

RULES
of the
CAIRN HOMES PLC LONG TERM INCENTIVE PLAN

Adopted by the Remuneration Committee on 21 June 2017

Shareholder Approval on 16 May 2017

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CAIRN HOMES PLC
LONG TERM INCENTIVE PLAN

1. ESTABLISHMENT AND PURPOSE

The Plan was adopted and established by a resolution of the Committee passed on 21 June 2017. The purpose of the Plan is to attract, retain, and motivate employees and executive directors of Cairn Homes plc, its subsidiaries and affiliates, to provide for competitive compensation opportunities, to encourage long term service, to recognize individual contributions and reward achievement of performance goals, and to promote the creation of long term value for shareholders by aligning the interests of such persons with those of shareholders.

2. DEFINITIONS

2.1. In the Plan, the following expressions bear the following meanings and all references to statutes are to Irish statutes:

"the Act" means the Taxes Consolidation Act 1997;

"Acquiring Company" means a company which obtains Control of the Company in accordance with Rule 13;

"Adoption Date" means the date on which this Plan is adopted by the Committee;

"Appendix" means the appendix to these rules;

"Auditors" means the firm of auditors for the time being of the Company or in the event of there being more than one such firm such one of them as the Company shall select;

"Award" means a conditional right to acquire Shares at no cost or nominal (par value) cost granted to an Eligible Person pursuant to this Plan;

"Award Agreement" means any written agreement, contract, or other instrument or document setting out details of an Award in the form prescribed by Rule 6.5;

"Board" means the board of directors for the time being of the Company or the directors present at a duly convened meeting of the board of directors of the Company at which a quorum is present or a duly constituted committee of such board;

"Control" control as defined in Section 432 of the Act;

"Committee" means a duly constituted committee of the Board constituted to consider and review the remuneration and compensation of executive directors and employees of the Group;

"Company" means Cairn Homes plc registered in Ireland under registration number 559545;

"Earnings Per Share" or **"EPS"** has the meaning set out in the Appendix;

"Date of Grant" means the date of the resolution whereby the Grantor grants an Award to an Eligible Person, which date shall be borne on the Award Agreement communicating the grant of an Award hereunder as provided in Rule 6.5;

"Dividend Equivalent" means a right to receive cash, Shares or other property equal in value to dividends paid with respect to a specified number of Shares in connection with an Award in accordance with Rule 9.5;



"Eligible Person" means any person who is an employee or Executive Director of a member of the Group;

"Executive Director" means a director of the Company or any other member of the Group who is also an active employee of the Company or any other company that is a member of the Group;

"Founder Shares" means the founder shares of €0.001 each in the capital for the time being of the Company;

"Financial Year" means the period of approximately twelve months representing the financial year of the Company for audit purposes;

"Grantor" means the entity which is granting Awards under the Plan;

"Grant Period" means

- (a) a period of 42 days commencing on the Adoption Date;
- (b) a period of 42 days commencing on the second business day following the announcement to the Stock Exchange of the half-yearly or the preliminary results of the Company; or
- (c) any day on which the Committee determines that exceptional circumstances exist,

provided however that in the event of there being an embargo on dealings in Shares by virtue of Stock Exchange rules or the Company's dealing code or under any other applicable regulatory rules and such embargo as aforesaid having effect during part or all of such 42-day period referred to in (a) or (b), an Award may be granted within 14 days immediately following the day on which such embargo ceases, or the later expiry of such 42 day period;

"Group" means the Company and its Subsidiaries;

"Health Reasons" means reasons of ill health which as certified by a medical practitioner (approved by the Committee) compel a Participant to discontinue or alter the nature of his employment, office or occupation;

"Market Value" means the market price of a Share, determined in accordance with Rule 5;

"Participant" means any Eligible Person who is for the time being the holder of part or all of an Award granted under the Plan;

"Performance Condition" has the meaning set out in the Appendix;

"Performance Period" has the meaning set out in the Appendix;

"Plan" means the Company's Long Term Incentive Plan consisting of these plan rules and the Appendix together with any sub-plans, as amended from time to time in accordance with the provisions in that regard herein contained;

"Relevant Remuneration" means the annual rate of Remuneration of which a Participant is in receipt at the time the Award is made;

"Remuneration" means basic salary before tax including paid holidays and sick leave but excluding any bonuses, fluctuating emoluments, pension contributions and any other non-cash benefits in kind;

"Share" means an ordinary share of €0.001 each in the capital for the time being of the Company;



"Stock Exchange" means any recognised stock exchange on which Shares are traded (including the London Stock Exchange or any successor body) and, if more than one, such stock exchange as the Committee determines;

"Subsidiary" means any company which is, for the time being, a subsidiary of the Company within the meaning of Section 7 of the Companies Act, 2014;

"Termination of Service" means, unless otherwise defined in an applicable Award Agreement, that a Participant is no longer employed by the Company or any other member of the Group, as the case may be. A Participant employed by a Subsidiary of the Company shall also be deemed to incur a Termination of Service if the Subsidiary of the Company ceases to be such a Subsidiary, and the Participant does not immediately thereafter become an employee of the Company or another Subsidiary of the Company. Temporary absences from employment or service because of illness, vacation or leave of absence and transfers among the Company and its Subsidiaries shall not be considered a Termination of Service;

2.2. Where the context permits the singular shall include the plural and vice versa and the masculine shall include the feminine. Headings are to be ignored in construing the terms of the Plan.

2.3. References to any statute shall include any statutory modification, amendment or re-enactment thereof.

3. **ADMINISTRATION**

The Plan shall be administered by the Committee, and the Committee shall have full and final authority to exercise discretion and make any determinations under the Plan, subject to and consistent with the provisions of the Plan. Any action of the Committee with respect to the Plan shall be final, conclusive, and binding on all persons, including the Company, Subsidiaries, Eligible Persons, any person claiming any rights under the Plan from or through any Eligible Person, and shareholders. By accepting an Award under the Plan, each Eligible Person accepts the authority and discretion of the Committee as set forth in, and exercised in accordance with, this Plan. The express grant of any specific power to the Committee, and the taking of any action by the Committee, shall not be construed as limiting any power or authority of the Committee. The Committee may delegate to other members of the Board or officers or managers of the Company or any Subsidiary the authority, subject to such terms as the Committee shall determine, to perform administrative functions and to perform such other functions as the Committee may determine, to the extent permitted by applicable law.

4. **ELIGIBILITY FOR PARTICIPATION**

4.1. The Plan is available for Eligible Persons who shall be nominated for that purpose by the Committee.

4.2. The Committee shall at its absolute discretion determine whether or not a person is an Eligible Person and shall nominate such persons for participation in the Plan.

4.3. No person shall be entitled as of right to participate in the Plan and the decision as to who shall have the opportunity of participating and the time and extent of his participation shall, subject to the terms of the Plan, be made by the Committee in its absolute discretion.

5. **LIMITATION AS TO PARTICIPATION**

5.1. No Award shall be capable of being granted under the Plan more than ten years after the Adoption Date.

5.2. In each Financial Year the value of an Award (calculated in accordance with Rule 5.3 below by reference to the aggregate price of Shares subject to the Award at the Award Date) that may be granted to any Participant may not exceed 100% of his Relevant Remuneration except in specific situations relating to recruitment where a grant of an Award upon the appointment of an executive may be up to a maximum of 200% of Relevant Remuneration, if the Committee determines that it is necessary to secure the services of that executive.

5.3. The Market Value of a Share in relation to an Award shall be determined by the Committee by reference to any one of the following:

5.3.1. the closing price of a Share on the dealing day immediately preceding the Date of Grant;

5.3.2. the average of the closing prices of a Share for up to 5 dealing days immediately preceding the Date of Grant or

5.3.3. the lesser of:

(1) the price shown in the Stock Exchange official list at which bargains in the Shares were last recorded, or

(2) where bargains other than bargains at special prices were recorded for the relevant date, the price at which the bargains were so recorded or, if more than one such price was so recorded, a price halfway between the highest and lowest of such prices.

6. GRANT OF AWARDS

6.1. The Grantor may at any time within ten years from the Adoption Date grant Awards to one or more Participants during any Grant Period.

6.2. The Grantor of an Award must be:-

6.2.1. the Company; or

6.2.2. any Subsidiary.

Any Awards granted under the Plan must be approved in advance by the Committee, which shall have absolute discretion in respect of the approval of Awards.

6.3. No consideration shall be payable by a Participant in respect of the grant of an Award.

6.4. Each Award shall be granted under seal and shall be evidenced by an Award Agreement given to the Participant. Award Agreements may be in writing or in such other form as the Grantor determines and the Committee approves.

6.5. Each Award Agreement shall specify:

6.5.1. the Date of Grant of the Award;

6.5.2. the number of Shares subject to the Award;

6.5.3. the Performance Conditions to be satisfied as a condition of the vesting of the Award in accordance with the Appendix;

6.5.4. such additional terms and conditions of the Award as the Committee may from time to time prescribe, including, but not limited to, vesting conditions, any schedule for lapse of restrictions or conditions relating to transferability or forfeiture, settlement of an Award, and waiver or accelerations thereof.

6.6. When issuing Award Agreements the Grantor shall

6.6.1. refer the Participant to all the provisions of the Plan; and

6.6.2. notify the Participant of his right to renounce the Award under Rule 6.7.



- 6.7. A Participant to whom an Award has been granted may by notice in writing given to the Grantor within thirty days from the Date of Grant renounce his rights thereunder and in such case the Award shall be deemed never to have been granted.
- 6.8. An Award which has been granted to a Participant shall be treated as having been accepted unless a renunciation in writing in respect thereof has been received by the Grantor from such person under Rule 6.7.
- 6.9. In the event that a Participant loses or misplaces his Award Agreement the Grantor may issue a replacement in writing or in such other form as the Grantor determines, upon application in writing by the Participant.

7. LIMITATIONS ON GRANT OF AWARDS

- 7.1. Awards may be granted over newly issued Shares, treasury Shares or Shares purchased in the market.
- 7.2. Until otherwise resolved by the Company in general meeting, in any ten year period the number of Shares which may be issued in connection with Awards granted under the Plan and any other discretionary share incentive plan adopted by the Company, on any day shall not exceed five per cent (5%) of the issued ordinary share capital of the Company from the time being in issue.

7.3. Calculating limits

For the avoidance of doubt:

- 7.3.1. Shares which shall have been the subject of Awards or rights which have lapsed shall not be taken into account for the purposes of this Rule 7.
- 7.3.2. Shares acquired by a trustee of any employee's trust established by the Company in conjunction with this Plan, or acquired by any third party in conjunction with this Plan, which have been counted as issued or purchased on the market for the purposes of this Rule 7 shall not also be counted when they are delivered to Participants to satisfy any Award.
- 7.3.3. Treasury Shares shall be treated as newly-issued Shares for the purposes of this Rule 7 until such time as guidelines published by institutional investor representative bodies determine otherwise.
- 7.3.4. Shares issued to the holders of the Founder Shares shall not be taken into account for the purposes of this Rule 7.

8. NON-TRANSFER OF AWARD

Subject to Rule 10.2, the Awards shall be personal to a Participant and the Participant shall not assign, transfer, sell, mortgage, charge, pledge or encumber in any way whatsoever the Award or any of the Shares subject to the Award or any interest therein. An Award shall lapse forthwith if the Participant purports to assign, transfer it etc. (as aforesaid).

9. VESTING OF AWARDS

- 9.1. Subject to Rules 10 and 13, as soon as reasonably practicable after the end of the Performance Period relating to an Award, the Committee will determine if and to what extent the Performance Conditions have been satisfied. Subject to Rule 9.2 the Committee shall determine, in its absolute discretion, the number of Shares in respect of which the Award vests in accordance with the conditions specified in the Award Agreement. The Committee shall give notice to each Participant as to whether, and if so the extent to which, an Award has vested. In making any determination under this Rule 9.1 the Committee may, but is not obliged to, consult with the Auditors.

- 9.2. The Committee may exercise its discretion to defer vesting of an Award where a Participant is in possession of inside information such that he is subject to restrictions imposed by the Company's share dealing code, the rules of the Stock Exchange on which Shares are listed or any applicable laws or regulations which impose restrictions on share dealing ("Dealing Restrictions"), in which case the award will vest on the date on which such Dealing Restrictions lift.
- 9.3. Any Shares that are to be issued, transferred or paid (as appropriate) to a Participant in respect of a vested Award will be issued, transferred or paid (as appropriate) within 30 days of the date of vesting.
- 9.4. To the extent that an Award has not vested under Rule 9.1, it shall immediately lapse.
- 9.5. Dividend Equivalents on the specified number of Shares covered by an Award may, at the discretion of the Committee, accrue and be deferred with respect to such Award until the date of vesting of such Award at which time they shall become payable to the Participant in the form of additional Shares (or the cash equivalent) but only to the extent that such Award has vested and the Committee shall have discretion to adjust pro-rata any dividend equivalent to reflect the extent to which the Award to which it relates has not vested in full. The Committee shall determine the basis on which Dividend Equivalents will be calculated, which may assume the reinvestment of the relevant dividends into Shares on such terms as the Committee determines.

10. **TERMINATION OF SERVICE**

10.1. Good Leaver

Unless the Committee determines otherwise in its absolute discretion, in the event of a Termination of Service on account of:

- 10.1.1. Health Reasons;
- 10.1.2. redundancy (within the meaning of the Redundancy Payments Acts 1967 to 2014);
- 10.1.3. any form of voluntary severance by agreement with the Company;
- 10.1.4. the transfer of the undertaking or part-undertaking in which the Participant is employed to a person other than a member of the Group;
- 10.1.5. the company by which the Participant is employed ceasing to be under the Control of the Group; or
- 10.1.6. any other reason in the absolute discretion of the Committee,

the Participant shall be entitled to continue to hold any unvested Award until it vests or lapses in accordance with Rule 9. In this event the Committee may in its absolute discretion determine the extent to which the Award vests, having regard to (a) the period from the Date of Grant to the date of Termination of Service relative to the period from the Date of Grant to the date on which the Award vests in accordance with Rule 9 and (b) the extent to which Performance Conditions have been satisfied, and the Committee shall specify what proportionate part, if any, of the Shares subject to the Award shall vest. If no determination is made by the Committee under this Rule 10.1 the Award shall lapse.

10.2. Death of Participant

If a Participant dies the Committee may determine that either the whole or a specified percentage of any Award held by such Participant at the date of his death will be capable of vesting in or otherwise transferred to his legal personal representative on such terms and conditions as they may determine. Unless the Committee determines that an Award will be transferred to the legal personal representative of a Participant, the Award will lapse automatically on the death of the Participant.



10.3. Other Termination of Service

If a Termination of Service other than as outlined in Rules 10.1 or 10.2 occurs, any Award held by such terminating Participant shall lapse on the date on which such Termination of Service occurs.

11. **MALUS AND CLAWBACK**

11.1. This Rule 11 shall apply notwithstanding any other provision of the Plan.

11.2. If at any time in the period after the Date of Grant of an Award and prior to the vesting of an Award:

11.2.1. there is a material misstatement of the Group's published accounts; or

11.2.2. any Group Company suffers any business or reputational damage arising from a criminal offence, serious misconduct or gross negligence on the part of a Participant: or

11.2.3. there is material breach of applicable health and safety regulations on the part of a Participant,

and that Participant is a director of the Company or any other Participant to whom the Committee determines that this Rule 11.2 should apply, then (notwithstanding that such Participant's employment may not have been, or may not be, cancelled as a result of the wrongdoing in question) the Committee shall be entitled to recalculate in good faith the number of Shares subject to the Participant's Award (including the entirety of the Award) to reflect the number of Shares that it would have granted to the Participant under the Award had these facts been known at the time the Award was granted. In addition, the Committee may at its sole discretion impose further conditions on Awards in the circumstances outlined above.

11.3. If at any time prior to the second anniversary after the date on which an Award vests under the Plan:

11.3.1. there is a material misstatement of the Group's published accounts; or

11.3.2. any Group Company suffers any business or reputational damage arising from a criminal offence, serious misconduct or gross negligence on the part of a Participant: or

11.3.3. there is material breach of applicable health and safety regulations on the part of a Participant,

and that Participant is a director of the Company or is any other Participant to whom the Committee determines that this Rule 11.3 should apply, then the Committee may, in its discretion as it considers fair and reasonable and taking account of all the circumstances that the Committee considers to be relevant, determine to take the action referred to in Rule 11.2 if Shares have not been delivered to satisfy the Award, or require the Participant to make a cash payment to the Company in respect of some or all of the Shares or cash delivered to him under the Award; and/or require a Participant to transfer for nil consideration some or all of the Shares delivered to him under the Award and the Committee will have the discretion to determine the basis on which the amount of cash or Shares is calculated including whether and if so to what extent to take account of any tax or social security liability applicable to the Award.

11.4. If the action or conduct of any Participant, member of the Group or relevant business unit is under investigation by a regulatory authority or the Company has been notified that an investigation will take place and such investigation has not been or is not expected to be concluded by the second anniversary after the date on which the relevant Participant's Award vests under the Plan, the Committee may extend the period referred to in Rule 11.3 to end on such later date as the Committee considers appropriate to allow such investigation to be concluded.

12. **RETENTION OF SHARES AFTER VESTING**

The Committee shall have the right to impose a retention condition requiring the retention of Shares acquired on the vesting of an Award under the Plan, in relation to such Participants who, in the opinion of the Committee, are the most senior executives within the Group, for a period of at least two years following the date on which their Award vests.

13. CHANGE IN CONTROL OF THE COMPANY, RECONSTRUCTION & WINDING UP

13.1. Change of Control

Subject to Rule 13.2, in the event that the Company is a party to a merger, takeover or other reorganisation including but not limited to a court-sanctioned compromise or arrangement, or the Committee considers this is about to occur, the Committee will be entitled (without the Participant's consent unless the Committee otherwise requires) at its discretion and notwithstanding anything herein contained (except the proviso below):

- 13.1.1. to accelerate vesting of Awards in relation to the whole or a specified portion of the Shares to which such Awards relate and within such time or times and subject to any other conditions or limitations as the Committee may at its discretion determine PROVIDED THAT in all cases the Committee shall take into account the Performance Conditions applicable to Awards; in addition the Committee may, at its discretion, take into account the period of time which has elapsed between the Date of Grant and the relevant event when determining the extent of vesting;
- 13.1.2. to agree that outstanding Awards will be assumed or substituted by the surviving company or its parent (or the Acquiring Company or its parent where a takeover occurs) for Awards which are equivalent to the Awards originally granted under the Plan but which relate to shares in the surviving company or its parent (or the Acquiring Company or its parent where a takeover occurs);
- 13.1.3. to arrange for the continuation by the Company of outstanding Awards (if the Company is a surviving company or an acquiring company in a takeover);
- 13.1.4. to make payment of a cash settlement to Participants equal, per Share, to the amount to be paid for one Share under the agreement of merger or takeover terms PROVIDED THAT in all cases the Committee shall take into account the Performance Conditions applicable to Awards; in addition the Committee may, at its discretion, take into account the period of time which has elapsed between the Date of Grant and the relevant event when determining the extent of any cash payment due; or
- 13.1.5. to otherwise vary the outstanding Awards on such conditions as the Committee may decide,

and the Committee may determine that any one or any combination of the above will occur. In the event that no such determination is made, or is not made in respect of a portion of an Award, the Award (or said portion of an Award) shall lapse.

13.2. Re-organisation

Where the Company becomes a wholly-owned subsidiary of a holding company which will be owned in substantially the same proportions by the persons who held the Company's issued shares immediately before such transaction, the Committee may resolve with the agreement of the board of the holding company that Awards granted hereunder will be treated as if they were in all respects Awards over shares in the holding company, but so that:

- 13.2.1. the new award shall vest in the same manner as the Award;



- 13.2.2. the total market value of the new shares subject to the new award shall, immediately after such reorganisation, be equal to the total market value of the Shares comprised in the Award immediately prior to such reorganisation;
- 13.2.3. the new shares shall, at the date of any resolution by the Committee under this Rule 13.2, have the same rights attaching thereto as the Shares in the Company; and
- 13.2.4. the new award shall be deemed to have been granted as at the Date of Grant of the Award.

13.3. Reconstruction and Winding-Up

In the event of:-

- 13.3.1. any proposal for the reorganisation of the capital of the Company or for the reconstruction or amalgamation of the Company involving a material change in the nature of the Shares comprised in any Award (and for the purposes of this sub-rule the determination by the Committee of a material change in the nature of Shares in any particular case shall be final and conclusive and shall be communicated to each Participant in writing); or
- 13.3.2. the Company passing a resolution for its winding-up or an order being made for the compulsory winding-up of the Company (the passing of which resolution or the making of which order shall be communicated by the Committee to each Participant in writing);

any Award held by a Participant may, at the discretion of the Committee, on the date that such proposal, reconstruction or amalgamation becomes unconditional or such winding-up takes effect or within such period before or after such date as the Committee may determine, vest on a pro-rata basis in such proportion as the Committee shall determine and upon and subject to any conditions or limitations as the Committee may at its discretion determine PROVIDED THAT in all cases the Committee shall take into account the Performance Conditions applicable to Awards; in addition the Committee may, at its discretion, take into account the period of time which has elapsed between the Date of Grant and the relevant event when determining the extent of vesting. In the event that no such determination is made, or is not made in respect of a portion of an Award, the Award (or said portion of an Award) shall lapse.

14. TAXATION

The Participant shall indemnify the Company (and, where relevant, any member of the Group) against any tax and social security contributions (or their equivalent in any jurisdiction) arising in respect of the Award which is a liability of the Participant but for which the Company or relevant member of the Group is required to account to a tax authority under the laws of any relevant territory. The Company may, to the extent permitted by law, recover the tax and social security from the Participant in such manner as the Committee think fit including and (but without prejudice to the generality of the foregoing):-

- 14.1. withholding Shares when the Award vests and selling same;
- 14.2. deducting the necessary amount from the Participant's remuneration; or
- 14.3. requiring the Participant to account directly to the Company or relevant tax authority for such tax and social security.

The Company shall not be required to transfer any Shares to the Participant under the Plan until such obligations are satisfied.

15. ISSUE OF SHARES

- 15.1. Ranking of Shares



All Shares issued in connection with Awards under the Plan shall as to voting, dividend, transfer and other rights (including those arising on a liquidation) rank *pari passu* in all respects with the Shares then in issue, except that they shall not rank for any dividend or other rights declared by reference to a record date preceding the date of issue.

15.2. Admission to Official List of Stock Exchange

If and so long as the Shares are listed on a Stock Exchange, the Company shall use its best endeavours to procure that as soon as practicable after the issue of any Shares pursuant to Awards under the Plan, application shall be made to the relevant exchange for admission of the Shares to the official list.

16. **ADJUSTMENTS IN THE EVENT OF CAPITALISATION AND RIGHTS ISSUES ETC.**

16.1. In the event of any alteration or re-organisation whatsoever taking place in the capital structure of the Company whether by way of capitalisation of profits or reserves, capital distribution, rights issue, consolidation or sub-division of Shares, the conversion of one class of share to another or reduction of capital or otherwise, the Committee may adjust any one or more of the following:

16.1.1. the number of Shares subject to the Plan;

16.1.2. the definition of Share;

16.1.3. where the Award has been granted but no Shares have been delivered pursuant thereto, the number of Shares which may be delivered;

16.1.4. the Performance Conditions attached to an Award already granted provided that any amended or substituted Performance Condition shall be no less difficult to satisfy than the original condition attached to that Award.

16.2. In the event of any alteration to the subject matter of an Award pursuant to the provisions of this Rule 16 the original Award Agreement shall remain valid except to the extent modified by the alteration. The Grantor may issue revised Award Agreements or take whichever action it deems appropriate.

16.3. In making any adjustments under this Rule 16 the Committee may consult with the Auditors to determine that such adjustment is fair and reasonable.

17. **ALTERATIONS**

17.1. Except as described in this Rule 17, the Committee may at any time amend the rules of the Plan or the terms of any Award.

17.2. Subject to Rule 17.3, no amendment to the advantage of Eligible Employees and/or Participants will be made under this Rule 17 to the provisions relating to:

17.2.1. the persons to whom, or for whom, Awards are granted under the Plan;

17.2.2. limitations on the number or amount of Shares subject to the Plan;

17.2.3. the maximum entitlement for any one Participant;

17.2.4. the adjustments that may be made in the event of a variation of capital; and

17.2.5. the terms of this Rule 17.2

without prior approval of the members of the Company in general meeting.

17.3. Rule 17.2 will not apply to:

17.3.1. any minor amendment which is to benefit the administration of the Plan or is necessary or desirable to take account of any change in legislation or to obtain or maintain favourable taxation, exchange control or regulatory treatment for any member of the Group or Participant; or

17.3.2. an amendment to Performance Conditions attaching to Awards where one or more material exceptional events cause the Committee to consider that an amended or substituted Performance Condition would be a fairer measure of the Company's performance, and where, in the opinion of the Committee, the amended or substituted Performance Condition will be no less difficult to satisfy than the original condition attached to the Award.

17.4. No amendment to the material disadvantage of existing rights of Participants will be made under Rule 17.1 unless:

17.4.1. every Participant who may be affected by such amendment has been invited to indicate whether or not he approves the amendment; and

17.4.2. the amendment is approved by a majority of those Participants who have so indicated.

17.5. No amendment will be made under this Rule 17 if it would prevent the Plan from being an employees' share scheme in accordance with section 64 of the Irish Companies Act 2014.

18. **SHARE CAPITAL**

The Company shall maintain sufficient authorised and unissued Shares to enable it to satisfy the Awards in full.

19. **TERMINATION**

19.1. The Plan may be terminated at any time by resolution of the Board and shall in any event terminate on the tenth anniversary of the Adoption Date.

19.2. As from the date of any termination of the Plan under Rule 19.1 the Company shall not grant any further Awards but no such termination shall affect or modify any subsisting rights or obligations of the Participants in respect of any Awards already granted and notwithstanding such termination the Company shall continue to act, administer and manage the Plan in accordance with its terms.

20. **NOTICES**

20.1. Notices to a Participant

Any notification or other communication to be given to a Participant in connection with the Plan shall be deemed to have been duly given if sent either by electronic mail to the Participant's electronic mail address at his place of work, or by post in a pre-paid cover to the Participant's postal address last known to the Company or if sent to him at his place of work, and shall be deemed to have been duly given on the date of dispatch or posting. The Group shall have no liability whatsoever to a Participant in respect of any notification, document, payment or other communication so given, sent or made, nor shall the Group be concerned to see that any Participant actually receives the same.

20.2. Notices from a Participant

Any notification or other communication to be given to the Company or any of its Subsidiaries in connection with the Plan shall be delivered by hand or sent by electronic mail, fax or post to the registered office of the Company or the relevant Subsidiary or such other electronic mail or postal address as may from time to time be notified to Participants, but shall not in any event be duly given unless it is actually received.

21. GENERAL

- 21.1. 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 related to the Plan, the decision of the Committee shall be final and binding upon all persons.
- 21.2. The Committee may at any time and from time to time by resolution and without further formality establish sub-plans in order to comply with, take advantage of or otherwise in connection with any taxation, legal, regulatory or other rule, law, guidelines, regulations or other provision of or prevailing in any jurisdiction in which the Plan is or is intended to be operated.
- 21.3. In any matter in which they are required to act hereunder, the Auditors shall be deemed to be acting as experts and not as arbitrators and their decision shall be final and binding. Subject thereto the Committee's decision on any matter relating to the interpretation of the Plan and any other matter concerning the Plan shall be final and binding.
- 21.4. The Company shall bear the costs of setting up and administering the Plan.
- 21.5. Neither the Plan nor any action taken thereunder shall be construed as giving any Eligible Person a right to be retained in the employment or service of the Group. No Eligible Person or Participant shall be entitled to any compensation or damages whatsoever or howsoever described, by reason of any termination, withdrawal or alteration of rights or expectations under the Plan whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office or otherwise howsoever.
- 21.6. Any stamp duty chargeable on any instrument of the transfer entered into pursuant to each Award shall be borne by the Company, or where relevant, any member of the Group in respect of Participants employed by it.
- 21.7. The Company shall maintain all necessary books of account and records relating to the Plan.
- 21.8. The Committee shall be entitled to authorise any person to execute on behalf of a Participant, at the request of the Participant, any document relating to the Plan, insofar as such document is required to be executed pursuant thereto.
- 21.9. The Participant shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the grant or vesting of Awards to or by him. The Company shall not be responsible for any failure by the Participant to obtain any such consent or for any tax or other liability to which the Participant may become subject as a result of Awards made hereunder.
- 21.10. By participating in the Plan the Participant consents to the holding, processing and exchange of personal data provided by the Participant to any member of the Group or third party service provider for all purposes relating to the operation of the Plan.
- 21.11. The Committee may establish by schedule appended hereto or otherwise further plans based on the Plan but modified to take account of local tax exchange control or securities laws in overseas territories provided that Shares made available under such plans shall be treated as counting against the limits in Rule 7 as the same may be adjusted from time to time under the Plan.

21.12. The Plan shall be governed by and construed and interpreted in accordance with Irish law and the Company and Participants agree to submit to the non-exclusive jurisdiction of the Courts of Ireland in relation to any claim, dispute or difference which may arise hereunder.



APPENDIX: PERFORMANCE CONDITIONS

A. Definitions

"Earnings Per Share" or "EPS" means the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the year, in respect of any given period the underlying operating profit earnings per share as shown in the accounts of the Company on the basis of applicable accounting and reporting standards as determined by the Committee in its absolute discretion.

"Performance Conditions" means:

(a) in respect of Awards granted in Financial Year 2017, the conditions set out in Part B of this Appendix, and
(b) in respect of Awards granted in subsequent Financial Years, the conditions which shall attach to Awards granted under the Plan and which, in the opinion of the Committee, are sufficiently stretching and appropriate taking into account the Company's strategies and priorities at the relevant Date of Grant.

"Performance Period" means any period of at least three years commencing with the Financial Year in which an Award is granted.

"Total Shareholder Return" or "TSR" means in respect of any given period the aggregate of (i) the increase in the price of a Share shown in the Stock Exchange official list and (ii) the cumulative gross value of dividends declared, over such period as determined by the Committee in its absolute discretion.

B. Performance Conditions – Financial Year 2017

1. In respect of Awards to be granted in Financial Year 2017 an Award shall not vest unless the conditions set out in paragraph 2 and paragraph 3 below are met.
2. Cumulative Earnings Per Share

A total of 80% of the Shares subject to an Award shall vest subject to the following target thresholds:

| Cumulative EPS | Vesting of EPS-based award |
|-------------------------|--|
| Less than 16.7c | 0% |
| 16.7c | 25% |
| Between 16.7c and 18.6c | Straight-line basis between 25% and 40% |
| 18.6c | 40% |
| Between 18.6c and 26.0c | Straight-line basis between 40% and 100% |
| 26.0c or above | 100% |

3. Total Shareholder Return

A total of 20% of the Shares subject to an Award shall vest subject to the following target thresholds:

| Total Shareholder Return | Vesting of TSR-based award |
|--------------------------------|--|
| Less than 8% p.a. | 0% |
| 8% p.a. | 25% |
| Between 8% p.a. and 12.5% p.a. | Straight-line basis between 25% and 100% |
| 12.5% p.a. | 100% |



4. Performance Period

Unless the Committee determines otherwise, the Performance Period for the purposes of measuring (2) and (3) above shall commence at the beginning of the Financial Year in which an Award is granted.

