

**THIS LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are in the United Kingdom, is authorised pursuant to the Financial Services and Markets Act 2000 or, if you are in a territory outside the United Kingdom, is an appropriately authorised independent financial adviser.**

To Participants in the Fenner Executive Cash Long Term Incentive Plan (the "**Plan**")

16 April 2018

Dear Participant

**Recommended cash acquisition of Fenner PLC ("Fenner") by Compagnie Générale des Établissements Michelin SCA ("Michelin").**

The purpose of this letter is to explain the effect of the recommended offer by Michelin as described below on awards granted under the Plan ("**Awards**") and to set out the proposal being made to you in relation to your Awards under the Plan.

## 1. **BACKGROUND**

On 19 March 2018, the Boards of Fenner and Michelin announced that they had agreed the terms of a recommended cash offer pursuant to which Michelin will acquire the entire issued and to be issued share capital of Fenner (the "**Acquisition**").

The Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement between Fenner and Scheme Shareholders under Part 26 of the Companies Act ("**Scheme**"). Under the terms of the Scheme, Scheme Shareholders will receive

**610 pence in cash for each Fenner Share ("Offer Price")**

If the Court approves the Scheme it is expected to become effective on 31 May 2018. However, please note that this date is not fixed and completion of the Acquisition may take place at a later date. The Scheme is described in more detail in the circular dated 12 April 2018 which has been sent to Fenner Shareholders ("**Scheme Document**"), and a copy of which is available on Fenner's website ([www.fenner.com](http://www.fenner.com)).

This letter ("**Letter**") contains a summary of the key terms of the Scheme as it affects your Awards, but should be read in conjunction with the Scheme Document containing full details of the Scheme. Terms not otherwise defined in this Letter shall have the meanings set out in the Scheme Document.

## 2. **EFFECT OF THE SCHEME ON YOUR AWARD(S)**

We are writing to explain how the Scheme will affect the Award(s) that you hold.

All invested Awards will vest on the date you are notified that the Scheme has become effective. Fenner's Remuneration Committee has determined that all Awards will vest in full on the basis that the performance conditions have been achieved in full.

The terms of this Letter assume that you remain in employment with the Fenner Group up until the effective date of the Scheme. If you leave employment prior to that date, the leaver provisions under the Plan will apply in the normal way and your Awards will generally lapse unless you are a "good leaver".

3. **WHAT SHOULD I DO NEXT?**

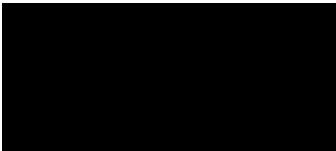
You do not need to take any action in relation to your Awards. As soon as practicable following the effective date of the Scheme, your Awards will be settled in full in cash subject to any deductions for tax or social security contributions.

4. **FURTHER INFORMATION**

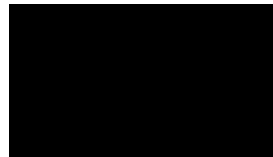
If you have any queries in relation to this Letter, you should contact your Divisional MD or Manager without delay. However, please note that neither your Divisional MD/your Manager nor Fenner will be able to provide you with any legal, financial, tax planning or investment advice.

This Letter is confidential. Nothing in this Letter shall be construed as investment advice or any investment recommendation given by or on behalf of Fenner or any other person.

Yours faithfully



For and on behalf of Fenner PLC



For and on behalf of  
Compagnie Générale des  
Établissements Michelin SCA