

**This letter is important and explains the impact of the Acquisition on your Sharesave Options and what you need to do. Please read this letter carefully as it requires your immediate attention.**

If you are in any doubt about the contents of this letter, or the action you should take, you are recommended to seek your own independent financial advice immediately from a stockbroker, bank manager, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended from time to time), if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

6 September 2021

MEGGITT



Dear Participant

**Meggitt 2018 Sharesave Plan ("Sharesave") and the recommended cash acquisition of Meggitt PLC by Parker-Hannifin Corporation**

**Sharesave Options**

As you know, the boards of Parker-Hannifin Corporation ("**Parker**") and Meggitt PLC ("**Meggitt**") announced on 2 August 2021 that they had reached agreement on the terms of a recommended cash acquisition of the entire issued and to be issued share capital of Meggitt by Parker (the "**Acquisition**").

**1. Why are we writing to you?**

We are writing to explain how the Acquisition will affect your Sharesave Options and the decisions you are able to make.

The Sharesave is the UK all-employee plan under which you have chosen to save monthly from your salary, and at the end of a three or five-year period your total savings may be used to purchase Meggitt Shares at an Option Price which was set at the start of the relevant savings period. The Sharesave is administered by Yorkshire Building Society.

**Please read everything in this letter and its appendices carefully. Their contents are very important.** A brief explanation of the defined terms used in this letter is set out in **Appendix B**.

If you participate in other Meggitt share plans you will receive separate letters about your other share options or awards. Please also read those letters carefully as the treatment under those plans may be different from the Sharesave.

**ACTION REQUIRED: You will need to take action to realise value from your Sharesave Options, as this will NOT happen automatically.**

**Please note that if your Sharesave Options have not been exercised on Completion or within six months after Court Sanction (which is expected to occur in the third quarter of 2022), or earlier under the rules of the Sharesave, they will cease to be exercisable and will lapse.**

**In all cases, your savings under your Sharesave savings contract(s) are safe and will not be lost but any profit that may have been available under the Sharesave Options will cease to be available.**

**Further details about your choices are explained in section 6 of this letter.**

### Summary of the choices available to you

#### **Choice A: Apply now to exercise your Sharesave Options on Completion and receive a One-off Cash Compensation Payment**

- You can continue to save in the ordinary way until Completion (which is expected to be in the third quarter of 2022). Your savings are then used to buy Meggitt Shares at a discounted price (the “**Option Price**”) with a total value equal to your accumulated savings at that date.
- The Meggitt Shares bought with your savings will automatically be purchased on Completion. You will receive 800 pence for each Meggitt Share and you will make a profit.
- If you select **Choice A** and exercise your Sharesave Options on Completion, you will also be eligible to receive a “**One-off Cash Compensation Payment**” in respect of any unmatured Sharesave Options equal to the profit you would have made had you continued to save under the Sharesave until the earlier of (i) six months after Completion (as explained in section 6 below), (ii) the end of your savings contract, or (iii) the date on which your Sharesave Option would otherwise lapse in accordance with the Sharesave rules, and then exercised your Sharesave Options and sold the resulting Meggitt Shares under the Acquisition. The One-off Cash Compensation Payment aims to put you in the same net cash position you would have been in had you saved for an additional six-month period following Completion; or if earlier following Completion, until the end of your savings contract or until the lapse date of your Sharesave Option.

***If you want to select Choice A, you must complete the online instruction which you can find by logging on to your YBS account at [www.ybsshareplans.co.uk/meggitt](http://www.ybsshareplans.co.uk/meggitt) by no later than 5:00 p.m. (UK time) on 1 June 2022 (or any earlier deadline notified to you once the expected date of Court Sanction is known). It is recommended that you take this action as soon as possible.***

#### **Choice B: Exercise your Sharesave Options at another time**

- You can continue to save in the ordinary way for up to six months after Court Sanction.
- You can exercise your Sharesave Options for up to six months after Court Sanction, using your accumulated savings to buy Meggitt Shares at the Option Price. The Meggitt Shares will then be automatically purchased by Parker for 800 pence for each Meggitt Share and you will make a profit.
- If you choose to exercise within the six months after Court Sanction you may be able to buy more Meggitt Shares than with **Choice A** because the amount of your accumulated savings may be higher, **BUT** you will not be better off because: (1) you will not receive the One-off Cash Compensation Payment; and (2) you will receive the cash for your Meggitt Shares later than under **Choice A**.

***If you want to select Choice B, you must complete the online instruction which you can find by logging on to your YBS account at [www.ybsshareplans.co.uk/meggitt](http://www.ybsshareplans.co.uk/meggitt) within six months after Court Sanction (explained further below). If you do not exercise your Sharesave Options within this six-month period, or earlier under the rules of the Sharesave, they will cease to be exercisable and will lapse; you will need to close your account and your savings will be returned to you.***

Further details about your choices are set out in section 6 and what happens if you leave is set out in section 10. **Please note:** these choices apply to the Sharesave Options that become exercisable from Court Sanction – i.e. your unmatured Sharesave Options – and any Sharesave Options that are within their six month exercise period at Court Sanction. If you hold any Sharesave Options that are already exercisable or become exercisable (mature) before Completion, you must follow the instructions in the maturity letter sent to you if you want to use your savings to buy Meggitt Shares at the Option Price (see section 8). If you do not do this then you may lose those Sharesave Options.

## **2. The Acquisition**

The Acquisition will result in Meggitt and its subsidiaries becoming wholly-owned subsidiaries of Parker.

The Acquisition will take place through what is called a “scheme of arrangement” (the “**Scheme**”). This is a procedure that is subject to approval by Meggitt Shareholders at shareholder meetings, currently expected to take place on 21 September 2021, and by the Court on a date referred to in this letter as “**Court Sanction**” which is expected to occur in the third quarter of 2022. This is not the date on which the Acquisition will be completed. The Acquisition is currently due to complete a couple of days after Court Sanction when the Scheme becomes effective (“**Completion**”).

Further information on the Scheme is set out in the Scheme Document sent to Meggitt Shareholders on 16 August 2021. A copy of the Scheme Document is also available on the Meggitt website at [https://www.meggittoffer.com/Pages/Parker\\_Hannifin](https://www.meggittoffer.com/Pages/Parker_Hannifin) and on the Parker website at <https://www.aerospacegrowth.com/home/>.

This letter should be read together with the Scheme Document.

## **3. What are the terms of the Acquisition?**

The terms of the Acquisition are set out in full in the Scheme Document. However, in summary, Meggitt Shareholders will be entitled to receive 800 pence in cash for each Meggitt Share they own at the Scheme Record Time, subject to the terms of the Acquisition.

The per share consideration payable to you shall be the per share amount that is paid to Meggitt Shareholders under the terms of the Scheme as set out in the Scheme Document, or where applicable, such higher amount that is paid by Parker to Meggitt Shareholders for each Meggitt Share.

## **4. When is the Acquisition likely to take place?**

The Acquisition is currently expected to take effect in the third quarter of 2022, subject to Meggitt Shareholder approval, receipt of the relevant competition clearances, regulatory approvals and national security and foreign investment clearances and sanction by the Court. An expected timeline of key events relating to the Acquisition is set out in the Scheme Document.

As set out above, Court Sanction is currently expected to take place during the third quarter of 2022. Once the date of Court Sanction is known, Meggitt will announce this via a Regulatory Information Service (with such announcement being made available on Meggitt’s website at [https://www.meggittoffer.com/Pages/Parker\\_Hannifin](https://www.meggittoffer.com/Pages/Parker_Hannifin)).

## **5. How does the Acquisition affect my Sharesave Options?**

The Acquisition will change the usual treatment of your Sharesave Options.

Normally, you would continue saving until the end of your three or five-year savings contract and then decide if you want to use those savings to exercise your Sharesave Options and acquire Meggitt Shares, or to let your Sharesave Options lapse and withdraw your savings. However, as a result of the Acquisition, your unmatured Sharesave Options (meaning your Sharesave Options for which the savings period will not have ended by Court Sanction) will vest and become exercisable early to the extent of your savings at the date of exercise. Different rules may apply if you leave employment with the Meggitt Group before Completion.

If Court Sanction does not happen for any reason, your Sharesave Options will continue as normal, subject to the rules of the Sharesave and any elections you have made under this letter will be of no effect.

## **6. What are my choices?**

For unmatured Sharesave Options that become exercisable on Court Sanction and Sharesave Options that have matured and are within their six month exercise period at Court Sanction, you have the following choices (if you leave employment with the Meggitt Group before Court Sanction and before

you exercise your Sharesave Options, separate rules may apply – these are explained in section 10 below):

### **Choice A: Apply now to exercise your Sharesave Options on Completion**

You can elect to exercise your Sharesave Options conditional on Completion and buy Meggitt Shares using the savings you have made at the date of exercise. If you do this, you will receive:

- **800 pence** per Meggitt Share that you buy on exercise of your Sharesave Options; and
- a **One-off Cash Compensation Payment for any unmatured Sharesave Options**, which Parker has agreed to pay in recognition of the fact that your Sharesave savings period will end early and you won't be able to exercise your Sharesave Options to the same extent as if you had been able to save for a further six-month period.

The One-off Cash Compensation Payment is equal to the additional profit that you would have made if you had continued to save under the Sharesave until the earlier of (i) six months after the date of Completion; (ii) the maturity of the relevant savings contract; or (iii) the date on which your Sharesave Option would otherwise lapse in accordance with the Sharesave rules (for example, in good leaver situations if you leave before Completion), then exercised your Sharesave Options to the maximum extent possible and sold the resulting Meggitt Shares under the Acquisition. The One-off Cash Compensation Payment will be subject to income tax and employee's National Insurance contributions, but will be grossed up to reflect the amount you would have received had no income tax or National Insurance contributions been due.

A worked example is set out in Appendix A.

You will not be entitled to receive the One-off Cash Compensation Payment: (i) if you exercise your unmatured Sharesave Options after Completion; or (ii) in relation to any Sharesave Options that mature before Completion (because you will have paid all your monthly contributions and can already exercise your Sharesave Options in full).

***If you want to select Choice A, you must complete the online instruction which you can find by logging on to your YBS account at [www.ybsshareplans.co.uk/meggitt](http://www.ybsshareplans.co.uk/meggitt) as soon as possible and in any event by no later than 5:00 p.m. (UK time) on 1 June 2022 (or any earlier deadline notified to you once the expected date of Court Sanction is known). It is recommended that you take this action as soon as possible.***

### **Choice B: Exercise your Sharesave Options at another time**

If Court Sanction goes ahead, you will be able to exercise your Sharesave Options for up to six months after the date of Court Sanction, using your savings to the date of exercise to buy Meggitt Shares, unless they lapse earlier under the rules of the Sharesave.

If you exercise your Sharesave Options in this way, the Meggitt Shares which would be issued to you will automatically be bought by Parker and you will receive 800 pence in cash per Meggitt Share that you have bought on exercise of your Sharesave Options.

If you decide to exercise your Sharesave Options under **Choice B**, you may be able to buy more Meggitt Shares than under **Choice A** as (depending on when Court Sanction occurs) you may be able to make further monthly savings payments within the six months following the date of Court Sanction, meaning that your accumulated savings may be higher. However, you will not be any better off because: (i) you will not receive the One-off Cash Compensation Payment; and (ii) you will receive the cash for your Meggitt Shares later than under **Choice A**.

A worked example is set out in Appendix A.

***If you want to select Choice B, you must complete the online instruction which you can find by logging on to your YBS account at [www.ybsshareplans.co.uk/meggitt](http://www.ybsshareplans.co.uk/meggitt) within six months after Court Sanction (explained further below). If you do not exercise your Sharesave Options within the six-month period, or earlier under the rules of the Sharesave, they will cease to be***

**exercisable and will lapse; you will need to close your account and your savings will be returned to you.**

Whether you select **Choice A** or **Choice B**, you can continue to make monthly savings contributions until the date you exercise your Sharesave Options or, if earlier, the date your Sharesave Options mature (which is the date you finish making monthly contributions under your savings contract). Your unexpired Sharesave Options will only become exercisable to the extent of the amount you have saved on the date of exercise. The residual amount of your savings after exercise (if any) will be returned to you.

Please remember that if you stop saving before you exercise your Sharesave Options, they may lapse. If that happens, you will not be able to exercise your Sharesave Options and you will not receive the One-off Cash Compensation Payment.

If you do not exercise your Sharesave Options within six months after the date of Court Sanction, your Sharesave Options will lapse automatically, you will need to close your account and your savings will be returned to you. You will not be entitled to receive a One-off Cash Compensation Payment.

Any Meggitt Shares to which you become entitled as a result of the exercise of your Sharesave Options in connection with the Acquisition will be held on your behalf by the EBT Trustee, as your nominee.

If you leave between now and Completion, please see section 10.

#### **7. When will I receive the money on the sale of my Meggitt Shares?**

The cash you receive under **Choice A** will be paid to you by Meggitt once the funds are received from Parker as soon as reasonably practicable after Completion – this is expected to be within 14 days after Completion. This will be sooner than any cash you will receive for your Meggitt Shares under **Choice B**.

#### **8. How does the Acquisition affect my Sharesave Options that mature before the Acquisition completes?**

If you hold Sharesave Options which have already become exercisable, or which become exercisable before Court Sanction in the ordinary course, these will remain exercisable for six months from their maturity date, at which time they will lapse. Different rules may apply if you leave employment in certain circumstances before Completion, as set out in section 10. You will not be entitled to receive a One-off Cash Compensation Payment in respect of your Sharesave Options that have matured as at Court Sanction because you will already have paid all your monthly contributions and can exercise your matured Sharesave Options in full. If the maturity date of your Sharesave Option is more than six months before Court Sanction, you will need to take action in the normal way through the YBS website to buy Meggitt Shares at the Option Price – *Choices A and B* do not apply to these Sharesave Options. You will receive (or may have already received) separate maturity communications about this.

If you exercise your matured Sharesave Options before Court Sanction, and you hold the Meggitt Shares acquired on exercise at the Scheme Record Time and the Scheme becomes effective, then those Meggitt Shares will be purchased by Parker through the Scheme, in the same way as Meggitt Shares held by all other shareholders, as set out in the Scheme Document. You will receive 800 pence per Meggitt Share, subject to the terms of the Acquisition.

**Remember: If you do not exercise your Sharesave Options within the six-month period, or earlier under the rules of the Sharesave, they will cease to be exercisable and will lapse; you will need to close your account and your savings will be returned to you.**

## 9. What if the Acquisition does not go ahead?

If Court Sanction does not happen for any reason, your Sharesave Options will continue as normal under the rules of the Sharesave and you will not receive the One-off Cash Compensation Payment.

## 10. What if I leave employment with the Meggitt Group?

The leaver arrangements under the Sharesave will apply to your Sharesave Options in the normal way if you leave or have left the Meggitt Group before Completion and before you exercise your Sharesave Options. In summary, this means:

- if you qualify as a “good leaver” (for example, if you leave because of injury, disability, redundancy or retirement), or, if you leave more than three years after the date your Sharesave Option was granted, you may exercise any outstanding Sharesave Options within the period starting on the date you left employment and ending on the earliest of: (i) six months after you leave; (ii) six months after the normal maturity date; and (iii) six months following the date of Court Sanction; or
- if you do not qualify as a “good leaver”, and you have not held your Sharesave Options for three years or more, your Sharesave Options lapse on the date you stop being an employee and you will get your accumulated savings back.
- Special rules apply on death.

Please note that if you leave the Meggitt Group and do not qualify as a “good leaver” before Completion, your Sharesave Options will lapse before Completion (depending on when it occurs), meaning that any **Choice A** instruction you have made will not take effect. Your election will not be affected if you qualify as a “good leaver” or if you have held your Sharesave Options for three years or more, provided your Sharesave Options have not lapsed before Completion. If you leave employment with the Meggitt Group and your Sharesave Options will lapse before Completion, you will receive a letter that will explain the choices available to you and the impact of your departure on the *Choice A* election that you may have already made.

## 11. What if I am a PDMR or an insider?

If you are a Person Discharging Managerial Responsibilities (“**PDMR**”) or a restricted person under the Meggitt Share Dealing Code (the “**Dealing Code**”), or you have otherwise been told that the Dealing Code applies to you, you must obtain permission to exercise your Sharesave Options under the Dealing Code before you submit an instruction and your instruction must be submitted as soon as possible and in any event with two business days of permission being granted. You can seek permission to deal by following the process set out in the Dealing Code. However, unless exceptional circumstances exist it is unlikely that you will be granted permission to deal while you are an insider or, if you are a PDMR or a closely associated person of a PDMR, during a closed period. It is recommended that, if you wish to elect **Choice A**, and you are a PDMR or a restricted person under the Dealing Code (or you will potentially become one), you seek permission to take such action as soon as possible.

## 12. Tax

No income tax or National Insurance contributions will be due under either **Choice A** or **Choice B** on the exercise of your Sharesave Options.

The sale of your Meggitt Shares and receipt of cash proceeds for your Meggitt Shares from Parker will be treated for Capital Gains Tax (“**CGT**”) purposes as a disposal of all the Meggitt Shares you buy on exercise of your Sharesave Options. Your capital gain is the amount by which the value of a Meggitt Share at the time of exercise exceeds the Option Price. CGT is chargeable on your aggregate capital gains (less allowable losses) in a tax year to the extent they exceed your CGT annual exemption (or other available reliefs) in the relevant tax year. For the tax year ending on 5 April 2022, the annual exemption is £12,300, but it may change for the tax year beginning 6 April 2022. The transfer of Meggitt Shares to your spouse / civil partner is generally tax free and your spouse / civil partner may be able to use their CGT annual exemption to reduce any CGT payable on the disposal of Meggitt Shares. You

should be aware that if you hold other Meggitt Shares (for example, as a result of Sharesave Options that you exercised in the past) there are complex CGT rules that apply to determine the CGT liability to which you will be subject when your Meggitt Shares are sold to Parker under the Acquisition. Any CGT on the sale of Meggitt Shares is payable by you to HMRC under self-assessment. If your aggregate capital gains are likely to exceed your CGT annual exemption, you are strongly recommended to seek your own independent tax advice.

If you receive a One-off Cash Compensation Payment, income tax and National Insurance contributions will be due in respect of that payment, although Parker has agreed to gross-up the payment to account for the tax due. This will be deducted by Meggitt and paid to HMRC and you will receive the net payment through payroll.

This information is intended as a general guide only and applies only to participants treated as resident for tax purposes in the UK throughout the time between the date their Sharesave Options were granted and the time they are exercised. It does not constitute tax advice to any individual participant. Tax law can and does change and you should not necessarily assume that the current tax position will continue. Please note that Meggitt, Parker, YBS and their employees cannot provide you with personal tax advice. If you are in any doubt as to the effect the Acquisition will have on your personal tax position, you are recommended to seek your own independent financial and/or tax advice.

### **13. What if I have questions?**

If you have any questions that relate to your Sharesave Options, what your choices are or how to access your YBS account or place any election, please contact YBS Share Plans on 0345 1 200 300 (Monday-Friday 9:00 a.m. to 5:00 p.m. or Saturday 9:00 a.m. to 1:00 p.m.). Please note that no legal, tax, investment or financial advice on the merits of the Acquisition or its effect on your Sharesave Options can be provided by YBS.

All communications with Yorkshire Building Society may be monitored/recorded to improve the quality of their service and for your protection and security. Calls to 03 numbers are charged at the same standard network rate as 01 or 02 landline numbers, even when calling from a mobile.

Details of your Sharesave Options are available to view on the YBS share portal ([www.ybsshareplans.co.uk/meggitt](http://www.ybsshareplans.co.uk/meggitt)).

To login to your account you will need to do the following:

- Access the share portal at: [www.ybsshareplans.co.uk/meggitt](http://www.ybsshareplans.co.uk/meggitt)
- Enter your customer number.
- Then enter your password (when you first registered you will have been asked to create a password).
- If you have forgotten your password, select 'Forgotten Password' and you will be asked some security questions before being prompted to re-set your password.

If you are yet to register on the share portal:

- Go to [www.ybsshareplans.co.uk/meggitt](http://www.ybsshareplans.co.uk/meggitt)
- Click the 'Register' button and enter the information as requested. You will need the following information to register:
  - Account number
  - Surname

Registration will only take a few minutes. Please note it may take a few days to receive your login details, so please allow sufficient time to register.

If you experience any difficulties registering or logging in, please contact YBS Share Plans on 0345 1 200 300.

You are strongly advised to seek your own independent financial and/or tax advice regarding your personal circumstances and the effect of the Acquisition in relation to your Sharesave Options.

**14. Proposals: Recommendation**

The Meggitt Board recommends that you select **Choice A**. You should consider your own personal circumstances, including your tax position, when deciding your preferred timing for exercising your Sharesave Options.

The Meggitt Board, which has been so advised by Rothschild & Co and Morgan Stanley as to the financial terms of the proposal, considers the terms of the proposal described above to be fair and reasonable in the context of the Acquisition. In providing their advice to the Meggitt Board, Rothschild & Co and Morgan Stanley have taken into account the commercial assessments of the Meggitt Board. Rothschild & Co and Morgan Stanley are providing independent financial advice to the Meggitt Board for the purposes of the City Code on Takeovers and Mergers.

**15. Important notes**

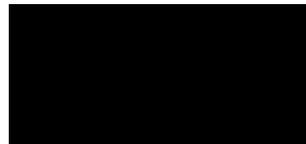
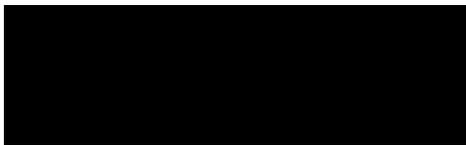
Nothing in this letter or its appendices constitutes financial advice to any holder of shares, share awards or share options in Meggitt or Parker. Neither Meggitt nor Parker, nor any of their employees, can provide legal, tax, financial or investment advice on the Acquisition.

Defined terms used in this letter are set out in **Appendix B**.

If there is a conflict between the information in this letter, its appendices and the rules of the Sharesave or any relevant legislation, the rules of the Sharesave and the legislation will prevail.

Yours faithfully

Yours faithfully



For and on behalf of  
Meggitt PLC

For and on behalf of  
Parker-Hannifin Corporation

## Appendix A

### Worked examples

- Alex participates in the 2019 three-year Sharesave scheme. He selects **Choice A** by completing the online instruction on the YBS website.
- At Completion, Alex has saved £100 per month for 24 months.
- He can buy £2,400 worth of Meggitt Shares at the Option Price for the 2019 three-year Sharesave scheme (being £4.9280 per Meggitt Share).
- This means he can buy 487 Meggitt Shares.
- He can sell these to Parker for the bid price of £8, a total of  $487 \times £8 = £3,896$ .
- He therefore makes a profit of approximately £1,496 ( $£3,896 - £2,400$ ).
- He also receives a cash payment (the One-off Cash Compensation Payment) equal to the profit he would have made if he had been able to save for a further six months.
- In this case Alex would receive a cash payment of approximately £371.71:
  - If Alex had continued saving £100 for a further six months (a total of £600), he would have been able to buy an additional 121 Meggitt Shares at the Option Price for the 2019 three-year Sharesave scheme (£4.9280 per Meggitt Share).
  - If Alex had then sold those additional 121 Meggitt Shares for the bid price of £8, the total profit would have been approximately £371.71.
- Alex's total profit is around **£1,867.71 (£1,496 + £371.71)**.
- Alex also receives approximately £0.06 from his accrued savings that were not used to purchase Meggitt Shares.

Had Alex selected **Choice B**, he would have been able to continue to contribute £100 per month for an additional 6 months. This would have given him total savings of £3,000.

- He can buy £3,000 worth of Meggitt Shares at the Option Price for the 2019 three-year Sharesave scheme (being £4.9280 per Meggitt Share).
- This means he can buy 608 Meggitt Shares.
- He can sell these to Parker for the bid price of £8, a total of  $608 \times £8 = £4,864$ .
- He is not eligible for the cash payment.
- He therefore makes a profit of approximately £1,867.77 ( $£4,864 - £2,996.23$ ); but he receives his cash 6 months later than under **Choice A**.

Notes:

1. The example above ignores any CGT liability that Alex may have on the profit he makes on the sale of his Meggitt Shares.
2. The discounted exercise price for Sharesave Options depends on the year in which your savings contract started, and the length of the savings contract.
3. The offer price of £8 per Meggitt Share is subject to the terms of the Acquisition and could change.
4. If Alex elects **Choice A**, his UK Sharesave participation finishes on the date of Completion.
5. Alternatively, Alex could elect **Choice B**. This would mean he could continue to save in the Sharesave for six months from the date of Court Sanction – in this case, he would then have more savings he could use to buy Meggitt Shares – but he would be no better off because he would not qualify for the One-off Cash Compensation Payment.
6. If an individual leaves employment with the Meggitt Group prior to Completion, the usual Sharesave leaver rules apply.

## Appendix B

### A brief explanation of some definitions

“**Acquisition**” means the proposed acquisition by Parker of the entire issued and to be issued ordinary share capital of Meggitt;

“**Completion**” means the date on which the Scheme takes effect;

“**Court**” means the High Court of Justice in England and Wales;

“**Court Sanction**” means the date on which the Court sanctions the Scheme under section 899 of the Companies Act 2006;

“**EBT Trustee**” means Ocorian Limited, a company incorporated in Jersey, Channel Islands with registered number 52417;

“**HMRC**” means HM Revenue & Customs;

“**Meggitt**” means Meggitt PLC, a company incorporated in England and Wales with registered number 00432989;

“**Meggitt Board**” means the board of directors of Meggitt;

“**Meggitt Directors**” means the directors of Meggitt;

“**Meggitt Group**” means Meggitt and its subsidiaries and subsidiary undertakings from time to time;

“**Meggitt Shareholders**” means the registered holders of Meggitt Shares from time to time;

“**Meggitt Shares**” means ordinary shares of five pence each in the capital of Meggitt;

“**One-off Cash Compensation Payment**” means the cash payment under Choice A and described in section 6 above;

“**Option Price**” means the price per Meggitt Share payable on the exercise of a Sharesave Option as stated in the invitation letter for that Sharesave Option;

“**Parker**” means Parker-Hannifin Corporation, a corporation incorporated in the State of Ohio, United States of America;

“**Parker Directors**” means the directors of Parker;

“**Parker Group**” means Parker and its subsidiaries and subsidiary undertakings from time to time;

“**Scheme**” means the proposed scheme of arrangement under Part 26 of the Companies Act 2006 between Meggitt and holders of Meggitt Shares, as set out in Part IV (*The Scheme of Arrangement*) of the Scheme Document, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Meggitt and Parker, pursuant to which Parker will become the holder of the entire issued and to be issued ordinary share capital of Meggitt;

“**Scheme Document**” means the document setting out the terms of the Scheme dated 16 August 2021 sent to Meggitt Shareholders;

“**Scheme Record Time**” means 6:30 p.m. (London time) on the Business Day immediately after the day on which Court Sanction occurs;

“**Sharesave**” means the Meggitt 2018 Sharesave Plan, as amended from time to time;

**“Sharesave Options”** means options over Meggitt Shares granted under the Sharesave; and  
**“YBS”** mean YBS Share Plans, part of Yorkshire Building Society.

## Notes

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