

SERAPHINE GROUP PLC

THE SERAPHINE GROUP PLC LONG TERM INCENTIVE PLAN

Adopted by the board of the Company on 30 June 2021, conditional on Admission

The Plan is a discretionary plan operated by the Company for selected employees. Its main purpose is to increase the interest of the employees in the Company's long-term business goals and performance through share ownership.

Shares purchased or received under the Plan, any cash received under the Plan and any gains obtained under the Plan are **not** part of salary or any employment contract for any purpose except to any extent required by statute.

The remuneration committee of the board of the Company shall have the right to decide, in its sole discretion, whether or not awards will be granted and to which employees those awards will be granted.

The detailed rules of the Plan are set out overleaf.



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1. DEFINITIONS AND INTERPRETATION

1.1 In the Plan, unless the context otherwise requires:

"**Admission**" means the admission of the issued ordinary share capital of the Company to the Official List of the FCA and to trading on the London Stock Exchange;

"**Applicable Laws**" means the Listing Rules published by the FCA, the City Code on Takeovers and Mergers, the Market Abuse Regulation (EU) 596/2014 or any other relevant UK or overseas regulation or enactment;

"**Award**" means an Option or a Conditional Award;

"**Board**" means the board of directors of the Company or a duly authorised committee of that board;

"**Cessation**" means a Participant ceasing to be an employee of a Group Member, except where:

- (a) the Participant remains an employee of any other Group Member; or
- (b) the Participant retains a statutory right to return to work.

"**Committee**" means the remuneration committee of the Board or, on and after the occurrence of a corporate event described in Rule 12 (*Takeovers and other corporate events*), the remuneration committee of the Board as constituted immediately before that event;

"**Company**" means Seraphine Group plc (registered in England and Wales with registered number 13454003);

"**Conditional Award**" means a conditional right to acquire Shares granted under the Plan which is designated as a conditional award by the Committee under Rule 3.2(b) (*Committee determinations*);

"**Control**" means control within the meaning of section 995 of the Income Tax Act 2007;

"**Dealing Day**" means a day on which the London Stock Exchange is open for business;

"**Dividend Equivalent**" means a benefit calculated by reference to dividends paid on Shares as described in Rule 3.4(a) (*Treatment of Dividends*);

"**Early Vesting Date**" means either:

- (a) the later of:
 - (i) the date of Cessation of a Participant in circumstances referred to in Rule 11.1 (*Good leavers before the Normal Vesting Date*); and
 - (ii) early determination of any Performance Condition by reason of that Cessation; or
- (b) the date of the relevant event in Rule 12.1 (*General offers*) or Rule 12.2 (*Schemes of arrangement and winding up*) or the date of Vesting referred to in Rule 12.3 (*Demergers and similar events*);

"**Executive Director**" means an executive director of the Company;

"Exercise Period" means the period commencing on the date on which an Option Vests and ending on the date determined under Rule 3.2(d) during which an Option may be exercised subject to lapsing earlier under the Plan (such period to be no longer than 10 years commencing on the Grant Date);

"FCA" means the Financial Conduct Authority;

"Grant Date" means the date on which an Award is granted;

"Group Member" means:

- (a) a Participating Company or a body corporate which is the Company's holding company (within the meaning of section 1159 of the Companies Act 2006) or a Subsidiary of the Company's holding company;
- (b) a body corporate which is a subsidiary undertaking (within the meaning of section 1162 of the Companies Act 2006) of a body corporate within paragraph (a) above and has been designated by the Board for this purpose; and
- (c) any other body corporate in relation to which a body corporate within paragraph (a) or (b) above is able (whether directly or indirectly) to exercise 20% or more of its equity voting rights and has been designated by the Board for this purpose;

"Holding Period" means the period starting on the date on which an Award Vests and ending on the earliest of the dates specified in Rule 8.3 (*Expiry of the Holding Period*) during which a Participant is required not to sell, transfer, assign or dispose of their Net Vested Shares in accordance with Rule 8 (*Holding Period*);

"Initial Awards" means the Awards included in the first cycle of Awards granted on or shortly following Admission and as designated as such Initial Awards by the Committee;

"ITEPA" means the Income Tax (Earnings and Pensions) Act 2003;

"London Stock Exchange" means London Stock Exchange plc or any successor to that company;

"Malus & Clawback" means an obligation to repay amounts referred to in Rule 14.3 (*Amount to be subject to Malus & Clawback*);

"Net Vested Shares" means the Vested Shares acquired or received by a Participant on Vesting of a Conditional Award or on exercise of an Option, in each case during the Holding Period, less: (a) a number of Shares with an aggregate market value on the date of Vesting (in the case of Conditional Awards) or exercise (in the case of Options) equal to the Participant's Tax Liability arising on that event; or (b) if the Vested Shares are sold to satisfy that Tax Liability, the number of Vested Shares sold;

"Normal Vesting Date" means the date on which an Award would ordinarily Vest under Rule 5.1 (*Timing of Vesting: Normal Vesting Date*);

"Normal Vesting Period" means the period commencing on the Grant Date and ending on the date determined under Rule 3.2(f);

"Option" means a conditional right to acquire Shares under the Plan which is designated as an option by the Committee under Rule 3.2(b);

"**Option Price**" means the nominal amount, if any, determined under Rule 3.2(c) as payable per Share on the exercise of an Option (including any Shares acquired in respect of a Dividend Equivalent), provided that the Committee may reduce or waive this Option Price on or prior to the exercise of the Option;

"**Participant**" means a person who holds an Award, including their personal representatives;

"**Participating Company**" means the Company or any Subsidiary of the Company;

"**Performance Condition**" means a condition (or conditions) related to performance which is specified by the Committee under Rule 3.2(e) and in respect of an Award granted to an Executive Director must have an underlying normal measurement period of at least three years;

"**Plan**" means the Seraphine Group plc Long Term Incentive Plan as amended from time to time;

"**Rule**" means a rule of the Plan;

"**Shares**" means fully paid ordinary shares in the capital of the Company;

"**Subsidiary**" means a body corporate which is a subsidiary (within the meaning of section 1159 of the Companies Act 2006);

"**Tax Liability**" means any amount of tax or social security contributions for which a Participant would or may be liable and for which any Group Member or former Group Member would or may be obliged to (or would or may suffer a disadvantage if it were not to) account to any relevant authority;

"**Vest**" means:

- (a) in relation to an Option, it becoming exercisable; and
- (b) in relation to a Conditional Award, a Participant becoming entitled to have Shares transferred to them,

in each case subject to the Rules and **Vesting** shall be construed accordingly; and

"**Vested Shares**" means those Shares in respect of which an Award Vests.

1.2 Any reference in the Plan to any enactment includes a reference to that enactment as from time to time modified, extended or re-enacted.

1.3 Expressions in italics and headings are for guidance only and do not form part of the Plan.

2. **ELIGIBILITY**

An individual is eligible to be granted an Award only if they are an employee (including an Executive Director) of a Participating Company.

3. **GRANT OF AWARDS**

3.1 **Terms of grant**

Subject to Rule 3.6 (*Timing of grant*), Rule 3.7 (*Approvals and consents*) and Rule 4 (*Limits*), the Committee may resolve to grant an Award on:

- (a) the terms set out in the Plan; and

- (b) any additional terms (whether a Performance Condition and/or any other terms) that the Committee specifies,

to any person who is eligible to be granted an Award under Rule 2 (*Eligibility*).

Awards to Executive Directors must be granted subject to a Performance Condition. Awards to others may also be granted subject to a Performance Condition but at the discretion of the Committee need not be.

3.2 **Committee determinations**

On or before the Grant Date, the Committee shall (or may, as appropriate) determine:

- (a) the number of Shares over which the Award is granted;
- (b) whether the Award shall be an Option or a Conditional Award, provided that if no determination is made it shall be an Conditional Award (including an additional condition that requires payment from the Participant per Share acquired under the Award equal to the nominal value of a Share);
- (c) if an Award is an Option, the Option Price (if any), provided that if no determination is made it shall have an Option Price equal to the nominal value of a Share;
- (d) if an Award is an Option, the date at the end of which the Exercise Period shall (subject the term of the Plan) expire, provided that if no such determination is made that day shall be the day immediately preceding the 10th anniversary of the Grant Date;
- (e) the Performance Condition and/or any other additional conditions (in each case, if any) applicable to the Award;
- (f) the date to be specified for the purposes of Rule 5.1(a) (*Timing of Vesting: Normal Vesting Date*) provided that:
 - (i) for an Award granted to an Executive Director such date shall not be earlier than the third anniversary of the Grant Date; and
 - (ii) if no determination is made on or before the Award's Grant Date, the date for the purposes of Rule 5.1(a) (*Timing of Vesting: Normal Vesting Date*) shall be taken to be the third anniversary of the grant.
- (g) whether Shares acquired or received on Vesting or exercise (as applicable) of an Award shall be subject to a Holding Period, provided that a Holding Period must apply to a Participant who is an Executive Director as at the Grant Date; and
- (h) whether the relevant Participant shall be entitled to a Dividend Equivalent or increase in the number of Shares comprised within their Award pursuant to Rule 3.4 (*Treatment of Dividends*).

Awards shall comprise a single part unless the Committee determines that an Award shall comprise a number of distinct parts in which case each part shall be treated as if it were a separate Award for the purposes of the Plan and in respect of which the relevant determination for Awards as noted above shall each apply.

3.3 **Method of grant**

An Award shall be granted by deed executed by the Company, or in such other manner as the Committee determines.

3.4 **Treatment of dividends**

The Committee may decide:

- (a) on or before the grant of an Award or at any time prior to the Vesting of an Award that a Participant shall be entitled to receive a benefit determined by reference to the value of the dividends that would have been paid on the Vested Shares in respect of dividend record dates occurring during the period between the Grant Date and the date of Vesting (or, where Shares under an Option are subject to a Holding Period, the earlier of the date of expiry of the Holding Period or the date of exercise of the Option). The Committee shall decide the basis on which the value of such dividends shall be calculated (which may assume the reinvestment of dividends). The Committee may also decide at this time whether such Dividend Equivalent shall be provided to the Participant in the form of cash and/or Shares. Such Dividend Equivalent shall be provided in accordance with Rule 6.3 (*Delivery of dividend equivalent*); or
- (b) on or before the grant of an Award or at any time prior to the next occurring dividend record date, a term of the Award includes that the number of Shares comprised in an Award shall increase by deeming dividends that would have been paid on such Shares in respect of dividend record dates occurring within the period between the Grant Date and the date of Vesting (or, where Shares under an Option are subject to a Holding Period, the earlier of the date of expiry of the Holding Period or the date of exercise of the Option) to have been reinvested in additional Shares on such terms as the Committee shall decide.

As to whether either of the above apply is at the discretion of the Committee.

3.5 **Method of satisfying Awards**

Unless specified to the contrary by the Committee on the Grant Date, an Award may be satisfied:

- (a) by the issue of new Shares; and/or
- (b) by the transfer of treasury Shares; and/or
- (c) by the transfer of Shares (other than the transfer of treasury Shares).

The Committee may decide to change the way in which it is intended that an Award may be satisfied after it has been granted, having regard to the provisions of Rule 4 (*Limits*).

3.6 **Timing of grant**

Subject to Rule 3.7 (*Approvals and consents*), an Award may only be granted:

- (a) within the period of 90 days commencing on the date of Admission or shortly prior to but conditional on Admission;
- (b) within the period of 6 weeks beginning with the dealing day after the date on which the Company announces its results for any period; or

- (c) at any other time when the Committee considers that circumstances are sufficiently exceptional to justify its grant,

but an Award may not be granted after the expiry of the 10 year period beginning with the date of Admission.

3.7 **Approvals and consents**

The grant of any Award shall be subject to obtaining any approval or consent required under any Applicable Laws and any share dealing code of the Company.

3.8 **Non-transferability and bankruptcy**

An Award granted to any person:

- (a) shall not be transferred, assigned, charged or otherwise disposed of (except on their death to their personal representatives) and shall lapse immediately on any attempt to do so; and
- (b) shall lapse immediately if they are declared bankrupt (unless the Committee determines otherwise).

4. **LIMITS**

4.1 **5 per cent. in 10 years limit**

An Award shall not be granted in any calendar year if, at the time of its proposed Grant Date, it would cause the number of Shares allocated (as defined in Rule 4.3 (*Meaning of "allocated"*)) on or after the date of Admission and in the period of 10 calendar years ending with that calendar year under the Plan and under any other executive share plan (i.e. only discretionary share plans and not including all-employee plans) adopted by the Company to exceed such number as represents 5 per cent. of the ordinary share capital of the Company in issue at that time.

4.2 **10 per cent. in 10 years limit**

An Award shall not be granted in any calendar year if, at the time of its proposed Grant Date, it would cause the number of Shares allocated (as defined in Rule 4.3 (*Meaning of "allocated"*)) on or after the date of Admission and in the period of 10 calendar years ending with that calendar year under the Plan and under any other employee share plan (i.e. all types of employee share plans: discretionary, all-employee or otherwise) adopted by the Company to exceed such number as represents 10 per cent. of the ordinary share capital of the Company in issue at that time.

4.3 **Meaning of "allocated"**

For the purpose of Rules 4.1 (*5 per cent. in 10 years limit*) and 4.2 (*10 per cent. in 10 years limit*) the Initial Awards shall be disregarded and:

- (a) Shares are allocated:
 - (i) when an option, award or other contractual right to acquire unissued Shares or treasury Shares is granted;
 - (ii) where Shares are issued or treasury Shares are transferred otherwise than pursuant to an option, award or other contractual right to acquire Shares, when those Shares are issued or treasury Shares transferred;

- (b) any Shares which have been issued or which may be issued (or any Shares transferred out of treasury or which may be transferred out of treasury) to any trustees to satisfy the exercise of any option, award or other contractual right granted under any employee share plan shall count as allocated unless they are already treated as allocated under this Rule; and
- (c) for the avoidance of doubt, existing Shares other than treasury Shares that are transferred or over which options, awards or other contractual rights are granted shall not count as allocated.

4.4 **Post-grant events affecting numbers of "allocated" Shares**

For the purposes of Rule 4.3 (*Meaning of "allocated"*):

- (a) where:
 - (i) any option, award or other contractual right to acquire unissued Shares or treasury Shares is released or lapses (whether in whole or in part); or
 - (ii) after the grant of an option, award or other contractual right the Committee determines that:
 - (aa) it shall be satisfied wholly or partly by the payment of cash; or
 - (bb) it shall be satisfied wholly or partly by the transfer of existing Shares (other than Shares transferred out of treasury)

the unissued Shares or treasury Shares which consequently cease to be subject to the option, award or other contractual right shall not count as allocated; and

- (b) the number of Shares allocated in respect of an option, award or other contractual right shall be such number as the Board shall reasonably determine from time to time.

4.5 **Changes to investor guidelines**

Treasury Shares shall cease to count as allocated Shares for the purposes of Rule 4.3 (*Meaning of "allocated"*) if institutional investor guidelines cease to require them to be so counted.

4.6 **Individual limit**

The maximum total market value of Shares (calculated as set out in this Rule 4.6) over which Awards may be granted to any employee during any financial year of the Company is 150% of their salary (for the avoidance of doubt taking into account the maximum level of potential vesting of the relevant Awards).

For the purpose of this Rule 4.6:

- (a) an employee's **salary** shall be their base salary (excluding benefits in kind), expressed as an annual rate payable by the Participating Companies to them on the Grant Date (or any earlier date that the Committee determines). Where a payment of salary is made in a currency other than sterling, the payment shall be treated as equal to the equivalent amount of sterling determined by using any rate of exchange which the Committee reasonably selects; and

- (b) other than in the case of the Initial Awards the **market value** of the Shares over which an Award is to be granted shall be taken to be an amount equal to the closing middle-market quotation of such Shares (as derived from the London Stock Exchange Daily Official List) on the last Dealing Day before the Grant Date, or the average of the closing middle market quotations during a period determined by the Committee of up to 5 days ending with the last Dealing Day before the Grant Date provided such Dealing Day(s) do not fall within any period when dealing in Shares is prohibited under the Company's share dealing code.

In the case of the Initial Awards the market value of the Shares over which an Award is to be granted may alternatively be taken to be an amount equal to the offer price in connection with which Shares were offered in respect of the Admission.

4.7 **Effect of limits**

Any Award shall be limited and take effect to comply with the limits in this Rule 4.

4.8 **Restriction on use of unissued Shares and treasury Shares**

No Shares may be issued or treasury Shares transferred to satisfy the exercise of any Option or the Vesting of any Conditional Award to the extent that such issue or transfer would cause the number of Shares allocated (as defined in Rule 4.3 (*Meaning of "allocated"*)) and adjusted under Rule 4.4 (*Post-grant events affecting numbers of "allocated" Shares*)) to exceed the limits in Rules 4.1 and 4.2 (*10 per cent. and 5 per cent in 10 years limits*) except where there is a variation of share capital of the Company which results in the number of Shares so allocated exceeding such limits solely by virtue of that variation.

5. **VESTING OF AWARDS**

5.1 **Timing of Vesting: Normal Vesting Date**

Subject to Rule 5.3 (*Restrictions on Vesting: regulatory and tax issues*) and the terms of the Plan, an Award shall Vest on its Normal Vesting Date which shall ordinarily be the later of:

- (a) the date determined under Rule 3.2(f); and
- (b) if any Performance Condition and any other condition has been imposed on the Vesting of the Award, the date on which the Committee determines whether or not it has been wholly or partly satisfied,

except where earlier Vesting occurs under Rule 11 (*Leavers*) or Rule 12 (*Takeovers and other corporate events*) and provided that, if the Vesting of the Award under this Rule 5 would otherwise occur on a day which is not a Dealing Day, the Award will Vest on the first Dealing Day immediately following such date unless otherwise determined by the Committee.

5.2 **Extent of Vesting**

An Award shall only Vest to the extent:

- (a) that any Performance Condition is satisfied on the Normal Vesting Date or, if appropriate, the Early Vesting Date;
- (b) that any other term imposed on its Vesting permits;

- (c) in relation to Vesting before the Normal Vesting Date, in accordance with Rules 11.5 (*Leavers: reduction in number of Vested Shares*) and 12.5 (*Corporate events: reduction in number of Vested Shares*); and
- (d) any operation of the Malus & Clawback provisions permits.

Where, under Rule 11 (*Leavers*) or Rule 12 (*Takeovers and other corporate events*), an Award would (subject to satisfying any Performance Condition) Vest before the end of the full period over which performance would be measured under any Performance Condition then, unless provided to the contrary by the Performance Condition, the extent to which the Performance Condition has been satisfied shall be determined by the Committee on such reasonable basis as it decides.

5.3 **Restrictions on Vesting: regulatory and tax issues**

An Award shall not Vest unless and until the following conditions are satisfied:

- (a) the Vesting of the Award, and the issue, transfer or sale of Shares on (or shortly after) Vesting, would be lawful and comply with Applicable Laws and any share dealing code of the Company;
- (b) if a Tax Liability would arise by virtue of such Vesting and the Board decides that such Tax Liability shall not (or cannot) be satisfied by the sale of Shares pursuant to Rule 5.4 (*Payment of Tax Liability*), then the Participant must have entered into arrangements acceptable to the Board that the relevant Group Member will receive the amount of such Tax Liability;
- (c) to the extent required by the Committee on or prior to the Grant Date, the Participant has entered into such arrangements as the Committee requires (and where permitted in the relevant jurisdiction) to satisfy a Group Member's liability to social security contributions in respect of the Vesting of the Award; and
- (d) where the Committee requires, the Participant has entered into, or agreed to enter into, a valid election under Part 7 of ITEPA (*Employment income: elections to disapply tax charge on restricted securities*) or any similar arrangement in any overseas jurisdiction.

For the purposes of this Rule 5.3, references to a Group Member include any former Group Member.

5.4 **Tax Liability before Vesting**

If a Participant will, or is likely to, incur any Tax Liability before the Vesting of an Award then that Participant must enter into arrangements acceptable to any relevant Group Member to ensure that it receives the amount of such Tax Liability. If no such arrangement is made, the Participant shall be deemed to have authorised the Company to sell or procure the sale on their behalf of sufficient of the Vested Shares subject to their Award to ensure that the relevant Group Member receives the amount required to discharge the Tax Liability.

For the purposes of this Rule 5.4, references to a Group Member include any former Group Member.

5.5 **Payment of Tax Liability**

The Participant authorises the Company to sell or procure the sale of sufficient Vested Shares on or following the Vesting of their Award on their behalf to ensure that any relevant Group Member or former Group Member receives the amount required to discharge the Tax Liability (and any price payable by the Participant for the Shares) which arises on Vesting except to the extent that the Board decides that all or part of the Tax Liability (and any price payable by the Participant for the Shares) shall be funded in a different manner.

5.6 **Adjustments to the extent of Vesting**

Notwithstanding any other provision of the Plan, and irrespective of whether and to what extent any Performance Condition attached to an Award has been satisfied, the Committee may at any time prior to the settlement of an Award and at its discretion:

- (a) adjust up or down (including to reducing nil, if appropriate) the extent to which an Award would otherwise Vest or remain Vested under Rule 5.2 (*Extent of Vesting*); and/or
- (b) impose any other condition on the Vesting of an Award,

where the Committee determines that exceptional circumstances exist which mean that the Vesting of such Award, or the extent to which such Award would otherwise Vest under Rule 5.2 (*Extent of Vesting*), would be inappropriate taking into account such factors as it considers relevant (including, but not limited to, the overall performance of the Company, any Group Member or the relevant Participant who holds the Award).

6. **CONSEQUENCES OF VESTING**

6.1 **Options**

- (a) An Option shall, subject to Rule 7.1 (*Restrictions on the exercise of an Option: regulatory and tax issues*), be exercisable in respect of Vested Shares during the Exercise Period unless it lapses earlier under Rule 11 (*Leavers*) or Rule 12 (*Takeovers and other corporate events*).
- (b) If an Option is not exercised during the last 30 days of the Exercise Period because of any regulatory restrictions referred to in Rule 7.1(a), the Committee may extend the Exercise Period for such limited period as the Committee determines appropriate to permit the Option to be exercised as soon as those restrictions cease to apply.
- (c) If, at the end of the Exercise Period (or any extended Exercise Period under Rule 6.1(b)), an Option remains unexercised and would otherwise lapse under Rule 7.6 (*Lapse of Options*) the Committee may determine that the Option shall be treated as having been exercised on the last Dealing Day falling within the Exercise Period during which exercise would be permitted under Rule 7.1 (*Restrictions on the exercise of an Option: regulatory and tax issues*).

6.2 **Conditional Awards**

On or as soon as reasonably practicable after the Vesting of a Conditional Award, the Board shall, subject to Rule 5.5 (*Payment of Tax Liability*) and any arrangement made under Rules 5.3(b) and 5.3(b), transfer or procure the transfer of the Vested Shares to the Participant (or nominee for him) or, if appropriate, allot to him (or a nominee for him) the number of Vested Shares.

6.3 **Delivery of Dividend Equivalent**

If the Committee decided under Rule 3.4(a) (*Treatment of Dividends*) that a Participant would be entitled to the Dividend Equivalent in relation to Shares under their Award but did not decide at that time whether the Dividend Equivalent would be provided in the form of cash and/or Shares, then the Committee shall make such decision on or before the transfer of the Vested Shares to the Participant.

The Committee, acting fairly and reasonably, may decide to exclude the value of all or part of a special dividend or any other dividend from the amount of the Dividend Equivalent.

The provision of the Dividend Equivalent to the Participant shall be made as soon as practicable after the issue or transfer of Vested Shares and:

- (a) in the case of a cash payment, shall be subject to such deductions (on account of tax or similar liabilities) as may be required by law or as the Board may reasonably consider to be necessary or desirable;
- (b) in the case of a provision of Shares, Rule 5.2 (*Restrictions on Vesting: regulatory and tax issues*) and Rule 5.5 (*Payment of Tax Liability*) shall apply as if such provision was the Vesting of an Award.

7. **EXERCISE OF OPTIONS**

7.1 **Restrictions on the exercise of an Option: regulatory and tax issues**

A Vested Option may not be exercised unless:

- (a) the exercise of the Option and the consequent issue or transfer of Shares would be lawful and comply with Applicable Laws and any share dealing code of the Company;
- (b) if, on the exercise of the Option, a Tax Liability would arise and the Board decides that it shall not (or cannot) be satisfied by selling Shares pursuant to Rule 7.4 (*Payment of Tax Liability*), then the Participant must have entered into arrangements acceptable to the Board that the relevant Group Member shall receive the amount of that Tax Liability;
- (c) to the extent determined by the Committee on or prior to grant the Participant has entered into such arrangements as the Committee requires (and where permitted in the relevant jurisdiction) to satisfy a Group Member's liability to social security contributions in respect of the exercise of the Option; and
- (d) where the Committee requires, the Participant has entered into, or agreed to enter into, a valid election under Part 7 of ITEPA (*Employment income: elections to disapply tax charge on restricted securities*) or any similar arrangement in any overseas jurisdiction.

For the purposes of this Rule 7.1, references to a Group Member include any former Group Member.

7.2 **Exercise in whole or part**

An Option must be exercised to the maximum extent possible at the time of exercise unless the Committee decides that a Participant may exercise the Option in respect of such fewer number of Shares as it decides.

7.3 **Method of exercise**

An Option shall be exercised in the form and manner prescribed by the Board. Unless the Board, acting fairly and reasonably determines otherwise, any notice of exercise shall, subject to Rule 7.1 (*Restrictions on the exercise of an Option: regulatory and tax issues*), take effect only when the Company (or the Plan's administrator as relevant) process it in line with the prevailing policy for such matters as approved by the Board for the Plan and contingent on having received payment of any Option Price (or, if the Board so permits, an undertaking to pay that amount).

The aforementioned policy may include for example:

- (a) Exercise requests received will only be accepted during such specified period of each calendar year as the Board specifies (i.e. permitted periods within the Exercise Period); and/or
- (b) Exercise requests received will only be processed in the last week of the calendar month in which they are received.

7.4 **Payment of Tax Liability**

The Participant authorises the Company to sell or procure the sale of sufficient Vested Shares on or following the exercise of their Option on their behalf to ensure that any relevant Group Member receives the amount required to discharge any Tax Liability which arises on such exercise except to the extent that the Board decides that all or part of the Tax Liability shall be funded in a different manner.

7.5 **Transfer or allotment timetable**

As soon as reasonably practicable after an Option has been exercised, the Company shall, subject to Rule 7.4 (*Payment of Tax Liability*) and any arrangement made under Rules 7.1(b) and 7.1(c), transfer or procure the transfer to them or, if appropriate, allot to them the number of Shares in respect of which the Option has been exercised.

7.6 **Lapse of Options**

An Option which has become exercisable shall lapse at the end of the Exercise Period if it has not been exercised unless it lapses earlier under Rule 11 (*Leavers*) or Rule 12 (*Takeovers and other corporate events*).

8. **HOLDING PERIOD**

This Rule 8 shall apply to Shares acquired or delivered on the Vesting or exercise of an Award granted to an Executive Director (including a former Executive Director) and to any other individual that the Committee determines before the Grant Date of their Award.

8.1 **Restrictions on the sale, transfer, disposal and assignment of Net Vested Shares**

Subject to Rule 8.2 (*Permitted transfers during the Holding Period*) below, a Participant to which this Rule 8 applies is required:

- (a) to hold their Net Vested Shares during the applicable Holding Period in accordance with such terms and conditions that the Committee may impose from time to time, which may include their Net Vested Shares being held by a nominee appointed by the Company;

- (b) not to sell, transfer, assign or dispose of any interest in their Net Vested Shares until the expiry of the applicable Holding Period;
- (c) if, during the applicable Holding Period, they acquire any additional Shares by virtue of holding Net Vested Shares during the Holding Period, those additional Shares shall also be held subject to the terms of this Rule 8 as they apply to the original Net Vested Shares unless the Committee, in its discretion, determines otherwise; and
- (d) to execute any other document required by the Committee at any time to give effect to the restrictions under this Rule 8.

For the avoidance of doubt Net Vested Shares shall not be subject to any risk of forfeiture during the Holding Period other than to satisfy Malus & Clawback.

8.2 Permitted transfers during the Holding Period

Subject to the prior approval of the Committee, the Participant may, during the Holding Period, transfer or assign some or all of their Net Vested Shares to their spouse or civil partner or to the Participant's personal pension plan (the "**transferee**"), provided that the transferee has agreed to comply with this Rule 8, any other terms and conditions imposed by the Committee and the decisions of the Committee and the transferee agrees not to sell, transfer, assign or dispose of those Net Vested Shares until the expiry of the Holding Period.

The Committee may allow a Participant to sell, transfer, assign or dispose of some or all of their Net Vested Shares before the end of the Holding Period, subject to any terms and conditions that the Committee specifies.

8.3 Expiry of the Holding Period

The Holding Period shall expire on the earliest of:

- (a) the fifth anniversary of the Grant Date of the Award;
- (b) the date of an event under Rule 12.1 (*General offers*) or 12.2 (*Schemes of arrangement and winding up*) (excluding an internal reorganisation under Rule 12.4 (*Internal reorganisations*));
- (c) the death of the Participant; and
- (d) any other date determined by the Committee.

Net Vested Shares shall cease to be subject to any restrictions under this Rule 8 once the Holding Period has expired.

8.4 Interaction with the Company's share ownership guidelines or requirements

Nothing in this Rule 8 shall remove and/or reduce any additional requirements that may apply to the Participant under the Company's share ownership guidelines or requirements (from time to time).

9. CASH ALTERNATIVE

9.1 Committee determination

Where an Option has been exercised or where a Conditional Award Vests and Vested Shares have not yet been allotted or transferred to the Participant, the Committee may determine that, in substitution for their right to acquire any number of Vested Shares as the Committee decides (but in full and final satisfaction of their right to acquire those Shares), they shall be paid as additional employment income a sum equal to the cash equivalent (defined in Rule 9.3 (*Cash equivalent*)) of that number of Shares in accordance with this Rule 9.

9.2 Limitation on the use of this Rule

Rule 9.1 shall not apply in relation to an Award made to a Participant in any jurisdiction where the presence of Rule 9.1 would cause:

- (a) the grant of the Award to be unlawful or for it to fall outside any applicable securities law exclusion or exemption; or
- (b) adverse tax or social security contribution consequences for the Participant or any Group Member as determined by the Board,

provided that this Rule 9.2 shall only apply if its application would prevent the occurrence of a consequence referred to in (a) or (b) above.

9.3 Cash equivalent

For the purpose of this Rule 9, the cash equivalent of a Share is:

- (a) in the case of a Conditional Award, the market value of a Share on the day when the Award Vests; or
- (b) in the case of an Option, the market value of a Share on the day when the Option is exercised less the Option Price (if any) in respect of that Share.

Market value on any day shall be determined as follows:

- (a) if on the day of Vesting or exercise, Shares are quoted in the London Stock Exchange Daily Official List, the closing middle-market quotation of a Share, as derived from that List, on that day; or
- (b) if Shares are not so quoted, such value of a Share as the Committee reasonably determines.

9.4 Payment of cash equivalent

As soon as reasonably practicable after the Committee has determined under Rule 9.1 that a Participant shall be paid a sum in substitution for the right to acquire any number of Vested Shares the Company shall pay to them or procure the payment to them of that sum in cash.

9.5 Deductions

There shall be deducted from any payment under this Rule 9 any amounts (on account of tax or similar liabilities) required by law or as the Board may reasonably consider to be necessary or desirable.

10. **LAPSE OF AWARDS**

An Award shall lapse:

- (a) in accordance with the Rules; or
- (b) to the extent it does not Vest.

11. **LEAVERS**

11.1 **Good leavers before the Normal Vesting Date**

If a Cessation occurs before the Normal Vesting Date of an Award due to:

- (a) the Participant's death;
- (b) the Participant's ill-health, injury or disability (evidenced to the satisfaction of the Committee);
- (c) the Participant's redundancy (within the meaning of the Employment Rights Act 1996 or applicable local law equivalent);
- (d) the Participant's retirement with the agreement of the Committee;
- (e) the Participant's office or employment being either with a company which ceases to be a Group Member or relating to a business or part of a business which is transferred to a person who is not a Group Member; or
- (f) in any other circumstances where the Committee determines that this Rule 11.1 shall apply in relation to the Award,

then, subject to Rule 5.1 (*Timing of Vesting: Normal Vesting Date*) and Rule 5.3 (*Restrictions on Vesting: regulatory and tax issues*), that Award shall Vest on the Normal Vesting Date unless the Committee determines it shall Vest on the Early Vesting Date.

In either case, Vesting may be subject to any additional conditions that the Committee specifies and Rule 11.5 (*Leavers: reduction in number of Vested Shares*) shall apply. Where the Award is an Option, Rule 11.4 (*Exercise of Options*) shall also apply.

11.2 **Cessation of employment in other circumstance before the Normal Vesting Date**

If a Cessation occurs before the Normal Vesting Date for any reason other than those specified in Rule 11.1 (*Good leavers before the Normal Vesting Date*), any Award held by the relevant Participant shall lapse immediately regardless of whether that Cessation was lawful or unlawful.

11.3 **Good leavers on or after the Normal Vesting Date**

Where a Cessation occurs on or after the Normal Vesting Date for any reason other than in connection with dismissal for misconduct, any unexercised Options held by the Participant shall, subject to Rule 6.1 (*Options*), Rule 7 (*Exercise of Options*) and Rule 12 (*Takeovers and other corporate events*), continue to be exercisable for a 6 month period commencing on the date of Cessation (or, if shorter, until the expiry of the Exercise Period) and, to the extent it is not exercised, it shall lapse at the end of that period.

11.4 **Exercise of Options**

Where this Rule 11.4 applies, subject to Rule 6.1 (*Options*), Rule 7 (*Exercise of Options*) and Rule 12 (*Takeovers and other corporate events*), a Vested Option shall continue to be exercisable for a 12 month period commencing on the date on which the Award Vests (or, if shorter, until the expiry of the Exercise Period) or such other period that the Committee specifies and, to the extent that the Option is not exercised, it shall lapse at the end of that period.

11.5 **Leavers: reduction in number of Vested Shares**

Where this Rule 11.5 applies, the Committee shall determine the number of Vested Shares of the relevant Award by applying:

- (a) any Performance Condition and any other condition imposed on the Vesting of the Award; and
- (b) a pro rata reduction to the number of Shares determined under Rule 11.5(a) based on the period starting on the Grant Date and ending on the date of Cessation relative to the Normal Vesting Period (unless the Committee, acting fairly and reasonably, decides that a lesser (or no) reduction is appropriate, in which case it may increase the number of Vested Shares to such higher number as it decides provided that number does not exceed the number of Shares determined under Rule 11.5(a)).

If an Award Vests under any of Rules 12.1 (*General offers*) to 12.3 (*Demergers and similar events*) following a Cessation of the relevant Participant then this Rule 11.5 shall take precedence over Rule 12.5 (*Corporate events: reduction in number of Vested Shares*).

To the extent that an Award is reduced in accordance with this Rule 11.5, it will lapse and become incapable of Vesting in respect of the relevant number of Shares by which it is reduced.

11.6 **Impact of notice**

The Committee may decide that a Cessation for the purposes of the Plan shall be taken to occur on the date the Participant gives or receives notice of termination of their employment with a Group Member (whether or not such termination is lawful) unless the notice relates to one of the reasons listed in Rule 11.1(a) to (e) inclusive.

12. **TAKEOVERS AND OTHER CORPORATE EVENTS**

12.1 **General offers**

If any person (or group of persons acting in concert):

- (a) obtains Control of the Company as a result of making a general offer to acquire Shares; or
- (b) having obtained Control of the Company makes such an offer and such offer becomes unconditional in all respects,

then, subject to Rule 12.4 (*Internal reorganisations*):

- (i) subject to Rule 5.3 (*Restrictions on Vesting: regulatory and tax issues*), all Awards shall Vest on the date of that event if they have not then Vested and Rule 12.5 (*Corporate events: reduction in number of Vested Shares*) shall apply; and

- (ii) any Option may, subject to Rule 7.1 (*Restrictions on the exercise of an Option: regulatory and tax issues*), be exercised within one month of the date of that event (or, if shorter, until the expiry of the Exercise Period), but to the extent that an Option has not been exercised at the end of that period it shall lapse (regardless of any other provision of the Plan).

12.2 Schemes of arrangement and winding up

If:

- (a) a compromise or arrangement is sanctioned by the Court under section 899 of the Companies Act 2006 in connection with or for the purposes of a change in Control of the Company; or
- (b) the Company passes a resolution for a voluntary winding up of the Company; or
- (c) an order is made for the compulsory winding up of the Company,

all Awards shall, subject to Rule 5.3 (*Restrictions on Vesting: regulatory and tax issues*) and Rule 12.4 (*Internal reorganisations*), Vest on the date of that event if they have not then Vested and Rule 12.5 (*Corporate events: reduction in number of Vested Shares*) shall apply.

If an event described in this Rule 12.2 occurs, an Option may, subject to Rule 7.1 (*Restrictions on the exercise of an Option: regulatory and tax issues*) and Rule 12.4 (*Internal reorganisations*), be exercised within one month of that event (or, if shorter, until the expiry of the Exercise Period), but to the extent that the Option is not exercised within that period, it shall lapse (regardless of any other provision of the Plan).

12.3 Demergers and similar events

If a demerger, special dividend or other similar event (the "**Relevant Event**") is proposed which, in the opinion of the Committee, would affect the market price of Shares to a material extent, then the Committee may, at its discretion, decide to adjust Awards in such manner as it considers appropriate or that the following provisions shall apply:

- (a) the Committee shall, as soon as reasonably practicable after deciding to apply these provisions, notify a Participant that, subject to earlier lapse under Rule 11 (*Leavers*), their Award Vests if it has not already Vested and/or, if relevant, their Option may, subject to Rule 7.6 (*Lapse of Options*) and Rule 11 (*Leavers*), be exercised on such terms as the Committee may determine and during such period preceding the Relevant Event or on the Relevant Event as the Committee may determine and, if the Award is an Option, it and shall (regardless of any other provision of the Plan) lapse at the end of that period to the extent unexercised;
- (b) if an Award Vests or an Option is exercised conditional upon the Relevant Event and such Relevant Event does not occur, then the conditional Vesting or exercise shall not be effective and the Award shall continue to subsist; and
- (c) if an Award Vests under this Rule 12.3, the date of that Vesting shall be the Early Vesting Date and the provisions of Rule 12.5 (*Corporate events: reduction in number of Vested Shares*) shall apply.

12.4 **Internal reorganisations**

If:

- (a) a company (for the purposes of this Rule 12.4, the "**Acquiring Company**") is expected to obtain Control of the Company as a result of an offer referred to in Rule 12.1 (*General offers*) or a compromise or arrangement referred to in Rule 12.2(a); and
- (b) at least 75% of the shares in the Acquiring Company are expected to be held by substantially the same persons who were shareholders in the Company immediately before the obtaining of that Control,

then an Award shall not Vest under Rule 12.1 (*General offers*) or Rule 12.2 (*Schemes of arrangement and winding up*) but shall be automatically surrendered in consideration for the grant of a new award which the Committee determines is equivalent to the Award (including as to any Performance Condition) it replaces except that it will be over shares in the Acquiring Company or some other company.

The Rules will apply to any new award granted under this Rule 12.4 as if references to Shares were references to shares over which the new award is granted and references to the Company were references to the company whose shares are subject to the new award.

12.5 **Corporate events: reduction in number of Vested Shares**

If an Award Vests under any of Rules 12.1 (*General offers*) to 12.3 (*Demergers and similar events*), the Committee shall determine the number of Vested Shares of that Award by applying:

- (a) any Performance Condition and any other condition imposed on the Vesting of the Award; and
- (b) subject to Rule 11.5 (*Leavers: reduction in number of Vested Shares*), a pro rata reduction to the number of Shares determined under Rule 12.5(a) based on the period starting on the Grant Date and ending on the Early Vesting Date relative to the Normal Vesting Period,

unless the Committee, acting fairly and reasonably, decides that the reduction under Rule 12.5(b) is inappropriate in which case it may increase the number of Vested Shares to such higher number as it decides provided that number does not exceed the number of Shares determined under Rule 12.5(a).

13. **ADJUSTMENT OF AWARDS**

13.1 **General rule**

In the event of:

- (a) a variation of the share capital of the Company; or
- (b) a demerger, special dividend or other similar event which affects the market price of Shares to a material extent,

the Committee may make such adjustments as it considers appropriate under Rule 13.2 (*Method of adjustment*).

13.2 Method of adjustment

An adjustment made under this Rule shall be made to one or more of:

- (a) the number of Shares comprised in an Award;
- (b) subject to Rule 13.3 (*Adjustment below nominal value*), the Option Price; and
- (c) where any Award has Vested or Option has been exercised but no Shares have been transferred or allotted after such Vesting or exercise, the number of Shares which may be so transferred or allotted and (if relevant) the price at which they may be acquired.

13.3 Adjustment below nominal value

An adjustment under Rule 13.2 (*Method of adjustment*) may reduce the price at which Shares may be subscribed for on the exercise of an Option to less than their nominal value, but only if and to the extent that the Board is authorised:

- (a) to capitalise from the reserves of the Company a sum equal to the amount by which the nominal value of the Shares in respect of which the Option is exercised and which are to be allotted after such exercise exceeds the price at which the Shares may be subscribed for; and
- (b) to apply that sum in paying up that amount on those Shares,

so that on exercise of any Option in respect of which such a reduction has been made the Board shall capitalise that sum (if any) and apply it in paying up that amount.

14. MALUS & CLAWBACK

14.1 Applicability of Malus & Clawback

This Rule 14 shall apply to Awards regardless of any other provisions of the Plan.

14.2 Events that lead to Malus & Clawback

The Committee may decide at any time prior to the third anniversary of the date on which an Award Vests (the "**Discovery Period**") that the individual to whom the Award was granted (the "**Relevant Individual**") shall be subject to Malus & Clawback if:

- (a) there was a material misstatement of the Company's or a Group Member's financial results and that misstatement resulted, either directly or indirectly, in that Award Vesting to a greater degree (or being granted over more Shares) than would otherwise have been the case;
- (b) any calculation in connection with the Award or any assessment of any Performance Condition and/or any other condition imposed on the Award was based on an error, or on inaccurate or misleading information or assumptions and that such error, information or assumptions resulted, either directly or indirectly, in that Award Vesting to a greater degree (or being granted over more Shares) than would otherwise have been the case;
- (c) it is determined that the Relevant Individual committed serious misconduct on or prior to the date of Vesting of the Award (and/or on or prior to its exercise if it is an Option) that could have warranted their dismissal from employment;

- (d) the Company has suffered corporate failure which has resulted in the appointment of a liquidator or administrator; or
- (e) there are circumstances which in the Committee's opinion have (or would have if made public) a material impact on the reputation of the Company or of any Group Member to justify the application of this Rule 14.

14.3 Amount to be subject to Malus & Clawback

The Committee shall determine the amount to be subject to Malus & Clawback which:

- (a) where Rule 14.2(a) and/or (b) applies, shall be all or part of the additional value which the Committee considers has Vested to and/or was otherwise received by the Relevant Individual in the circumstances referred to in those Rules; and
- (b) where any of Rule 14.2(c)-(e) applies, shall be all or part of such value which the Committee determines would have not Vested and/or would have not otherwise been received had the Award lapsed in full in connection with the relevant event, or had the relevant event been known when the Award was granted.

Any determinations under this Rule 14.3 shall be on such basis as the Committee reasonably decides.

14.4 Satisfaction of the Malus & Clawback

In order to satisfy the Malus & Clawback, the Committee may:

- (a) reduce (including reducing to zero) any of the following elements of the remuneration of the Relevant Individual:
 - (i) the amount of any future bonus which would, but for the operation of the Malus & Clawback, be payable to them under any bonus plan operated by any Group Member; and/or
 - (ii) the number of Shares subject to any subsisting award (either unvested or vested but unexercised, as relevant) held by them under any deferred bonus plan operated by any Group Member; and/or
 - (iii) the number of Shares subject to any subsisting Award and/or other award (either unvested or vested but unexercised, as relevant) held by them under the Plan or any other employees' share plan or share award arrangement notwithstanding the extent to which any performance condition and/or any other condition imposed on the relevant award has been satisfied; and/or
- (b) require the Relevant Individual to pay to such Group Member as the Committee may direct, and on such terms as the Committee may direct (including, but without limitation to, on terms that the relevant amount is to be deducted or withheld from the Relevant Individual's salary or from any other payment to be made to them by any Group Member), such amount as is required for the Malus & Clawback to be satisfied in full.

Any reduction made pursuant to Rule 14.4(a) shall be made at such time or times as the Committee determines appropriate and, in the case of unvested awards, shall be at the time they would otherwise ordinarily vest unless the Committee decides otherwise.

14.5 **Reduction in Awards to give effect to malus and/or clawback provisions in other plans**

The Committee may decide at any time to reduce the number of Shares subject to an Award (including reducing to zero) to give effect to malus and/or clawback provisions of any form and/or name contained in any incentive plan or bonus plan operated by any Group Member. The reduction shall be in accordance with the terms of the relevant provisions or, in the absence of any such term, on such basis as the Committee, acting fairly and reasonably, decides is appropriate.

15. **ALTERATIONS**

15.1 **General rule on alterations**

Except as described in Rule 15.2 (*Shareholder approval*) and Rule 15.4 (*Alterations to disadvantage of Participants*) the Committee may at any time alter the Plan or the terms of any Award.

15.2 **Shareholder approval**

Except as described in Rule 15.3 (*Exceptions to shareholder approval*), no alteration to the advantage of an individual to whom an Award has been or may be granted shall be made under Rule 15.1 (*General rule on alterations*) to the provisions concerning:

- (a) eligibility;
- (b) the individual limits on participation;
- (c) the overall limits on the issue of Shares or the transfer of treasury Shares;
- (d) the basis for determining a Participant's entitlement to, and the terms of, Shares or cash provided under the Plan;
- (e) the adjustments that may be made in the event of any variation of capital; and
- (f) the terms of this Rule 15.2,

without the prior approval by ordinary resolution of the members of the Company in general meeting.

15.3 **Exceptions to shareholder approval**

Rule 15.2 (*Shareholder approval*) shall not apply to:

- (a) any minor alteration to benefit the administration of the Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for Participants or any Group Member; or
- (b) any alteration relating to the Performance Condition made under Rule 15.5 (*Alterations to a Performance Condition*).

15.4 **Alterations to disadvantage of Participants**

No alteration to the material disadvantage of Participants (other than a change to any Performance Condition) shall be made under Rule 15.1 (*General rule on alterations*) unless:

- (a) the Board has invited every relevant Participant to indicate whether or not they approve the alteration; and
- (b) the alteration is approved by a majority of those Participants who have given such an indication.

15.5 **Alterations to a Performance Condition**

The Committee may amend any Performance Condition without prior shareholder approval if:

- (a) a circumstance or an event has occurred which causes the Committee to consider reasonably that it would be appropriate to amend the Performance Condition;
- (b) in the case of Awards granted to executive directors (including former) of the Company, the amended Performance Condition will, in the reasonable opinion of the Committee, be not materially less difficult to satisfy than the unaltered Performance Condition would have been but for the circumstance or event in question; and
- (c) the Committee shall act fairly and reasonably in making the alteration.

16. **MISCELLANEOUS**

16.1 **Employment**

The rights and obligations of any individual under the terms of their office or employment with any Group Member shall not be affected by their participation in the Plan or any right which they may have to participate in it. An individual who participates in the Plan waives any and all rights to compensation or damages in consequence of the termination of their office or employment for any reason whatsoever insofar as those rights arise or may arise from them ceasing to have rights under an Award as a result of such termination. Participation in the Plan shall not confer a right to continued employment upon any individual who participates in it. The grant of any Award does not imply that any further Award will be granted nor that a Participant has any right to receive any further Award.

16.2 **Disputes**

In the event of any dispute or disagreement as to the interpretation of the Plan, or as to any question or right arising from or relating to the Plan, the decision of the Committee shall be final and binding upon all persons.

16.3 **Exercise of powers and discretion**

The exercise of any power or discretion by the Committee shall not be open to question by any person and a Participant or former Participant shall have no rights in relation to the exercise of or omission to exercise any such power or discretion.

16.4 **Share rights**

All Shares allotted under the Plan shall rank equally in all respects with Shares then in issue except for any rights attaching to them by reference to a record date before the date of the allotment.

Where Vested Shares are transferred, Participants shall be entitled to all rights attaching to those Shares by reference to a record date on or after the date of such transfer.

16.5 Notices

Any notice or other communication under or in connection with the Plan may be given:

- (a) by personal delivery or by sending the same by post, in the case of a company to its registered office, and in the case of an individual to their last known address, or, where a director or employee of a Group Member, either to their last known address or to the address of the place of business at which the employee performs the whole or substantially the whole of the duties of their office or employment;
- (b) in an electronic communication to their usual business address or such other address for the time being notified for that purpose to the person giving the notice; or
- (c) by such other method as the Board determines.

16.6 Third parties

No third party has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Plan.

16.7 Benefits not pensionable

Benefits provided under the Plan shall not be pensionable.

16.8 Data Protection

Personal data relating to Participants and any individuals who may be eligible to participate in the Plan may be collected, processed and transferred for any purpose relating to the operation of the Plan in compliance with any Applicable Laws and any data privacy notice and/or policies of any Group Member in force from time to time.

16.9 International Plans

The Committee or the Board, as relevant, may at any time by resolution and without seeking further shareholder approval establish further plans or sub-plans (outside the Plan) for overseas territories, governed by rules similar to these Rules but modified to take account of local tax, exchange control or securities laws, provided that any Shares made available under such further plans are treated as counting against the limits on individual and overall participation in the Plan.

16.10 Governing law

The Plan and all Awards shall be governed by and construed in accordance with the laws of England and Wales and the Courts of England and Wales have exclusive jurisdiction to hear any dispute (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation.

APPENDIX I

US APPENDIX

This US Appendix sets out variations to the rules of the Plan that shall automatically apply to any Award granted or to be granted to a person who is resident for tax purposes in the USA (a “**US Participant**”).

Words and phrases defined in the Plan shall bear the same meaning in this US Appendix except as otherwise provided below.

References to Section 409A in this US Appendix are to section 409A of the US Internal Revenue Code.

The Rules of the Plan shall apply in the normal manner in relation to any Award granted to US Participants without modification or variation save that:

1. The only type of Award that may be granted to a US Participant is a Conditional Award.
2. Rule 11.1(d) of the Plan shall not apply.
3. It is intended that the leaver provisions of Rule 11 (*Leavers*) (as modified above) be interpreted and applied to constitute a “substantial risk of forfeiture” for the purposes of Section 409A, and the terms (including those set out in these provisions) of the Plan shall be interpreted in accordance with Section 409A and guidance issued thereunder such that the “short-term deferral” exception to Section 409A may be available with respect of the Award.
4. It is intended that that the “substantial risk of forfeiture” shall lapse, if at all, on the earliest of:
 - (a) the later of (i) the Normal Vesting Date, provided that the Participant remains continuously employed by a Group Member until such date, and (ii) provided that any Performance Condition constitutes a “substantial risk of forfeiture”, the expiry of any period over which performance is measured (the “**Performance Period**”) to determine the extent (if any) to which the Award Vests (and where the extent of Vesting does not remain subject to any other condition creating a substantial risk of forfeiture);
 - (b) the date of the Participant's Cessation where, in accordance with Rule 11 (*Leavers*) (as modified under paragraph 2 above), that Cessation does not result in the Award lapsing and where the extent of Vesting does not remain subject to a substantial risk of forfeiture (by reference to a Performance Condition or otherwise);
 - (c) the date of which an event under Rule 12 (*Takeover and other corporate events*) occurs if that event causes the Award to Vest,

and, for the purposes of this Appendix, the relevant earliest date referred to in this paragraph 4 is the Award’s “**s409A Vesting Date**”.

5. Any determination by the Committee as to whether or not a Performance Condition has been satisfied in whole or in part shall be made by (i) 15 March of the calendar year following the calendar year in which the Performance Period ends when the Normal Vesting Date falls on or before the end of the Performance Period, and (ii) 15 March of the calendar year following the calendar year which includes the Normal Vesting Date when the Normal Vesting Date falls after the end of the Performance Period.
6. The Award shall be settled in Shares (or in cash pursuant to Rule 9 (*Cash Alternative*)) as soon as reasonably practicable following the s409A Vesting Date but no later than the later to occur of:

- (a) the 15th day of the third calendar month following the calendar year which includes the s409A Vesting Date; and
- (b) the 15th day of the third calendar month following the fiscal year of the Participating Company in which the Participant is employed by any Group Member and which includes the s409A Vesting Date,

and, for the purposes of this Appendix, the relevant later date referred to in this paragraph 6 is the Award's "**s409A Long-Stop Date.**"

- 7. Any Dividend Equivalent shall be paid (in cash or in Shares) at the same time that the underlying Award is settled in Shares or paid in cash.
- 8. When making determinations under Rule 11.1 (*Good Leavers before the Normal Vesting Date*) of the Plan the Committee shall not make any determination that would result in any payment being made under the Plan later than the Award's s409A Long-Stop Date.

The Plan as amended by this US Appendix in relation to Awards granted to US Participants is intended to comply with (and shall be construed accordingly with) the "short-term deferral" exception to Section 409A. However, none of the Company, its subsidiaries or affiliates, the Board, the Committee nor any of their directors, officers, employee or agents warrants, represents or guarantees compliance with Section 409A or other tax laws, nor shall any such persons be liable to any Participant for any tax liabilities, tax penalties or interest arising from any non-compliance with Section 409A or other tax laws.

APPENDIX II

CASH CONDITIONAL AWARDS

The Rules of the Plan shall apply to a right (a "**Cash Conditional Award**") to receive a cash sum granted under this Appendix as if it was a Conditional Award, except as modified by the terms set out in this Appendix. Where there is any conflict between the Rules and this Appendix, the terms of this Appendix shall prevail.

1. The Committee may grant or procure the grant of a Cash Conditional Award.
2. Each Cash Conditional Award shall relate to a given number of notional Shares.
3. On the Vesting of the Cash Conditional Award the holder of that Cash Conditional Award shall be entitled to a cash sum which shall be equal to the "**Cash Value**" of the notional Vested Shares, where the Cash Value of a notional Share is the market value of a Share on the date of Vesting of the Cash Conditional Award. For the purposes of this Appendix, the market value of a Share on any day shall be determined in accordance with Rule 9.3 (*Cash equivalent*).
4. Rule 9.5 (*Deductions*) shall apply to any sum payable under paragraph 3 above.
5. For the avoidance of doubt, a Cash Conditional Award shall not confer any right on its holder to receive Shares or any interest in Shares.