

# Howden Joinery Group plc

## HOWDEN JOINERY SHARE INCENTIVE PLAN

### AGREEMENT FOR PARTNERSHIP SHARES AND MATCHING SHARES

The terms of this Agreement apply between you, Howden Joinery Group plc (the "Company"), and Equiniti Share Plan Trustees Limited (the "Trustee"). This Agreement is subject to the rules of the Howden Joinery Share Incentive Plan (the "Plan") and sets out the terms on which:

- you agree to buy Partnership Shares under the Plan; and
- the Company agrees to award Matching Shares under the Plan in relation to those Partnership Shares.

Words used here are defined in the rules of the Plan, unless otherwise defined in this Agreement. In the event of any conflict between this Agreement, the rules of the Plan and/or relevant legislation, the rules of the Plan and/or relevant legislation will apply.

In order to participate in the Plan, you must complete your application before midnight of 9<sup>th</sup> of each month for the following month's Purchase.

Your Privacy Notices clearly explain how your data is protected and how your rights apply. To read the latest versions, please visit <https://privacy.equiniti.com> and [https://intra.services.howdens.corp/Support/DepotHr/Documents/Employee\\_Data\\_Privacy\\_Notice.pdf](https://intra.services.howdens.corp/Support/DepotHr/Documents/Employee_Data_Privacy_Notice.pdf).

**PLEASE NOTE THE PRICE OF SHARES AND THE INCOME FROM THEM MAY GO DOWN AS WELL AS UP AND YOU MAY NOT GET BACK THE AMOUNT THAT YOU HAVE INVESTED.**

#### NOTICE TO PARTICIPANT ABOUT POSSIBLE EFFECT ON BENEFITS

Deductions from your Salary to buy Partnership Shares under this Agreement may affect your entitlement to or the level of, some contributory social security benefits, statutory maternity pay and statutory sick pay.

They may also have a similar effect in respect of some contributory social security benefits paid to your spouse or civil partner.

With this Agreement you should have been given information (the "Information") on the effect of deductions from your Salary to buy Partnership Shares on entitlement to social security benefits, statutory sick pay and statutory maternity pay. The effect is particularly significant if your earnings are brought below the lower earnings limit for National Insurance purposes, and is explained in the Information: it is therefore important that you read it. If you have not been given a copy, ask your employer for it. Otherwise, a copy may be obtained from any office of HM Revenue & Customs, the Department for Work and Pensions, or, in Northern Ireland, the Department for Communities. You should take the information you have been given into account in deciding whether to buy Partnership Shares.

Alternatively, you can download leaflet [IR177](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/61177/IR177) from GOV.UK.

#### PARTICIPANT PARTNERSHIP SHARES

- I authorise my employer and the Company to deduct the amount I entered as my Contribution on my application each monthly pay period from my Salary.
- I agree that the deductions stated on my application will be held in a non-interest bearing account until they are used by the Trustee to buy Partnership Shares in the Company for me.
- I agree that the Trustee will buy Partnership Shares for me each month, to be acquired on my behalf under the Plan and the terms of this Agreement, using the deductions from my Salary.
- I understand that the amount of Partnership Share Money that may be deducted from my Salary under this offer to acquire Partnership Shares on each occasion is no less than £10 and no more than [the annual limit specified from time to time in paragraphs 46(1) and 46(2) of Schedule 2 to the Income Tax (Earnings and Pensions) Act 2003 (the "Partnership Share Annual Limit")].
- I agree that the Company may vary the range of the amount of Partnership Share Money that may be deducted from my Salary and/or the intervals at which deductions are to be made, providing that the amounts are no less than £10 and no more than the Partnership Share Annual Limit. Where the amount of the deductions from my Salary would otherwise exceed the maximum amount specified by the Company under such a varied range, I agree that I am deemed to have given notice to the Company to vary the amount of the deductions from my Salary to be equal to the new maximum.
- I understand and agree that the amount of Partnership Share Money that may be deducted from my Salary in any single Year of Assessment may not exceed the Partnership Share Annual Limit, and where the aggregate amount of Partnership Share Money deducted in any Year of Assessment would otherwise exceed the Partnership Share Annual Limit, I am deemed to

have given instructions to the Company under this paragraph to vary or stop the deductions from my Salary to the extent necessary that the Partnership Share Annual Limit is not exceeded in that Year of Assessment. If I am deemed to have varied or stopped deductions from my Salary under this paragraph, I must give notice to the Company to restart deductions from my Salary to take effect during the next Year of Assessment.

- I agree that any deductions not used to buy Partnership Shares will be carried forward and added to the next deduction. I acknowledge that, where my Partnership Share Money is not used to buy Partnership Shares, it will be repaid to me after deduction of income tax, and National Insurance Contributions ("NICs").
- I understand that I may vary or stop the deductions at any time, or begin them again, by giving notice in writing to the Company in accordance with the rules of the Plan. I may not make up any amounts missed when deductions were varied or stopped.
- I understand that I may ask the Trustee for my Partnership Shares at any time, but I may have to pay income tax and NICs when they are taken out of the Plan.

#### MATCHING SHARES

- I agree to accept Matching Shares awarded to me under the Plan and the terms of this Agreement.
- I understand that the ratio of Matching Shares to Partnership Shares is 1 Matching Share to 3 Partnership Shares for the first Partnership Shares acquired in any Year of Assessment with an aggregate Initial Market Value of less than or equal to £600.
- I understand that the ratio stated above may be changed by the Company at its discretion but, if the ratio changes, the Company will notify me before the Partnership Shares are bought for me.
- I agree to leave the Matching Shares in the hands of the Trustee, and not to assign, charge or otherwise dispose of my beneficial interest in the Matching Shares for the whole of the Holding Period of 3 years from the Appropriation Date, subject to 'Holding Period' below.
- I understand that I will lose (forfeit) my Matching Shares if, other than in the event of a Permitted Cessation:
  - (a) I withdraw the Partnership Shares in respect of which the Matching Shares were Appropriated;
  - (b) I withdraw the Matching Shares from the Plan; or
  - (c) I cease to be in Employment or employed by an Associated Company,within the period of 3 years from the Appropriation Date of the Matching Shares.

#### DIVIDENDS

- The Company has decided that all cash dividends paid in respect of my Plan Shares will be applied in acquiring Dividend Shares on my behalf, but only where I have elected to reinvest those dividends. The Company may modify or revoke this direction.
- On my application I have elected either:
  - (a) for all dividends on my Plan Shares to be paid direct to my salary bank account, or
  - (b) for all dividends on my Plan Shares to be used by the Trustee to buy Dividend Shares in accordance with the rules of the Plan.
- Where I will receive Dividend Shares, I agree that any amount not reinvested in Dividend Shares will be carried forward and added to the next cash dividend paid in respect of my Plan Shares.
- Where I will receive Dividend Shares, I agree to leave the Dividend Shares in the hands of the Trustee, and not to assign, charge or otherwise dispose of my beneficial interest in the Dividend Shares for the whole of the Holding Period of 3 years from the Acquisition Date, subject to 'Holding Period' below.
- I agree that any dividends paid by the Company to the Trustee will be held in a non-interest bearing account until they are either re-invested as Dividend Shares or paid as cash to me.
- I understand that any payments will be paid direct to my salary bank account. If the Trustee does not have my salary bank account details a cheque will be sent to my registered address.

## HOLDING PERIOD:

- I understand that the Holding Period will end:
  - i) if I cease to be in Employment or employed by an Associated Company, and this may lead to forfeiture of the Matching Shares; or
  - ii) if the Company terminates the Plan and I have consented to the transfer of the shares to me.
- I understand that, after the end of the Holding Period, I may ask the Trustee for my Plan Shares, although I may have to pay income tax and NICs when the shares are removed.
- I understand that my obligations under the Holding Period are subject to:
  - a) the right of the Trustee to sell Plan Shares to meet PAYE Obligations, and/or
  - b) the Trustee accepting at my direction an offer for my Plan Shares in accordance with the Plan.

## STATEMENTS

I understand that a statement will be issued on an annual basis.

## RIGHTS AND OBLIGATIONS

- I agree that taking part in the Plan does not affect my rights, entitlements and obligations under my contract of employment, and does not give me any rights or additional rights to compensation or damages if my employment ceases.
- I consent to the taxation and withholding provisions in the rules of the Plan. In particular, I agree to allow the Trustee to sell some or all of my Plan Shares to pay any income tax and NICs in respect of my Plan Shares ceasing to be subject to the Plan, unless I provide them in advance with a cheque that is drawn on a UK bank account in my name and I have sufficient funds to pay these amounts.
- If there is a rights issue, I agree:
  - i) to allow the Trustee to sell the rights attached to some of my Plan Shares, in order to fund the exercise of the rights due to my other Plan Shares; and
  - ii) in the event that there is insufficient time to take the action outlined above (as deemed by both the Company and the Trustee) or the sale of rights is insufficient to fund the exercise of any of my rights, the Trustee will sell the rights and pass the funds to me through my payroll.
- I agree that deductions from my Salary, or the number of shares that I receive, may be scaled down if the limit (if any) on the number of Partnership Shares set by the Company for an allocation of Partnership Shares would otherwise be exceeded.
- I understand that in leaving the employment of the Company, I have 30 days to direct the administrators in respect of my SIP Plan shares. I agree that where an instruction is not received within 30 days, any SIP Plan shares remaining after any sale required for income tax and/or NICs will exit the Plan and be placed into the Corporate Sponsored Nominee ("CSN") to be held on my behalf by Equiniti Financial Services Limited in accordance with the CSN Terms and Conditions, available at [www.shareview.co.uk/info/csn](http://www.shareview.co.uk/info/csn) or by calling Equiniti Financial Services Limited on +44 (0)371 384 2040. Lines open from 8.30am to 5.30pm (UK time), Monday to Friday (excluding public holidays in England and Wales). Where I do not meet the Terms and Conditions of the CSN (age and/or country of residence requirements) I agree that a share certificate will be issued to me at my risk.
- I agree that if I request to receive a share certificate, an administration fee may be payable. Details of the fee are available by calling the Employee Helpline.

## RESTRICTIONS

I understand that if I am subject to the Share Dealing Code (as part of the Howdens Market Abuse Compliance Policies, or any other internal or external restrictions on dealings or transactions in securities, it may affect how I deal with my Plan Shares during certain periods. It is also possible that under these restrictions, I may be delayed in or prevented from acquiring, or withdrawing, Plan Shares or transferring or selling such Plan Shares or taking certain other actions in connection with the Plan. I am aware that a copy of the Company's share dealing code is available on the Company's intranet.

## WITHDRAWAL RIGHTS

- I acknowledge that I can terminate this Agreement at any time by giving notice in writing to the Company in accordance with the rules of the Plan. I understand that this will not affect the terms on which I agreed to accept shares already held for me under the Plan. If I do terminate this Agreement, my deductions will cease and any unused deductions from my Salary will be returned through payroll for payment to me through the PAYE system with the necessary deductions of income tax and NICs.
- No cancellation fee will be payable but any administration or dealing fees when selling or transferring shares into certificated form will be payable.

## COMPANY

- The Company agrees to arrange for shares in the Company to be bought for me or awarded to me (as applicable), according to the rules of the Plan.
- The Company undertakes to notify me of any restriction on the number of Partnership Shares available for an award before the relevant deduction of Partnership Share Money under this Agreement.
- The Company agrees to notify me if it varies the range of the amount of Partnership Share Money that may be deducted from my Salary and/or the intervals at which deductions are to be made.
- The Company agrees to notify me if I am deemed to have given instructions to the Company to vary or stop the deductions from my Salary.
- I agree that Equiniti Limited, the Trustee and the Company can all share information collected including name, account number & salary bank account details in connection with the Plan and my Account with each other to the extent necessary for each party to perform their role under the Plan.

## TRUSTEE

The Trustee is a part of the Equiniti group of companies whose registered offices are Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom registered in England and Wales number 3925002. The main business of the Trustee is to act as Trustee for UK tax-advantaged Share Incentive Plans.

The Trustee:

- The Trustee agrees to appropriate Partnership Shares in accordance with the rules of the Plan.
- The Trustee agrees to keep my Salary deductions in a non-interest bearing account until they are used to buy Partnership Shares for me [(carried forward amounts will also be held in a non-interest bearing account)] in accordance with the rules of the Plan.
- The Trustee agrees to keep any dividends paid in respect of my Plan Shares in a non-interest bearing account until the dividends are either paid to me or reinvested in Dividend Shares (carried forward amounts will also be held in a non-interest bearing account) in accordance with the rules of the Plan.
- The Trustee agrees to notify me if I am deemed to have given instructions to the Company to vary or stop the deductions from my Salary, and to inform me of my obligation to give notice to the Company if I wish to restart deductions from my Salary to take effect during the next Year of Assessment.

## GENERAL PROVISIONS

I have read this Agreement and agree to be bound by it and the rules of the Plan.

I understand and agree that:

- The Plan will be governed by the Trust Deed and Rules of the Plan under the laws of England and Wales.
- Legal action relating to this Agreement or my participation in the Plan will exclusively be dealt with by the courts of England and Wales.
- Any contact made by the parties to this agreement in relation to these terms and conditions will be in the English language.
- All instructions and notices to me under this Agreement must be given to me under the rules of the Plan.

The Trustee will take any actions considered necessary in their reasonable opinion to comply with all applicable laws and regulations or any requirements of any regulatory body that are binding upon them.

The Trustee and the Company may vary the terms on which participation is offered, or cease to offer participation under the Plan. Should the terms of this Agreement change in such a way as to have an effect on my entitlements or the service provided under the Plan, either the Trustee or the Company will write to me, giving me 30 days' notice, outlining the changes and when they are due to take effect. If I no longer wish to participate on these varied terms, I should write to the Trustee in accordance with the rules of the Plan.

*This offer is being made to employees as part of an employee incentive programme in order to provide an additional incentive and to encourage employee share ownership and to increase your interest in the success of the Company. The Company offering these rights is Howden Joinery Group plc. The Shares which are the subject of these rights are ordinary shares in the Company. More information in relation to the Company including the Share price can be found at the following web address: <https://www.howdenjoinerygroupplc.com/investors/share-price>. The obligation to publish a prospectus does not apply because of Section 86(aa) of the Financial Services and Markets Act 2000 (as amended, supplemented or substituted by any UK legislation enacted in connection with the UK's exit from the European Union). The total maximum number of Shares which are the subject of the offer under the Plan is 1,500,000 shares.*