

**THE AUCTION TECHNOLOGY GROUP PLC**  
**DEFERRED SHARE BONUS PLAN**

**(Approved by the Remuneration Committee on [ ] February  
2021 and Adopted by the Board on [ ] February 2021)**

# RULES OF THE AUCTION TECHNOLOGY GROUP PLC

## DEFERRED SHARE BONUS PLAN

Approved by the Remuneration Committee on [ ] February 2021 and adopted by the Board on [ ] February 2021, conditional upon and with effect from Admission.

### 1. DEFINITIONS AND INTERPRETATION

1.1 In this Plan the following definitions shall apply, unless the context otherwise requires:

**Acquiring Company** as defined in Rule 11.5.

**Admission** the first admission of Shares to trading on the main market of the London Stock Exchange.

<b>Announcement Date</b>	the date on which the Company makes the preliminary announcement of its results for a Financial Year (or, where it has not announced preliminary results for a Financial Year, the date on which it announces its results for a Financial Year), or the date on which it announces its interim results for a Financial Year.
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**Award** an award granted under this Plan in the form of an Option, Conditional Share Award, or Restricted Share Award.

**Award Certificate** the certificate (which may be in electronic form) setting out the terms of an Award issued under Rule 4.

**Award Holder** an individual who holds an Award or, where appropriate, the personal representatives of such a person.

**Board** the board of directors of the Company or a committee of directors appointed by that board to carry out any of its functions under the Plan, for the time being, save that for the purposes of Rule 11, it shall be the board of directors or any appointed committee as constituted on the day prior to any person obtaining control of the Company.

**Bonus** such discretionary bonus as the Committee determines is payable to an Eligible Employee for a Year (but, for the avoidance of doubt, has not yet been paid), including (but not limited to), pursuant to the Management Bonus Plan (as amended from time to time).

**Bonus Payment Date** the date on which a Bonus to which an Award relates is paid, or if the Committee sees fit in its absolute discretion, the earlier date on which a Bonus to which an Award relates is approved to be paid.

<b>Cessation Date</b>	the date on which the Award Holder ceases to hold any office or employment within the Group, which shall be (when their employment is terminated by their employer without notice or where they terminate their employment with or without notice) the date on which such termination takes effect. If the Award Holder's employment is terminated by their employer with notice their employment shall be deemed to cease on the date when such notice expires. No person shall be treated as ceasing to be employed or holding office within the Group until they cease to hold an office or employment with any company within the Group.
<b>Clawback Amount</b>	as defined in Rule 13.5.
<b>Clawback Period</b>	as defined in Rule 13.3 and 13.4.
<b>Committee</b>	the remuneration committee of the Board from time to time, or a sub-committee appointed by the Committee to carry out any of its functions under the Plan, save that for the purposes of Rule 11 it shall mean the Committee as comprised immediately before the change of control.
<b>Company</b>	Auction Technology Group Plc, a company incorporated in England and Wales with company number 13141124.
<b>Conditional Award</b>	<b>Share</b> a conditional right to receive Shares for no payment, which is designated as a conditional share award by the Committee under Rule 4.
<b>Control</b>	has the meaning given in Section 719 of ITEPA.
<b>Corporate Event</b>	an event described in Rule 11.
<b>Date of Grant</b>	means the date on which the Award is granted under the Plan.
<b>Dealing Day</b>	a day on which the London Stock Exchange is open for the transaction of business.
<b>Dealing Restriction</b>	a restriction on dealing in Shares imposed by any law, order, regulation, directive or rules (including, but not limited to, the any other regulation, order or requirement imposed by the London Stock Exchange or the FCA, the Market Abuse Regulation and any sector specific regulatory regime applicable to the Company), and/or any internal share dealing code operated by the Company.
<b>Deferred Period</b>	in relation to any Award, the period of time commencing on the first day following the end of the Financial Year in respect of which the Bonus in question is earned, (or such other period of time as the Committee shall determine on the Date of Grant and shall specify in the Award Certificate), which for an Award

granted to an individual who is, on the Date of Grant, an executive director of the Company, shall normally be a minimum of three years.

**Early Vesting Date**

either:

- (a) the Cessation Date of an Award Holder in the circumstances referred to in Rule 10.2 (Death) or 10.3 (Other Good Leavers);
- (b) the date of a Corporate Event as specified in Rule 11.2; or
- (c) the date of Vesting as specified in Rule 11.4 (Demergers).

**Eligible Employee**

an Employee as selected by the Committee in its absolute discretion to be granted an Award under the Plan.

**Employee**

a bona fide employee of any Group Member (which shall include, for the avoidance of doubt, any director who is also a bona fide employee).

<b>Employee Share Dealing Platform</b>	a share dealing platform that is made available by (or on behalf of) the Company to its employees in order to facilitate the operation of the Company's share incentive plans (as selected by the Company in its absolute discretion) from time to time.
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**Employees' Share Scheme** shall have the meaning given to it by section 1166 of the Companies Act 2006.

<b>Employee Trust</b>	any employee benefit trust established for the benefit of employees and former employees of any member of the Group and certain of their relatives.
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**Exercise Period** the period specified in Rule 7.2, during which an Option may be exercised.

**Exercise Price** the amount, if any, payable by an Award Holder on the exercise of an Option.

**FCA** the Financial Conduct Authority or any such other body with responsibility under legislation replacing the Financial Services and Markets Act 2000 for carrying out regulatory actions.

<b>Financial Year</b>	a financial year of the Company within the meaning of section 390 of the Companies Act 2006.
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**Grant Period** means the period of 42 days commencing on the Bonus Payment Date.

<b>General Offer</b>	as defined in Rule 11.2.
<b>Group</b>	the Company and any Subsidiary and the term " <b>Group Member</b> " and " <b>member of the Group</b> " shall be construed accordingly.
<b>HMRC</b>	HM Revenue & Customs;
<b>ITEPA</b>	Income Tax (Earnings and Pensions) Act 2003.
<b>London Stock Exchange</b>	the London Stock Exchange plc.
<b>Malus</b>	as defined in Rule 13.
<b>Market Abuse Regulation</b>	the UK version of the EU Market Abuse Regulation (2014/596/EU) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018).
<b>Market Value</b>	means on any date, the amount equal to the closing middle market quotation of a Share (the " <b>Closing Price</b> ") as derived from the Official List for the immediately preceding Dealing Day or, if the Committee sees fit in its absolute discretion, the amount equal to an average Closing Price of up to 5 consecutive Dealing Days preceding such date (so long as any such Dealing Day is not in a closed period prior to the announcement of the Company's financial results for any period), or such other averaging period or such other basis for determining Market Value as the Committee shall determine from time to time including, in the case of a Restricted Share Award, the purchase price of the Restricted Shares.
<b>Nominee</b>	such nominee as is selected by the Board in its absolute discretion, including (but not limited to) (i) a Trustee in its capacity as nominee or (ii) a share plan administrator of an Employee Share Dealing Platform.
<b>Normal Vesting Date</b>	the date on which the Deferred Period comes to an end.
<b>Option</b>	a conditional right to acquire Shares which is designated as an option under Rule 4 (including, a nil-cost or nominal value option).
<b>Phantom Award</b>	a right to receive a cash payment equal to the net benefit that an Award Holder would have derived from the Vesting or exercise of a Conditional Share Award or Option, which is calculated in accordance with Rule 9.
<b>Plan</b>	the Auction Technology Group Deferred Bonus Share Plan as amended from time to time.

<b>Release</b>	means when the Shares subject to a Restricted Share Award Vest and cease to be subject to transfer restrictions and " <b>Released</b> " shall be construed accordingly.
<b>Remuneration Policy</b>	if, and so long as, Chapter 4A of the Companies Act 2006 applies to the Company, the published directors' remuneration policy of the Company (as approved by the Company's shareholders in accordance with such chapter).
<b>Restricted Share Award</b>	an award of Shares that are subject to transfer restrictions and which is designated as a restricted share award by the Committee under Rule 4.
<b>Restricted Share Agreement</b>	means an agreement in the form approved by the Committee and executed by the Nominee, the Award Holder and the Company that sets out the terms on which the Nominee holds the Shares on behalf of the Award Holder during the period that they are restricted.
<b>Rules</b>	the rules of the Plan (as amended from time to time).
<b>Salary</b>	in relation to an Eligible Employee means the gross basic salary (expressed as an annual rate) before any deductions required to be made by law payable to such Eligible Employee on the relevant Date of Grant by a Group Member (not including bonuses, benefits in kind, allowances, expenses, employer pension contributions or share related incentives) and 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 as determined by the Committee. In the event that an Eligible Employee participates in a salary sacrifice scheme or similar arrangement, Salary (for these purposes) shall not include the amounts sacrificed (unless the Committee determines otherwise in its absolute discretion).
<b>Scheme of Arrangement</b>	as defined in Rule 11.2.
<b>Shares</b>	fully paid ordinary shares in the capital of the Company (or, as the context may require, shares or other securities for the time being representing such shares in consequence of any variation of the share capital of the Company).
<b>Subsidiary</b>	a company wheresoever incorporated which is for the time being under the Control of the Company and which falls within the definition of a subsidiary under section 1159 of the Companies Act 2006.
<b>Tax Election</b>	an election jointly made by an Award Holder and their employer, to disapply all forfeiture and transfer restrictions

attaching to the Award Holder's Shares for UK tax purposes, made in accordance with section 431 of ITEPA and/or for US tax purposes, made in accordance with section 83(b) of the Internal Revenue Code (or such other overseas equivalent).

**Tax Liability** as defined in Rule 12.1.

**Treasury Shares** shares purchased by the Company in circumstances in which section 724 to 732 of the Companies Act 2006 applies and held in treasury.

**Trustee** the trustee of an Employee Trust.

<b>US Schedule</b>	The schedule to this Plan, adopted in pursuance of Rule 17.5, to facilitate the operation of the granting of Awards to Eligible Employees in the United States.
<b>Vest</b>	<p>(a) in relation to a Conditional Share Award, when an Award Holder becomes entitled to have Shares delivered to them (or their Nominee);</p> <p>(b) in relation to an Option, when it becomes exercisable; and</p> <p>(c) in relation to a Restricted Share Award, when the Shares subject to the Award can be Released,</p> <p>(d) in relation to a Phantom Award, when the Award Holder becomes entitled to receive a payment,</p> <p>in each case in accordance with these Rules and the terms and conditions of the Award in question and <b>Vested</b> and <b>Vesting</b> shall be construed accordingly.</p>
<b>Vesting Date</b>	the Normal Vesting Date, or such earlier date on which an Award or part of an Award Vests under these Rules.
<b>Vesting Period</b>	the period commencing on the Date of Grant and ending on the Vesting Date.

**Winding-Up** as defined in Rule 11.2

**1.2** A reference in the Plan to a statute or a statutory provision is a reference to it as amended, extended or re-enacted from time to time and shall include all subordinate legislation made from time to time under that statute or statutory provisions.

**1.3** Unless the context otherwise requires, references to one gender shall include a reference to the other genders.

- 1.4** Unless the context otherwise requires, words in the singular shall include the plural and vice versa.
- 1.5** Rule headings shall not affect the interpretation of the Plan.
- 1.6** A reference to writing or written includes email.
- 1.7** Any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.8** A reference to the Plan or to any other agreement or document referred to in the Plan is a reference to the Plan or such other agreement or document as varied or novated (in each case, other than in breach of the provisions of the Plan) from time to time.
- 1.9** Any obligation on a party not to do something includes an obligation not to allow that thing to be done.

## **2. PURPOSE OF THE PLAN**

- 2.1** The purpose of the Plan is to provide benefits for employees within the Group in the form of Awards over Shares, and in doing so increase the interest of the employees in the Company's long-term business goals and performance through share ownership.
- 2.2** The Plan is established as Employees' Share Scheme for the purpose of encouraging or facilitating the holding of Shares in the Company by employees or former employees of any Group Member.

## **3. ELIGIBILITY**

- 3.1** Subject to Rule 3.2 below, an Eligible Employee is eligible to be granted an Award if the Committee has decided that part of their Bonus shall be deferred into an Award save that an Award may not be granted to an Eligible Employee who, on the Date of Grant, has given or received notice of termination of employment, whether or not such termination is lawful.
- 3.2** In the case of an Award proposed to be granted to an Eligible Employee who is an executive director of the Company, the Committee must ensure that it is made in accordance with the Remuneration Policy applicable on the Date of Grant (unless separate shareholder's approval by the Company's shareholders in General Meeting has been obtained to deviate from the applicable Remuneration Policy).

## **4. GRANT OF AWARDS**

### ***General***

- 4.1** Subject to Rule 4.6 (Grant Periods) and Rule 5 (Limits), the Committee may resolve to grant an Award to any Eligible Employee on:
- 4.1.1** the terms set out in the Plan; and



**4.1.2** such additional terms as the Committee may specify on or as soon as possible on or following the Date of Grant.

**4.2** On or before the Date of Grant, the Committee shall determine:

**4.2.1** whether an Award shall be a Conditional Share Award, Option, or Restricted Share Award, provided that if the Committee does not specify the type of Award on or before the Date of Grant then an Award shall be a Conditional Share Award in the case of Eligible Employees in the US and an Option in the case of all other Eligible Employees;

**4.2.2** the duration of the Deferred Period; and

**4.2.3** the Normal Vesting Date of an Award.

***Method of Grant***

**4.3** An Award may be granted by a deed executed by the Company or in such other manner as determined by the Committee, in its discretion.

**4.4** As soon as practicable on or after the Date of Grant, the Company shall issue to each Award Holder an Award Certificate specifying the following details in relation to an Award:

**4.4.1** the Date of Grant;

**4.4.2** the type of Award granted;

**4.4.3** the maximum number of Shares subject to the Award;

**4.4.4** the Deferred Period;

**4.4.5** the Normal Vesting Date;

**4.4.6** the Exercise Price (if applicable);

**4.4.7** the Exercise Period (if applicable);

**4.4.8** any conditions that apply to the Vesting of an Award;

**4.4.9** the details of the Clawback Period;

**4.4.10** whether Dividend Equivalents shall apply in respect of the Award and, if so, the terms of Dividend Equivalents; and

**4.4.11** whether the Award Holder will be liable to pay any secondary Class 1 (employer) National Insurance contributions liability arising in relation to the Award.

**4.5** An Award Holder to whom an Award is granted may by notice in writing to the Company within thirty days after the Date of Grant (or such shorter period of which they may be notified by the Committee) renounce their rights thereunder in whole (and in such case

the Award shall be deemed never to have been granted hereunder), or in part (and in such case the Award shall be deemed to have been granted only as to the balance).

#### ***Grant Periods***

- 4.6** Awards may be granted at any time during the Grant Period. If, during this period, the Company is restricted by any Dealing Restriction from granting the Awards, they may be granted as soon as is reasonably practicable (and within a period of 42 days) from the day on which the Dealing Restriction is lifted or no longer applies.

#### ***Restricted Share Awards***

- 4.7** If an Award is granted as a Restricted Share Award, the amount of Bonus deferred (net of income tax and employee social security contributions or their overseas equivalents) may be used to either calculate the number of Shares awarded or to fund the purchase of Shares on behalf of the Award Holder to be held subject to the terms of a Restricted Share Agreement.
- 4.8** The Restricted Share Agreement will provide that the Shares will be registered in the name of a Nominee until the Normal Vesting Date, except where the Shares Vest early under these Rules.

#### ***Dividends and Dividend Equivalents***

- 4.9** In the case of Conditional Share Awards or Options, the Committee may decide on or before the Date of Grant that an Award Holder shall be entitled to receive additional Shares and/or cash payments representing the value of any dividends that would have been paid on the Shares during the Vesting Period ("**Dividend Equivalent**"). The Committee, acting fairly and reasonably, may decide (at any time up to and including the Vesting Date) to exclude the value of all or part of a special dividend or dividend in specie from the amount of the Dividend Equivalent.
- 4.10** Unless otherwise specified by the Committee, the calculation of a Dividend Equivalent to be settled in Shares will assume that dividends paid on the Vested Shares during the Vesting Period are deemed reinvested in further Shares, resulting in an increase in the number of Shares subject to the Award for the purposes of calculating the subsequent Dividend Equivalents in relation to that Award.
- 4.11** The Dividend Equivalent shall only become payable in respect of the proportion of an Award that has Vested and, if payable in Shares, shall be delivered to the Award Holder in accordance with (and subject to) Rule 7.
- 4.12** In the case of Restricted Share Awards, the Committee will decide on or before the Date of Grant whether a holder of a Restricted Share Award will be entitled to receive any final or interim dividends that are declared and paid in relation to the Shares subject to the Award between the Date of Grant and the Vesting Date and will not, therefore, accrue Dividend Equivalents (in cash or shares). The Committee will determine whether such dividends will be paid in cash or will be reinvested in Shares and the Award Holder will

receive further details if this is applicable to them at the time. To the extent that the dividends are reinvested in Shares, those Shares will become restricted and subject to the same Deferred Period as the Shares subject to the original Award are. The Committee, acting fairly and reasonably, may decide (at any time up to and including the Vesting Date) to exclude all or part of a special dividend or dividend in specie from this decision.

***Method of satisfying Awards***

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

**4.13.1** by the issue of new Shares;

**4.13.2** by the transfer of Treasury Shares; and/or

**4.13.3** by the transfer of existing Shares (purchased in the market or otherwise), including Shares held in an Employee Trust.

**4.14** 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 5 (Limits).

***Non-transferability and bankruptcy***

**4.15** An Award granted to any person:

**4.15.1** 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

**4.15.2** shall lapse immediately if they are declared bankrupt.

**5. CALCULATING THE SHARES SUBJECT TO AN AWARD AND LIMITS**

**5.1** The maximum number of Shares subject to a Restricted Share Award will be determined by applying the following formula:

**A**

**B**

Where:

'A' is the amount of the Bonus that the Eligible Employee has agreed, or has been required to, defer net of income tax and employee social security contributions or their overseas equivalents (expressed in pence); and

'B' is the Market Value of a Share on the Bonus Payment Date (expressed in pence), or, if later, the Market Value of a Share on the date on which the Award is made (expressed in pence).

- 5.2 The maximum number of Shares subject to an Option or Conditional Share Award shall be determined by applying the following formula:

**A**

**B**

Where:

'A' is the amount of the Bonus that the Eligible Employee has agreed, or has been required to, defer gross of income tax and employee social security contributions or their overseas equivalents (expressed in pence); and

'B' is the Market Value of a Share on the Bonus Payment Date (expressed in pence) or if later, the Market Value of a Share on the date on which the Award is made (expressed in pence).

#### ***Individual Limits***

- 5.3 No Award shall be granted to an Eligible Employee in respect of any Financial Year if the Award would result in the aggregate Market Value of all the Shares (calculated on the Date of Grant) comprised in Awards granted to them in respect of that Financial Year under the Plan, exceeding 100 per cent. of the Bonus the Eligible Employee has agreed to, or has been required to, defer for that Financial Year.

- 5.4 In determining the limit in clause 5.3, no account shall be taken of any increase to the number of Shares subject to an Award pursuant to Rule 4.9 (Dividends and Dividend Equivalents).

#### ***Company Dilution Limits***

- 5.5 Subject to Rule 5.6, an Award shall not be granted in any Financial Year if, at the time of its proposed Date of Grant, it would cause the number of Shares issued or remaining capable of issue subject to all Awards granted in the period of 10 calendar years ending on that date under the Plan and under any other employee share plan operated by the Company to exceed such number as represents 10 per cent. of the ordinary share capital of the Company in issue on the day immediately prior to the proposed Date of Grant.

- 5.6 In determining the limits in Rule 5.5 above:

5.6.1 no account shall be taken of any Shares subject to an Award granted prior to Admission;

5.6.2 (if and so long as Institutional Investor Guidelines recommend it) account shall be taken of any Shares subject to an Award in respect of which the

liability of the Company has been satisfied by the issue (or transfer) of Treasury Shares;

- 5.6.3 account shall be taken of any Shares representing accrued, but unpaid Dividend Equivalents, but only if the Committee has determined that such Dividend Equivalents will be satisfied using Shares;
- 5.6.4 no account shall be taken of any Awards where the right to acquire the Shares was released, has lapsed or has otherwise become incapable of call, vesting or exercise;
- 5.6.5 no account shall be taken of any Shares subject to an Award in respect of which the liability of the Company to deliver such Shares has been satisfied wholly or partly by the payment of cash;
- 5.6.6 no account shall be taken of any Shares subject to an Award in respect of which the liability of the Company to deliver such Shares has been satisfied by the transfer of existing Shares; and
- 5.6.7 no account shall be taken of any rights to subscribe for Shares granted to a Trustee to the extent that the rights were granted solely to enable the Trustee to satisfy any Awards that have already been taken into account for the purposes of the limits in Rule 5.5 (to avoid double counting).

#### ***Effect of Limits***

- 5.7 An Award granted under the Plan shall be limited and only take effect to the extent that it does not breach the limitations contained in this Rule 5. Any Award granted in excess of the limitations contained in this Rule 5 shall be void and unenforceable by an Award Holder in respect of the excess only.

## **6. VESTING OF AWARDS**

#### ***Timing of Vesting***

- 6.1 Except as otherwise provided for in these Rules an Award shall Vest on the later of:
  - 6.1.1 the Normal Vesting Date; and
  - 6.1.2 the date on which the Committee determines whether any Vesting condition has been wholly or partly satisfied (if applicable).

#### ***Extent of Vesting***

- 6.2 Except as otherwise provided for in these Rules, an Award shall only Vest:
  - 6.2.1 to the extent that any Vesting condition is satisfied and otherwise in accordance with the terms of such Vesting condition;

**6.2.2** if Vesting occurs on an Early Vesting Date, in accordance with Rule 10 (Leavers), Rule 11 (Corporate Events) or Rule 11.4 (Demergers, special dividends and similar events) as applicable; and

**6.2.3** to the extent that Rule 13 (Malus and Clawback) permits.

### ***Restrictions on Vesting***

**6.3** An Award (or part of an Award) shall not Vest:

**6.3.1** if Vesting would result in a breach of a Dealing Restriction by the Award Holder, the Company, a member of the Board or any relevant party;

**6.3.2** if Vesting would be unlawful in any relevant jurisdiction;

**6.3.3** unless the Award Holder has entered into such arrangements as the Committee requires to satisfy a Group Member's liability in respect of any Tax Liability; and

**6.3.4** unless (where the Committee requires) the Award Holder has entered into, or agreed to enter into, a Tax Election.

**6.4** For the purposes of this Rule 6, references to Group Member include any former Group Member.

## **7. CONSEQUENCES OF VESTING**

### ***Conditional Share Awards***

**7.1** Except as otherwise provided for in these Rules, on or as soon as reasonably practicable after the Vesting of a Conditional Share Award (and by no later than 30 days after the Vesting of a Conditional Share Award), the Board shall issue, transfer or procure the transfer of the relevant number of Vested Shares to the Award Holder (or to their Nominee).

### ***Options***

**7.2** Except as otherwise provided for in these Rules, on Vesting, Options will become exercisable in respect of Vested Shares and will continue to be exercisable, during the period commencing on the Vesting Date and expiring at midnight on the day prior to the 10th anniversary of the Date of Grant (or such shorter period specified by the Committee on or prior to the Grant of Date) (the "**Exercise Period**").

**7.3** If an Award Holder is restricted by a Dealing Restriction from exercising a Vested Option before the end of the Exercise Period, the Award Holder may exercise such Option within the period of 42 days beginning with the date on which such Dealing Restriction is removed and to the extent that an Option has not been exercised within this time, the Option shall lapse at midnight on the final day of such 42 day period.

### ***Restricted Share Awards***

- 7.4** Holders of Restricted Share Awards will be free to deal in the Shares subject to their Awards at any time on or following the Vesting Date (subject to any Dealing Restriction) and the Company shall arrange for any corresponding nominee or custody arrangements to be up-dated accordingly.

### ***Delivery if Dividend Equivalent***

- 7.5** If the Committee decides under Rule 4.9 (Dividends and Dividend Equivalents) that an Award Holder is entitled to a Dividend Equivalent but did not decide whether the Dividend Equivalent would be satisfied with cash and/or Shares, then the Committee shall make such decision on or before the Vesting of the Award.

- 7.6** The delivery of the Dividend Equivalent to the Award Holder shall be:

**7.6.1** in the case of a Conditional Share Award, made as soon as practicable after the Vesting of the Award;

**7.6.2** in the case of an Option, made as soon as practicable after the exercise of the Option;

**7.6.3** in the case of a cash payment, 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; and

**7.6.4** in the case of a delivery of Shares, in accordance with the same rules that apply to the delivery of the Vested Shares subject to the relevant Vested Award.

## **8. EXERCISE OF OPTIONS**

### ***Restrictions on exercise***

- 8.1** An Option (or part of an Option) which has Vested shall not be exercised:

**8.1.1** if the exercise of the Option and the issue or transfer of Shares after such exercise would result in a breach of a Dealing Restriction by the Award Holder, the Company, member of the Board or any other relevant party;

**8.1.2** if exercise would be unlawful in any relevant jurisdiction;

**8.1.3** unless the Award Holder has entered into such arrangements as the Committee requires to satisfy a Group Member's liability in respect of any Tax Liability in respect of the exercise of the Option;

**8.1.4** unless, where the Committee requires, the Award Holder has entered into, or agreed to enter into, a Tax Election; or

**8.1.5** at any time following the end of the Exercise Period (subject to Rule 7.3).

- 8.2** For the purposes of this Rule 8, references to Group Member include any former Group Member.

***Exercise in whole or part***

- 8.3** A Vested Option may be exercised in whole or in part and if exercised in part shall continue to subsist to the extent that it has not been exercised and may be further exercised in whole or in part in accordance with these Rules.

***Method of exercise***

- 8.4** An Award Holder may exercise a Vested Option using a notice ("**Exercise Notice**") in the form prescribed by the Committee from time to time (including in electronic form).

- 8.5** Unless the Committee, acting fairly and reasonably, determines otherwise, the exercise of a Vested Option shall (subject to Rule 8.1 (Restrictions on exercise)), take effect only when the Company receives an Exercise Notice, together with payment of any relevant Exercise Price and Tax Liability (or, if the Committee, so permits, an undertaking to pay such amounts).

***Issue or transfer of Shares***

- 8.6** As soon as reasonably practicable after a Vested Option has been exercised, and by no later than 30 days following receipt of a valid Exercise Notice, the Company shall, subject to Rule 8.1 (Restrictions on Exercise), issue and allot or transfer or procure the transfer to the Award Holder (or their Nominee) the number of Shares in respect of which the Vested Option has been exercised.

***Lapse of Options***

- 8.7** An Option which has become exercisable shall lapse to the extent not exercised at the earlier of: (i) the end of the Exercise Period (subject to Rule 8.3); or (ii) such other date specified in Rule 10 (Leavers) or Rule 11 (Corporate Events) as applicable.

**9. PHANTOM AWARDS AND CASH ALTERNATIVES**

- 9.1** The Committee may either (i) grant a Phantom Conditional Share Award or Phantom Option that can only ever be settled in cash or (ii) at any time following the Date of Grant, resolve to satisfy all or part of a Conditional Share Award or Option in cash provided that in both cases, Award Holders receive the cash equivalent of the Shares subject to their Vested Award.

- 9.2** Without prejudice to the foregoing, the Committee reserves the right to determine that, upon Vesting of a Conditional Share Award or upon exercise of any part of a Vested Option, the Award Holder shall receive a combination of cash and Shares, where the amount of cash is sufficient to pay any Exercise Price and Tax Liability due in connection with the Vesting and/or exercise of the Award.



- 9.3** Rules 9.1 and 9.2 shall not apply in relation to an Award made to an Award Holder in any jurisdiction where such rule would cause:
- 9.3.1** the grant of the Award to be unlawful;
  - 9.3.2** the Award to fall outside any applicable securities law exclusion or exemption; or
  - 9.3.3** adverse tax or social security contribution consequences for the Award Holder or any Group Member (as determined by the Committee).
- 9.4** For the purpose of this Rule 9, the cash equivalent of a Share is:
- 9.4.1** in the case of a Conditional Share Award (including a Phantom Conditional Share Award), the Market Value of a Share on the Vesting Date of the Award; and
  - 9.4.2** in the case of an Option (including a Phantom Option), the Market Value of a Share on the day the Option is exercised less any Exercise Price.
- 9.5** As soon as reasonably practicable after the Vesting of a Phantom Award, or after the Committee has determined under Rule 9.1 or 10.2 that an Award Holder shall be paid a cash sum in substitution for their right to acquire any number of Vested Shares:
- 9.5.1** the Company shall pay to them or procure the payment to them of that sum in cash; and
  - 9.5.2** if they have already paid the Company for those Shares, the Company shall return to them the amount so paid.
- 9.6** There shall be deducted from any payment under this Rule 9 the amounts of any Tax Liability or any such other amount as may be required by law or as the Committee may reasonably consider to be necessary or desirable.

## **10. LEAVERS**

- 10.1** Save as otherwise provided in this Rule 10, if an Award Holder ceases to be an employee or office holder of the Group, all their outstanding Awards shall continue to subsist in accordance with their original terms (including the original Deferred Periods).

### ***Death***

- 10.2** If an Award Holder ceases to be an employee or office holder of the Group by reason of their death, the Committee may determine (in its absolute discretion and by no later than 60 days following the date of death) that the Deferred Period in relation to some or all their outstanding Awards shall come to an end early, on the date of death. In the case of Options, where this determination is made, Awards may be exercised by the personal representatives of the deceased Award Holder at any time within the period of 12 months from (and including) the date of death (or such longer period as is determined by the

Committee), after which they shall lapse. For the purposes of this Rule 10.2, the Deferred Period in relation to any Award that the Committee determines should come to an end early, shall come to an end on the date of death whilst all other Awards (if any) shall continue to subsist in accordance with their original terms (including the original Deferred Periods).

#### ***Other Good Leavers***

- 10.3** If an Award Holder ceases to be an employee or office holder of the Group in any other circumstances that the Committee determines, in its absolute discretion (and by no later than 60 days following the date of cessation) are justified good leaver circumstances, the Committee may also determine (in its absolute discretion and by no later than 60 days following the date of cessation) that the Deferred Period in relation to some or all of their outstanding Awards shall come to an end early, on the date of cessation of employment. In the case of Options, where this determination is made, Awards may be exercised by the Award Holder at any time within the period of 6 months from (and including) the date of cessation of employment (or such longer period as is determined by the Committee), after which they shall lapse. For the purposes of this Rule 10.3, the Deferred Period in relation to any Award that the Committee determines should come to an end early, shall come to an end on the date of cessation of employment whilst all other Awards (if any) shall continue to subsist in accordance with their original terms (including the original Deferred Periods).

#### ***Bad Leavers***

- 10.4** If an Award Holder ceases to be an employee or office holder of the Group in circumstances of gross misconduct and/or circumstances justifying their summary dismissal (as determined by the Committee in its absolute discretion), they will forfeit all their outstanding Awards (including, for the avoidance of doubt, Restricted Share Awards) for no payment on the date of such cessation. By participating in the Plan, each Award Holder irrevocably agrees and authorises the Company to arrange for the transfer of the Award Holder's Shares to an Employee Trust for nil in these circumstances.
- 10.5** An Award shall be personal to the Award Holder and may not, save as herein otherwise specifically provided, be transferred, assigned, mortgaged, charged or otherwise disposed of and, in the case of an Option or Conditional Share Award, shall immediately become void and of no effect in the event of the bankruptcy of the Award Holder.

### **11. CORPORATE EVENTS**

- 11.1** Subject to Rule 11.5 (Exchange of Awards) and Rule 8.1 (Restrictions on Exercise), where any of the events described in Rule 11.2 below (each a "**Corporate Event**") occurs:

**11.1.1** all Awards that have not otherwise Vested shall Vest on the date of such event; and

**11.1.2** any Option (including an Option that has Vested otherwise than in connection with the Corporate Event) may be exercised within one month of the date of

such event (or such shorter or longer period as the Committee may determine) and to the extent that an Option is not exercised within that period, the Option shall lapse at the end of that period.

**11.2** The events referred to in Rule 11.1 are:

**11.2.1 General Offer:** any person, together with others acting in concert with them, obtains Control of the Company as a result of making a general offer to acquire all of the ordinary shares of the Company.

**11.2.2 Scheme of Arrangement:** the sanction by the Court of a compromise or arrangement between the Company and its shareholders in accordance with section 899 of the Companies Act 2006 providing for the acquisition by any person (or group of persons acting in concert) of 50 per cent. or more of the ordinary share capital of the Company.

**11.2.3 Squeeze Out and Sell Out:** the notification to Award Holders (in such form as the Committee shall determine) that any person or persons have become bound or entitled to acquire Shares under sections 974 to 991 of the Companies Act 2006.

**11.2.4 Winding Up:** the Company passes a resolution for a voluntary winding up of the Company or an order is made for the compulsory winding up of the Company.

**11.3** For the purposes of Rule 11.2:

**11.3.1** a person shall be deemed to have obtained Control of a company if they and others acting in concert with them have together obtained Control of it; and

**11.3.2** the term "acting in concert" shall have the meaning given to that term in The City Code on Takeovers and Mergers (as amended from time to time).

***Demergers, special dividend and similar events***

**11.4** If a demerger, special dividend or any other event which is (in the reasonable opinion of the Committee) similar to any such 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 that the following provisions shall apply:

**11.4.1** the Committee may, as soon as reasonably practicable, notify an Award Holder whether and to what extent their Award shall Vest and, if relevant, their Option may, subject to Rule 8.1 (Restrictions on Exercise) and Rule 10 (Leavers), be exercised on such terms as the Committee may determine and during such period preceding or upon such event as the Committee may determine and shall (regardless of any other provision of the Plan) lapse at the end of that period to the extent not exercised;

**11.4.2** if an Award Vests, or an Option is exercised under this Rule 11.4, conditional upon the occurrence of the relevant event, and such event does not occur, then the conditional Vesting or exercise shall not be effective and the Award shall continue to subsist; and

**11.4.3** if the Committee decides that an Award Vests under this Rule 11.4 then the date of that Vesting shall be the Early Vesting Date.

### ***Exchange of Awards***

**11.5** In the event that a company (the "**Acquiring Company**") is expected to obtain Control of the Company in connection with a Corporate Event and:

**11.5.1** the shares in the Acquiring Company are expected to be held by substantially the same persons who immediately before the obtaining of Control of the Company were shareholders of the Company; or

**11.5.2** the Committee decides, with the consent of the Acquiring Company, to implement an exchange of Awards under this Rule 11.5,

an Award shall not Vest under Rule 11 but shall be automatically surrendered and/or exchanged on the Award Holders' behalf in consideration for the grant of a new Award which the Committee determines is equivalent to the original Award it replaces (including, in so far as is reasonably practicable, as to any Vesting conditions) except that it will be in respect of shares in the Acquiring Company or some other company.

**11.6** The Rules of the Plan will apply to any new Award granted under Rule 11.5 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. TAX**

**12.1** In any case where any person is obliged to account:

**12.1.1** for any tax (or similar liabilities) in any jurisdiction; and/or

**12.1.2** for any social security contributions (or similar liabilities) in any jurisdiction (including, if specified at the Date of Grant, any secondary Class 1 (employer) National Insurance contributions),

by virtue of the grant of an Award, the holding of an Award, the Vesting of an Award and/or the acquisition and/or holding of Shares pursuant to an Award (together, the "**Tax Liability**") such person may recover the Tax Liability from the Award Holder in such manner as the Committee shall think fit and (without prejudice to the generality of the foregoing) Shares shall not be issued or transferred to the Award Holder unless the Award Holder has either:

- (i) made a payment to that person (or as that person may direct) of an amount equal to the estimated Tax Liability; or
- (ii) entered into arrangements to the satisfaction of the Committee to secure that such payment is made (in whole or in part).

**12.2** Notwithstanding the generality of the foregoing by accepting the grant of an Award, the Award Holder authorises the Company to sell or procure the sale of sufficient Shares subject to a Vested Award on or following the Vesting of a Conditional Share Award or the exercise of an Option on their behalf to ensure that any relevant Group Member receives the amount required to discharge any Tax Liability which arises on Vesting or exercise except to the extent that the Committee decides that all or part of that Tax Liability shall be funded in a different manner.

**12.3** For the purposes of this Rule 12, references to Group Member include any former Group Member.

### **13. FORMULAIC OUTCOMES; MALUS AND CLAWBACK**

**13.1** Without prejudice to Rules 13.2 to 13.12 below, the Committee may, in its absolute discretion, adjust the number of Shares subject to an Award (including a reduction to zero) if it believes, in its absolute discretion, that the formulaic outcome of the Performance Conditions or Vesting conditions that determine the level of Vesting of the Award, do not accurately reflect an Award Holders's personal performance, the underlying performance or financial health of the Company and/or the experience of the Company's shareholders, employees or other stakeholders. The Committee may exercise its discretion under this Rule by no later than the Vesting Date.

**13.2** If the Committee determines that any of the circumstances in Rule 13.2 apply, the Committee may take any or all of the following steps in respect of an Award:

**13.2.1** prior to: (i) the Vesting of a Conditional Share Award; Restricted Share Award or Phantom Award or (ii) the exercise of an Option or Phantom Option, cancel the Award or reduce it by such number of Shares as the Committee considers to be fair and reasonable;

**13.2.2** following: (i) the Vesting of a Conditional Share Award; Restricted Share Award or Phantom Award or (ii) the exercise of an Option or Phantom Option, but prior to the delivery of Shares (or cash where Rule 9 (Phantom Awards and Cash Alternatives) applies), cancel the Award or reduce it by such number of Shares (or such amount of cash where Rule 9 (Phantom Awards and Cash Alternative) applies) as the Committee considers to be fair and reasonable; or

**13.2.3** following the delivery of Shares (or cash where Rule 9 (Phantom Cash Alternative) applies) in respect of an Award, and during the Clawback Period, require the Award Holder to pay to the Company or any Group Member an

amount equal to the Clawback Amount (or such lesser amount as the Committee considers to be fair and reasonable).

**13.3** The circumstances referred to in Rule 13.2 are:

**13.3.1** the Company or any Group Member materially misstated or restated its audited financial results or other similar published data;

**13.3.2** a material failure of risk management;

**13.3.3** any Performance Condition and/or any other Vesting condition being satisfied based on an error, or on inaccurate or misleading information or assumptions (including, but not limited to a misstatement or restatement of financial results) which resulted either directly or indirectly in an Award being granted or Vesting to a materially greater extent than would have been the case had that error not been made or the inaccurate or misleading information or assumptions not been relied upon;

**13.3.4** circumstances arose (or continued to arise) during the Vesting Period which had it been known, would have warranted the summary dismissal of the Award Holder;

**13.3.5** circumstances arose (or continued to arising) during the Vesting Period which resulted or contributed towards the insolvency of the Company or any Group Member; and/or

**13.3.6** any other circumstances that in the sole opinion of the Committee have (or would have if made public) a sufficiently significant impact on the reputation of any Group Member or the business in which the Award Holder is employed.

**13.4** The Clawback Period shall be the period commencing on the Vesting Date and ending on such date as the Committee determines at the Date of Grant and in the absence of such determination shall be three years from the Date of Grant.

**13.5** At any time before the expiry of the Clawback Period the Committee may, by giving written notice to the Award Holder, extend the Clawback Period for a further two years.

**13.6** Subject to Rule 13.7 the Clawback Amount shall be such amount as the Committee considers to be fair and reasonable, taking account of all circumstances that the Committee considers to be relevant, but shall not be greater than:

**13.6.1** in respect of a Conditional Share Award, Restricted Share Award or Phantom Award the Market Value of the Shares on the date the Award Vested; and

**13.6.2** in respect of an Option or Phantom Option, the Market Value of the Shares on the date the Option was exercised less any Exercise Price.

**13.7** If the Award Holder has paid, or is liable to pay any Tax Liabilities in relation to the Award and which cannot be recovered from or repaid by the relevant tax authority (whether

directly or indirectly), the Committee may in its absolute discretion, decide to reduce the Clawback Amount to take account of such Tax Liabilities. In deciding whether to reduce the Clawback Amount, the Committee shall take account of such factors it thinks fit, which may include market practice, corporate governance rules and guidelines, and the expectations of shareholders.

- 13.8** For the avoidance of doubt, the Committee is not obliged to determine a Clawback Amount in relation to any particular Award, even if the Committee determines a Clawback Amount in relation to other Awards held by the same or another Award Holder which had the same Date of Grant or Vesting Date.
- 13.9** The Award Holder shall pay the Clawback Amount to (or at the direction of) the Company in any way acceptable to the Committee, within 90 days after the Committee notifies the Award Holder of the Clawback Amount.
- 13.10** If the Award Holder fails to make a payment under Rule 13.9, the Company may obtain payment from the Award Holder in any (or any combination) of the following ways:
- 13.10.1** issuing a written demand to the Award Holder (which shall create a debt owed by the Award Holder to the Company);
  - 13.10.2** by reducing or cancelling any Awards that have not Vested or Options that the Award Holder has not yet exercised;
  - 13.10.3** by reducing or cancelling any cash bonus otherwise payable to the Award Holder by any Group Member;
  - 13.10.4** by reducing or cancelling any future or existing Award granted to the Award Holder under any other share incentive scheme (except for any award which is tax-advantaged pursuant to Schedules 2 to 5 inclusive of ITEPA) or bonus scheme operated by any Group Member;
  - 13.10.5** by requiring the Award Holder to transfer Shares to any person nominated by the Company for no consideration; or
  - 13.10.6** by reducing the Award Holder's Salary.
- 13.11** In the event that any Award is cancelled or reduced in accordance with this Rule 13, the Award Holder agrees, for the purposes of the Employment Rights Act 1996 and/or otherwise, that they shall be bound by such cancellation or reduction and shall have no right or entitlement whatsoever to any compensation in respect of such cancellation or reduction.
- 13.12** This Rule 13 shall apply to Awards regardless of any other provisions of the Plan.

## **14. ADJUSTMENT OF AWARDS**

**14.1** In the event of:

**14.1.1** any variation of the share capital of the Company; or

**14.1.2** 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 this Rule.

**14.2** An adjustment made under this Rule shall be to one or more of the following:

**14.2.1** the number of Shares comprised in an Award;

**14.2.2** subject to Rule 14.3, the Exercise Price; and

**14.2.3** 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.

**14.3** An adjustment under Rule 14.2 may have the effect of reducing 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:

**14.3.1** 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

**14.3.2** to apply that sum in paying up such amount on such Shares,

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

## **15. ALTERATIONS**

### ***General***

**15.1** The Committee may at any time alter the Plan or the terms of any Award.

**15.2** No alteration to the material disadvantage of any Award Holder's existing Awards (other than a change to any Performance Condition) shall be made under Rule 15.1 unless:

**15.2.1** the Committee shall have invited every relevant Award Holder to indicate whether or not they approve the alteration; and

**15.2.2** the alteration is approved by a majority of those Award Holders who have given such an indication.



- 15.3** The Committee may amend, waive, or replace any Performance Condition if an event has occurred which causes the Committee to consider (in its absolute discretion) that it would be appropriate to amend, waive, or replace the Performance Condition. However, any amended or replaced Performance Condition shall not, in the reasonable opinion of the Committee, be materially more or less difficult to satisfy than what the unaltered Performance Condition would have been but for the event in question.

## **16. MISCELLANEOUS**

### ***Disputes***

- 16.1** 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.

### ***Exercise of powers and discretions***

- 16.2** The exercise of any power or discretion by the Committee shall not be open to question by any person and an Award Holder or former Award Holder shall have no rights in relation to the exercise of or omission to exercise any such power or discretion.
- 16.3** The Board may at any time resolve to terminate the Plan in which event no further Awards shall be granted but the provisions of the Plan shall, in relation to the Awards then subsisting, continue in full force and effect.

### ***Share rights***

- 16.4** All Shares issued under the Plan shall be issued subject to the Articles of Association of the Company (as amended from time to time) and shall rank equally in all respects with Shares then in issue except for any rights attaching to such Shares by reference to a record date before the date of issue. In all other respects the Shares so to be issued shall be identical and rank *pari passu* with the fully paid registered Shares in issue on the date of such issue. The Company will (if applicable) make an application to the London Stock Exchange so that upon the issue of Shares upon the exercise of an Award (or as soon thereafter as reasonably practicable) such Shares shall be listed on the FCA's Official List and admitted to trading on the London Stock Exchange's Main Market.
- 16.5** Where Shares are transferred to Award Holders (or the Nominee) Award Holders shall be entitled to all rights attaching to such Shares by reference to a record date on or after the date of such transfer.
- 16.6** If the Committee procures the transfer of the relevant number of Shares or Treasury Shares to an Award Holder upon Vesting, the obligation to pay stamp duty (if any) on the transfer shall be a liability of the Company as a cost of operating the Plan (unless the Committee determines otherwise, in which case it shall be the liability of the Award Holder receiving the Shares).

- 16.7** While any Award has not Vested or an option is unexercised in whole or in part and has not lapsed the Company shall keep available sufficient unissued Shares and/or ensure that it has made arrangements to procure the transfer of sufficient issued Shares and/or ensure that it holds sufficient Treasury Shares (as the case may be) to satisfy in full all such Awards to the extent they have not Vested or been exercised.

***Notices***

- 16.8** Any notice or other communication under or in connection with the Plan may be given:
- 16.8.1** by personal delivery or by internal or ordinary post, in the case of a company to the company secretary at its registered office or to such other address as may from time to time be notified to an individual, and in the case of an individual to their last known address, or, where they are 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 they perform the whole or substantially the whole of the duties of their office or employment;
  - 16.8.2** 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
  - 16.8.3** by such other method as the Committee determines.
- 16.9** Where a notice or document is sent to an Eligible Employee or Award Holder by ordinary or internal post, it shall be treated as being received 72 hours after it was put into the post properly addressed and, where relevant, stamped. In all other cases, the notice or document shall be treated as received when it is given. A notice or document sent to the Company shall only be effective once it is received by the Company, unless otherwise agreed by the Company. All notices and documents given or sent to the Company shall be given or sent at the risk of the sender.

***Awards are personal to the Award Holder***

- 16.10** Awards shall be personal to the Award Holder and may not be transferred, assigned or charged (provided that if an Award Holder ceases to be an Employee by reason of their death, their Award may be exercised by their personal representatives in accordance with these Rules) and shall immediately become void and of no effect in the event of the bankruptcy of the Award Holder.

**17. ADMINISTRATION AND AMENDMENT**

- 17.1** The Plan shall be administered by the Committee and the Committee's decision on any matter concerning the Plan shall (except where expressly provided to the contrary in these Rules) be final and binding. In order to continue to operate the Plan after its tenth anniversary, the Committee shall re-submit it for approval by the Company's shareholders on or as soon as practicable following the tenth anniversary of the Date of Admission (or such earlier date as the Committee sees fit).

**17.2** The Board (upon the recommendations of the Committee) may amend the Plan from time to time provided that:

**17.2.1** no material amendment may apply to Awards granted before the amendment was made without the consent of the Award Holder;

**17.2.2** while the Company is subject to any requirement, or bound by any agreement, that this should be the case, no amendment to the advantage of Award Holders or Eligible Employees may be made without the prior approval of the Company in general meeting if it would:

(a) make the terms on which Awards may be granted materially more generous;

(b) increase the limits specified in Rule 5;

(c) change the definition of Eligible Employee to expand the class of potential Award Holders;

unless it is a minor amendment 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 Award Holders or for the Company or any Group Member.

**17.3** If any matter arises in connection with the Plan or its operation for which provision is not made in these Rules such matter shall be resolved, dealt with or provided for in such manner as the Committee shall in its absolute discretion think fit.

#### ***International Sub-Plans***

**17.4** Notwithstanding any other provision of the Plan, the Board (upon the recommendations of the Committee) may from time to time amend or alter the provisions of the Plan and the terms of Awards as they may in their absolute discretion consider necessary or desirable to comply with or take account of relevant overseas legal, taxation or securities laws provided that such alterations or amendments shall be made in accordance with the provisions of Rule 17.2

**17.5** Any alteration or amendment to the Plan made in pursuance of Rule 17.4 in relation to the operation of the Plan in a particular jurisdiction shall be contained in a separate Schedule in respect of the operation of the Plan in that jurisdiction to be attached hereto. The first such Schedule is the US Schedule.

### **18. RELATIONSHIP WITH EMPLOYMENT CONTRACT**

**18.1** By participating in the Plan the Award Holder accepts that the rights and obligations under the Plan do not form part of the Award Holder's terms and conditions of employment with the Company (or any Group Member or former Group Member) and the rights and obligations which the Award Holder and any Group Member (or former Group Member)

owe to each other in relation to the Award Holder's employment will not be affected by participation in the Plan.

**18.2** Without limiting the generality of Rule 18.1, any individual who participates in the Plan shall have no rights to compensation or damages on account of any loss in respect of Awards or the Plan where such loss arises (or is claimed to arise) in whole or in part from:

**18.2.1** the termination of office or employment with; or

**18.2.2** notice to terminate office or employment given by or to,

the Company or any Group Member or any former Group Member. This exclusion of liability shall apply however the termination of office or employment, or the giving of notice, is caused and however compensation or damages may be claimed.

**18.3** Without limiting the generality of Rule 18.1, any individual who participates in the Plan shall have no right to compensation or damages from the Company, any Group Member or any former Group Member on account of any loss in respect of the Awards or the Plan where such loss arises (or is claimed to arise) in whole or in part from:

**18.3.1** any company ceasing to be a Group Member; or

**18.3.2** the transfer of any business from a Group Member to any person that is not a Group Member.

This exclusion of liability shall apply however the change of status of the relevant Group Member or the transfer of the relevant business is caused and however compensation or damages may be claimed.

**18.4** Any Awards will not count as pay or remuneration when calculating salary-related benefits (including pensions).

**18.5** No individual shall have any right to receive Awards, whether or not any have previously been granted to them.

## **19. THIRD PARTY RIGHTS**

**19.1** A person who is not a party to the Award shall not have any rights under or in connection with it as a result of the Contracts (Rights of Third Parties) Act 1999 except where such rights arise under any provision of the Plan for any employer or former employer of the Award Holder who is not a party. This does not affect any right or remedy of a third party which exists or is available apart from that Act

## **20. DATA PROTECTION**

**20.1** For the purpose of operating the Plan, the Company will collect and process information relating to Employees and Award Holders in accordance with the privacy notice which is on the Company's intranet.

## **21. GOVERNING LAW**

**21.1** The Plan and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

**22. JURISDICTION**

**22.1** Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of in connection with the Plan or its subject matter or formation (including non-contractual disputes or claims).

**22.2** Each party irrevocably consents to any process in any legal action or proceedings under Rule 22.1 above being served on it in accordance with the provisions of the Plan relating to service of notices. Nothing contained in the Plan shall affect the right to serve process in any other manner permitted by law.