.7 Restriction on use of unissued Shares and treasury Shares

No Shares may be issued or treasury Shares transferred to satisfy the Vesting or exercise of any Award to the extent that such issue or transfer would cause the number of Shares allocated (as defined in Rule 4.2 and adjusted under Rule 4.3) to exceed the limit in Rule 4.1 (10 per cent. in 10 years limit).

5. Determination of Performance Condition

5.1 Timing of Vesting

Subject to Rule 5.2 (Extent of Vesting), Rule 5.3 (Restrictions on Vesting; regulatory and tax issues), Rule 5.6 (Suspension or investigation for a disciplinary matter) and Rule 12 (Malus and Clawback) an Award will Vest on the later of:

- (a) the date on which the Committee determines whether or not any applicable Performance Condition and any other condition imposed on the Vesting of the Award has been satisfied (in whole or in part); and
- (b) the Normal Vesting Date

except where earlier Vesting occurs on an Early Vesting Date under Rule 10 (Leavers) or Rule 11 (Takeovers and other corporate events).

5.2 Extent of Vesting

The Shares subject to an Award will only become Vested Shares to the extent:

- (a) that any applicable Performance Condition is confirmed by the Committee as having been satisfied on or before the Normal Vesting Date or, if appropriate, the Early Vesting Date;
- (b) as permitted by any other term imposed on the Vesting of the Award; and
- (c) in relation to Vesting at an Early Vesting Date, as permitted by Rules 10.4 or 11.5 (Reduction in number of Vested Shares).

Where, under Rule 10 (Leavers) or Rule 11 (Takeovers and other corporate events), a Performance Condition is to be determined before the end of the full period over which performance would be measured under the Performance Condition then, unless provided to the contrary by the Performance Condition, the extent to which the Performance Condition has been satisfied in such circumstances shall be determined by the Committee on such reasonable basis as it decides.

5.3 Restrictions on Vesting: regulatory and tax issues

An Award shall not Vest unless and until the following conditions are satisfied:

- (a) the Vesting of the Award, and the issue or transfer of Shares after such Vesting, would be lawful in all relevant jurisdictions and in compliance with the AIM Rules, any Dealing Restrictions and any other relevant UK or overseas regulation or enactment;
- (b) if, on the Vesting of the Award, a Tax Liability would arise by virtue of such Vesting then the Participant must have entered into arrangements acceptable to the Company that the relevant Group Member will receive the amount of such Tax Liability (whether pursuant to Rule 5.5 (Payment of Tax Liability) or otherwise);
- (c) the Participant has entered into such arrangements as the Committee requires (and where permitted in the relevant jurisdiction) to satisfy a Group Member's liability to social security contributions in respect of the Vesting of the Award;
- (d) where the Committee requires, the Participant has entered into, or agreed to enter into, a valid election under Part 7 of ITEPA (Employment income: elections to disapply tax charge on restricted securities) or any similar arrangement in any overseas jurisdiction; and
- (e) where the Committee requires, the Participant confirms before the Vesting of the Award that he remains bound by the provisions of Rule 12 (Malus and Clawback).

5.4 Tax Liability before Vesting

If a Participant will, or is likely to, incur any Tax Liability before the Vesting of an Award then that Participant must enter into arrangements acceptable to any relevant Group Member to ensure that it receives the amount of such Tax Liability. If no such arrangement is made then the Participant will be deemed to have authorised the Company to sell or procure the sale of sufficient of the Shares subject to his Award on his behalf to ensure that the relevant Group Member receives the amount required to discharge the Tax Liability and the number of Shares subject to his Award shall be reduced accordingly.

5.5 Payment of Tax Liability

The Participant authorises the Company to sell or procure the sale of sufficient Vested Shares on or following the Vesting of his Award on his behalf to ensure that any relevant Group Member receives the amount required to discharge the Tax Liability which arises on Vesting, except to the extent that he agrees to fund all or part of the Tax Liability in a different manner.

5.6 Suspension or investigation for a disciplinary matter

Notwithstanding any other provision of the Plan, if, at any time before an Award Vests, a Participant is suspended for a disciplinary matter or is the subject of an investigation into a disciplinary matter then the Committee in its absolute discretion, following consultation with the relevant Group Member, may determine that the Vesting of any Award held by the Participant shall be suspended until such time as the Committee lifts such suspension and exercises its discretion to Vest the Award or otherwise reduce the Award (to nil if the Committee considers that to be appropriate).

5.7 Delivery of net number of Shares

The Company may, in lieu of a Participant's right to receive the full number of Shares pursuant to the Vesting of a Conditional Award or exercise of an Option determine to reduce the number of Vested Shares in respect of which that Conditional Award Vests or Option may be exercised by a number of Shares which have a value at least (in its estimation) equal to any Tax Liability of that Participant that would have arisen in connection with the Vesting of the original Conditional Award or the exercise of the original Option, so that the original Conditional Award or Option (as the case may be) becomes an entitlement to receive both the reduced number of Shares (the "Adjusted Award"), and a cash amount (the "Cash Amount") equal to the value of the number of Shares by which the Conditional Award or Option is reduced, and the Company shall then procure that the relevant Group Member applies such of the Cash Amount as is necessary in making a payment directly to the relevant tax authority to discharge the Tax Liability of such Participant that arises as a result of the Vesting of the original Conditional Award or exercise of the original Option (with any surplus cash being returned to such Participant).

This Rule 5.7 will not apply to Awards made in any jurisdiction where the presence of this Rule would cause:

- (a) the grant of the Award to be unlawful or for it to fall outside any applicable securities law exemption; or
- (b) adverse tax consequences for the relevant Participant and/or any Group Member.

6. Consequences of Vesting for Conditional Awards

On or as soon as reasonably practicable after the Vesting of a Conditional Award, the Board shall, subject to Rule 5.5 (Payment of Tax Liability) and any arrangement made under Rules 5.3(b) and/or 5.3(c) (Restrictions on Vesting: regulatory and tax issues), transfer or procure the issue or transfer of the Vested Shares to the Participant (or a nominee for him) or, if appropriate, allot to him (or a nominee for him) the number of Vested Shares.

7. Exercise of Options

7.1 Time of Exercise

An Option shall, subject to Rule 5.1 (Timing of Vesting) and Rule 7.2 (Restrictions on the exercise of an Option: regulatory and tax issues), be exercisable in respect of Vested Shares in the following periods:

- (a) beginning on the Normal Vesting Date and expiring on the day preceding the tenth anniversary of the Grant Date (or such earlier date as the Committee determines at the Grant Date) and the Option shall lapse at the end of that period unless it lapses earlier under Rule 10 (Leavers), or Rules 11.1 to 11.3 (Takeovers and other corporate events); or
- (b) if there is an Early Vesting Date, in accordance with the provisions of Rule 10.1 (Good Leavers), or Rule 10.3 (Cessation of employment after Normal Vesting Date), or Rules 11.1 to 11.3 as applicable (Takeovers and other corporate events).

7.2 Restrictions on the exercise of an Option: regulatory and tax issues

An Award which is a Vested Award in the form of an Option may not be exercised unless the following conditions are satisfied:

- (a) the exercise of the Option and the issue or transfer of Shares after such exercise would be lawful in all relevant jurisdictions and in compliance with the AIM Rules and any Dealing Restrictions and any other relevant UK or overseas regulation or enactment;
- (b) if, on the exercise of the Option, a Tax Liability would arise by virtue of such exercise then the Participant must have entered into arrangements acceptable to the Company that the relevant Group Member will receive the amount of such Tax Liability (whether pursuant to Rule 7.5 (Payment of Tax Liability) or otherwise);
- (c) the Participant has entered into such arrangements as the Committee requires (and where permitted in the relevant jurisdiction) to satisfy a Group Member's liability to social security contributions in respect of the exercise of the Option;
- (d) where the Committee requires, the Participant has entered into, or agreed to enter into, a valid election under Part 7 of ITEPA (Employment income: elections to disapply tax charge on restricted securities) or any similar arrangement in any overseas jurisdiction; and
- (e) where the Committee requires, the Participant confirms before the exercise of the Option that he remains bound by the provisions of Rule 12 (Malus and Clawback).

LONG TERM INCENTIVE PLAN

continued

7. Exercise of Options continued

7.3 Exercise in whole or part

An Option may be exercised in whole or part and in separate tranches unless, to facilitate the easier administration of the Plan, the Committee decides to impose a minimum number of Shares over which an Option may be exercised if it is not being exercised to the maximum extent possible and / or a maximum number of tranches in which it may be exercised.

7.4 Method of exercise

The exercise of any Option shall be effected in the form and manner prescribed by the Board. Unless the Company, acting fairly and reasonably determines otherwise, any notice of exercise shall, subject to Rule 7.2 (Restrictions on the exercise of an Option: regulatory and tax issues), take effect only when the Company receives it, together with payment of any relevant Option Price (or, if the Company so permits, an undertaking to pay that amount).

7.5 Payment of Tax Liability

The Participant authorises the Company to sell or procure the sale of sufficient Vested Shares on or following exercise of his Option on his behalf to ensure that any relevant Group Member receives the amount required to discharge the Tax Liability which arises on such exercise except to the extent that he agrees to fund all or part of the Tax Liability in a different manner.

7.6 Transfer or allotment timetable

As soon as reasonably practicable after an Option has been exercised, the Company shall, subject to Rule 7.5 (Payment of Tax Liability) and any arrangement made under Rules 7.2(b) and/or 7.2(c) (Restrictions on the exercise of an Option: regulatory and tax issues), transfer or procure the transfer to him (or a nominee for him) or, if appropriate, allot to him (or a nominee for him) the number of Shares in respect of which the Option has been exercised.

8. Cash Alternative

8.1 Committee determination

Where a Conditional Award Vests or an Option has been exercised and Vested Shares have not yet been allotted or transferred to the Participant (or his nominee), the Committee may determine that, in substitution for his right to acquire such number of Vested Shares as the Committee may decide (but in full and final satisfaction of his right to acquire those Vested Shares), he shall be paid by way of additional employment income a sum equal to the cash equivalent (as defined in Rule 8.2) of that number of Vested Shares in accordance with the following provisions of this Rule 8.

The Committee may not make any such determination under this Rule 8.1 where the power to do so would result in a Tax Liability for the Participant in relation to the Award at an earlier time than would otherwise be the case (unless the Committee determines when the Award is granted that this restriction shall not apply) nor where such power would cause the grant of the Award to be unlawful in any jurisdiction.

8.2 Cash equivalent

For the purpose of this Rule 8, the cash equivalent of a Share is:

- (a) in the case of a Conditional Award, the market value of a Share on the day when the Award Vests;
- (b) in the case of an Option, the market value of a Share on the day when the Option is exercised reduced by the Option Price (if any) in respect of that Share.

Market value on any day shall be determined as follows:

- (a) if on the date of Vesting or exercise of the Award the price for Shares is quoted on AIM, the closing middle-market quotation of a Share, as derived from that market, on the most recent dealing day before that day; or
- (b) if the price for Shares is not so quoted, such value of a Share as the Committee reasonably determines.

8.3 Payment of cash equivalent

Subject to Rule 8.4 (Share alternative), as soon as reasonably practicable after the Committee has determined under Rule 8.1 that a Participant shall be paid a sum in substitution for his right to acquire any number of Vested Shares:

- (a) the Company shall pay to him or procure the payment to him of that sum in cash; and
- (b) if he has already paid the Company for those Vested Shares, the Company shall return to him the amount so paid by him.

8.4 Share alternative

If the Committee so decides, the whole or any part of the sum payable under Rule 8.3 (Payment of cash equivalent) shall, instead of being paid to the Participant in cash, be applied on his behalf:

- (a) in subscribing for Shares at a price equal to the market value by reference to which the cash equivalent is calculated; or
- (b) in purchasing such Shares; or
- (c) partly in one way and partly in the other

and the Company shall allot or transfer to him (or his nominee) or procure the transfer to him (or his nominee) of the Shares so subscribed for or purchased.

8.5 Deductions

There shall be deducted from any payment under this Rule 8 such amounts (on account of a Tax Liability or similar liabilities) as may be required by law or as the Board may reasonably consider to be necessary or desirable.

9. Lapse of Awards

An Award will lapse:

- (a) in accordance with the Rules; or
- (b) to the extent it is no longer capable of Vesting under these Rules.

10. Leavers

10.1 Good leavers – before Normal Vesting Date

If a Participant ceases to be a director or employee of a Group Member before the Normal Vesting Date by reason of:

- (a) death;
- (b) injury, disability or ill-health (in each case evidenced to the Committee's satisfaction);
- (c) redundancy (as defined in the Employment Rights Act 1996);
- (d) Retirement;
- (e) his office or employment being with either a company which ceases to be a Group Member or relating to a business or part of a business which is transferred to a person who is not a Group Member;
- (f) for any other reason, if the Committee so decides

then:

- (i) the Award shall be retained until the Normal Vesting Date and the Committee shall apply Rule 10.4 (Leavers: reduction in number of Vested Shares) to determine the number of Vested Shares, following which it may Vest (and in the case of an Option be exercised) in respect of the number of Vested Shares so determined (subject to Rule 5.3 (Restrictions on Vesting: regulatory and tax issues)), and in the case of an Option the period for exercise will be 12 months from the Normal Vesting Date and (subject to earlier lapse under Rule 11 (Takeovers)) the Option will lapse at the end of that period; UNLESS
- (ii) the Committee decides in exceptional circumstances that the date of cessation will be an Early Vesting Date in which case Rule 10.4 (Leavers: reduction in number of Vested Shares) shall apply to determine the number of Vested Shares in respect of which the Award shall Vest and in the case of an Option may be exercised, and the period of exercise for such Option will be 12 months from the Early Vesting Date (subject to earlier lapse under Rule 11 (Takeovers)), and the Option will lapse at the end of that period.

10.2 Cessation of employment in other circumstances – before the Normal Vesting Date

If a Participant ceases to be a director or employee of a Group Member before the Normal Vesting Date for any reason other than those specified in Rule 10.1 (Good leavers) then any Award held by him shall lapse immediately on such cessation.

If an individual ceases to be a director or employee of a Group Member before the Normal Vesting Date in accordance with this Rule 10.2 but after an event mentioned in Rules 11.1 to 11.3, then (unless the reason for leaving is the individual's misconduct) the Award shall not lapse and the provisions of Rule 11 (Takeovers) shall take precedence over this Rule 10.2.

10.3 Cessation of employment after Normal Vesting Date – Vested Shares

Where a Participant ceases to be a director or employee of a Group Member after the Normal Vesting Date and he holds a Vested but unexercised Option, then subject to Rule 10.3(a) (and to earlier lapse under Rule 7.1(a) (10 year life of Options) or Rule 11 (Takeovers)) either:

- (a) if the reason for such cessation is the Participant's misconduct (as reasonably determined by the Committee), his Option shall lapse immediately on such cessation; and
- (b) in any other circumstances the Option may be exercised within 12 months of the date of such cessation, and thereafter the Option will lapse to the extent it remains unexercised.

10.4 Leavers: reduction in number of Vested Shares

Where an Award is retained by a Participant in accordance with Rule 10.1 (Good leavers) after his ceasing to be a director or employee of a Group Member, the Committee shall determine the number of Vested Shares of that Award by the following steps:

- (a) applying any Performance Condition and any other condition imposed on the Vesting of the Award; and
- (b) applying a pro rata reduction to the number of Vested Shares determined under Rule 10.4(a) based on the period of time after the Grant Date and ending on the date of cessation of employment relative to the period commencing on the Grant Date and ending on the Normal Vesting Date

UNLESS the Committee, acting fairly and reasonably, decides that the reduction in the number of Vested Shares under Rules 10.4(a) and/or 10.4(b) is inappropriate in any particular case when it shall increase the number of Vested Shares to such higher number as it decides provided that number does not exceed the number of Shares originally subject to the Award (subject to adjustment under Rule 13 (Adjustment of Awards)).

If an Award Vests under any of Rules 11.1 to 11.3 when the holder of that Award has ceased to be a director or employee of a Group Member but that individual's Award has been retained in accordance with Rule 10.1, then this Rule 10.4 shall take precedence over Rule 11.5 in applying any pro rata reductions in calculating the number of Vested Shares.

If an individual ceases to be a director or employee of a Group Member after an event mentioned in Rules 11.1 to 11.3, then Rule 11.5 shall take precedence over this Rule 10.4 in applying any pro rata reductions in calculating the number of Vested Shares.

LONG TERM INCENTIVE PLAN

continued

10. Leavers continued

10.5 Meaning of ceasing employment

- (a) Subject to Rules 10.5(b) and 10.5(c), a Participant shall be treated for the purposes of this Rule 10 as ceasing to be a director or employee of a Group Member at such time as he is no longer a director or employee of any Group Member.
- (b) The Committee may decide that a Participant shall be treated as ceasing to be a director or employee of a Group Member on such earlier date as it shall select being not earlier than the date on which a Participant gives or receives notice of termination of his employment with a Group Member (whether or not such termination is lawful) unless the reason for giving or receiving notice is one listed in Rule 10.1 (Good Leavers).
- (c) If any Participant ceases to be a director or employee of a Group Member before the Vesting of his Award in circumstances where he retains a statutory right to return to work then he shall be treated as not having ceased to be such a director or employee until such time (if at all) as he ceases to have such a right to return to work while not acting as an employee or director.

10.6 Death following cessation of employment

If a Participant dies following cessation of employment in circumstances where his Award did not lapse but it has not Vested by the time of his death, it may Vest on his death to the extent determined at the time of cessation in accordance with Rule 10.1(ii).

10.7 Delayed exercise due to Dealing Restrictions

If an unexercised Option which is Vested is not exercised by a Participant during the last 30 days prior to the expiry of the 12 month period referred to in Rules 10.1 or Rule 10.3(b) as a result of any Dealing Restrictions, the Committee may permit the Option to be retained by the Participant and to be exercised in a period of 30 days commencing on the day when the Committee determines that those Dealing Restrictions cease to apply, but to the extent that the Option is not exercised within that period, that Option shall (regardless of any other provision of the Plan) lapse at the end of that period.

11. Takeovers and Other Corporate Events

11.1 General offers

If any person (or group of persons acting in concert):

- (a) obtains Control of the Company as a result of making a general offer to acquire Shares; or
- (b) having obtained Control of the Company makes such an offer and such offer becomes unconditional in all respects the Board shall within 7 days of becoming aware of that event notify every Participant of it and, subject to Rule 11.4 (Internal reorganisations), the following provisions shall apply:
 - (i) subject to Rule 5.3 (Restrictions on Vesting: regulatory and tax issues), Awards shall Vest on the date of such notification, if they have not then Vested, and Rule 11.5 (Corporate events: reduction in number of Vested Shares) shall apply; and
 - (ii) any Option may be exercised in respect of Vested Shares within one month (or such longer period as the Board shall allow) of the date of such notification, but to the extent that an Option is not exercised within that period, that Option shall (regardless of any other provision of the Plan, other than earlier lapse under Rule 7.1(a) (10 year life of Options) or Rule 10 (Leavers)) lapse at the end of that period.

11.2 Schemes of arrangement and winding up

In the event that:

- (a) a compromise or arrangement is sanctioned by the Court under section 899 of the Companies Act 2006 in connection with or for the purposes of a change in Control of the Company; or
- (b) the Company passes a resolution for a voluntary winding up of the Company; or
- (c) an order is made for the compulsory winding up of the Company

the Board shall, as soon as practicable, notify every Participant of that event and, subject to Rule 11.4 (Internal reorganisations), the following provisions shall apply:

- (i) subject to Rule 5.3 (Restrictions on Vesting: regulatory and tax issues), all Awards shall Vest on the date of such notification if they have not then Vested and Rule 11.5 (Corporate events: reduction in number of Vested Shares) shall apply; and
- (ii) any Option may be exercised in respect of Vested Shares within one month (or such longer period as the Board shall allow) of such notification, but to the extent that an Option is not exercised within that period, that Option shall (regardless of any other provision of the Plan, other than earlier lapse under Rule 7.1(a) (10 year life of Options) or Rule 10 (Leavers)) lapse at the end of that period.

If the Board considers it appropriate in connection with a compromise or arrangement as referred to in Rule 11.2(a), it may make such arrangements as it considers appropriate for Awards to Vest and for Options to be exercised following sanction of the compromise or arrangement by the Court but before the change of Control becomes effective.

11.3 Demerger and similar events

If a demerger, special dividend or other similar event (the "Relevant Event") is proposed which, in the opinion of the Committee, would affect the market price of Shares to a material extent, then the Committee may, at its discretion, decide that the following provisions will apply:

- (a) the Committee shall, as soon as reasonably practicable after deciding to apply these provisions, notify a Participant that, subject to earlier lapse under Rule 10 (Leavers), his Award Vests and, if relevant, his Option may be exercised in relation to Vested Shares on such terms as the Committee may determine and during such period preceding the Relevant Event or conditional on the Relevant Event as the Committee may determine;
- (b) if an Award Vests, or an Option is exercised, conditional upon the Relevant Event and such event does not occur then the conditional Vesting or exercise shall not be effective and the Award shall continue to subsist; and

-
- (c) if the Committee decides that an Award Vests under this Rule 11.3 then the date of that Vesting shall be an Early Vesting Date and the provisions of Rule 11.5 (Corporate events: reduction in number of Vested Shares) shall apply.

11.4 Internal reorganisations

In the event that:

- (a) a company (the “Acquiring Company”) is expected to obtain Control of the Company as a result of an offer referred to in Rule 11.1 (General offers) or a compromise or arrangement referred to in Rule 11.2(a) (Schemes of arrangement and winding up); and
- (b) at least 75% of the shares in the Acquiring Company are expected to be held by substantially the same persons who immediately before the obtaining of Control of the Company were shareholders in the Company

then the Committee, with the consent of the Acquiring Company, may decide before the obtaining of such Control that an Award shall not Vest under Rule 11.1 or Rule 11.2 but shall be automatically surrendered in consideration for the grant of a new award which the Committee determines is equivalent to the Award it replaces except that it will be over shares in the Acquiring Company or some other company.

The Rules will apply to any new award granted under this Rule 11.4 as if references to Shares were references to shares over which the new award is granted and references to the Company were references to the company whose shares are subject to the new award.

11.5 Corporate events: reduction in number of Vested Shares

Where any of Rules 11.1 to 11.3 apply the Committee shall determine the number of Vested Shares for an Award that has not then Vested by the following steps:

- (a) applying any Performance Condition to determine the number of Vested Shares; and
- (b) by applying a pro rata reduction to the number of Vested Shares determined under Rule 11.5(a) based on the period of time after the Grant Date and ending on the Early Vesting Date relative to the period after the Grant Date and ending on the Normal Vesting Date

UNLESS the Committee, acting fairly and reasonably, decides that the reduction in the number of Vested Shares under Rule 11.5(b) is inappropriate in any particular case when it shall increase the number of Vested Shares to such higher number as it decides provided that number does not exceed the number of Vested Shares determined under Rule 11.5(a).

If an Award Vests under any of Rules 11.1 to 11.3 after the holder of that Award has ceased to be a director or employee of a Group Member then Rule 10.4 shall take precedence over this Rule 11.5 in applying any pro rata reductions in calculating the number of Vested Shares.

12. Malus and Clawback

12.1 Circumstances and period for Malus and Clawback

The Committee may decide

- i. at any time prior to the date on which an Award Vests that an unvested Award shall be subject to Malus; and/or
- ii. at any time prior to the second anniversary of the date on which an Award Vests, that the individual to whom the Award was granted (the “relevant individual”) shall be subject to Clawback,

if both:

- i. after due consideration, the Committee forms the view that one or more of the circumstances envisaged in (a) to (d) below applies; and
- ii. such Malus and/ or Clawback is, in the Committee’s opinion, appropriate.

The Committee shall not be obliged to prefer the application of Malus over Clawback or vice versa.

The circumstances which may give rise to the application of this Rule 12 are:

- (a) the relevant individual ceases to be a director or employee of a Group Member (as defined in Rule 10.5 (Meaning of ceasing employment)) as a result of misconduct on the part of that individual or it is discovered that the relevant individual committed an act which, in the reasonable opinion of the Committee, could have resulted in the summary dismissal from his employment by reason of his misconduct; or
- (b) there was a material misstatement of the Company’s or a Group Member’s financial results for any period in which the relevant individual was a Participant in the Plan; or
- (c) there are circumstances which in the Committee’s opinion have (or would have if made public) a sufficiently significant impact on the reputation of the Company or of any Group Member to justify the application of this Rule 12, and for the avoidance of doubt, such circumstances need not relate to a financial year in which the relevant individual was a Participant in the Plan. For the purposes of this Rule 12.1(c) the “relevant individual” is the individual to whom the Award was granted; or
- (d) the Committee forms the view that in assessing or calculating any Performance Condition and/or any other condition imposed on the Award such assessment or calculation was based on an error and that such error resulted either directly or indirectly in that Award Vesting to a greater degree than would have been the case had that error not been made.

12.2 Application of Malus

If the Committee decides to apply Malus, it may lapse any unvested Awards in whole or part as it considers proportionate. If the Committee concludes that there may be circumstances existing which may lead to this provision being applied, it may defer the Vesting of an Award for up to 6 months while the position is investigated and the Committee considers whether to invoke this provision.

12.3 Amount Subject to Clawback

The amount which may be subject to Clawback on any occasion will be such proportion of the Pre-Clawback Vesting Amount as the Committee considers to be fair and reasonable having regard to all the circumstances.

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continued

12. Malus and Clawback continued

12.4 Method of Clawback

In order to ensure that the Clawback is satisfied:

- (a) the Committee may reduce (including, if appropriate, reducing to zero) the amount of any incentive or bonus (if any) which would, but for the operation of this Rule 12, be payable to the relevant individual under any incentive or bonus plan operated by any Group Member; and/or
- (b) the Committee may reduce (including, if appropriate, reducing to zero):
 - (i) the extent to which any subsisting Awards held by the relevant individual Vest notwithstanding the extent to which any Performance Condition and/or any other condition imposed on such Awards has been satisfied; and/or
 - (ii) the extent to which any rights to acquire Shares granted to the relevant individual under any employees' share plan (other than the Plan and any plan with tax-advantaged status under ITEPA) operated by any Group Member vest or become exercisable notwithstanding the extent to which any conditions imposed on such rights to acquire Shares have been satisfied; and/or
 - (iii) the number of Shares subject to any Vested but unexercised Option; and/or
 - (iv) the number of Shares subject to any vested but unexercised right to acquire Shares granted to the relevant individual under any employees' share plan (other than the Plan and any plan with tax-advantaged status under ITEPA) operated by any Group Member

and any reduction made pursuant to Rule 12.4(b)(i) and/or Rule 12.4(b)(ii) shall take effect immediately prior to the Award Vesting or the right vesting or becoming exercisable (as applicable) (or at such other time as the Committee decides) and any reduction made pursuant to Rule 12.4(b)(iii) and/or Rule 12.4(b)(iv) shall take effect at such time as the Committee decides; and/or

- (c) the Committee may require the relevant individual to pay to such Group Member as the Committee may direct, and on such terms as the Committee may direct (including, but without limitation to, on terms that the relevant amount is to be deducted from the relevant individual's salary or from any other payment to be made to the relevant individual by any Group Member), such amount as is required for the Clawback to be satisfied in full.

12.5 Reduction in Awards to give effect to clawback provisions in other plans

The Committee may decide at any time to reduce the number of Shares subject to an Award (including, if appropriate, reducing to zero) to give effect to a clawback provision of any form contained in any incentive plan (other than the Plan) or an annual incentive or bonus plan operated by any Group Member. The value of the reduction shall be in accordance with the terms of the clawback provision in the relevant plan or, in the absence of any such term, on such basis as the Committee decides is appropriate.

12.6 Participant acceptance

The Participant by participating in the Plan, accepts that this Rule 12 is a fair, reasonable and not excessive means of aligning his interests with those of shareholders.

13. Adjustment of Awards

13.1 General rule

In the event of:

- (a) any variation of the share capital of the Company; or
- (b) a demerger, special dividend or other similar event which affects the market price of Shares to a material extent the Committee may make such adjustments as it considers appropriate under Rule 13.2 (Method of adjustment).

13.2 Method of adjustment

An adjustment made under this Rule 13 shall be to one or more of the following:

- (a) the number of Shares comprised in an Award;
- (b) subject to Rule 13.3 (Adjustment below nominal value), the Option Price;
- (c) where any Option has been exercised but no Shares have been transferred or allotted after such exercise, the number of Shares which may be so transferred or allotted and (if relevant) the price at which they may be acquired; and
- (d) the Performance Conditions, in accordance with Rule 14.3 (Alterations to Performance Conditions).

13.3 Adjustment below nominal value

An adjustment under Rule 13.2 may have the effect of reducing the price at which Shares may be subscribed for on the exercise of an Option to less than their nominal value, but only if and to the extent that the Board is authorised:

- (a) to capitalise from the reserves of the Company a sum equal to the amount by which the nominal value of the Shares in respect of which the Option is exercised and which are to be allotted after such exercise exceeds the price at which the Shares may be subscribed for; and
- (b) to apply that sum in paying up such amount on such Shares

so that on exercise of any Option in respect of which such a reduction shall have been made the Board shall capitalise that sum (if any) and apply it in paying up that amount.

14. Alterations

14.1 General rule on alterations

Except as described in Rule 14.2 (Alterations to disadvantage of Participants) and Rule 14.3 (Alterations to Performance Conditions) the Committee may at any time alter the Plan or the terms of any Award granted under it.

14.2 Alterations to disadvantage of Participants

No alteration to the material disadvantage of Participants shall be made under Rule 14.1 unless:

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

14.3 Alterations to Performance Conditions

The Committee may alter the Performance Condition if:

- (a) a circumstance or an event has occurred which causes the Committee to consider reasonably that it would be appropriate to alter the Performance Condition;
- (b) the altered Performance Condition will, in the reasonable opinion of the Committee, be not materially less difficult to satisfy than the unaltered Performance Condition would have been but for the event in question; and
- (c) the Committee shall act fairly and reasonably in making the alteration.

15. Miscellaneous

15.1 Employment

The rights and obligations of any individual under the terms of his office or employment with any Group Member shall not be affected by his participation in the Plan or any right which he may have to participate in it. An individual who participates in the Plan waives any and all rights to compensation or damages in consequence of the termination of his office or employment for any reason whatsoever (and whether or not such termination is lawful or unlawful) insofar as those rights arise or may arise from him ceasing to have rights under an Award as a result of such termination. Participation in the Plan shall not confer a right to continued employment upon any individual who participates in it. The grant of any Award does not imply that any further Award will be granted nor that a Participant has any right to receive any further Award.

15.2 Disputes

In the event of any dispute or disagreement as to the interpretation of the Plan, or as to any question or right arising from or relating to the Plan, the decision of the Committee shall be final and binding upon all persons.

15.3 Exercise of powers and discretions

The exercise of any power or discretion by the Committee shall not be open to question by any person and a Participant or former Participant shall have no rights in relation to the exercise or omission to exercise any such power or discretion.

15.4 Share rights

All Shares allotted under the Plan shall rank equally in all respects with Shares then in issue except for any rights attaching to such Shares by reference to a record date before the date of the allotment.

Where Vested Shares are transferred to Participants (or their nominee), Participants will be entitled to all rights attaching to such Shares by reference to a record date on or after the date of such transfer.

15.5 Notices

Any notice or other communication under or in connection with the Plan may be given:

- (a) by personal delivery or by first class post, in the case of a company to its registered office, and in the case of an individual to his last known address, or, where he is a director or employee of a Group Member, either to his last known address or to the address of the place of business at which he performs the whole or substantially the whole of the duties of his office or employment;
- (b) in an electronic communication to a person's usual business address or such other address for the time being notified for that purpose to the person giving the notice; or
- (c) by such other method as the Board determines.

In the case of service by post, the day of service will be 48 hours after posting and in the case of electronic communication the day of service will be the day of transmission by the sender.

15.6 Third parties

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

LONG TERM INCENTIVE PLAN

continued

15. Miscellaneous continued

15.7 Benefits not pensionable

Benefits provided under the Plan shall not be pensionable.

15.8 Data protection

By accepting the grant of an Award, a Participant acknowledges that the Company or any Group Member may hold, process and transfer personal data relating to them to other Group Members or to any third parties engaged by them for any and all purposes related to the operation and administration of the Plan and/or in order to meet any legal obligation, in each case in accordance with the Company's data protection protocols from time to time, and applicable law where the processing is necessary for:

- (a) the performance of the contract between the Company and the Participant under which the Participant participates in the Plan;
- (b) the Company or any Group Member to comply with its legal obligations; or
- (c) the purposes of the legitimate interests pursued by the Company or any Group Member to incentivise employees pursuant to the Plan.

A Participant also acknowledges that the Company or any Group Member may, in accordance with the Company's data protection protocols and applicable law, transfer or store personal information outside the European Economic Area (EEA), and that personal data may also be processed outside the EEA by the Company or any Group Member or by one or more of its or their service providers.

15.9 Governing law

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