

Dividend Reinvestment Plan Terms and Conditions

United Drug plc

Introduction

United Drug plc (the 'Company') has arranged a Dividend Reinvestment Plan ('DRIP' or the 'Plan') that gives shareholders the opportunity to use their cash dividend to buy shares in the Company through a special dealing arrangement. The Plan is administered in Ireland by Computershare Investor Services (Ireland) Limited or any successor administrator as may be appointed. Computershare Investor Services (Ireland) Limited is authorised and regulated by the Central Bank of Ireland in the conduct of this service. The Plan is not run by the Company itself. The following pages form the terms and conditions of the United Drug plc DRIP.

Please read these terms and conditions carefully and keep them in case you need to refer to them in the future.

This information should not be regarded as a recommendation to buy or hold shares in United Drug plc. The value of shares and the income from them can fall as well as rise and you may not recover the amount of money you invest. If you are in any doubt about what you should do, you may wish to consult an independent professional adviser. In particular, if you are not resident in Ireland or the United Kingdom, you are recommended to seek independent professional advice if there is any doubt regarding your eligibility to join the Plan.

If you have any questions about the Plan, you can write to: Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandford Industrial Estate, Dublin 18, Ireland or telephone: +353 1 447 5100.

About the Plan

1. Definitions

broker means the broker or market maker which we use from time to time in order to execute client instructions (which may include a Computershare group company).

business day means any day (excluding Saturday and Sunday) on which banks in Ireland are generally open for non-automated business.

Company means United Drug plc.

costs mean our fees, commission or other charges payable on the purchase of your shares.

execution only basis means that Computershare Investor Services (Ireland) Limited will not provide any advice in relation to the service and any instruction received will be executed upon receipt and acceptance by Computershare Investor Service (Ireland) Limited and/or the broker (as relevant).

market maker means the entity able and willing to enter into transactions to sell and purchase investments at prices determined by them generally and continuously, rather than in respect of each particular transaction.

MiFID means Directive 2004/39/EC (as amended) Markets in Financial Instruments Directive

MiFID Regulations means the European Communities (Markets in Financial Instruments) Regulations, 2007 (SI No. 60 of 2007) (as amended)

Plan or **DRIP** means the United Drug plc Dividend Reinvestment Plan described in these terms and conditions.

Plan Administrator or **us/we** or **Computershare** means Computershare Investor Services (Ireland) Limited whose registered details appear at the end of these terms and conditions.

shareholders means the shareholders of the Company.

shares means United Drug plc ordinary shares of €0.05 each or such other nominal value as may be lawfully adopted by the Company from time to time.

you, client or **retail client** means the person using the Plan service.

2. How does the Plan operate?

Shareholders using this service reinvest the cash dividend paid by the Company by the Plan Administrator arranging the purchase of shares through a special dealing arrangement.

If you join the Plan, then as many shares as possible will be purchased for you from the proceeds of your cash dividend. Dealing commission at 0.35% and stamp duty at the prevailing rate (currently 1%) will be charged in respect of shares purchased under the Plan. Purchases are made on or as soon as reasonably practicable after the relevant dividend payment date. The purchases are made on an execution only basis. In calculating the stamp duty and commission payments to be made to the broker or market maker for the transaction, we will round up to the nearest cent; any potential fraction difference will be kept for our own benefit.

All client money we hold on your behalf as a consequence of administering this Plan is maintained in a designated client asset account at an approved bank. This means your money is segregated and protected in accordance with the requirements of the Central Bank of Ireland. If we or the bank became insolvent your money would remain protected in accordance with the prevailing terms of the Central Bank of Ireland's Client Asset Requirements issued under the MiFID Regulations. We will not pay interest on this account.

3. How is a DRIP different from a scrip dividend scheme?

Under a DRIP, a company pays a cash dividend which is then used to buy existing shares on the open market. In a scrip dividend scheme, a company creates new shares instead of paying a cash dividend.

4. Who can join the Plan?

All shareholders may participate in the Plan provided they do not live in or are subject to the jurisdiction of any country outside Ireland or the United Kingdom that would require the Company or us to comply with local government or regulatory procedures or any similar formalities.

Shareholders who are not resident in Ireland or the United Kingdom are personally responsible for ensuring that they are legally permitted to join the Plan and for completing any necessary formalities. If there is any doubt regarding your eligibility to join the Plan, you should seek independent professional advice.

Should it materialise that you are subject to the jurisdiction of such a country we may, at our discretion, cancel your participation in the Plan.

Where local legislation prohibits participation in the Plan, this documentation should be regarded as information only.

Employees of the Company designated as relevant employees for the purposes of share dealing will need to make a notification under the Company Model Code rules of any shares purchased on their behalf.

5. Who will administer the Plan?

The Plan is administered by Computershare Investor Services (Ireland) Limited or such successor administrator as may be appointed from time to time.

6. How much will it cost me to participate in the Plan?

There is no entry fee but Plan participants will be charged a dealing commission of 0.35% on the value of shares purchased. You will also have to pay stamp duty at the prevailing rate (currently 1%). For example, if a €100 dividend is used to buy shares for you, €1.35 would be deducted from the cash dividend to cover the dealing charge and stamp duty.

There may be further taxes or costs incurred that are not paid via us or imposed by us.

7. At what price will the shares be bought, how many shares will I receive and when will I receive confirmation?

On payment of your dividend, monies will be aggregated with the monies of all other Plan participants. In accordance with our Best Execution Policy an instruction will be passed by us to a broker to purchase as many whole shares as can be paid for from the aggregated monies remaining from the dividend amount after providing for the dealing commission and stamp duty. Accordingly, you cannot specify any maximum or minimum price for your shares. Monies from the aggregated funds will be applied to settle executed trades as settlement becomes due. The broker we select is required prior to executing the instruction, to consider factors including the likelihood of execution, size of instruction, nature of stock, costs, speed of settlement prevailing stock price and execution venue and may give preference to those factors that determine the best possible result for you in terms of total consideration.

The broker will normally select execution venues that are Regulated Markets or Multilateral Trading Facilities (MTF); these are markets authorised to the extent that they operate in accordance with non-discretionary rules as required by MiFID (e.g. Irish Stock Exchange and London Stock Exchange). In order to obtain the best possible result the broker may decide at its discretion to execute your instruction outside a Regulated Market or MTF; this could happen if the broker deals as Principal, executes the client instruction with a market maker or matches the client instruction against another client instruction received. By using this service you consent to us transmitting the instruction on the basis that the broker may use a venue that is not a Regulated Market or MTF.

The broker may carry out several market transactions in order to acquire the number of shares needed for the Plan. To help ensure that you receive the best available price for the shares, this process may take a number of days. The number of shares you receive will depend on the market price of the shares at the time the broker executes the market transactions.

Due to the typically large size of aggregated Plan trades, a validation process will be undertaken by us and the broker to confirm that the correct number of shares have been purchased for all participants in the Plan. Only once we are able to determine finally how many shares will be allocated to all Plan participants, carried out the necessary internal audit procedures, allocated your shares to you and printed the confirmation note will the purchase be regarded as complete and properly executed. Depending on the nature of the trade, this process can ordinarily take up to 14 business days however depending on liquidity in the stock it may take longer, something that is wholly out of our control.

8. Where can I receive further information on the Best Execution Policy?

When transmitting your instructions to a third party for execution, we take reasonable steps to use a broker whose stated execution policy is to obtain the best possible result for your trade. We have implemented a policy that identifies the factors involved with the transmission of client instructions to and execution of these instructions by the broker receiving the instructions from us. These factors will usually give priority to the prevailing price and costs. A full copy of the policy is available upon written request made to: Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandford Industrial Estate, Dublin 18, Ireland.

9. What documents will I receive?

After we are satisfied that all the procedures described in section 7 have been completed we will despatch a share purchase advice note to you. This will confirm how many shares have been purchased for you. It will also include a dividend withholding tax statement and either the share certificate or CREST notification.

All documents will be despatched by post at your risk within one business day of us being satisfied that all purchases required under the Plan have been executed and completed in accordance with section 7.

Neither the Company nor the Plan Administrator shall be liable for any accidental failure to receive any document. All documents will be despatched at your own risk.

All notices shall be sent to the first named shareholder at the address recorded in the share register.

10. What happens when money is left over after shares have been bought?

Because only whole shares will be bought under the Plan, there will usually be a small cash surplus left over afterwards that is insufficient to buy another whole share. This cash surplus will be carried forward on behalf of the relevant shareholders without interest and added to future cash dividends for reinvestment in shares under the Plan. However, in the following circumstances any cash surplus will be paid out without interest:

- if you send a written request to the Plan Administrator, however, any such request will also be treated as a notice that you wish to withdraw from the Plan;
- if you withdraw from the Plan;
- if you sell or transfer your shares;
- if we receive proper notice of a shareholder's bankruptcy or mental incapacity; or
- if we receive proper notice of a corporate shareholder being placed in liquidation.

If we receive proper notice of a Plan participant's death, any cash surplus will be returned without interest to the deceased's estate.

11. Will the Plan apply to future dividends?

It is envisaged that the Plan will continue to operate for the foreseeable future. However, each of the Company and the Plan Administrator reserves the individual right to suspend or terminate the Plan at any time, in which case we will use reasonable endeavours to ensure notice is given to all Plan participants. We may amend the Plan without notice where the amendment is required by reason of a statutory or regulatory provision, and will inform Plan participants in writing of the amendment as soon as practicable. In any other case we may amend the Plan by 30 days written notice to Plan participants. Such amendment may include revision of the costs and charges associated with the Plan. We will not be obliged to make the Plan available for any particular dividend.

12. What should I do if I want to join the Plan?

To join the Plan complete and sign the DRIP mandate form and return it to us at the address set out in the introduction section. If you have more than one shareholding in the Company, you should complete a separate mandate form in respect of each shareholding in relation to which you wish to participate in the Plan. If you wish to consolidate your shareholdings in the Company, please contact the Plan Administrator. We must receive your completed mandate at least 15 business days prior to the dividend payment date. Applications received by us after that date will only be effective for the next following dividend (if any).

We may be required under the terms of the Criminal Justice (Money Laundering and Terrorist Financing) Act, 2010 (as amended) to record evidence that we have undertaken identity checks in respect of all new clients. In that case, you will be required to provide us with specific identification which we will request from you at the time you apply to join the Plan. If you do not provide the information we request from you, we may be required to prohibit you from joining the Plan.

We may delay taking any action on any particular instructions from you if we consider that we need to do so to obtain further information from you, or to comply with any legal or regulatory requirement binding on us, or to investigate any concerns we may have about the validity of, or any other matter relating to, the instruction.

We reserve the right not to accept any mandate form which is not given on a relevant form or which is

given on any form that has not been properly completed. Such forms or instructions, if not accepted, will be returned to you. We will not accept any faxed, e-mail, telephone instruction or photocopied form.

If we have a valid reason to do so, we may choose not to act on any particular instruction. We will notify you in writing as soon as we decide not to accept a particular instruction.

If you hold your shares in uncertificated form in the CREST system you may elect to participate in the Plan by means of the CREST procedures that require the use of the Dividend Election Input Message in accordance with the CREST Manual. Further details of these procedures are contained in section 17 of this document.

Once you have elected to participate in the Plan, all future dividends will be reinvested under the Plan until either you withdraw from the Plan (see section 14) or the Plan is suspended or terminated.

13. Can I join the Plan for just some of my shares?

No. For administrative reasons, you have to join the Plan for either your entire shareholding or not at all. Notwithstanding this, the Plan Administrator may, at its discretion, permit partial reinvestment on a lesser number of shares than the full holding where that shareholder is a very large corporate or nominee shareholder. This partial reinvestment will apply for that dividend payment only.

14. If I join the Plan now how can I withdraw from it in the future?

You have two separate rights – cancellation rights, which apply only at the start of the Plan, and withdrawal rights, which apply throughout the life of the Plan. They are simply two separate mechanisms you can use to leave the Plan.

You can cancel your participation in the Plan within 14 calendar days of the date on which we receive your completed mandate (the 'Cancellation Period'). However, you will lose your cancellation right if you make a request during the Cancellation Period for us to process a dividend for you in accordance with this Plan. For administrative purposes it is essential that we know how many shareholders wish to participate in the Plan no later than 15 business days before each relevant dividend payment date. We refer to the first day of this 15 business day period as the 'Cut-Off Date'. Accordingly, if you choose to submit your mandate to us at a time which would result in your Cancellation Period expiring on or after the Cut-Off Date, you will be deemed to have expressly requested us to proceed to process your dividend in accordance with the Plan. The effect of this is that if we have not received a notice of cancellation from you prior to the Cut-Off Date, **you will lose your cancellation rights.**

If you want to cancel your participation you should notify the Plan Administrator in writing at the address set out on page 1, such notice to be received no later than the end of the Cancellation Period or, if earlier, the day prior to the Cut-Off Date.

If you do not exercise your right to cancel we will provide the agreed services in accordance with these terms and conditions.

You can withdraw from the Plan at any time by writing to the Plan Administrator at the address set out on page 1. Your written notice must be received no later than 15 business days before any dividend payment date if you do not wish to be included in the Plan for that dividend.

If you send a request to us for surplus cash to be returned to you (see section 10) this will be treated as a notice that you wish to withdraw from the Plan.

If we receive proper notice of a participant's death, bankruptcy or mental incapacity (or, in the case of a corporate shareholder, liquidation) participation in the Plan will cease unless the shares are held jointly with others.

15. What happens if I buy or sell shares?

If you participate in the Plan and you buy more or sell some (but not all) of your shares, your mandate will continue to apply in respect of the increased or decreased shareholding. If you sell all your shares, your participation in the Plan will cease, but if you sell your shares between an ex-dividend date and that dividend's payment date, that dividend may be paid in the form of shares. For details on any cash surplus see section 10.

16. What should I do if I do not want to join the Plan?

If you want to continue to receive a cash dividend and do not want to join the Plan, then you need take no action.

17. CREST Procedures

If you hold your shares in uncertificated form in CREST and will continue to do so at the record date for the relevant dividend, you may elect to participate in the Plan by means of the CREST procedures to effect such an election. If you are a CREST Personal Member, or other CREST Sponsored Member, you should consult your CREST sponsor, who will be able to take the appropriate action on your behalf.

The CREST procedures require you to use the Dividend Election Input Message in accordance with the CREST Manual. The message should be correctly completed in order for a valid election to be made. The Company and/or Plan Administrator reserve the right to treat as valid an election which is not complete in all respects. A valid election made by means of Dividend Election Input Message will to the extent it relates to shares held in uncertificated form at the record date for the relevant dividend, supersede all previous written elections made in respect of holdings in the same member account. By inputting a Dividend Election Input Message as described above, you confirm your election to participate in the Plan in accordance with the details inputted and with the terms and conditions of the Plan as amended from time to time, and you appoint us as your agent to arrange the purchase of shares in accordance with such terms and conditions.

The shares purchased on your behalf pursuant to the Plan will be credited to your relevant CREST member account unless the Company or the Plan Administrator from time to time determines that such shares shall be issued to you in certificated form. You may only revoke an election which has been made by Dividend Election Input Message by utilising the CREST procedure for deletions described in the CREST Manual, unless the Company and/or the Plan Administrator consents to a revocation in another form. The deletion will be valid in relation to the then current dividend only if the deletion is accepted, in accordance with the CREST procedures, by or on behalf of the Company prior to the deadline for receipt of withdrawals set out in these terms and conditions. It is recommended that you input any deletion message 24 hours in advance of this deadline to give the Company and the Plan Administrator sufficient time to accept the deletion. There is no facility to amend an election which has been made by Dividend Election Input Message; if you wish to change your election details, you must first delete the existing election as described above and then input Dividend Election Input Message with the required new details.

It is possible to revoke previous written elections made in respect of your uncertificated holding to participate in the Plan (without having to make a new election) by means of the 'Non-CREST Election' and 'Deletion Request Status' fields in the Dividend Election Input Message in accordance with the procedures described in the CREST Manual. The deletion will be valid in relation to the then current dividend only if the deletion is accepted, in accordance with the CREST procedures, by the Plan Administrator on behalf of the Company prior to the deadline for receipt of withdrawals set out in these terms and conditions. It is recommended that you input any deletion message 24 hours in advance of this deadline to give the Company and Plan Administrator sufficient time to accept the deletion.

18. How does joining the Plan affect my tax position?

Private individual shareholders resident in Ireland

Income tax, etc: You may be liable for income tax, Universal Social Charge and PRSI on dividends reinvested under the Plan on the same basis as if you had received the dividend in cash and arranged the investment yourself. You should therefore include the gross dividend amount on your tax return in the normal

way. Dividend withholding tax deducted from the dividend amount will be credited against the income tax due and any excess will be refunded.

Capital gains tax: You may be liable to capital gains tax if you subsequently dispose of the shares acquired through the Plan.

Private individual shareholders resident in the United Kingdom

Income tax, etc: By filing an appropriate declaration, UK resident shareholders can receive their dividends gross i.e. without dividend withholding tax being deducted. The gross dividend will, for such shareholders electing to participate in the Plan, be applied to acquire shares and such gross dividends will be subject to UK income tax at the shareholder's marginal income tax rate.

Capital gains tax: You may be liable to capital gains tax if you subsequently dispose of the shares acquired through the Plan.

The above is a summary of the likely tax position for shareholders who are private individuals resident in Ireland or the United Kingdom. It will be appreciated that the tax position of each shareholder is different and shareholders are encouraged to consider their own position taking professional advice as appropriate as should all other shareholders. Tax legislation can change from time to time.

19. Who will carry out the purchase of shares?

All instructions to purchase shares in this Plan will be received by the Plan Administrator and transmitted to a broker selected by the Plan Administrator in accordance with the Best Execution Policy.

20. Liability

Our liability to you for any reason including negligence or wilful default will not exceed the amount of the dividend payment to which you are entitled. We will not be liable for any special or consequential damages. Nothing in these terms and conditions limits liability for our fraud.

21. Force majeure

We shall not be responsible for delays or failure to perform any of our obligations due to acts beyond our control. Such acts shall include, but not be limited to, acts of God, strikes, lockout, riots, acts of war, terrorist acts, epidemics, governmental regulations superimposed after the fact, communication line failures, power failure, earthquakes or other disasters.

22. Is there anything else which I should be aware of?

The price of the shares depends on fluctuations in the financial markets outside our control. Past performance is no indicator of future performance.

We will take reasonable care in the selection and continued use of the broker but we do not accept any responsibility for any losses or expenses suffered or incurred by you as a result of any acts or omissions by the broker.

The Plan Administrator and its agents (including the broker) may effect transactions notwithstanding that they have a direct or indirect material interest or a relationship of any description with another party which may involve a conflict with its duty to participants under the Plan. We manage those conflicts of interest of which we are aware, and monitor the effectiveness of our policies and procedures on a regular basis. We make every effort to disclose the interests of us and our employees where it is suspected that a conflict of interest may arise. In accordance with our regulatory responsibility on this matter we operate a documented policy that details our obligations if such events arise. Full details are available upon a written request to: Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland.

The Plan Administrator is authorised to disclose any information regarding shareholders or their participation in the Plan to any relevant authority, or as required by such authority, whether by compulsion of law or not. The Plan Administrator will not be liable for any disclosure made in good faith provided that the Plan Administrator believes that such disclosure has been made in accordance with the foregoing requirements.

Each of the provisions of the Plan will be severable and distinct from one another and if one or more of such provisions is invalid or unenforceable the remaining provisions will not in any way be affected.

The Plan Administrator has procedures in place to help resolve all complaints from customers effectively, a copy of which can be provided on request. The Plan Administrator is authorised and regulated by the Central Bank of Ireland. If you have any complaints about the service provided to you, you should write to the Plan Administrator at the address set out on page 1. If you cannot settle your complaint with us, you may be entitled to refer it to The Financial Services Ombudsman's Bureau, details of which are available on request.

Any personal data that we obtain from you in providing the Plan will be held by us in accordance with the relevant legislation. We will only hold, use or otherwise process such of your personal data as is necessary to provide you with the Plan. Your details will only be disclosed in accordance with the principles set out in the Irish Data Protection Act 1988 and 2003 (as amended):

- to any person if that person has legal or regulatory powers over us; or
- to the broker; or any other person or body in order to facilitate the provision of the service.

We may use our group companies or other agents in countries outside the European Economic Area provided that we are satisfied that the same standards of protection of personal data have been applied either by contract or law. You have a right to request to view the information that we hold on you. We may charge you a small fee for providing you with access to this information.

Nothing in these terms and conditions restricts any rights you have under the MiFID Regulations and any applicable rules of the Central Bank of Ireland.

We are also a member of the Investor Compensation Scheme, set up by law, which provides compensation to eligible investors. You will only have a right to compensation if you qualify as an eligible investor; and if we are unable to return to you money or investment instruments that you are owed or own, and if your loss is recognised by the Investor Compensation Scheme. The amount of compensation that you may receive will be 90% of the net amount you have lost or €20,000; whichever is less.

Computershare Investor Services (Ireland) Limited provides its contractual terms in English and will only communicate with you in English during the duration of these terms and conditions.

These terms and conditions are governed by and shall be construed in accordance with the laws of Ireland. Computershare Investor Services (Ireland) Limited has applied the same laws in its marketing of, and arrangements for you to enter into, this Plan.

We may choose to withdraw this service due to developments in legislation without giving you any notice that the service is no longer available.

You will be classified by Computershare Investor Services (Ireland) Limited as a retail client for the purposes of the MiFID Regulations.

The Computershare Investor Services (Ireland) Limited MiFID terms of business shall apply to your participation in the Plan. You can avail of a full copy of the policy upon written request made to Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland.