

SCHEME DOCUMENT

In respect of

THE LEWIS 2022 EXECUTIVE RETENTION SCHEME

TABLE OF CONTENTS

Clause number and description	Page
1. INTRODUCTION.....	1
2. DEFINITIONS.....	1
3. SHARES AVAILABLE FOR THE SCHEME.....	6
4. INVITATION TO ACQUIRE INVESTED SHARES.....	8
5. GRANT OF AWARDS.....	10
6. LAPSING OF MATCHING SHARE OPTION.....	12
7. DEFERRED PERIOD AND EXERCISE OF MATCHING SHARE OPTION.....	12
8. DIVIDENDS, SCRIP DIVIDENDS, DISTRIBUTIONS <i>IN SPECIE</i> AND VOTING RIGHTS DURING THE DEFERRED PERIOD.....	13
9. RIGHTS ISSUES DURING THE DEFERRED PERIOD.....	14
10. CAPITALISATION DURING THE DEFERRED PERIOD.....	15
11. EVENTS AFFECTING SHARE CAPITAL.....	15
12. CHANGE IN CONTROL.....	16
13. TERMINATION OF EMPLOYMENT.....	18
14. CLAWBACK.....	19
15. AMENDMENT OF THE SCHEME.....	20
16. ADMINISTRATION.....	20
17. ANNUAL ACCOUNTS.....	21
18. DISPUTES.....	21
19. TERMINATION OF THE SCHEME.....	23
20. DOMICILIUM AND NOTICES.....	24
21. GENERAL.....	25
22. EMPLOYER COMPANIES.....	26

1. INTRODUCTION

The purpose of the Lewis 2022 Executive Retention Scheme is to:

1.1. incentivise continuing contributions by Executives to the growth of the Group; and

1.2. attract and retain suitably skilled and competent personnel,

by granting certain awards to such Executives which provide them with the opportunity to acquire Shares, thereby aligning the interests of such Executives with the interests of the Group.

2. DEFINITIONS

2.1. In this document, unless the context otherwise indicates:

2.1.1. **"2019 Award Shares"** means the Shares subject to a matching share option granted under the Lewis 2019 Executive Retention Scheme;

2.1.2. **"2019 Invested Shares"** means the Shares acquired by the Trustees in a nominee capacity on behalf of a Recommended Participant in terms of the Lewis 2019 Executive Retention Scheme;

2.1.3. **"Act"** means the Companies Act No. 71 of 2008;

2.1.4. **"Auditors"** mean the external auditors of the Company from time to time;

2.1.5. **"Award"** means the grant of a Matching Share Option in terms of clause 5;

2.1.6. **"Award Shares"** means the Shares subject to a Matching Share Option;

2.1.7. **"Board"** means the board of directors for the time being of the Company;

2.1.8. **"Bonus Scheme"** means any bonus scheme conducted by the Group from time to time in which Executives may participate from time to time, excluding any scheme established in terms of schedule 14 to the JSE Listings Requirements;

2.1.9. **"Business Day"** means any day other than a Saturday, Sunday or public holiday officially recognised as such in the Republic of South Africa;

2.1.10. **"Clawback Condition"** means any instance in respect of which an Executive or former Executive:

2.1.10.1. commits misconduct involving fraud, misrepresentation and/or dishonesty, as the case may be, during any period of employment with an Employer Company, whereafter an Employer Company

institutes disciplinary proceedings against the Executive pursuant to which:

2.1.10.1.1. the Executive is dismissed; or

2.1.10.1.2. where the Executive is accused of serious misconduct, which would usually warrant dismissal, but the Executive resigns from his/her employment prior to the outcome of such disciplinary proceedings; and/or

2.1.10.2. fails to perform in his/her duties as an Executive during his/her period of employment as an Executive, which may include, but not limited to:

2.1.10.2.1. being in breach of any material obligation and/or fiduciary duty the Executive or former-Executive owed to the Company;

2.1.10.2.2. performing any act or omission which is injurious to the Company and/or its reputation; or

2.1.10.2.3. gross misconduct under the Company's rules, policies and/or guidelines,

whereafter an Employer Company institutes disciplinary proceedings against the Executive (other than in accordance with clause 2.1.10.1) pursuant to which:

2.1.10.2.4. the Executive is dismissed; or

2.1.10.2.5. where the Executive is accused of serious misconduct, which would usually warrant dismissal, but the Executive resigns from his/her employment prior to the outcome of such disciplinary proceedings; and/or

2.1.10.3. would otherwise not have received his/her Award Shares in terms of this Scheme inasmuch as such Award Shares would not have vested given the conduct of the Executive during any period of the Executive's or former-Executive's employment with an Employer Company;

- 2.1.11. **“Clawback Shares”** means all Award Shares which vested in the affected Executive or former-Executive and in respect of which:
- 2.1.11.1. the Executive or former-Executive satisfied a Clawback Condition; or
- 2.1.11.2. the Executive or former Executive performed the act or omission which ultimately resulted in the Clawback Condition being satisfied, at any time during the period from the Grant Date until the date on which the Executive or former-Executive exercised the Matching Share Option in terms of clause 7.5;
- 2.1.12. **“Committee”** means the remuneration committee of the Board, or its successor in title;
- 2.1.13. **“Company”** means Lewis Group Limited (Registration No. 2004/009817/06), which shares of which are listed on the JSE;
- 2.1.14. **“Compliance Officer”** means the compliance officer of the Scheme, as appointed by the Company from time to time in accordance with section 97 of the Act;
- 2.1.15. **“Deferred Period”** means the period of three years commencing on the Grant Date;
- 2.1.16. **“Election Notice”** means the notice to be issued to a Recommended Participant in terms of clause 4;
- 2.1.17. **“Employer Company”** means the company in the Group that employs Executives and has adopted this Scheme in accordance with clause 22;
- 2.1.18. **“Executive”** means any executive director of the Company, as well as any senior member of management of the Group, selected by the Committee, but excluding any such executive who is within 2 (two) years of normal retirement age in accordance with the rules of the pension/provident/retirement fund or policy of the Company or the Employer Company, as the case may be;
- 2.1.19. **“Financial Year”** means the financial year of the Company determined in terms of section 27 of the Act;
- 2.1.20. **“Final Exercise Date”** means the fifth anniversary of the Grant Date or such other date as determined by the Trustees in their discretion;

- 2.1.21. “**Grant Date**” means the date on which a Matching Share Option is granted in terms of clause 5;
- 2.1.22. “**Group**” means the Company and its subsidiaries from time to time;
- 2.1.23. “**Gross Bonus**” means the relevant amount of bonus awarded to a Recommended Participant under the Bonus Scheme;
- 2.1.24. “**Invested Amount**” means the relevant percentage of the Net Bonus which a Recommended Participant directs to be paid to the Trustees under clause 4, which for the avoidance of any doubt may not exceed the percentage of the Net Bonus which the Committee has determined, in its sole discretion, may be invested by the Recommended Participant and communicated to the Recommended Participant in terms of clause 4.6.3;
- 2.1.25. “**Invested Shares**” means the Shares acquired by the Trustees in a nominee capacity on behalf of a Recommended Participant in terms of clause 5.1.1;
- 2.1.26. “**JSE**” means the JSE Limited (Registration Number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act, 19 of 2012;
- 2.1.27. “**JSE Listings Requirements**” means the listings requirements published by the JSE;
- 2.1.28. “**Lewis 2019 Executive Retention Scheme**” means the Lewis 2019 Executive Retention Scheme, which was adopted with the necessary shareholder approval at the annual general meeting of shareholders of the Company held on 25 October 2019;
- 2.1.29. “**Matching Share Option**” means a right to acquire Shares granted by the Trustees to a Recommended Participant under clause 5.1.1;
- 2.1.30. “**Net Bonus**” means the Gross Bonus less applicable tax and employee’s social security contributions (in any jurisdiction) deductible therefrom;
- 2.1.31. “**Option Notice**” means a notice delivered in accordance with clause 5.7;
- 2.1.32. “**Participant**” means an Executive who has received an Award under this Scheme;
- 2.1.33. “**Potential Participant**” means a Recommended Participant who has been selected by the Trustees;

- 2.1.34. “**Prohibited Period**” means a prohibited period as defined in the JSE Listings Requirements;
- 2.1.35. “**Scheme**” means the Lewis 2022 Executive Retention Scheme, established in terms of this document;
- 2.1.36. “**Recommended Participant**” means an Executive recommended by the Committee to the Trustees for the grant of an Award;
- 2.1.37. “**Shares**” means ordinary shares in the capital of the Company;
- 2.1.38. “**Termination of Employment**” means the date on which an Executive’s contract of employment terminates and, for the avoidance of doubt:
- 2.1.38.1. if notice of termination was given by either the Executive or the Company or the Employer Company, as the case may be, such termination shall only occur upon the expiry of the notice period; or
- 2.1.38.2. if no notice of termination was given by either the Executive or the Company or the Employer Company, as the case may be but a payment in lieu of notice was made, termination shall occur on the date of such payment,
- provided that there shall be deemed to be no Termination of Employment for purposes of the Scheme, if the Executive ceases to be employed by one Employer Company but remains within the continuous employment of the Group by being employed by another Employer Company;
- 2.1.39. “**the Trust**” means the Lewis Employee Incentive Scheme Trust constituted in terms of a trust deed dated 20 September 2004, as amended; and
- 2.1.40. “**the Trustees**” means the Trustees for the time being of the Trust, including any alternate Trustees.
- 2.2. Words importing the singular shall include the plural and *vice versa*, and words importing the masculine gender shall include female, and words importing persons shall include partnerships and bodies corporate, and *vice versa*.
- 2.3. The head notes to the paragraphs in this document are inserted for reference purposes only and shall not affect the interpretation of any of the provisions to which they relate.
- 2.4. The terms of this document shall be binding on the estates, heirs, executors, administrators, trustees or permitted assigns of a Participant as fully and effectually as if they had been the Participant in the first instance.

- 2.5. Where any term is defined within the context of any particular clause in this document, the term so defined shall, unless it appears clearly from the clause in question that such term has limited application to the relevant clause, bear the meaning ascribed to it for all purposes in terms of this document, notwithstanding that such term has not been defined in this clause 2.
- 2.6. If any provision in the abovementioned definitions is a substantive provision conferring rights or imposing obligations on any party, then, notwithstanding that such provision is only contained in this clause 2, effect shall be given thereto as if such provision were a substantive provision in the body of this document.
- 2.7. Any reference in this document to legislation or subordinate legislation is to such legislation or subordinate legislation at the date of signature hereof and as amended and/or re-enacted from time to time.
- 2.8. When any number of Business Days is prescribed in this document, same shall be reckoned exclusively of the first and inclusively of the last Business Day.
- 2.9. Should the day for the performance of any obligation in terms of this document fall on a day which is not a Business Day, then such obligation shall be performed on the next day which is a Business Day.

3. **SHARES AVAILABLE FOR THE SCHEME**

- 3.1. The aggregate maximum number of Shares (whether issued or unissued) which may be utilised for the Scheme in respect of Matching Share Options at any time shall not exceed 1,500,000 (one million five hundred thousand) Shares. For the purpose of this clause 3.1, Shares which have been “utilised for the Scheme” include:
 - 3.1.1. Shares which are subject to a Matching Share Option which has not yet been exercised;
 - 3.1.2. Shares which are subject to a Matching Share Option which has been exercised, but in respect of which Award Shares have not yet been delivered.
- 3.2. The Company in a general meeting may reserve unissued Shares and place those unissued Shares under the control of the Board for the purpose of the Scheme.
- 3.3. The aggregate maximum number of Shares which any one Executive may acquire in terms of this Scheme pursuant to the exercise of Matching Share Options shall not exceed 600,000 (six hundred thousand) Shares.
- 3.4. Newly issued Shares, market-purchased Shares or Shares held in treasury may be used for the purpose of the Scheme. In accordance with Schedule 14 to the JSE Listings

Requirements, any Shares purchased through the market will not be taken into account when calculating the number of Shares utilised by the Scheme.

- 3.5. Subject to any other provisions of this Scheme document, in order to meet its obligation to deliver Award Shares to Executives pursuant to the exercise of Matching Share Options, the Trust may purchase Shares through the market from time to time, and may sell any such Shares purchased should those Shares or options be surplus to the requirements of the Scheme, subject to the following:
- 3.5.1. Shares may only be issued or purchased for purposes of the Scheme to settle Matching Share Options once an Executive or group of Executives to whom they will be allocated, has been formally identified;
- 3.5.2. Shares so purchased may only be sold:
- 3.5.2.1. once the employment of a Participant has been terminated or a Participant is deceased;
- 3.5.2.2. if such Shares are in excess of the Scheme's requirements at the relevant time; or
- 3.5.2.3. on behalf of a Participant, once the rights of ownership in the Shares have vested in such Participant;
- 3.5.3. the provisions of paragraphs 3.63 to 3.74 of the JSE Listings Requirements shall apply *mutatis mutandis* to any dealings by the Company that involve Shares relating to the Scheme, save if the circumstances listed in paragraph 3.92 of the JSE Listings Requirements apply.
- 3.6. No Shares may be purchased by the Company and/or the Trust during a Prohibited Period unless the Company has in place a purchase programme where the dates and quantities of Shares to be traded during the relevant period are fixed (not subject to any variation) and has been submitted to the JSE in writing prior to the commencement of the Prohibited Period. The Company shall instruct an independent third party, which makes its investment decisions in relation to the Company's securities independently of, and uninfluenced by, the Company, prior to the commencement of the Prohibited Period to execute the purchase programme submitted to the JSE.
- 3.7. In the event that the purchase was made during a Prohibited Period through a purchase programme pursuant to clause 3.6, an announcement must be made which must include a statement confirming that the purchase was put in place pursuant to a purchase programme prior to a Prohibited Period in accordance with the JSE Listings Requirements.

- 3.8. Where the Shares in respect of which a Matching Share Option has been granted are not subsequently delivered to the Participant (for example, as a result of the Matching Share Option lapsing before acceptance), such Shares shall revert back to the Scheme and may form the subject of further Awards to be granted to Executives under the Scheme.

4. INVITATION TO ACQUIRE INVESTED SHARES

- 4.1. Subject to the rest of this clause 4, the Committee may, during the first six months of the commencement of a Financial Year of the Company, request the Trustees to exercise their discretion to select Recommended Participants for participation in this Scheme with reference to the Gross Bonus which may be earned by each of them for that Financial Year.
- 4.2. It is recorded that the Recommended Participants selected in terms of clause 4.1 shall be those Executives selected by the Committee who:
- 4.2.1. during the previous Financial Year (or such other period reasonably determined by the Committee) achieved the requisite performance targets and/or standards as the Committee may determine in its sole discretion (which performance targets and/or standards shall be disclosed annually in the Company's annual report);
- 4.2.2. has earned a Gross Bonus in terms of the Bonus Scheme conducted by the Group; and
- 4.2.3. holds the beneficial interest in the requisite number of Shares in the Company (determined in terms of clause 4.3) as at the Grant Date (or such other date as may be determined by the Committee) including any irrevocable undertaking as at the Grant Date (or such other date as may be determined by the Committee), in terms of clause 4.4 below, to the Company to ensure that he/she will hold such number of Shares (collectively, the "**Qualifying Shares**").
- 4.3. In order to qualify as a Recommended Participant, the Executive shall be required to hold the beneficial interest in and to (and/or provided the undertaking contemplated in clause 4.2.3 in respect of) such number of Qualifying Shares as determined in terms of the following formula:

$$A = [(B \times 12) \times C] / D$$

where

A = the minimum number of Qualifying Shares

B = the base monthly cash salary of the Executive (which, for the avoidance of doubt, will exclude any bonuses, short term or long term incentives and any other benefits) determined during the calendar month immediately before the month during which the Grant Date occurs;

- C = in respect of the Chief Executive Officer, C shall be equal to 2;
- in respect of any executive director of the Company other than the Chief Executive Officer, C shall equal to 1.5; and
- in respect of any other Executive, C shall be equal to 1;
- D = the market value of the Shares, which shall be the average closing price of the Shares over the last three Business Days during which Shares were traded on the JSE prior to the relevant date determined by the Committee

4.4. For the purposes of clause 4.3 above, the Qualifying Shares shall:

- 4.4.1. exclude any Invested Shares purchased on the Participant's behalf in accordance with clause 5.1 below and any 2019 Invested Shares, only to the extent that the relevant Award Shares or 2019 Award Shares linked to such Invested Shares or 2019 Invested Shares (as applicable) have not yet vested and been delivered to the Participant at the time, provided that if such Award Shares or 2019 Award Shares will be capable of being delivered upon exercise of the associated Matching Share Option by no later than the date that is 6 (six) months after the beginning of the Financial Year during which the Recommended Participant receives his Gross Bonus subject to the relevant Award, and the Participant provides an irrevocable undertaking to exercise such Matching Share Option and to retain the associated Invested Shares or 2019 Invested Shares to be delivered to such Participant, then the associated Invested Shares or 2019 Invested Shares will be included in such calculation of Qualifying Shares;
- 4.4.2. include Award Shares and 2019 Award Shares for which the Participant has provided an irrevocable undertaking to exercise the relevant Matching Share Option and retain the resulting Shares to be delivered to the Participant by no later than the date that is 6 (six) months after the beginning of the Financial Year during which the Recommended Participant receives his Gross Bonus subject to the relevant Award. The Shares included in the calculation of Qualifying Shares shall exclude any Shares which are to be sold and/or withheld to settle tax amounts payable in respect of the vesting of such Shares in due course.

4.5. As soon as reasonably practicable after the bonuses for a Financial Year have been determined and the recommendation referred to in clause 4.1 has been made, the Trustees, through the Compliance Officer, shall send a written invitation, together with an Election Notice, to each Potential Participant who has earned a bonus.

4.6. The invitation will state:

- 4.6.1. the Potential Participant's Net Bonus;
 - 4.6.2. that the Potential Participant shall be required to use at least 10% (ten per cent) of his/her Net Bonus as his/her Invested Amount in order to qualify for a Matching Share Option;
 - 4.6.3. that the Potential Participant shall only be entitled to use up to such maximum percentage of his/her Net Bonus as his/her Invested Amount, as determined by the Committee, in its sole discretion, in the invitation, and for the avoidance of any doubt, such maximum percentage shall be between 25% (twenty five percent) to 100% (one hundred percent), both inclusive, of the Potential Participant's Net Bonus;
 - 4.6.4. the methodology to determine the number of Award Shares which will be the subject of the Matching Share Option to be granted to the Potential Participant, determined in accordance with the formula in clause 5.2;
 - 4.6.5. the date by which the Potential Participant must return the Election Notice to the Compliance Officer, duly signed and completed incorporating a direction to the relevant Employer Company to pay the Invested Amount directly to the Trustees.
- 4.7. The Potential Participant who received such an invitation shall be required to deliver the completed Election Notice in order to qualify for the grant of a Matching Share Option, by the date specified in the invitation, failing which the invitation shall lapse.

5. GRANT OF AWARDS

- 5.1. As soon as reasonably practicable after the receipt of a completed Election Notice, the Trustees shall:
 - 5.1.1. purchase on behalf of the Participant a whole number of Shares on the JSE with the contributed Invested Amount (less any dealing costs), such Shares constituting the Invested Shares; and
 - 5.1.2. grant the Participant by deed a Matching Share Option in accordance with clause 5.7.
- 5.2. The number of Award Shares subject to a Matching Share Option shall be determined in accordance with the following formula:

$$A = (B \times C) / D$$

where

A = number of Award Shares

B = the Participant's Invested Amount

C = the matching percentage stated in the invitation determined in terms of clause 5.3 below

D = the price at which the Trustees are able to acquire or subscribe for a Share at the relevant time (after taking into account dealing costs).

5.3. The matching percentage stated in the invitation shall be determined by the Committee so as to ensure that the value of the Award Shares granted to the Participant (i.e. "A" in the formula in clause 5.2) is equal to the Gross Bonus contributed by a Participant to his/her corresponding Invested Amount.

5.4. No monetary consideration shall be payable by the Participant for the grant or exercise of a Matching Share Option.

5.5. Subject only to any rights of a deceased Participant's personal representatives, every Award shall be personal to the Participant to whom it is granted and shall not be capable of being transferred or assigned.

5.6. No Award shall be granted or satisfied unless the Trustees are satisfied at the relevant time that this will not entail a breach of any regulations adopted by the Company.

5.7. As soon as reasonably practicable after having acquired the relevant Invested Shares pursuant to clause 5.1, the Trustees (through the Compliance Officer) shall issue a notice ("**Option Notice**") to the Participant in such form as the Trustees shall determine from time to time, which shall state:

5.7.1. the Grant Date;

5.7.2. the number of Qualifying Shares to be held and retained by the Participant;

5.7.3. the number of corresponding Invested Shares;

5.7.4. the number of Shares which form the subject of the Matching Share Option;

5.7.5. the date on which the Deferred Period ends;

5.7.6. the Final Exercise Date;

5.7.7. that the Matching Share Option may only be accepted by the Executive to which it is addressed;

- 5.7.8. that, without the prior written consent of the Trustees, the Award may not be ceded, transferred, sold, alienated or disposed of in any other manner or transferred, and may not be pledged or otherwise encumbered;
- 5.7.9. that the granting of the Award and the vesting of the Award Shares shall be subject to the terms of the Scheme; and
- 5.7.10. any other terms and/or information which the Trustees deem appropriate in the circumstances.

6. **LAPSING OF MATCHING SHARE OPTION**

A Matching Share Option shall lapse on the occurrence of the earliest of the following:

- 6.1. if all the Invested Shares corresponding to the relevant Award are sold or otherwise disposed of before the date on which the Deferred Period ends, unless:
 - 6.1.1. the Matching Share Option is exercisable pursuant to clauses 12 and 13; or
 - 6.1.2. the Committee in its sole discretion otherwise determines;
- 6.2. if the Participant's beneficial interest in Shares including the Shares for which such Participant has provided an irrevocable undertaking in terms of clause 4.2.3 above falls below the requisite number of Qualifying Shares as determined on the Grant Date of such Matching Share Option;
- 6.3. the Final Exercise Date;
- 6.4. the applicable date for purposes of clauses 12 or 13;
- 6.5. the date on which a resolution is passed, or an order is made by a court for the compulsory winding up of the Company; or
- 6.6. the date on which the Participant becomes insolvent or does or omits to do anything as a result of which he is deprived of the legal or beneficial ownership of the Matching Share Option.

7. **DEFERRED PERIOD AND EXERCISE OF MATCHING SHARE OPTION**

- 7.1. During the Deferred Period, all Invested Shares shall be held by the Trustees as nominee on behalf of the Participant who shall be the beneficial owner of the Invested Shares.
- 7.2. A Participant may instruct the Trustees in writing to sell, transfer or otherwise dispose of any of his Invested Shares at any time provided that if a Participant so instructs the Trustees before the end of the Deferred Period, the number of Shares comprised in the corresponding

Matching Share Option shall be reduced *pro rata*; provided further that should such instruction be received after the second anniversary but before the end of the Deferred Period, the Committee shall, in its sole discretion, in exceptional circumstances, be entitled but not obliged to disregard the first proviso to this clause 7.2, in whole or in part.

7.3. Save as prescribed in clauses 12 and 13, the Matching Share Option may not be exercised before the expiry of the Deferred Period.

7.4. Upon the expiry of the Deferred Period:

7.4.1. the Trustees shall, subject to clause 21.1, transfer registered ownership of the Invested Shares (or such Shares remaining) within 20 (twenty) Business Days into the name of the Participant; and

7.4.2. the Participant shall be entitled to exercise the Matching Share Option (or such part of the Matching Share Option subsisting) until the Final Exercise Date (unless an earlier lapse occurs pursuant to this Scheme).

7.5. To exercise the Matching Share Option, the Participant shall deliver a notice of exercise (in such form as shall be prescribed by the Trustees) accompanied by the Option Notice, to the Compliance Officer. Within 20 (twenty) Business Days of receipt of a notice of exercise and the Option Notice by the Compliance Officer, the Trustees shall, subject to clause 21.1, transfer the Shares in respect of which the Matching Share Option has been validly exercised into the name of the Participant, from which date all risk and benefit of such Shares, including but not limited to all dividend and voting rights, shall pass to the Participant.

7.6. The Shares in respect of which a Matching Share Option has been validly exercised shall at the time of delivery thereof:

7.6.1. be issued, fully paid Shares;

7.6.2. rank *pari passu* with existing issued Shares;

and shall be listed on the JSE as soon as reasonably possible if not already listed in the relevant circumstances.

8. **DIVIDENDS, SCRIP DIVIDENDS, DISTRIBUTIONS *IN SPECIE* AND VOTING RIGHTS DURING THE DEFERRED PERIOD**

8.1. If, during the Deferred Period, cash dividends, scrip dividends or distributions *in specie* are declared in respect of the Invested Shares:

8.1.1. in the case of a cash dividend as soon as practicable following its receipt, the Trustees shall pay and account for such dividend to the Participant;

8.1.2. in the case of distributions *in specie*, as soon as practicable following its receipt, the Trustees shall transfer the distribution received to the Participant; and

8.1.3. in the case of a scrip dividend, the Trustees shall hold the Shares as part of the holding of Invested Shares to which they relate and subject to the same rules as the Invested Shares.

8.2. Each Participant shall be entitled to instruct the Trustees on:

8.2.1. how to vote in relation to the Invested Shares; and

8.2.2. whether to accept or reject any offer in relation to the Invested Shares.

9. RIGHTS ISSUES DURING THE DEFERRED PERIOD

9.1. If, during the Deferred Period, the Company grants any right to acquire new shares in respect of the Invested Shares, the Trustees shall, as soon as reasonably practicable after receipt of the rights, notify each Participant of the rights relating to his Invested Shares and each Participant may instruct the Trustees in writing to do one of the following:

9.1.1. take up all the rights, subject to the provision by the Participant to the Trustees of the necessary funds;

9.1.2. sell so many of the rights nil paid as will enable the Trustees to acquire the balance of the unsold rights; or

9.1.3. sell all of the rights nil paid and reinvest the proceeds of sale in Shares.

9.2. The Trustees shall hold any new shares so acquired as nominee on behalf the Participant as part of the holding of Invested Shares to which they relate and subject to the same rules as the Invested Shares.

9.3. If the Trustees have not, prior to 2 (two) Business Days before the expiry of the period allowed for the exercise of such rights, received a Participant's instructions and/or the provision of the necessary funds in relation to those instructions, the Trustees shall allow the Participant's rights in relation to his Invested Shares to lapse, and following such lapse, to the extent that any sums have been received in relation to the Participant's rights, such sums will be reinvested in Shares, such Shares to be held as part of the holding of Invested Shares to which they relate and subject to the same rules as the Invested Shares.

9.4. The Trustees shall notify each Participant of any adjustment made to his Invested Shares as soon as reasonably practicable following the expiry of the period allowed for the exercise of rights to acquire new shares.

10. CAPITALISATION DURING THE DEFERRED PERIOD

If during the Deferred Period, the Company allots to shareholders new shares by way of capitalisation in respect of the Invested Shares, the Trustees shall hold the new shares so acquired in a nominee capacity on behalf of the Participant as part of the holding of the Invested Shares to which they relate and subject to the same rules as the Invested Shares.

11. EVENTS AFFECTING SHARE CAPITAL

11.1. If at any time, the shares of the Company are consolidated or sub-divided, then the number of Shares which may be utilised for the Scheme pursuant to the exercise of Matching Share Options (as per clause 3.1), the aggregate number of Shares which any one Executive may acquire in terms of the Scheme pursuant to the exercise of Matching Share Options (as per clause 3.3), and the number of Shares which are the subject of any Matching Share Option shall be adjusted in such manner as the Auditors determine to be appropriate and, in making such determination, the Auditors shall ensure that, as far as possible in the circumstances, Executives shall remain entitled to the same proportion of the equity capital of the Company as that to which such Executive would have been entitled but for such event, and that Executives are not prejudiced nor given benefits beyond those provided for in the Scheme.

11.2. If at any time:

11.2.1. the Company is involved in a solvent restructuring affecting the Company's share capital or an amalgamation or merger in terms of which the Company is the surviving company and is thus an "amalgamated or merged company" continuing in existence after the implementation of the amalgamation or merger agreement;

11.2.2. the Company proposes a scheme of arrangement affecting the structure of its share capital (excluding as a result of a repurchase of the Company's shares requiring compliance by the Company with section 114 of the Act solely by virtue of section 48(8)(b) of the Act), other than in terms of clause 12;

11.2.3. the Company allots additional shares (including bonus or capitalisation shares issued simultaneously with an election to shareholders to decline such Shares and to accept a cash dividend) by the capitalisation of the Company's profits and/or reserves and/or share premium;

11.2.4. additional Shares are issued by the Company pursuant to a rights issue;

11.2.5. the Company makes payment of a special dividend, including a distribution *in specie*, to shareholders in terms of the Act (other than a cash dividend paid in the ordinary course of business),

then the aggregate number of Shares which any one Executive may acquire in terms of the Scheme pursuant to the exercise of Matching Share Options (as per clause 3.3), and the number of Shares which are the subject of any Matching Share Option shall be adjusted in such manner as the Auditors determine to be appropriate and, in making such determination, the Auditors shall ensure that, as far as possible in the circumstances, Executives shall remain entitled to the same proportion of the equity capital of the Company as that to which such Executive would have been entitled but for such event, and that Executives are not prejudiced nor given benefits beyond those provided for in the Scheme.

- 11.3. Any such adjustments shall be subject to the Auditors confirming to the Committee and to the JSE, in writing, that the adjustments were calculated on a reasonable basis and in accordance with the provisions of the Scheme.
- 11.4. The Committee shall notify the Participants of that adjustment which shall be binding on the Company, the Employer Company, the Trust and the Executives. Any such adjustment shall be reported in the Company's annual financial statements in the financial period during which the adjustment is made.
- 11.5. For the avoidance of doubt, there shall be no adjustment to the number of Shares which may be utilised for the Scheme, the aggregate number of Shares which any one Participant may acquire in terms of the Scheme or the number of Shares which are the subject of any Matching Share Option in respect thereof if there is:
- 11.5.1. an issue of Shares by the Company as consideration for an acquisition; or
 - 11.5.2. a specific issue of Shares for cash; or
 - 11.5.3. a vendor consideration placement.

12. **CHANGE IN CONTROL**

- 12.1. Should:
- 12.1.1. the Company become an immediate subsidiary of any company (other than its immediate holding company, if any, as at the date of commencement of this Scheme) as a result of a take-over, scheme of arrangement, reconstruction or an amalgamation or merger; or
 - 12.1.2. the Company proposes to pass a resolution for the voluntary winding up of the Company,

then, within 30 (thirty) days of becoming aware of the occurrence of the event :

12.1.3. the Participants shall be entitled to require registration of transfer of any Invested Shares into their name by written notice to the Trust, in which event such transfer shall take place within 7 (seven) days after such notice is received by the Trust; and

12.1.4. the Participant shall be entitled to exercise their Matching Share Options by written notice to the Trust to such effect and, in such event, the relevant Shares shall be delivered within 7 (seven) days after receipt by the Trust of such notice,

provided that the Board may in relation to the rights of the Participants make such alternative arrangements as may be regarded to be in the best interest of the Executives, subject to such approval by the Company in general meeting or any regulatory authority as may be required, if any.

12.2. Notwithstanding anything to the contrary elsewhere contained in this Scheme, if at any time:

12.2.1. the Company or any of its subsidiaries dispose of more than half of the shares held by it in an Employer Company which employs a Participant in circumstances where such Employer Company ceases to be a subsidiary of the Company and the Participant becomes employed by the acquirer thereof or remains employed by that Employer Company after it ceases to be a member of the Group; or

12.2.2. any Employer Company disposes of its business or part thereof or the majority of its assets in circumstances where the Participant who is employed by such Employer Company becomes employed by the acquirer thereof which itself is not an Employer Company,

then –

12.2.3. the Trustees shall notify the Participants affected by such disposal in writing;

12.2.4. each Participant concerned who is employed by such Employer Company shall be entitled to exercise the Matching Share Options then held by such Participant by notice in writing to the Trust, which notice must be given by no later than 10 (ten) Business Days after the date of the notice given in terms of clause 12.2.3;

12.2.5. the Deferred Period shall end on the date of the notice given in terms of clause 12.2.3;

12.2.6. the date that is 10 (ten) Business Days after the date that the Trustees notified the Participant in terms of clause 12.2.3 shall constitute the Final Exercise Date; and

- 12.2.7. if the written notice contemplated in clause 12.2.4 above is not given by the Participant by the date referred to in clause 12.2.6, the Matching Share Options shall lapse in their entirety.

13. TERMINATION OF EMPLOYMENT

13.1. In the event of the Termination of Employment of any Participant as a result of :

- 13.1.1. death; or
- 13.1.2. ill health or injury, provided that the Company has received a certificate from a suitably qualified, independent medical practitioner nominated for this purpose by the Company or otherwise acceptable to the Company to the effect that, due to such ill health or injury, the Participant shall not be able to perform his/her normal employment duties for a consecutive period exceeding 12 months; or
- 13.1.3. normal or late retirement in accordance with the rules of the pension/provident/retirement fund of the Company or the Employer Company, as the case may be; or
- 13.1.4. early retirement (being retirement other than such normal or late retirement) with the approval of the Committee; or
- 13.1.5. retrenchment (that is, termination by the Company or the Employer Company, as the case may be based on its operational requirements); or
- 13.1.6. circumstances which are approved by a resolution of the Committee;

then, the Trustees shall, no later than 20 (twenty) Business Days after the date on which the Trustees are notified of the Termination of Employment (or such later date as is feasible if there are other regulatory or statutory requirements to be met in order for the Trustees to be able to transfer such Invested Shares), transfer the Invested Shares into the name of the Participant and the Matching Share Option shall immediately become exercisable and remain exercisable for a period of 12 (twelve) months in the case of clause 13.1.1 and 6 (six) months in the case of clause 13.1.2 to clause 13.1.6 after which it shall lapse if unexercised; provided, however, that should the Termination of Employment occur prior to the expiry of the Deferred Period, then, notwithstanding anything to the contrary in this clause, the Trustees shall, in their discretion and after taking into account any recommendation of the Committee, be entitled to notify the Participant whether the Participant may exercise the Matching Share Option and if so, the number of Shares which may be acquired on such exercise. The Matching Share Option in respect of the remainder of the Shares shall be deemed to have lapsed on the Termination of Employment and, to the extent that a Participant has not exercised the

Matching Share Options exercisable in terms of this clause within 14 (fourteen) days of receipt of notice by the Trustees of their decision, such Matching Share Options shall lapse.

- 13.2. If the employment of any Participant terminates for any reason other than those stipulated in clause 13.1, then the Trustees shall, no later than 20 (twenty) Business Days after the date on which the Trustees are notified of the Termination of Employment, transfer the Invested Shares into the name of the Participant and the Participant's Matching Share Option, to the extent that it has not yet been exercised, shall lapse on the Termination of Employment of such Participant, unless the Board, in its discretion, determines otherwise.

14. **CLAWBACK**

- 14.1. Notwithstanding anything to the contrary stipulated in this Scheme, in the event an Executive or former-Executive satisfies any Clawback Condition (whether prior to his/her Termination of Employment or thereafter), the Employer Company and/or the Company shall be entitled, but not obliged:

14.1.1. in the event the Executive still holds all or any portion of the Clawback Shares, to:

14.1.1.1. acquire the Clawback Shares from the Executive for an aggregate purchase price of R1.00; and/or

14.1.1.2. cancel the Clawback Shares; and/or

14.1.2. deliver a written demand to the Executive demanding that the Executive pay to the Employer Company the Rand amount equal to the number of Clawback Shares which have not been repurchased or cancelled in terms of clause 14.1.1 multiplied by the price of such Shares as at the date such Shares were acquired, in which case this Rand amount shall become immediately due and payable to the Clawback Company by the Executive; and/or

14.1.3. a combination of clauses 14.1.1 and 14.1.2.

- 14.2. By the acceptance by an Executive of an Award, the Executive shall undertake to sign all such documents and do all such other things as may be necessary or desirable to enable the Employer Company and/or the Company to give effect to clause 14.1, failing which the Executive shall be deemed to have irrevocably appointed such person as may be nominated by the Employer Company and/or the Company in writing, *in rem suam* as his/her lawful attorney and agent to sign all such documents and do all such other things as may be necessary or desirable to enable the Employer Company and/or the Company to give effect to clause 14.1.

- 14.3. For the avoidance of any doubt, the provisions of this clause 14 shall continue to apply to an Executive indefinitely after any Award Shares have vested in the Executive, whether or not such person is still an Executive at the time that the Clawback Condition is met or at the time the Employer Company becomes aware of the occurrence of a Clawback Condition.

15. **AMENDMENT OF THE SCHEME**

- 15.1. It shall be competent for the Board and Trustees to amend any of the provisions of this Scheme, subject to the approval of the JSE, provided that:

15.1.1. no such amendment adversely affecting the rights of any of the Participants shall be competent unless agreed upon between the Committee and the relevant Participants; and

15.1.2. where required in terms of the JSE Listings Requirements, including in terms of Schedule 14 thereto, the approval of the shareholders of the Company in general meeting is obtained (excluding all the votes attached to Award Shares issued under the Scheme held by persons who are existing Participants in the Scheme, if such Award Shares may be impacted by the amendments).

- 15.2. Notwithstanding the provisions of clause 15.1.1, if it should become necessary or desirable by reason of the enactment of any new legislation at any time after the signing of this document, to amend the provisions of this document so as to preserve the substance of the provisions contained in this document but amend the form so as to achieve the objectives embodied in this document in the best manner having regard to such new legislation and without prejudice to the Participants concerned, then the Board and Trustees may amend this document accordingly, provided that the approval of the JSE has been obtained.

16. **ADMINISTRATION**

- 16.1. Subject to the Act, the JSE Listings Requirements and the provisions of this Scheme, the Trustees shall be entitled to make such rules and regulations, and to amend the same from time to time, as they may deem necessary or expedient for the proper implementation and administration of this Scheme.

- 16.2. The day-to-day administration of this Scheme shall be undertaken by the Compliance Officer on behalf of the Company and the Employer Companies.

- 16.3. The Company, or the Employer Company, if so determined by the Company, shall:

16.3.1. bear all costs of and incidental to the implementation and administration of this Scheme;

- 16.3.2. provide all secretarial, accounting, administrative, legal and financial advice and services, office accommodation, stationery and so forth for the purposes of this Scheme;
 - 16.3.3. be entitled to recover from the Trust all the abovementioned costs if the Trust is able to pay these costs from its own resources and, in addition, shall be entitled to be paid a fee to be determined by the Board, after consultation with the Trustees, for performing the duties and providing the services set out in clause 16.3.2 if the Trust has any surplus resources; and
 - 16.3.4. bear any loss sustained or tax payable by the Trust in connection with the administration of the Scheme by the Trustees and shall, with the consent of the Trustees, be entitled to any surplus of the Trust from time to time.
- 16.4. No executive directors of the Company may be appointed as Trustees. Subject to any restrictions in the Companies Act, non-executive directors of the Company may be appointed as Trustees, provided that they do not benefit from this Scheme.
- 16.5. No Trustee shall be eligible for participation under this Scheme.
- 16.6. Any Shares held by the Trust (other than as nominee) from time to time will:
- 16.6.1. not have their votes taken into account at a general meeting or annual general meeting of the Company for the purposes of resolutions proposed in terms of the JSE Listing Requirements; and
 - 16.6.2. not be taken into account for purposes of determining categorisations as detailed in Section 9 of the JSE Listings Requirements.

17. **ANNUAL ACCOUNTS**

The Company shall summarise in its annual financial statements the number of Shares which were available to be utilised for the purpose of the Scheme at the commencement of the financial period in question, the number of Shares in respect of which Awards were granted (whether vested or not yet vested) and the number of Shares reserved for the Scheme in respect of which Awards have not yet been granted on the last day of the financial period in question. The Company shall also report on any adjustment made in terms of clause 11 above in its annual financial statements in the financial period during which the adjustment is made.

18. **DISPUTES**

- 18.1. Save as otherwise provided in this document, should any dispute of whatever nature arise in regard to the interpretation or effect of, or the validity, enforceability or rectification (whether in whole or in part) of, or the respective rights or obligations of the parties under, or a breach

or termination or cancellation of, this document, then the dispute shall, unless the parties thereto otherwise agree in writing, be referred for determination to an expert (the “**Expert**”) in accordance with the remaining provisions of this clause 18.

18.2. The Expert shall:

18.2.1. if the matter in issue is primarily an accounting matter, be an independent practising chartered accountant of not less than 15 (fifteen) years standing;

18.2.2. if the matter in issue is primarily a legal matter, be a practising attorney or advocate of not less than 15 (fifteen) years’ standing as such;

18.2.3. if the matter in issue is any other matter, be an independent accountant or be an attorney or advocate as envisaged in clauses 18.2.1 or 18.2.2 or be any other independent suitably qualified person.

18.3. The parties to the dispute shall agree on the identity of the Expert to be appointed or, failing such agreement within 14 days after the dispute arises, such Expert shall be appointed by the President for the time being of the Cape Law Society or his successor-in-title at the request of any party to the dispute.

18.4. The Expert selected as aforesaid shall in all respects act as an expert and not as an arbitrator.

18.5. The Expert shall be vested with an entire discretion as to the procedure to be followed in arriving at his decision. It shall not be necessary for the Expert to observe or carry out either the strict rules of evidence or any other legal formalities or procedures, but the Expert shall be bound to follow principles of law in deciding matters submitted to him.

18.6. The Expert shall have the power, *inter alia*, to:

18.6.1. investigate or cause to be investigated any matter, fact or thing which he considers necessary or desirable in connection with the dispute and, for that purpose, shall have the widest powers of investigating all the books, records, documents and other things in the possession of any party to the dispute or the Company or under its control, the right to inspect goods and property of the parties and the Company, the right to take copies and/or make extracts therefrom and the right to have them produced and/or delivered at any place reasonably required by him for the aforesaid purposes;

18.6.2. interview and question under oath any of the parties or other parties to the dispute, including the right to cross examine such parties;

18.6.3. summon witnesses;

- 18.6.4. record evidence;
- 18.6.5. make an interim award;
- 18.6.6. make an award regarding legal fees/costs and the Expert's remuneration. If he fails or declines to do so, then each of the parties to the dispute shall bear and pay its own costs. Until such time as the Expert's decision is given, the parties to the dispute shall bear and pay such costs in equal shares;
- 18.6.7. call for the assistance of any other person who he may deem necessary to assist him in arriving at his decision;
- 18.6.8. exercise any additional powers which may be exercised by an arbitrator in terms of the Arbitration Act, 42 of 1965.

- 18.7. Any hearing by the Expert shall be held in Cape Town.
- 18.8. The parties shall use their best endeavours to procure that the decision of the Expert shall be given within thirty days or so soon thereafter as is possible after it has been demanded.
- 18.9. The decision of the Expert shall be final and binding on all parties affected thereby, shall be carried into effect and may be made an order of any competent court at the instance of any party to the dispute.
- 18.10. This clause constitutes an irrevocable consent by the Company, the Trustees and all Participants to any proceedings in terms thereof and no such party shall be entitled to withdraw therefrom or to claim at any such proceedings that it is not bound by this clause 18.
- 18.11. This clause 18 shall not preclude any party from obtaining relief by way of motion proceedings on an urgent basis or from instituting any interdict, injunction or any similar proceedings in any court of competent jurisdiction pending the decision of the Expert.
- 18.12. Subject to clause 18.6.8, the provisions of the Arbitration Act, 42 of 1965 shall not apply in respect of this clause or any other provision of this document.
- 18.13. This clause 18 is severable from the rest of this document and shall remain in effect even if this document is terminated for any reason.

19. **TERMINATION OF THE SCHEME**

The Scheme shall terminate if there are no longer any Participants or holders of Shares, and the Board and the Trustees so resolve.

20. DOMICILIUM AND NOTICES

- 20.1. The parties choose *domicilium citandi et executandi* for all purposes arising from this Scheme, including, without limitation, the giving of any notice, the payment of any sum, the serving of any process, as follows:
- 20.1.1. the Company : The registered address of the Company from time to time
Marked for attention: Company Secretary;
- 20.1.2. each Participant: The business physical and electronic address of the Company where such Participant is employed from time to time.
- 20.1.3. the Trust: care of the Company
- 20.2. Each of the parties shall be entitled from time to time, by written notice to the other, to vary its *domicilium* to any other physical address within the Republic of South Africa and/or e-mail address.
- 20.3. Any notice given and any payment made by any party to the other which:
- 20.3.1. is delivered by hand during the normal business hours of the addressee at the addressee's *domicilium* for the time being shall be rebuttably presumed to have been received by the addressee at the time of delivery;
- 20.3.2. is posted by prepaid registered post from an address within the Republic of South Africa to the addressee at the addressee's *domicilium* for the time being shall be rebuttably presumed to have been received by the addressee on the tenth day after the date of posting.
- 20.4. Any notice given by any party to any other party which is transmitted by electronic communication to the addressee at the addressee's e-mail address (if provided in terms of clause 20.2) for the time being shall be presumed, until the contrary is proved by the addressee, to have been received by the addressee on the date of successful transmission thereof.
- 20.5. Share certificates and other communications sent by post will be sent at the risk of the Executive concerned and the Company shall have no liability whatsoever to any such person in respect of any notification, document, share certificate or other communication so given, sent or made.

21. GENERAL

- 21.1. If the Company or the Employer Company is obliged in any jurisdiction to account for tax, contributions or any other imposition for which the Participant in question is liable by virtue of the exercise of the Matching Share Option and the Company or the Employer Company is not able to withhold the appropriate amount from that Participant's remuneration or has not received from the Participant the necessary amount, the Committee shall be entitled to discharge such liability by selling sufficient Shares in respect of which the Matching Share Option has been validly exercised and allotting or procuring the transfer of the balance of the Shares to the Participant.
- 21.2. The rights and obligations of an Executive under the terms and conditions of the Executive's office or employment shall not be affected by the Executive's participation in this Scheme or any right the Executive may have to participate in this Scheme. An individual who participates in this Scheme waives all and any rights to compensation or damages in consequence of the termination of that individual's office or employment with any company for any reason whatsoever - whether lawful or unlawful - insofar as those rights arise or may arise from ceasing to have rights under, or to be entitled to any Awards under, this Scheme as a result of such termination or from the loss or diminution in value of such rights or entitlements. If necessary, the Executive's terms of employment shall be varied accordingly.
- 21.3. Neither the grant of an Award nor any benefit which may accrue on the vesting of an Award shall form part of an Executive's pensionable remuneration for the purposes of any pension plan or similar arrangement which may be operated by the Company or the Employer Company.
- 21.4. All allotments, issues and transfers of Award Shares under this Scheme will be subject to the Company obtaining any consents required under any relevant legislation in South Africa or elsewhere and the Participants will be responsible for complying with all relevant requirements in order to obtain or avoid the necessity for any such consent.
- 21.5. It is a condition of participation in this Scheme that an Executive agree to the holding of information about the Executive by the Company, authorise the Company and its agents and advisers to use such information according to these rules for the purposes of this Scheme. It is a further condition of participation in this Scheme that each Participant agrees that data concerning such Executive's participation may be processed by agents of the Company wherever located and where necessary transmitted outside of South Africa.
- 21.6. This Scheme and all Awards granted under it shall be governed by and construed in accordance with the laws of South Africa and any dispute shall be subject to the exclusive jurisdiction of the South African Courts.

22. EMPLOYER COMPANIES

The Company shall procure that an Employer Company adopts this Scheme by written notice to the Trust at any time before such Employer Company provides any financial assistance to the Trust for purposes of the Scheme.

LEWIS GROUP LIMITED

Signature: _____
who warrants that he / she is duly authorised thereto

Name: _____

Date: _____

Place: _____

**THE TRUSTEES FOR THE TIME BEING OF THE LEWIS EMPLOYEE INCENTIVE
SCHEME TRUST**

Signature: _____
who warrants that he / she is duly authorised thereto

Name: _____

Date: _____

Place: _____