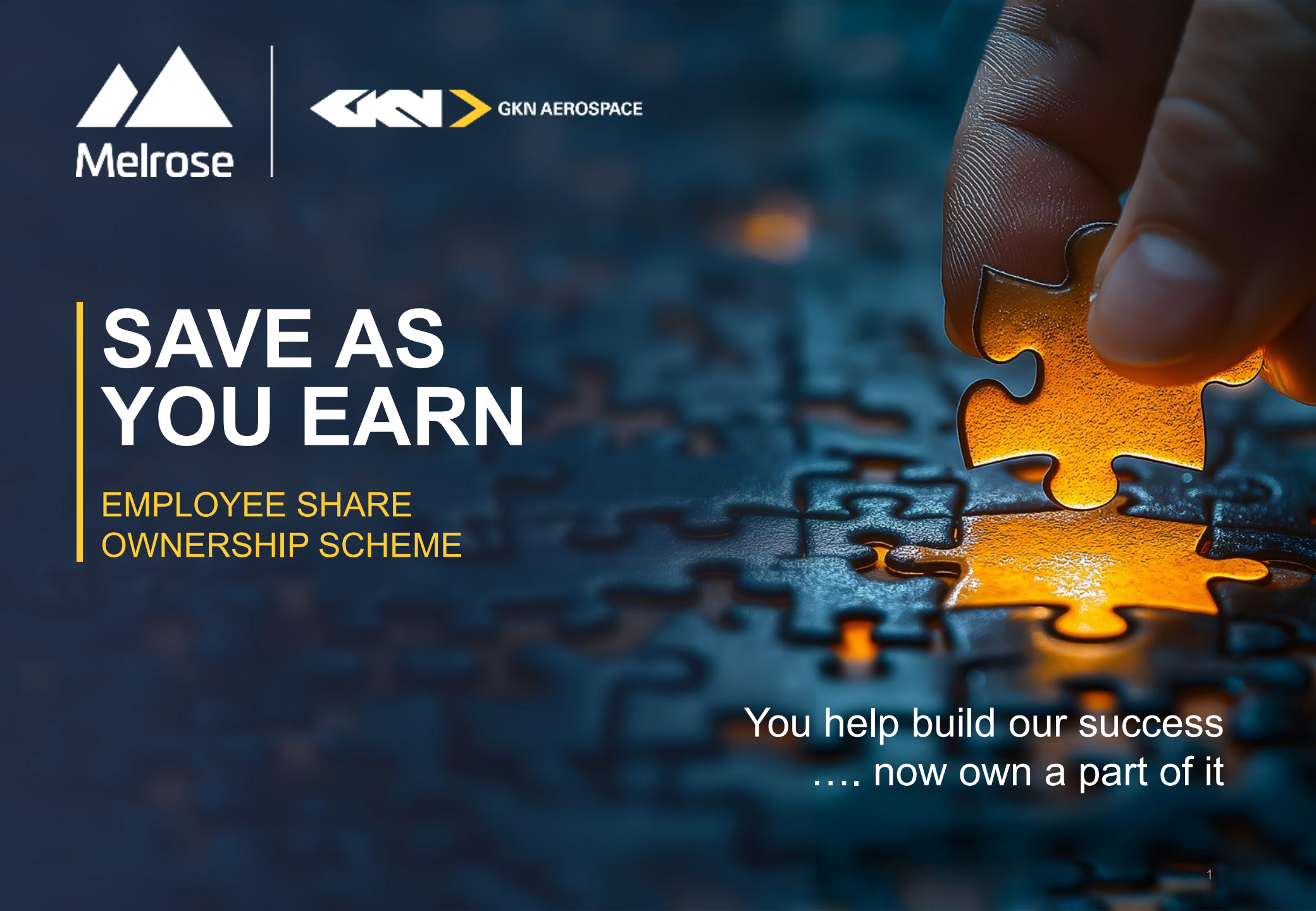
Melrose

GKN AEROSPACE

SAVE AS YOU EARN

EMPLOYEE SHARE OWNERSHIP SCHEME



You help build our success
…. now own a part of it

This guide has important information to help you understand how our UK Save As You Earn (SAYE) employee share scheme works

Contents:-

- What is the Save As You Earn (SAYE) employee share scheme?
- What are the benefits?
- How does SAYE work?
- The SAYE bonus explained
- SAYE Worked Example
- What happens next?
- How to apply
- Important Dates – 2026 Scheme
- Other important information

Please note: neither Melrose / GKN Aerospace nor J.P. Morgan Workplace Solutions can advise you on whether or not to take part in the SAYE. If you are unsure whether the SAYE is right for you, you should seek the advice of an independent qualified financial advisor.

If you choose to enrol in the SAYE and invest in shares at maturity, be aware that share prices can go down as well as up. Past share price performance is not an indication of future performance.





What is the Save As You Earn scheme?

SAYE (Save As You Earn – also called Sharesave) is a simple way to save money each month, with an option to buy company shares in the future at a fixed price.

It gives you an opportunity to share in our success while building your savings.

You can start your savings journey with a fixed amount each month, which we will take straight from your net pay (after tax) – completely hassle-free.

At the end of the fixed term, you will be given the choice to buy Melrose Industries PLC shares at the agreed option price, or get your savings back, with bonus interest on top.

The scheme is open to all eligible UK Melrose and GKN Aerospace colleagues.

You help build our success, and through the SAYE you can now own a part of our future and feel ownership in where you work.

The scheme offers you the opportunity to own Melrose Industries PLC shares and invest in our future success.

Timeline

ENROL

Enrolment opens

Join the scheme, choose your monthly contribution amount and how long to save for

Enrolment closes

SAVE

Saving period begins

Build up your savings over 3 or 5 years with monthly salary deductions

Final savings contribution made

CHOOSE

Maturity date

You have six months from the maturity date to decide what to do with your savings

Maturity period ends

What are the benefits and how does it work?

Affordable

Save between £5 and £500 per month for the duration of the SAYE contract, with an overall limit of £500 per month across all active SAYE accounts.

Discounted option price

You have an opportunity to buy Melrose Industries PLC shares at the end of the term. The price you pay per share is fixed when enrolment begins and is discounted against the share price at that time. This is called 'the option price'.

Potential for profit

If the Melrose Industries PLC share price is higher than the option price when the savings contract ends you can choose to buy the shares and you may make a profit if you sell them. Alternatively, you can also opt to hold onto the shares as an investment or take your savings back in cash instead of buying shares.

Convenient

Your contributions are managed through payroll and deducted directly from your after-tax pay. Your chosen amount is taken directly from your monthly salary after tax and put securely away in a savings account operated by J.P. Morgan Workplace Solutions.

Savings bonus

When you complete the savings contract, a tax-free bonus is added to your savings, allowing you to buy more shares and potentially increase your SAYE value.

Flexible

You can take a payment holiday if you need to, or you can take your savings back in full at any time. You can defer up to 12 monthly contributions. Each deferred payment will delay your maturity date by 1 month, and you must complete all contributions before your SAYE matures.

Step 1: Enrol

When you join the scheme, choose how much you want to save each month for buying shares.

You can save between £5 and £500 per month for the duration of your 3-year or 5-year SAYE contract.

The amount cannot be changed once enrolment has closed, so choose an amount you can comfortably afford.

You can enrol in SAYE every year it is offered, but you can only save a maximum of £500 per month across all your active SAYE accounts.

When enrolment begins, the option price will be set. This is the price at which you will be able to buy Melrose Industries PLC shares at the end of the savings contract. The option price is based on the closing market price of our shares on a particular date, and with a specific discount.

The 2026 enrolment window will be open from 2nd – 20th November

Step 2: Save

During your SAYE contract, you **build up your savings** through monthly payroll contributions. These contributions are automatically deducted from your after-tax salary every month.

You cannot change your savings amount once the SAYE contract has started, but you can:

- Withdraw your savings at any time
- Suspend or defer contributions for up to 12 months.

If you withdraw your savings, you immediately lose your right to buy shares at the option price.

If you choose to defer or suspend your contributions during the term of the savings contract, each deferred payment will delay your maturity date by 1 month, and you must complete all contributions before your SAYE matures.

For example, if you miss 3 monthly payments, your maturity date will be delayed by 3 months. If you miss more than 12 payments, you lose the right to buy shares at the fixed option price, but you can still withdraw your savings.

You will be able to manage your savings directly via your Workplace Solutions account.

Step 3: Choose

At the end of the savings period, decide what to do with your savings.

Your SAYE contract matures once you have made all your monthly contributions.

If the share price is higher than the option price at maturity you can choose to:

- buy and sell all the shares that are available to you;
- buy and hold all of the shares that are available to you; or
- withdraw your savings and any applicable bonus or interest.

If the share price is lower than the option price at maturity, you can choose to withdraw your savings and any applicable bonus or interest.

You have 6 months from the maturity date to decide. After that, you lose the option to buy the shares, but you can still withdraw your savings and interest in full.

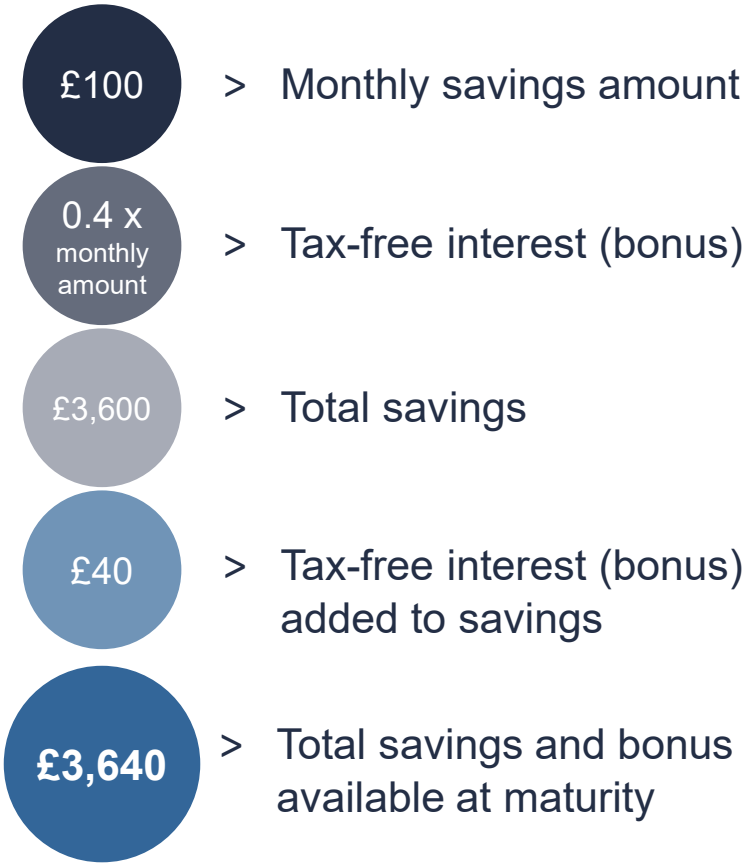
Near the end of the savings period, you will receive the J.P. Morgan Guide to SAYE Maturity, which explains your choices, deadlines and how to take action.

The SAYE interest (bonus) explained

- UK SAYE schemes pay a tax-free bonus on savings at maturity. The bonus rate is set by HMRC and is determined when invitations are issued. The bonus amount is based on a multiple of your monthly contribution amount.
- Currently, this bonus is 0.4 times your monthly contribution amount for a 3-year SAYE. The bonus rate that applies to your SAYE will be confirmed when you receive your invitation.
- This fixed bonus is used as part of the calculation that determines how many shares you can buy at maturity.

Here is how it works:

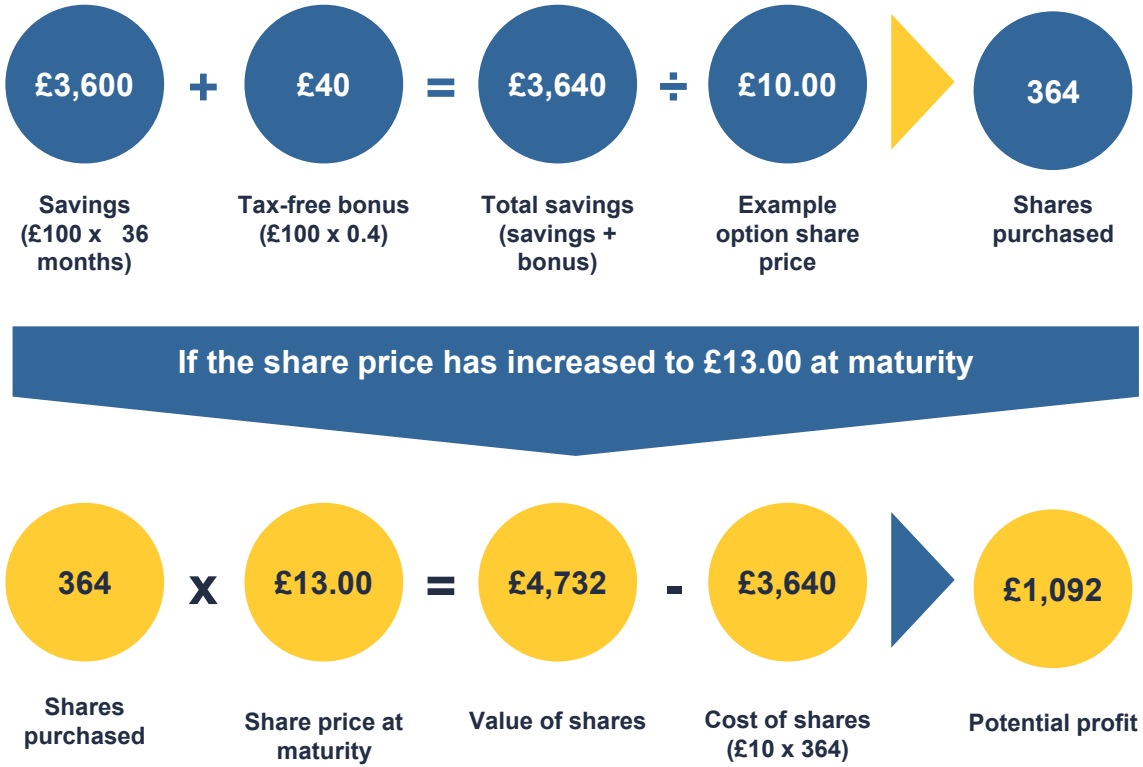
Based on a three-year SAYE of £100 per month



SAYE Example

Here's an example of how a SAYE scheme could work in practice.

- At the start of the scheme the option price for buying shares at maturity is set.
- In this example, the share price is £12.50. This means that the discounted option price is set at £10.00.
- You opt to save £100 per month for 3 years.
- The interest is set at 0.4.
- Remember, at maturity you don't have to buy shares, you can choose to have your savings and interest returned in full.
- Any residual amount of cash left after purchasing shares is returned to you. This happens when your savings do not divide exactly by the option price.



Please note: The figures used in this example are for illustrative purposes only. Share prices can fall as well as rise. Past share price performance is not an indication of future performance.

What happens next?

- When the enrolment period opens, you will receive an **invitation email** from Workplace Solutions.
- **Login to your Workplace Solutions account and choose how much you want to save** each month for buying shares.
- The amount cannot be changed once enrolment has closed, so **choose an amount you can comfortably afford.**
- **When enrolment begins, the option price is set**. This is the price at which you will be able to buy Melrose Industries PLC shares at the **end** of the savings contract. The option price is based on the closing market price of the shares on a particular date, and with a specific discount.
- Once the enrolment window closes, you will not be able to enrol until the following year.



How to apply

- We have chosen J.P. Morgan Workplace Solutions to administer our SAYE scheme.
- You will need to set up a Workplace Solutions account to manage your SAYE account.
- You will receive an email from Workplace Solutions with instructions on how to set up your account.
- In your account, you can manage your SAYE participation, view and manage your SAYE account, track maturity dates, conduct transactions, and more.
- Once your account is set up, use the QR codes on the right to download the J.P. Morgan Workplace Solutions app.

SCAN ME

Apple Store

SCAN ME

Google Play



Please note: Participation in SAYE is not a guarantee of performance, and your investment could lose value. Terms and conditions apply. J.P. Morgan Workplace Solutions is not a licensed tax advisor. Consult a qualified financial advisor to understand any obligations or benefits that apply to your specific situation.

Important Dates – 2026 Scheme

- **2nd November 2026:** Enrolment opens and you can join the 2026 SAYE scheme
- **20th November 2026 :** 20th November 2026: Enrolment closes. This is the deadline to join the 2026 SAYE scheme.
- **January 2027:** Your first savings contribution will be deducted from your net salary.
- **36 or 60** monthly contributions made
- **December 2029 or 2031:** This is the date of maturity*. You have 6 months from this date to decide what to do with your SAYE account – either purchase shares or withdraw your savings
- **June 2030 or 2032**: Maturity period ends*. This is your last opportunity to use your savings to buy shares at the option price.

*assuming no deferred monthly payments



Other important information

What if I leave the company?

If you leave the company before the maturity date, payroll will advise Workplace Solutions, who will contact you with details of the choices available to you and any action you need to take.

- Resignation: you can take back your savings.
- Retirement, redundancy, injury, death or disability, a transfer to another company (where TUPE Regulations apply) or a change of control (for example, a takeover): you may be able to buy a reduced number of shares at the option price within six months of leaving.
- Please speak with your HR representative or scheme champion if you have any further questions.



Other Important Information

- If you choose to enrol in the SAYE, you should be aware that share prices can go down as well as up. Past share price performance is not an indication of future performance. References to taxation in this document are for guidance only and based on current legislation and HMRC practice.
- Neither Workplace Solutions nor Melrose Industries / GKN Aerospace can advise you whether to take part in SAYE. If you are unsure whether SAYE has any tax consequences for you, you should seek the advice of a qualified financial advisor.
- If you have any questions about how owning shares will affect your financial position, you should seek independent financial advice.
- This booklet is only a summary of the SAYE. Full details are contained in the SAYE Rules, which are available on the J.P. Morgan Workplace Solutions platform. In the event of any conflict between this booklet and the SAYE Rules, the SAYE Rules will prevail.

The Financial Services Compensation Scheme (FSCS)

- *The money you contribute to your SAYE account is eligible for protection under the FSCS up to the applicable limits and subject to any exclusion. For further information please visit the FSCS website at https://www.fscs.org.uk*

Tax 'need-to-knows'

Income tax and National Insurance Contributions (NICs)

- Your monthly savings come from your after-tax or net salary, so you do not pay any more income tax or NICs on the savings. The interest (or savings bonus) is also tax-free.
- When you buy shares with your savings, provided conditions are met, you do not pay income tax or NICs on the difference between what you pay for your shares and their actual value based on the stock market price.

Capital gains tax (CGT)

- If you buy shares at the fixed option price, and then sell them at a profit, you might have to pay CGT. This will happen if the profit, combined with any capital gains you've made from other investments, exceeds your annual CGT exempt amount in a single tax year. If you have any questions about how owning shares will affect your financial position, you should seek independent financial advice.
- For more information about CGT please visit the HMRC website.

The tax information in this booklet is intended to help you make your own decisions. We're not qualified to give you tax advice, and you should consult an independent financial adviser if you need additional guidance.

The information above is based on current tax rules for UK residents. Please note that these rules can change during your savings contract.

Need more support?

Each site has a scheme champion who can help you with more information about the SAYE, or you can contact your local HR Business Partner.

If you have any questions about whether to participate in the SAYE or how owning shares will affect your financial tax position, you should seek independent financial advice.

Glossary

After-tax salary (or pay): Your net salary once income tax and NICs have been deducted.

Capital gains tax: The tax you may have to pay if you make a profit (gain) when you sell shares.

Closing market price: The final price at which a security is traded on a given trading day.

Financial advisor: A qualified professional who can help you make decisions about money and investments.

Income tax: A tax you pay on your income. You do not have to pay tax on all types of income.

Maturity date: The first date on which you can use your savings and tax-free bonus to buy company shares at the option price.

Maturity period: The 6-month period during which you can use your savings and tax-free bonus to buy company shares at the option price.

National Insurance: You pay National Insurance contributions to qualify for certain benefits and the State Pension.

Option price: The fixed price at which you can buy company shares during the maturity period, with the money you have accumulated throughout the savings period.

Payment holiday: A suspension of payment of your monthly contributions. You may delay up to 12 contributions.

Savings bonus (interest): A supplementary amount, added to your total savings upon maturity of your SAYE contract, that can be used to buy additional shares.

Savings contract: This is the agreement that allows you to buy company shares at a fixed option price, provided you make all your required monthly savings contributions to the SAYE scheme – either 36 or 60 payments.

Savings period: The 3-year or 5-year period over which you make your monthly savings contributions to the SAYE scheme.

Share option: The right to acquire shares in a company at a fixed price during a set period of time.

Share price: The price at which a single share can be bought or sold.

SAYE (also known as Sharesave): A savings-related share scheme where you can buy your company's shares with your savings at a fixed price.

Withdrawal: The decision to leave the SAYE scheme and take back your savings and interest. You lose the right to buy shares at the option price.


Melrose
GKN AEROSPACE