

Notice of Annual General Meeting

This document is important and requires your immediate attention.

If you are in any doubt about the action you should take, you should seek your own personal financial advice from your stockbroker, bank, solicitor, fund manager or other independent financial adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred your shares in NCC Group plc, please forward this document to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

NCC Group plc (‘Company’)

(Registered in England No.4627044)

Registered Office:
Manchester Technology Centre
Oxford Road
Manchester
M1 7EF

Dear Shareholder

NCC Group plc’s 2014 Annual General Meeting

I am pleased to invite you to attend the 2014 Annual General Meeting (‘AGM’) of the Company to be held at Manchester Technology Centre, Oxford Road, Manchester, M1 7EF at 11am on Tuesday 16 September 2014.

The formal notice of AGM (‘Notice’) is set out on pages 5 to 8 and the explanatory notes on each resolution to be considered at this year’s AGM appear on pages 2 to 4.

Action to be taken

Whether or not you intend to come to the AGM, please complete and return the proxy form we have sent to you. The Company’s Registrar, Equiniti, must receive the completed proxy form, at the address on the form, by no later than 11am on 12 September 2014. Alternatively you can vote using our CREST proxy voting service following the procedures set out in the CREST manual. You will still be able to vote on the day of the AGM but if you have already submitted a proxy form, this will only be necessary if you intend to change the voting instructions given on your proxy form.

Recommendation

The directors believe that the resolutions set out in the Notice are in the best interests of the Company and of the shareholders as a whole. Accordingly they recommend you vote in favour of each resolution as they intend to do in respect of their own beneficial shareholdings in the Company.

The directors and I look forward to seeing you at the AGM.

Yours faithfully



Paul Mitchell
Non-Executive Chairman

Explanatory Notes about the resolutions we will be proposing at the AGM:

Resolution 1: Receiving the report and accounts

The directors will present to the shareholders at the AGM the accounts for the previous financial year, on this occasion for the year ended 31 May 2014, together with the strategic report and the reports of the directors and the auditor.

Resolution 2: Approving the directors' remuneration report (other than the directors' remuneration policy)

The remuneration report is included in full on pages 58 to 82 of the Company's 2014 Annual Report and Accounts ('Annual Report'). In accordance with the Companies Act 2006 ('2006 Act'), this resolution is advisory only and therefore no entitlement to remuneration is conditional on it.

Resolution 3: Approving the directors' remuneration policy

The directors' remuneration policy is set out on pages 60 to 67 of the Annual Report. The directors' remuneration policy sets out the policy of the Company with respect to the making of remuneration payments and payments for loss of office. If approved by shareholders, the directors' remuneration policy will take effect from the conclusion of the AGM and will be subject to a shareholder vote at least every 3 years. Once approved, the Company will not be able to make a remuneration payment to a current or prospective director or a payment for loss of office to a current or former director, unless that payment is consistent with the policy or has been approved by a resolution of the shareholders of the Company.

Resolution 4: Declaring a final dividend

Final dividends are to be approved by the shareholders. However, they cannot be more than the amount the board recommends. The board is recommending a final dividend of 2.36 pence per ordinary share for the year ending 31 May 2014. If shareholders approve the recommended dividend, it will be paid on 26 September 2014 to shareholders on the register at the close of business on 29 August 2014.

Resolutions 5 and 6: Appointment and remuneration of the auditor

The auditor of the Company is required to be appointed or re-appointed at each AGM at which accounts are presented. Ernst & Young LLP resigned as auditors of the Company with effect from 30 October 2013 after failing to agree an audit fee with the Company for the year to May 2014. On the recommendation of the Audit Committee, KPMG LLP was subsequently appointed auditor of the Company. Accordingly, shareholder approval is being sought to appoint KPMG LLP as auditor of the Company.

It is normal practice for a company's directors to be authorised to fix the auditor's remuneration and shareholders' approval to do so is sought in this resolution.

Resolutions 7 - 11: Re-election of directors

Under the articles of association of the Company two of the directors must retire by rotation each year, and each director must offer himself for re-election at least every three years. However in accordance with best practice all directors are offering themselves for re-election this year.

The board believes that each of the directors continues to perform effectively and with commitment to their roles. The biographies of the current directors are set out on pages 31 to 32 of the Annual Report.

Resolution 12: Granting the directors authority to allot shares

The 2006 Act provides that directors shall only allot unissued shares with the authority of shareholders in general meeting. The authority given to the directors at the last AGM to allot and issue shares in the capital of the Company pursuant to section 551 of the 2006 Act shall expire at the conclusion of the forthcoming AGM. The board recommends that this authority be renewed.

Resolution 12(a), if passed, will give the directors authority to allot new shares up to a nominal value of £694,826.37 (representing 69,482,637 ordinary shares), which represents approximately one-third of the issued share capital of the Company (excluding treasury shares), as at 1 August 2014 (being the latest practicable date prior to publication of this document).

The directors' current intention is to only exercise the authority sought under paragraph (a) of resolution 12 to satisfy the Company's obligations under employee share schemes.

In line with the guidelines issued by the Association of British Insurers, paragraph (b) of resolution 12 seeks additional authority to allot shares up to a further nominal amount of £694,826.37, representing approximately one-third of the issued share capital (excluding treasury shares) as at 1 August 2014, solely to be used in connection with a pre-emptive rights issue.

The directors currently have no intention to utilise the additional authority to allot shares sought under resolution 12(b).

Each of the authorities sought under resolution 12 will expire on the conclusion of the Company's 2015 AGM. Should the directors exercise the authorities sought under resolution 12, they intend to follow ABI recommendations concerning their use (including as regards the directors standing for re-election in certain cases).

As at 1 August 2014 (being the latest practicable date prior to publication of this document) 28,186 shares are held by the Company in treasury.

Resolution 13: Disapplication of pre-emption rights

Resolution 13 will be proposed as a special resolution and seeks to renew the authority conferred on the directors at last year's AGM to allot equity securities for cash pursuant to section 570 of the 2006 Act, without first offering them to shareholders pro rata to their holdings.

The authority sought under this resolution 13 facilitates issues made by way of rights to shareholders which are not strictly in accordance with section 561 of the 2006 Act, and authorises other allotments up to an aggregate nominal amount of £104,238.04 (representing 10,423,804 ordinary shares), which represents approximately 5% of the Company's issued equity share capital (including treasury shares) as at 1 August 2014 (being the latest practicable date prior to publication of this document).

The authority sought under resolution 13 will expire on the conclusion of the Company's 2015 AGM.

In accordance with the guidelines issued by the Pre-emption Group, the directors confirm their intention that no more than 7.5% of the Company's issued share capital will be issued for cash on a non pre-emptive basis during any rolling three-year period.

Resolution 14: Authority to purchase own shares

The directors believe it is in the interests of the Company and its shareholders to have the flexibility to purchase its own shares and this resolution seeks authority from shareholders to do so.

After taking in to account the effects on earnings per share and the interests of shareholders generally, on 30 May 2014 the Company purchased 600,000 ordinary shares in the market to be held in Treasury against future LTIP liabilities. On 8 July 2014, 571,814 treasury shares were used to satisfy LTIP awards that fell due to the Executive Directors and Senior Management.

The directors presently have no intention of exercising the authority sought under resolution 14 and would again only do so if the directors believed that the expected effect would be to increase earnings per share and promote the success of the Company for the benefit of its shareholders as a whole. If any purchases of ordinary shares are made pursuant to this authority, it is intended that such ordinary shares will either be cancelled or held in treasury in accordance with the provisions of the 2006 Act. No dividends will be paid on, and no voting rights will be exercised in respect of shares held in treasury. Any purchases of ordinary shares would be by means of market purchases on the London Stock Exchange.

This resolution would be limited to 20,844,791 ordinary shares, representing approximately 10% of the issued equity share capital of the Company (excluding treasury shares) as at 1 August 2014 (being the latest practicable date prior to publication of this document). The authority also sets minimum and maximum prices at which shares may be bought. The renewed authority will remain in force until the conclusion of the Company's 2015 AGM. The directors intend to seek renewal of this power at each AGM.

The total number of options to subscribe for ordinary shares for all share schemes of the Company which were outstanding as at 1 August 2014 was 4,060,622, which represents 1.95% of the Company's issued share capital (excluding treasury shares) and would represent 1.99% of the Company's issued share capital (excluding treasury shares) if the full authority to repurchase ordinary shares as proposed by resolution 14 was exercised. As at 1 August 2014, 28,186 shares are held by the Company in treasury.

Resolution 15: Notice of general meetings

Resolution 15 enables the Company to hold general meetings (other than AGMs) on 14 clear days' notice. The Company's articles of association currently permit such notice period but this resolution is required in order to comply with the Shareholders' Rights Regulations.

Resolution 16: Amendment to Long Term Incentive Plan

Resolution 16 is an ordinary resolution seeking the approval of the shareholders to amend the existing NCC Group PLC Long Term Incentive Plan 2013 ('LTIP') to incorporate a deferred bonus sub-plan ('Plan') by way of a schedule to the LTIP.

The LTIP was adopted by the Company at its AGM in September 2013.

The Plan will be administered by the Company's Remuneration Committee ('Committee').

In respect of any financial year of the Company for which a participant is awarded an annual bonus, the Committee may in its discretion determine that the whole or a proportion of such bonus which is earned shall be deferred in the form of an Award (which shall take the form of a nominal cost option) under the Plan. The deferral period shall be for a minimum of 2 years and will be subject to clawback provisions. The aim of the Plan is to provide appropriate long-term alignment with shareholder interests and increased retention.

A summary of the principal terms of the proposed Plan is set out in the Appendix to the Notice.

In all other respects, the rules of the LTIP will not be changed and will remain as adopted in September 2013.

Notice of Annual General Meeting

Notice is hereby given that NCC Group plc ('Company') will hold its Annual General Meeting at Manchester Technology Centre, Oxford Road, Manchester M1 7EF at 11am on 16 September 2014 to consider and, if thought fit, pass the following resolutions. Resolutions 1 to 12 (inclusive) and Resolution 16 will be proposed as ordinary resolutions and resolutions 13 to 15 (inclusive) will be proposed as special resolutions:

1. To receive and adopt the Company's annual accounts, the strategic report and the reports of the directors and auditor for the financial year ended 31 May 2014.
2. To approve the directors' remuneration report (other than the part containing the directors' remuneration policy) for the financial year ended 31 May 2014.
3. To approve the directors' remuneration policy which is contained within the directors' remuneration report.
4. To declare a final dividend for the financial year ended 31 May 2014 of 2.36p per ordinary share, to be paid on 26 September 2014 to members whose names appear on the register of members at the close of business on 29 August 2014.
5. To appoint KPMG LLP as auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the Company.
6. To authorise the directors of the Company ('Directors'), to determine the auditor's remuneration.
7. To re-elect Rob Cotton as a Director.
8. To re-elect Paul Mitchell as a Director.
9. To re-elect Debbie Hewitt as a Director.
10. To re-elect Thomas Chambers as a Director.
11. To re-elect Atul Patel as a Director.
12. That the Directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (in substitution for any existing authority to allot shares) to allot:
 - (a) shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £694,826.37;
 - (b) equity securities (within the meaning of section 560 of the said 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 £694,826.37,

provided that this authority shall expire on the conclusion of the next annual general meeting of the Company after the passing of this resolution, save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted or rights to be granted after such expiry and the Directors may allot shares or grant such rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

13. That, subject to the passing of resolution 12 as set out in the notice of this meeting, the Directors be and they are empowered pursuant to section 570 of the Companies Act 2006 to allot equity securities (within the meaning of section 560 of the said Act) for cash pursuant to the general authority conferred by resolution 12 as set out in the notice of this meeting and be empowered pursuant to section 573 of the said Act to sell ordinary shares (as defined in section 560 of the said Act) held by the Company as treasury shares (as defined in section 724 of the said Act) for cash, as if section 561(1) of the said Act did not apply to such allotment or sale, provided that this power shall be limited to allotments of equity securities and the sale of treasury shares:

- (a) in connection with or pursuant to an offer by way of rights, open offer or other pre-emptive offer to the holders of shares in the Company and other persons entitled to participate therein in proportion (as nearly as practicable) to their respective holdings, subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the regulations or requirements of any regulatory authority or any stock exchange in any territory; and
- (b) otherwise than pursuant to sub-paragraph (a) above, up to an aggregate nominal amount of £104,238.04,

and such power shall expire on the conclusion of the next annual general meeting of the Company after the passing of this resolution save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted or treasury shares to be sold after such expiry, and the board may allot equity securities or sell treasury shares in pursuance of such an offer or agreement as if the power conferred by this resolution had not expired.

14. That, the Company be generally and unconditionally authorised, pursuant to Article 16 of the Articles of Association of the Company and pursuant to section 701 of the Companies Act 2006, to make market purchases (as defined in section 693(4) of the Companies Act 2006) of up to 20,844,791 Ordinary Shares of 1p each in the capital of the Company (being approximately 10 per cent of the current issued ordinary share capital of the Company) on such terms and in such manner as the Directors of the Company may from time to time determine, provided that:

- (a) the amount paid for each share (exclusive of expenses) shall not be more than the higher of (1) five per cent above the average market value of the Ordinary Shares as derived from the Daily Official List of London Stock Exchange plc for the five business days before the date on which the contract for the purchase is made, and (2) an amount equal to the higher of the price of the last independent trade and current independent bid as derived from the London Stock Exchange trading system or less than 1p per share; and
- (b) the authority herein contained shall expire at the conclusion of the next annual general meeting of the Company provided that the Company may, before such expiry, make a contract to purchase its own shares which would or might be executed wholly or partly after such expiry, and the Company may make a purchase of its own shares in pursuance of such contract as if the authority hereby conferred had not expired.

15. That a general meeting of the Company other than an annual general meeting may be called on not less than 14 clear days' notice.

16. That the rules ('Rules') of the NCC Group plc Long Term Incentive Plan 2013 ('LTIP') be amended by the addition of a deferred bonus sub-plan in the form of a schedule to the Rules and that the Rules as so amended, a copy of which having been produced to the meeting and initialled by the Chairman for the purpose of identification, be and are hereby approved and adopted and the Directors be and are hereby authorised to do all acts and things which they may consider necessary or expedient to give effect to the same.

By Order of the Board



Felicity Brandwood

Secretary

Dated: 1 August 2014

Registered office:

Manchester Technology Centre

Oxford Road

Manchester

M1 7EF

Notes

1. In order to attend and vote at the Annual General Meeting ('AGM') you must comply with the procedures set out in these notes by the dates specified herein.
2. Any member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to exercise any or all of their rights to attend, speak and vote at the AGM. A form to be used for appointing a proxy or proxies for this AGM will be sent to you ('Proxy Form'). Please complete and return the Proxy Form whether or not you intend to attend the AGM in person. The return of the Proxy Form will not prevent you from attending and voting at the AGM if you so wish. You can appoint the Chairman of the AGM to act as your proxy, or ask one or more persons of your choice to be your proxy. Your proxy does not have to be a shareholder of the Company. There are notes on the Proxy Form explaining how you should complete it.

To be valid, the completed Proxy Forms must be received by the Company's Registrar, Equiniti Registrars by no later than 11am on 12 September 2014 and should be addressed to Freepost RTHJ-CLL-KBKU, Equiniti, Aspect House, Spencer Road, Lancing, BN99 8LU.
3. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM to be held on 16 September 2014 and any adjournment(s) thereof 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.

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 CREST's specifications and must contain the information required for such instructions, as described in the CREST Manual which can be viewed at www.euroclear.com. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by 11am on 12 September 2014. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that there are no special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
4. You may not use any electronic address provided either in this notice of AGM ('Notice') or any related documents (including the Proxy Form) to communicate with the Company for any purposes other than those expressly stated.
5. The right of members to vote at the AGM is determined by reference to the Company's register of members ('Register'). We have set a time and date for eligibility to attend the AGM. This year, only those shareholders registered at 6pm on 12 September 2014 will be eligible to attend or vote at this AGM. We will disregard changes to entries on the Register after 6pm on 12 September 2014. If the AGM were to be adjourned for any reason, then only those shareholders registered in the Register at 6pm on the day which is two working days prior to the day fixed for the adjourned meeting will be eligible to attend.
6. Copies of:
 - (i) the service contracts of each of the directors;
 - (ii) the terms and conditions of appointment of all non-executive directors; and
 - (iii) the proposed revised rules of the LTIP,will be available for inspection at the registered office of the Company and at the offices of Eversheds LLP, One Wood Street, London, EC2V 7WS during usual business hours on any weekday (Saturdays and public holidays excluded) from the date of this Notice until the date of the AGM and at the place of the AGM from at least 15 minutes prior to and until the conclusion of the AGM.
7. Biographical details of the current directors who are being proposed for re-election by shareholders are set out on pages 31 to 32 of the Company's 2014 Annual Report and Accounts.
8. Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. 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 statement of the rights of shareholders in relation to the appointment of proxies above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
9. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member, provided they do not do so in relation to the same shares.

10. Any member attending the AGM is entitled to ask any question relating to the business being dealt with at the AGM. The Company will answer any such questions unless (i) to do so would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information; or (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 AGM that the question be answered.
11. As required by section 311A Companies Act 2006, from the date of this Notice and for the following two years the following information will be available on the Company's website and can be accessed at www.nccgroup.com:
- (i) the matters set out in this Notice;
 - (ii) the total number of shares in the Company and shares of each class, in respect of which members are entitled to exercise voting rights at the AGM; and
 - (iii) the totals of the voting rights that members are entitled to exercise at the AGM in respect of the shares of each class.

Any members' statements, members' resolutions and members' matters of business received by the Company after the date of this Notice will be added to the information already available on the website as soon as reasonably practicable and will also be made available for the following two years.

12. Shareholders should note that it is possible that, pursuant to requests made by shareholders of the Company under section 527 of the Companies Act 2006, the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the 2006 Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
13. As at 1 August 2014 (being the latest practicable date prior to publication of this document) the Company's issued share capital consists of 208,447,912 ordinary shares of 1p each (excluding treasury shares). The holders of ordinary shares are entitled to attend and vote at general meetings of the Company. On a vote by show of hands every ordinary shareholder entitled to vote has one vote. On a vote by poll every ordinary shareholder who is present in person or by proxy has one vote for every ordinary share held. Therefore the total voting rights in the Company as at 1 August 2014 were 208,447,912.

Appendix

Summary of principal terms of proposed deferred bonus plan

Operation and participation

The Deferred Bonus Plan ('Plan') will operate as a sub-plan to the NCC Group PLC Long Term Incentive Plan ('LTIP'). The Plan will be administered by the remuneration committee of the Company ('Committee').

All employees and full-time directors ('Participants') are eligible to be considered for the grant of awards ('Awards') under the Plan. Awards will take the form of nominal cost options to acquire ordinary shares ('Shares') in the Company.

In respect of any financial year of the Company for which a Participant is awarded an annual bonus, the Committee may in its discretion determine that the whole or a proportion of such bonus which is earned shall be deferred in the form of an Award under the Plan.

The number of Shares subject to an Award will be determined by dividing the amount of the annual bonus to be deferred by the Company's average closing mid-market Share price for the five dealing days immediately preceding the date on which the Award is made.

Awards shall vest after a deferral period ('Deferral Period') specified by the Committee at the time the Award is made which shall not be less than two years following the end of the financial year in respect of which the bonus was earned

Proposed awards for financial year to 31 May 2015

It is proposed to make Awards under the Plan in respect of the financial year of the Company to 31 May 2015 to the Chief Executive and Finance Director and to other members of the Company's senior executive team. It is proposed that the Awards to the Chief Executive and Finance Director will be on the following terms:

- 65% of the annual bonus due for that financial year shall be payable in the form of cash and 35% shall be payable in the form of Awards under the Plan;
- the Deferral Period shall be two years and accordingly such Awards shall generally vest on 31 May 2017.

Leavers

Vesting of Awards shall generally be subject to the continued employment of the Participant during the Deferral Period. Exceptionally, if a Participant ceases to be an employee during the Deferral Period applicable to an Award by reason of death, permanent illness or disability, that Award will vest on a pro rata basis based on the period of time during the Deferral Period up to the date of cessation of employment. If a Participant ceases to be an employee during the Deferral Period for any other reason, that Award will normally lapse unless the Committee determines that it may vest, in which case it will vest to the extent determined by the Committee taking into account the period of time which has elapsed during the Deferral Period up until the cessation of employment and such other factors as the Committee deems appropriate

Corporate events

In the event of takeover, compromise or arrangement, or voluntary winding up of the Company during the Deferral Period applicable to any Award, that Award shall vest in full.

Dividend Equivalents

An Award may be granted on terms that entitles the Participant to a cash payment equal to the value of dividends (including the value of any tax credit) that would have been paid since the date on which the Award was made until the time when the Award vests on a number of Shares equal to the number in respect of which the Award vests.

Clawback

Awards will be subject to clawback provisions during the Deferral Period (pursuant to which Awards may be reduced or cancelled in whole or in part) in the event of a material misstatement of any accounts of the Company which have been used for assessing achievement of performance conditions in determining the amount of the annual bonus payable, or in the event of misconduct by the participant or material breach of his contract of employment or fiduciary duties.

Dilution Limits

As a sub-plan to the LTIP, the Plan may operate over new issue Shares, treasury Shares or Shares purchased in the market. In any ten year period, the Company may not issue new Shares (or grant rights to issue) of more than 10 per cent of the issued share capital of the Company under all of the Company's employee share schemes.

Grant period

Awards may normally be made under the Plan within 42 days following its approval by shareholders and thereafter within 42 days after the announcement by of the Company of its interim or final results or of its results for any other period, although awards may be made outside these periods if the circumstances are deemed to be exceptional.

Rights attaching to Shares

Any Shares allotted pursuant to the Plan will rank equally with Shares then in issue (except for rights arising by reference to a record date prior to the date of allotment).

Variation of share capital

In the event of a variation of share capital, the number of Shares subject to a subsisting Award may be adjusted in such manner as the Committee determines.

Amendments

As a sub-plan to the LTIP, the Committee may alter the Plan but certain amendments to the advantage of Participants cannot take effect without shareholder approval, unless they are minor amendments to benefit the administration of the Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for Participants or the Company or other member of the NCC Group. The amendments which will generally require shareholder approval are amendments to the maximum and individual limits on the number of Shares which can be awarded under the Plan, the category of persons who may participate, the basis for determining a Participant's entitlement under the Plan, the rights attaching to Shares issued under the Plan, the provisions for adjusting Awards in the event of a variation of share capital and the provisions for altering the terms of the Plan.

Pension rights

None of the benefits which may be received under the Plan shall be pensionable.

