

**FINAL DRAFT**

**COMPASS GROUP PLC**

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**The Compass Group PLC Restricted Share  
Award Plan**

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**Adopted by the Board on 13 March 2019 and amended by resolution of the  
Remuneration Committee on 19 November 2020  
and approved by shareholders in the Annual General Meeting held on [●] 2025**

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## THE COMPASS GROUP PLC RESTRICTED SHARE AWARD PLAN RULES

### 1. Definitions

- 1.1 In this Plan, unless the context otherwise requires, the following words and expressions shall have the following meanings, namely:

***Adoption Date*** means [●] 2025, the date on which the Plan was approved by shareholders at the annual general meeting;

***Award*** means an award granted under Rule 2 in the form of an Option, a Conditional Award or a Phantom Award;

***Award Certificate*** means the notification to a Participant setting out the specific conditions of an Award in such form as the Committee may determine from time to time;

***Board*** means the board of directors of the Company or a duly authorised committee of it which may include the Committee;

***Capital Reorganisation*** means any variation in the share capital or reserves of the Company (including, without limitation, by way of capitalisation issue, rights issue, open offer, sub-division, consolidation or reduction);

***Cash Amount*** means, in relation to an Award which has Vested, an amount which, in the opinion of the Committee, is equal to the Market Value on the Vesting Date of the Vested Shares less any amount which the Participant is required to pay under these rules in order to realise the Award;

***Closed Period*** means the period of 30 days prior to the announcement of the Company's results for any period and such other period during which the Participant is prohibited from dealing in Shares under the MAR and any successor legislation thereto, the Share Dealing Code or under any statute, regulation or similar code to which the Company is subject;

***Committee*** means the remuneration committee of the Board or such other appropriately constituted committee, and includes any person(s) acting pursuant to authority delegated by the Committee;

***Company*** means Compass Group PLC registered in England and Wales under number 04083914;

***Company Secretary*** means the company secretary of the Company;

***Conditional Award*** means an Award which takes the form of a conditional right to acquire or receive Shares at no or nominal cost;

***Control*** means control within the meaning of section 719 of the Income Tax (Earnings and Pensions) Act 2003;

***Daily Official List*** means the daily official list of the London Stock Exchange;

***Date of Grant*** means the date on which the Committee grants an Award under Rule 2;

**Dealing Day** means any day on which the London Stock Exchange is open for the transaction of business;

**Dealing Restriction** means a restriction on dealing in Shares imposed by any law, order, regulation or directive, the Listing Rules, MAR and any successor legislation thereto, the Share Dealing Code, the City Code on Takeovers and Mergers, the rules applying to any listing of the Company under the Listing Rules and/or any other restrictions imposed by law or any code adopted by the Company regulating dealings in Shares PROVIDED THAT (notwithstanding any provision to the contrary in any dealing code), the Vesting of a Conditional Award and the automatic sale of Shares to satisfy Tax on that Vesting by a Participant who is not a PDMR shall not constitute a dealing for the purposes of these rules and as such shall not be prohibited by a Dealing Restriction;

**Dividend Equivalent** means a right to receive additional Shares equal in value to the aggregate dividends paid on a Share between the Date of Grant and the Vesting Date of the Award;

**Employee** means a person who at the Date of Grant is an employee of any member of the Group but excluding any employee who is an executive director (i.e. an employed member of the Board) of the Company;

**Employees' Share Scheme** has the meaning given by section 1166 of the Companies Act 2006;

**Financial Year** means a financial year of the Company within the meaning of section 390 of the Companies Act 2006;

**Grant Period** means such period as may be determined by the Committee from time to time;

**Group** means the Company and its Subsidiaries and **member of the Group** shall be construed accordingly;

**Holding Period** means the post-Vesting Period of two years (or such other period as the Committee may determine) applied to Vested Shares in accordance with Rule 5 during which the Participant must retain either the Shares which Vest under an Award (including any Shares delivered in satisfaction of Dividend Equivalents) or, in the case of a Vested but unexercised Option, the Option itself;

**Listed** means admitted to trading on the London Stock Exchange, and Listing will be construed accordingly;

**Listing Rules** means the Listing Rules issued by the UK Listing Authority, as amended from time to time;

**London Stock Exchange** means London Stock Exchange Group plc or any successor body thereto;

**MAR** means Market Abuse Regulations published by the European Parliament and the Council of the European Union and any successor legislation thereto;

**Market Value** means, in relation to a Share on any day:

- (a) if and for so long as the Shares are Listed, the closing middle-market quotation for a Share (as derived from the Daily Official List) for the Dealing Day immediately preceding the Date of Grant or, if the Committee so determines:
  - (i) the closing middle-market quotation for a Share (as derived from the Daily Official List) on the Date of Grant; or
  - (ii) the average of the closing middle-market quotations during such period as the Committee may determine but not exceeding 30 Dealing Days ending with the Dealing Day immediately preceding the Date of Grant provided that such Dealing Day(s) fall within a Grant Period; or
- (b) if the Shares are not Listed, the value of a Share on that date as determined by the Board in its absolute discretion having regard to Part VIII of the Taxation of Chargeable Gains Act 1992;

**Official List** means the Official List of the UK Listing Authority;

**Option** means an Award which takes the form of an option to acquire Shares at no or nominal cost following Vesting;

**Option Exercise Date** means the date when the exercise of an Option is effective because it complies with Rule 5.5;

**Option Exercise Price** means the price per Share at which a Participant may acquire Shares on the exercise of an Option determined under Rule 5.5;

**Participant** means an individual who holds a subsisting Award (including, where the context permits, the legal personal representatives of a deceased Participant);

**PDMR** means an Employee identified as a person discharging managerial responsibilities pursuant to Article 3(1)(25) of MAR;

**the Performance Conditions** means the performance conditions (if any) set out in the Schedules to these rules or such other performance conditions as may be set at the Date of Grant by the Committee;

**Phantom Award** means an Award which takes the form of a right to call for a cash payment calculated by reference to the Market Value of a notional Share;

**the Plan** means this Compass Group PLC Restricted Share Award Plan as amended from time to time in accordance with the rules;

**Share Dealing Code** means the Company's code on share dealing as in force from time to time;

**Shares** means fully paid ordinary shares in the capital of the Company or shares representing those shares following any Capital Reorganisation;

**Subsidiary** means any company which is a subsidiary of the Company within the meaning of section 1159 of and Schedule 6 to the Companies Act 2006;

**Tax** means all liability to income tax (or overseas equivalent) which any member of the Group is liable to account for on behalf of the Participant directly to any taxation authority (including, but without limitation, through the PAYE system) and all liability to social security (or overseas equivalent) which any member of the Group is liable to account for on behalf of the Participant to any taxation authority (including, but without limitation, primary Class 1 (employee's) National Insurance contributions) which arises in connection with an Award or Shares;

**Termination Date** means the date on which a Participant ceases to be employed by the Group;

**Treasury Shares** means treasury shares held by the Company in accordance with sections 724 to 732 of the Companies Act 2006;

**Trustees** means the trustees or trustee for the time being of any employee benefit trust established by the Company or any member of the Group from time to time for the benefit of employees of the Group;

**UK Listing Authority** means the Financial Conduct Authority (or any successor body carrying out the same functions) acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000;

**Vested Shares** means Shares or notional Shares the subject of Awards in respect of which the Vesting Date has passed, and **Vest** and **Vesting** shall be construed accordingly;

**Vesting Date** means in respect of an Award the later of: (i) the vesting date stated in the Award Certificate; (ii) the date on which the Committee has determined the Performance Conditions (if any) have been satisfied; and (iii) subject to Rules 8 and 11 the date on which the Vesting Period has ended, provided that if the Vesting Date would otherwise fall on a date when the Vesting of the Award or the sale of any Shares to satisfy Tax arising on Vesting would be prohibited by Dealing Restrictions, it shall be at such later date as those Dealing Restrictions lift; and

**Vesting Period** means in relation to an Award, the period beginning on the Date of Grant of such Award and ending on the Vesting Date (or such earlier date as is specified in Rules 8 and 11).

## 1.2 Interpretation

In these rules, unless the context otherwise requires:

- 1.2.1 references to a “person” include any individual, firm, body corporate (wherever incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representative body (whether or not having separate legal personality); and

- 1.2.2 headings do not affect the interpretation of these rules; the singular shall include the plural and vice versa; and references to one gender include all genders.

### **1.3 Enactments**

Except as otherwise expressly provided in these rules, any express reference to an enactment includes references to: (i) that enactment as amended, consolidated or re-enacted by or under any other enactment before or after the Adoption Date; (ii) any enactment which that enactment re-enacts (with or without modification); and (iii) any subordinate legislation (including regulations) made (before or after the Adoption Date) under that enactment, as amended, consolidated or re-enacted as described at (i) or (ii) above.

## **2. Grant Of Awards**

- 2.1 The Committee shall, in its absolute discretion, determine which Employees (if any) will be selected for the grant of an Award. Awards may then be granted to selected Employees during a Grant Period. The Committee shall determine whether any Award will take the form of an Option, a Conditional Award or a Phantom Award.
- 2.2 An Employee may be granted any form of Award or any combination of Awards save that an Employee may only be granted a Phantom Award if the grant of an Award or Option involving real shares is not appropriate or feasible for legal, regulatory or tax reasons. References to “realise”, “realised” or “realisable” in the case of a Conditional Award and a Phantom Award shall, in the case of an Option, be construed as “call for”, “called for” or “may be called for” respectively.
- 2.3 Prior to the granting of any Awards, the Committee may, in its absolute discretion, enter into a deed poll recording its intention to grant Awards and agreeing to be bound by the Award Certificates issued pursuant to Rule 2.4 below.
- 2.4 Each Award shall be evidenced by an Award Certificate issued by the Company or such other documentation as the Committee may determine in its absolute discretion (electronically or in hard copy).
- 2.5 The Committee shall arrange for a Participant to be notified as soon as reasonably practicable of any determination pursuant to Rule 9.2 and, where relevant, to receive revised information on (or an updated Award Certificate setting out) the revised terms of their Award (electronically or in hard copy). Any Award subject to a determination pursuant to Rule 9.2 shall not be treated as a grant of a new Award for the purposes of these rules so that the Date of Grant, number of Shares under the Award, Performance Conditions, Vesting Period, Holding Period and Vesting Date shall be unaffected.
- 2.6 A Participant may, by notice in writing to the Company, within thirty days after the Date of Grant renounce (in whole but not in part) their rights under the Award. In such case, the Award shall be treated as never having been granted. No consideration shall be due from the Company for such renunciation.

- 2.7 Every Award granted under this Plan shall be personal to the Participant to whom it is granted and, except to the extent necessary to enable a personal representative to realise the Award following the death of a Participant, neither the Award nor the benefit of that Award may be transferred, assigned, charged or otherwise alienated. An Award will lapse immediately if the Participant to whom it was made purports to transfer, charge or otherwise alienate that Award otherwise than as permitted by this Rule 2.7.
- 2.8 If the Committee so requires, the Participant will enter into an agreement or election pursuant to paragraphs 3A or 3B of Schedule 1 to the UK Social Security Contributions and Benefits Act 1992 and/or a joint election under Section 431 of the Income Tax (Earnings and Pensions) Act 2003 (as the Committee shall determine) with the relevant member of the Group by the fourteenth day following the transfer of Shares to the Participant pursuant to the Award, in which case the number of Shares subject to an Award may, at the discretion of the Committee, be increased (at the Date of Grant) to reflect that the Participant is bearing this liability.
- 2.9 The grant of any Award under the Plan shall be subject to any applicable Dealing Restrictions.

### **3. Limits**

#### **3.1 Individual limits**

No limit will apply to the Market Value of Shares over which an Award may be granted.

#### **3.2 Plan limits**

- 3.2.1 Awards will not be granted in any Financial Year if, at the time of grant, they would cause the total number of Shares issued or issuable under options or awards granted in the previous 10 years under this Plan or any other Employees' Share Scheme adopted by the Company to exceed 10 per cent of the Company's ordinary share capital in issue at that time.
- 3.2.2 Where Treasury Shares are transferred or are to be transferred under this Plan or any other Employees' Share Scheme established by the Company, they will be treated, for the purpose of this Rule 3, as Shares which are issued or issuable for so long as recommended by UK institutional shareholder guidelines.
- 3.2.3 In determining the limits in this Rule 3, no account shall be taken of:
- (a) any Shares attributable to an Award which was released, lapsed, forfeited or otherwise became incapable of realisation;
  - (b) any Shares which may be acquired pursuant to any Award as a result of the operation of Rule 7; or
  - (c) any Shares attributable to an Award where arrangements have been made for it to be satisfied by the transfer of existing Shares



(other than from Treasury) or for it to be satisfied by the payment of a Cash Amount under Rule 9.2.

#### **4. Performance Conditions**

- 4.1 The Vesting of Awards may be dependent upon the satisfaction of Performance Conditions or other terms that are considered by the Committee to be appropriate. The Committee can set different Performance Conditions or other terms for Awards granted at different times and to different Participants (in terms of the type of condition, the weighting given to that condition and the targets applicable to each condition) and such terms may include that Vesting of an Award is conditional upon compliance with post-employment restrictive covenants.
- 4.2 An Award granted subject to Performance Conditions will Vest as to the percentage of Shares (or, in the case of an Award which is granted in the form of a Phantom Award, notional Shares) determined in accordance with the Performance Conditions.
- 4.3 The Committee may determine that an Award should be subject to multiple Performance Conditions or that an Award should be sub-divided and that each part be subject to a different condition.
- 4.4 The Committee may vary the Performance Conditions applying to existing Awards if an event occurs or there are circumstances (for example, an acquisition or disposal of a business or a significant part of a business) such that the conditions are no longer a fair measure of performance provided that, in the reasonable opinion of the Committee, the new conditions are not materially less challenging than the original conditions would have been but for the event or circumstances in question. In exercising any power to vary the Performance Conditions, the Committee will have regard to ensuring fairness between Participants and shareholders.
- 4.5 The Committee shall, as soon as reasonably practicable, notify a Participant of any determination made under Rule 4.4.
- 4.6 An Award shall lapse to the extent the Performance Conditions (if any apply) are not met at the relevant Vesting Date.
- 4.7 Nothing in this Rule 4 shall require the Committee to impose Performance Conditions or other terms on any Award.

#### **5. Vesting Of Awards**

- 5.1 Except as otherwise permitted in these rules and unless the Committee decides otherwise at the Date of Grant, an Award shall Vest on the Vesting Date to the extent that the Performance Conditions which apply to that Award (if any) have been met.
- 5.2 Save as otherwise permitted in these rules, and subject to any applicable Holding Period, an Award may only be realised:
  - 5.2.1 if the Award has Vested; and

- 5.2.2 by a Participant who has remained an Employee during the relevant Vesting Period and until the Vesting Date.
- 5.3 As soon as reasonably practicable after the end of the Vesting Period the Committee shall notify Participants of the extent to which the Performance Conditions (if applicable) have been satisfied and the Award has Vested.
- 5.4 Vested Shares under Conditional Awards will be released to Participants automatically, to the extent that the Performance Conditions or other terms (if applicable) have been satisfied subject to:
- 5.4.1 any sale of Shares for Tax under Rule 13.1;
- 5.4.2 any arrangements to give effect to the Holding Period in accordance with Rule 6,
- automatically within 45 days of the Vesting Date (regardless of the Vesting Date occurring during a Closed Period). A Participant need take no action to realise a Conditional Award other than pay the Company any amount specified at the Date of Grant to realise the Award.
- 5.5 Vested Options are exercisable up until the tenth anniversary of the Date of Grant after which they will lapse. Where an Award is granted in the form of an Option, a Participant may, subject to any Dealing Restrictions (including for the avoidance of doubt Closed Periods), exercise a Vested Option by written notice to the Company in the form required by the Company at any time during the period of 10 years following the Date of Grant SAVE THAT where the Vested Shares may be called for as a result of a relevant event occurring under Rule 10, the Participant shall be deemed to have exercised their Vested Option on the occurrence of the relevant event. A notice of exercise will take effect on the date it is accepted as valid by the Company or, if there are any Dealing Restrictions in place on that date, such later date when all Dealing Restrictions have lifted. Subject to any Dealing Restrictions, sale of Shares for Tax under Rule 13.1 and any arrangements to give effect to the Holding Period in accordance with Rule 6, the Shares comprised in a Vested Share Option will be transferred to the Participant as soon as reasonably practicable (and not more than 45 days) following the date the notice of exercise takes effect.
- 5.6 Vested Phantom Awards shall be satisfied in the next available payroll following the Vesting Date by a payment equal to the Market Value of the Vested notional Shares under the Phantom Award on the Vesting Date.
- 5.7 Save as otherwise provided in these rules, an Award shall lapse automatically on the Participant ceasing to be an Employee at any time before the Vesting Date applicable to the Award.
- 5.8 Notwithstanding the above, the Committee may determine that a Participant's Award shall not Vest if they have been suspended from their employment by reason of suspected misconduct. A Participant shall have no entitlement to compensation for any loss suffered by reason of a delay to the Vesting of their Awards pursuant to this Rule 5.8.

## **6. Holding Period**

- 6.1 At the Date of Grant the Committee shall in its absolute discretion determine whether or not to impose a mandatory Holding Period on the Vested Shares to be transferred pursuant to all or some of the Vesting of the Award (including Shares to be transferred on exercise of an Option that has Vested). Notwithstanding any other provisions of these Rules, the Shares subject to the Holding Period may not be transferred, assigned, sold, pledged or otherwise disposed of during the Holding Period save as to satisfy any Tax liability of the Participant incurred in connection with the Award. The Committee may impose such requirements as it considers necessary or desirable to ensure Participants observe the Holding Period including, but not limited to, requiring Participants to hold the Shares via a nominee.
- 6.2 A Participant shall take such steps as the Committee may reasonably require to satisfy the Committee as to the Participant's observance of the Holding Period.

## **7. Entitlement To Dividend Equivalents**

- 7.1 The Committee may in its discretion grant an Award on the basis that it carries Dividend Equivalents.
- 7.2 If an Award has been granted on the basis that it carries Dividend Equivalents, the Participant will, subject to Rule 7.4, be entitled to an additional number of Shares, equal in value to the ordinary dividends which would have been paid on the Shares which have Vested during the Vesting Period.
- 7.3 The number of additional Shares to which the Participant becomes entitled under Rule 7.2 will be calculated in such manner as the Committee in its absolute discretion determines save that it will be calculated by reference only to ordinary dividends and, unless the Committee determines otherwise, without regard to special dividends or distributions, super dividends or dividends-in-specie.
- 7.4 Instead of delivering additional Shares, the Committee may in its absolute discretion satisfy any entitlement to Dividend Equivalents arising in accordance with Rule 7.2 by making a cash payment with an equivalent value as determined at the time of Vesting.
- 7.5 For the avoidance of doubt, any payment referred to in this Rule 7 does not represent an entitlement to actual dividends on the underlying Shares, by reason of the Participant not being the beneficial owner of the Shares at that time.

## **8. Leavers**

- 8.1 Where a Participant ceases to be an Employee at any time before the Vesting Date applicable to an Award by reason of:
  - 8.1.1 injury, disability or ill-health (as agreed by the Committee);
  - 8.1.2 redundancy (as defined in section 139 of the Employment Rights Act 1996) (or in the case of a Participant who works outside the United Kingdom, under comparable legislation under applicable law);

- 8.1.3 the sale of the business or company in which the Participant is employed out of the Group; or
- 8.1.4 any other reason where the Committee so determines in its absolute discretion,

their Award shall continue, and will Vest on the original Vesting Date subject to the achievement of the Performance Conditions (or other term imposed pursuant to Rule 4.1 or by the Committee as a condition of it exercising its discretion pursuant to this Rule 8.1) (if any) at that time PROVIDED THAT in all cases where the Termination Date occurs before the expiry of any relevant Vesting Period and Awards are realised pursuant to this Rule 8.1, the number of Shares in respect of which an Award may be realised shall be the number in respect of which the Award has Vested (subject to any adjustments under Rule 14) multiplied by the fraction  $A/B$  (where  $A$  is that part of the Vesting Period measured in months from the start of the Vesting Period to the Termination Date and  $B$  is 36 or such other number as is equal to the number of months in the Vesting Period) SAVE THAT the Committee may at its discretion, in appropriate circumstances, determine that Awards may be realised immediately in accordance with Rule 8.4. Failing any such realisation the Awards shall lapse automatically. For the avoidance of doubt, an Award realisable under this Rule 8.1 may lapse at an earlier date by virtue of Rule 11.

- 8.2 Where Participant ceases to be an Employee at any time before the Vesting Date applicable to an Award by reason of death, the Award shall Vest and shall be realised immediately in accordance with Rule 8.4 below.
- 8.3 Where a Participant ceases to be employed by the Company or by a member of the Group by reason of retirement at the age at which they are bound to retire under the terms of their contract of employment or early retirement by agreement with the employing company, the Award shall Vest and be realised on the earlier of the original Vesting Date and the date of their death in accordance with Rule 8.1 above or Rule 8.4 below, respectively.
- 8.4 Where the Committee determines that an Award may be realised immediately under Rule 8.1, the number of Shares in respect of which the Award Vests shall be determined by the Committee by reference to the extent to which the Performance Conditions (if any) are met on the Termination Date, subject to modification if the Committee considers that the Performance Conditions (if any) would be met to a greater or lesser extent at the end of the original Vesting Period. The number of Shares in respect of which an Award may be realised under this Rule 8.4 shall be the number of Shares in respect of which the Award has Vested (subject to any adjustment under Rule 14) multiplied by the fraction  $A/B$  (where  $A$  is that part of the Vesting Period measured in months from the start of the Vesting Period until the Termination Date and  $B$  is 36 or equal to such other number of months in the original Vesting Period).
- 8.5 Where a Participant holds Vested Shares that are subject to a Holding Period and ceases to be an Employee during that Holding Period, such Shares shall continue to be subject to the Holding Period imposed by the Committee save

that the Committee may, at its discretion, allow early release of some or all of the Vested Shares prior to the end of the Holding Period.

- 8.6 Notwithstanding the above, a Participant's Award shall not Vest and, in the case of Awards that have Vested but in respect of which the Holding Period has not been satisfied, the Holding Period shall be extended if and for so long as that Participant has been suspended from their employment by reason of suspected misconduct.
- 8.7 A Participant will not cease to be an Employee for the purposes of this Rule 8 if they cease to be employed by a member of the Group but continue to be or are immediately afterwards employed by another member of the Group.
- 8.8 Where a Participant ceases to be employed by a member of the Group at any time before the Vesting Date applicable to an Award by reason of the demerger by the Company of the business or division in which they are employed, the Committee may determine for some or all Participants leaving the Group as a result of the demerger that part or all of the Award shall vest (in which case the provisions of Rule 8.1 or 8.2 shall apply) and/or that Awards held by such Participants should be rolled over into equivalent awards over shares in the demerged company (or such terms as the Committee shall agree with that company). This is without prejudice to the operation of the provisions in Rule 11.9 in the event of a demerger.

## **9. Issue, Transfer or Listing of Shares**

- 9.1 Subject to Rule 9.2, the Committee shall procure the issue or transfer of Shares (which may include Treasury Shares) pursuant to:
  - 9.1.1 the realisation of a Conditional Award within 45 days following the Vesting Date of the Award; and
  - 9.1.2 the exercise of an Option, within 45 days of receipt of the notice of exercise by the Company.
- 9.2 Where for any reason the Committee considers that it is impractical to deliver Shares following Vesting of an Award, it may instead pay or procure the payment of the equivalent Cash Amount, subject to deductions for any Tax or other levy which the Committee reasonably determines should be deducted from the Cash Amount.
- 9.3 Shares to be issued pursuant to the Plan will rank *pari passu* in all respects with the Shares then in issue, except that they will not rank for any rights attaching to Shares by reference to a record date preceding the date of issue.
- 9.4 Shares to be transferred pursuant to the Plan will be transferred free of all liens, charges and encumbrances and together with all rights attaching thereto, and will rank *pari passu* in all respects with the Shares then in issue, except that they will not rank for any rights attaching to Shares by reference to a record date preceding the Vesting Date.

- 9.5 For so long as the Shares are admitted to listing on the Official List, an application will be made for any newly issued ordinary shares to be admitted to such listing and admitted to trading on the London Stock Exchange.

## **10. Lapse Of Awards**

- 10.1 Awards shall lapse upon the occurrence of the earliest of the following events:
- 10.1.1 to the extent that it is determined by the Committee that the Performance Conditions applicable to an Award have not been met following the expiry of the relevant Vesting Period, the expiry of that Vesting Period;
  - 10.1.2 the Participant ceasing to be an Employee other than in the circumstances specified in Rule 8;
  - 10.1.3 in relation to an Award which is granted in the form of an Option, 10 years following the Date of Grant;
  - 10.1.4 the expiry of any relevant period specified in Rule 11;
  - 10.1.5 unless the Committee determines otherwise, the Participant being deprived of the legal or beneficial ownership of the Award by operation of law, or doing or omitting to do anything which causes them to be so deprived including becoming or being declared bankrupt;
  - 10.1.6 any purported transfer of an Award otherwise than as permitted by Rule 2.7; or
  - 10.1.7 to the extent that the Participant fails to realise the Award under Rules 8.1 or 8.2.

## **11. Corporate Events General Offer**

- 11.1 Subject to Rules 11.5 and 11.14 below, if any person (either alone or together with any person acting in concert with him) makes a general offer to acquire all of the issued ordinary share capital of the Company (or such part thereof as is not at the time owned by the offeror or any person acting in concert with the offeror), the Company shall, as soon as reasonably practicable thereafter, give notice to each Participant of such general or other offer. Each Participant may realise their Awards in accordance with Rule 11.11 within the period of 30 days following the date on which the offer becomes or is declared unconditional in all respects. Failing any permitted realisation, the Awards shall lapse automatically upon the expiry of the 30 day period.

### **Scheme of Arrangement**

- 11.2 Subject to Rules 11.5 and 11.14 below, if a court shall direct that a meeting of the holders of Shares be convened pursuant to sections 895 to 900 of the Companies Act 2006 for the purposes of considering a scheme of arrangement of the Company, each Participant may realise their Awards conditionally in accordance with Rule 11.11 on the scheme of arrangement being either approved by the shareholders' meeting or sanctioned by the court (as determined by the Committee in its absolute discretion) (the **Relevant Condition**), between the date of the court's direction and twelve noon on the

day immediately preceding the date for which the shareholders' meeting is convened.

- 11.3 Failing any permitted realisation, the Awards (or such part thereof as the Committee may specify) shall be incapable of realisation between the last time upon which permitted realisation may occur and the first date on which it can be determined whether or not the Relevant Condition is satisfied. If the Relevant Condition is not satisfied, the Awards shall continue. If the Relevant Condition is satisfied, any Awards not realised (or such part thereof as the Committee may specify) shall lapse automatically on the day immediately after the date on which the scheme of arrangement is sanctioned by the court.
- 11.4 The Committee shall endeavour to procure that, where a Participant has conditionally realised their Awards in accordance with Rule 11.2 above prior to twelve noon on the day immediately preceding the date for which the shareholders' meeting is initially convened, the scheme of arrangement shall, so far as it relates to Shares, be extended to such Participant as if each Share in respect of which the Award was conditionally realised had been transferred, to them by that time.

#### **Internal Reorganisation**

- 11.5 Awards shall not be realisable without the consent of the Committee under the foregoing provisions of this Rule 11 if the purpose and effect of the scheme of arrangement, general offer or merger is to create a new holding company for the Company, such company having substantially the same shareholders and proportionate shareholdings as those of the Company immediately prior to the scheme of arrangement, general offer or merger. Awards will in such circumstances continue and be treated as an Award over such number of Shares in the new holding company as is determined to be appropriate by the Committee, and references in this Plan to "the Company" shall be construed as references to such holding company as appropriate.
- 11.6 If Rule 11.5 applies:
  - 11.6.1 Awards shall not Vest as a result of the relevant event;
  - 11.6.2 an Award shall instead be exchanged for an equivalent award over such shares as the Committee determines appropriate; and
  - 11.6.3 the Committee may make any modifications to the Performance Conditions and/or any other conditions to which the Award is subject, as it determines appropriate.
- 11.7 Where Rule 11.5 applies, a Participant will not be treated as ceasing to be an Employee until they cease to be employed by a company which is either the relevant holding company or a subsidiary of the relevant holding company (within the meaning of section 1159 of the Companies Act 2006).
- 11.8 For the avoidance of doubt, in this Rule 11, **Committee** means the Committee as constituted immediately before the event by virtue of which the applicable rule applies.

## **Demerger**

- 11.9 If the Committee becomes aware that the Company is or is expected to be affected by any demerger, dividend in specie, super-dividend or other transaction which, in the opinion of the Committee, would affect the current or future value of any Awards, the Committee, acting fairly, reasonably and objectively, may in its absolute discretion allow some or all Awards to be realised in accordance with Rule 11.11. The Committee shall specify the period in which such Awards shall be realisable and whether such Awards shall lapse at the end of the specified period.

## **Voluntary Winding-up**

- 11.10 If notice is duly given of a resolution for a voluntary winding-up of the Company then the Committee, acting fairly, reasonably and objectively, may in its absolute discretion allow some or all Awards to be realised in accordance with Rule 11.11. The Committee shall specify the period in which such Awards shall be realisable, and whether such Awards shall lapse at the end of the specified period. The Awards shall be realisable within the period of 30 days following the date of a resolution for the voluntary winding up of the Company being passed and shall lapse automatically thereafter.

## **Application of Performance Conditions and Pro Rating**

- 11.11 Where an Award becomes realisable before the expiry of the relevant Vesting Period under Rules 11.10 to 11.11, the number of Shares in respect of which the Award shall Vest shall be determined by the Committee by reference to the extent to which Performance Conditions (if applicable) are met as at the date of the relevant event, subject to modification if the Committee considers that the Performance Conditions (if applicable) would have been met to a greater or lesser extent at the end of the original Vesting Period. The number of Shares in respect of which an Award may be realised shall be the number of Shares in respect of which the Award has Vested (subject to any adjustments under Rule 11.12) multiplied by the fraction  $A/B$  (where  $A$  is that part of the Vesting Period measured in months from the start of the Vesting Period to the date on which the relevant event occurs and  $B$  is 36 or, such other number of months as equal to the number of months in the Vesting Period), SAVE THAT the Committee may at its discretion, in appropriate circumstances (but not so as to result in an unjustifiably large Vesting level), disapply or alter the fraction stated above to realise a greater number of Shares if it considers that the contribution of the Participants to the creation of shareholder value during the Vesting Period would not otherwise be properly recognised.

## **Adjustments of awards**

- 11.12 Without prejudice to Rule 11.9, in the event of any Capital Reorganisation (or the implementation by the Company of a demerger or payment of a super dividend which would otherwise materially affect the value of an Award) the Committee may adjust the number of Shares subject to Awards (including, for the avoidance of doubt, Vested Shares in respect of which any Award has been realised but Shares have not yet been transferred to the Participant) to such extent and in such manner as it thinks fit.



- 11.13 Any adjustments to Awards made pursuant to Rule 11.12 shall be notified to the relevant Participants as soon as is reasonably practicable and the Committee may call in, cancel, endorse, issue or re-issue any Award Certificate as a result of that adjustment.

#### **Rollover of awards**

- 11.14 If any person (the *Acquiring Company*) obtains Control of the Company as a result of making a general offer or pursuant to a scheme of arrangement under sections 895 to 900 of the Companies Act 2006 with the consent of the Acquiring Company, any Participant may, by agreement with the Acquiring Company, release any subsisting Award (the *Old Award*) in consideration for the grant to them of a new replacement Award (the *New Award*) which satisfies the following conditions:

11.14.1 the New Award shall be over shares in the Acquiring Company or member of the Acquiring Company's group;

11.14.2 the New Award shall be a right to acquire such number of such shares in the Acquiring Company as shall have on the grant of the New Award an aggregate market value equal to the aggregate market value of the Shares subject to the Old Award immediately before its release and for this purpose market value shall be ascertained by the application of the definition of "Market Value" under the rules of the Plan as if references to the Date of Grant were references to the date of the release of the Old Award and the grant of the New Award and references to the Committee were references to the board of directors (or a committee of such directors) of the Acquiring Company;

11.14.3 the New Award shall have an aggregate price payable on Vesting or exercise which would have been payable on complete Vesting or exercise of the Old Award; and

11.14.4 the New Award shall be otherwise identical to the terms of the Old Award (and references in the Plan to the "Company" shall be construed as references to the Acquiring Company and references in the Plan to "Shares" shall be construed as references to shares in the Acquiring Company).

#### **12. Malus And Claw-Back Arrangements**

- 12.1 The Committee may decide at any time before an Award Vests, or for a period of three years after an Award Vests, that any Participant will be subject to malus and/or clawback in respect of that Award in the event of:

12.1.1 discovery of a material misstatement in the audited consolidated accounts of the Company or any member of the Group; and/or

12.1.2 (if applicable) the assessment of any Performance Condition in respect of an Award was based on error, or inaccurate or misleading information; and/or

- 12.1.3 action or conduct of a Participant or Participants which, in the reasonable opinion of the Committee, amounts to fraud or serious misconduct, whether the relevant facts emerge before or after termination of employment; and/or
  - 12.1.4 events or behaviour of a Participant or Participants which have a significant detrimental impact on the reputation of any member of the Group provided that the Committee is satisfied that the relevant Participant or Participants were responsible for the reputational damage and that the reputational damage is attributable to them;
  - 12.1.5 the Participant selling, charging or otherwise disposing of the beneficial interest in Vested Shares which are subject to a Holding Period requirement;
  - 12.1.6 circumstances in respect of the Company and / or Group which the Committee reasonably considers constitute “corporate failure”; and/or
  - 12.1.7 any other circumstances which in the Committee’s reasonable opinion justify the application of malus and/or clawback.
- 12.2 Where the Committee determines it is appropriate for any Participant to be subject to malus and/or clawback it may take the following action:
- 12.2.1 the Committee may determine that all or any part of an Award that has not Vested will lapse; and
  - 12.2.2 the Committee may determine that all or any part of an Award that has Vested will be treated as forfeited and the Committee may reclaim such an amount as it considers appropriate in respect of such forfeited Award through any means it deems appropriate to those specific circumstances including requiring the Participants to transfer shares and/or pay amounts to the Company or to any member of the Group and/or reducing other Awards made or payments due to the Participant under this Plan.
- 12.3 In addition, the Committee may, acting reasonably and in good faith, delay the Vesting of an Award if, at the Vesting Date, there is an ongoing investigation or other procedure being carried on to determine whether circumstances exist that may warrant malus or clawback and the Committee decides that further investigation is warranted.
- 12.4 By accepting an Award, a Participant will be bound by this Rule 12 notwithstanding: (i) that it may only be applicable after the transfer of Shares under these rules; and (ii) whether or not all or any of the terms of this Rule 12 have been separately notified to each Participant.
- 12.5 For the avoidance of doubt, this Rule 12 can apply even if the Participant was not responsible for the event in question or, where relevant, if it happened before the Date of Grant.
- 12.6 Rule 12.1 may be applied in different ways for different Participants in relation to the same or different events, or in different ways for the same Participant in relation to different Awards.

- 12.7 The Participant will not be entitled to any compensation in respect of any adjustment under this Rule 12, and the operation of Rule 12.1 will not limit any other remedy any member of the Group may have in relation to the circumstances in which Rule 12.1 is operated.

### **13. Taxation**

- 13.1 Any liability of a Participant to Tax in respect of an Award (including, for the avoidance of doubt, any Cash Amount paid under Rule 9.2) shall be for the account of the relevant Participant. If a Participant is subject to Dealing Restrictions at the Vesting Date, the release of any Shares the subject of a Conditional Award or the exercise of any Option shall be conditional on the automatic sale of sufficient Shares by the Company or Trustees to enable the Company or the Trustees or any employing company in the Group to satisfy its obligations in respect of deduction of Tax. By participating in the Plan a Participant authorises such sale for Tax (save where prior written alternative arrangements for the payment of Tax have been entered into). At all other times, a Participant may be offered a choice between selling sufficient Shares to satisfy the Tax and providing funds to the Company or their employing company in the Group to satisfy the Tax. The Company or, where the Committee so directs, any member of the Group, will pay the appropriate stamp duty on behalf of Participants in respect of any transfer of Shares on the Vesting of a Share Award or exercise of an Option under the Plan.

### **14. Amendment And Administration**

- 14.1 The decision of the Committee shall be final and binding in all matters relating to the Plan and it may at any time discontinue the grant of further Awards.
- 14.2 The Committee may amend any of the provisions of the Plan in any way it thinks fit, PROVIDED THAT:
- 14.2.1 the Committee shall not make any amendment that would materially prejudice the interests of existing Participants except with the prior consent or sanction of Participants who, if they realised their Awards in full, would thereby become entitled to not less than three-quarters of all the Shares which would fall to be allotted or transferred upon realisation in full of all outstanding Awards; and
- 14.2.2 no amendment which, in the reasonable opinion of the Committee, is to the advantage of Participants may be made to:
- (a) the limitations on the number of Shares subject to the Plan;
  - (b) the maximum entitlement of an Employee under the Plan;
  - (c) the basis for determining a Participant's entitlement to Shares under the Plan;
  - (d) the terms of Shares to be provided under the Plan; and
  - (e) the adjustment provisions of the Plan,

without the prior approval of the Company in general meeting except: (aa) in the case of minor amendments 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 for any member of the Group; or (bb) as otherwise permitted under these rules.

- 14.3 Notwithstanding any other provision of the Plan, the Committee may establish appendices to the Plan for the purpose of granting Awards to Participants who are or may become primarily liable to tax outside the United Kingdom on their remuneration, subject to such modifications as may be necessary or desirable to take account of overseas tax, exchange control, securities laws or other applicable laws provided that any Shares made available under such appendices shall count towards the limits set out in Rule 3.

## **15. General**

- 15.1 Any member of the Group may provide money to the Trustees or any other person to enable them or such person to acquire Shares to be held for the purposes of the Plan, or enter into any guarantee or indemnity for the purposes, to the extent permitted by any applicable law.
- 15.2 The Plan shall terminate on the tenth anniversary of the Adoption Date or on any earlier date by the passing of a resolution by the Committee. Termination of the Plan shall be without prejudice to the subsisting rights of Participants.
- 15.3 An Award will not constitute a contract of employment. The rights and obligations of any individual under the terms of their office or employment with the Group shall not be affected by their participation in the Plan or any right they may have to participate in the Plan. An individual who participates in the Plan waives all and any rights to compensation or damages in consequence of the termination of their office or employment with any company for any reason whatsoever (whether lawfully or unlawfully), insofar as those rights arise or may arise from their ceasing to have rights under the Plan as a result of such termination, or from the loss or diminution in value of such rights or entitlements. In the event of any conflict between the terms of this Rule 15.3 and the Participant's terms of employment, this rule will take precedence.
- 15.4 The existence of any Award shall not affect in any way the right or power of the Company or its shareholders to make or authorise any or all adjustments, recapitalisations, reorganisations or other changes in the Company's capital structure, or any merger or consolidation of the Company, or any issue of Company shares, bonds, debentures, preferred or prior preference stocks ahead of, or convertible into, or otherwise affecting the Shares or the rights thereof, or the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.
- 15.5 Any notice or other document which has to be given to a Participant under or in connection with the Plan may be (i) delivered or sent by post to him or her at his or her home address according to the records of his or her employing company, (ii) sent by email to any email address according to the records of his

or her employing company or, in either case, such other address as may appear to the Company to be appropriate, or (iii) provided electronically through a website hosted by the Company or an agent of the Company, provided that the Participant is notified by email or post that such notice or document has been or will be provided in this manner.

- 15.6 Notices sent by post to a Participant will be deemed to have been given on the day after the date of posting. Notices sent by email in the absence of evidence to the contrary, will be deemed to have been received on the day after sending.
- 15.7 Notices provided through a website will be deemed to have been received on the day they are posted on the website or, if later, the day the Participant is deemed in accordance with Rule 15.6 to have received the notification that the notice has been provided there.
- 15.8 Any notice or other document required to be given to the Company under or in connection with the Plan may be delivered or sent by post to it at its registered office (or such other place or places as the Committee may from time to time determine and notify to Participants) or sent by email or fax to any email address or fax number notified to the sender.
- 15.9 All Share certificates, Award Certificates and other communications relating to the Plan will be sent at the Participant's risk.
- 15.10 Benefits under the Plan shall not be pensionable.
- 15.11 Any Shares acquired under the Plan will be subject to the Articles of Association of the Company as amended from time to time.
- 15.12 The invalidity or non-enforceability of one or more provisions of the Plan will not affect the validity or enforceability of the other provisions of the Plan, which will remain in full force and effect.
- 15.13 Nothing in this Plan confers any benefit, right or expectation on a person who is not an Employee. No third party has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Plan. This does not affect any other right or remedy of a third party which may exist.
- 15.14 The decision of the Committee in any dispute or question concerning the interpretation, construction or effect of the Plan or any other questions arising in connection with the Plan shall be final and conclusive.
- 15.15 By participating in the Plan, the Participant's attention is drawn to the data privacy notice provided to them, which sets out how the Participant's personal data will be used and shared by the Company and other members of the Group. The data privacy notice does not form part of these Rules and may be updated from time to time. Any such updates shall be notified to the Participant.
- 15.16 Any decision, discretion, right or obligation accruing to the Committee pursuant to these rules may be delegated to the Company Secretary and / or Group Reward Director, provided always that the chair of the Committee is consulted as appropriate and the Committee shall ratify any decisions made under such delegations.

## **16. Governing Law**

- 16.1 These Rules and any non-contractual obligations arising out of or in connection with these Rules shall be governed by, and interpreted in accordance with, English law.
- 16.2 The English courts shall have exclusive jurisdiction in relation to all disputes (including claims for set-off and counterclaims) arising out of or in connection with these Rules including, without limitation, disputes arising out of or in connection with: (i) the creation, validity, effect, interpretation, performance or non-performance of, or the legal relationships established by, these Rules; and (ii) any non-contractual obligations arising out of or in connection with these Rules. For such purposes each party irrevocably submits to the jurisdiction of the English courts and waives any objection to the exercise of such jurisdiction.

## **US SCHEDULE**

This US Schedule shall apply to all Awards granted under the Compass Group PLC Restricted Share Award Plan to US Taxpayers. In the event that a Participant becomes a US Taxpayer subsequent to the Date of Grant of an Award to such Participant and while any such Award remains outstanding, such Award shall immediately be amended in a manner consistent with this US Schedule.

### **1. US SCHEDULE DEFINITIONS**

In this US Schedule, the following terms shall have the following meanings, and if not defined, shall have the meaning as defined in the Compass Group PLC Restricted Share Award Plan:

***California Participant*** means a Participant who is a resident of the State of California;

***California Securities Law*** means, collectively, Section 25102(o) of the California Corporate Securities Law of 1968, as amended, and the regulations issued thereunder by the California Commissioner of Corporations, including Section 260.140.42 relating to compensatory purchase plans;

***Code*** means the US Internal Revenue Code of 1986, as it may be amended from time to time;

***Rule 701*** means Rule 701 of the US Securities Act of 1933, as it may be amended from time to time;

***Section 409A*** means Section 409A of the Code and the treasury regulations, interpretations and administrative guidance issued thereunder;

***Short-Term Deferral Exemption*** means the short-term deferral exemption under Section 409A described in Section 1.409A-1(b)(4) of the treasury regulations issued under the Code;

***Short-Term Deferral Period*** means, with respect to an Award, the period commencing on the date that the Award first is no longer subject to a substantial risk of forfeiture for US federal income tax purposes and ending on the fifteenth day of the third month following the end of the taxable year of the Company in which the Award first is no longer subject to such substantial risk of forfeiture;

***US*** means the United States of America;

***US Taxes*** mean applicable US federal, state and local income taxes and employment taxes;

***US Taxpayer*** means a Participant who is subject to US Taxes on the Date of Grant, is expected to become subject to US Taxes following such date or does become subject to US Taxes following such date and while the Award remains outstanding; and

## **2. CERTAIN PROVISIONS APPLICABLE TO OPTIONS**

- 2.1 Except as otherwise described in Rule 2.2 of this US Schedule, Options granted to Participants that are US Taxpayers shall have an Option Exercise Price of not less than Market Value of the Shares subject to the Option on the Date of Grant.
- 2.2 Notwithstanding Rule 2.1 of this US Schedule or anything to the contrary in Rule 5.5 of the Plan, in the event that an Option is awarded to a Participant that is a US Taxpayer with an Option Exercise Price less than Market Value of the Shares subject to the Option on the Date of Grant, the Option Exercise Date and payment or issuance of Shares in respect of such Options shall occur, if at all, no later than the date of expiration of the Short-Term Deferral Period.
- 2.3 To the extent that an Option subject to Rule 2.2 of this US Schedule that has become Vested and exercisable remains outstanding and unexercised as of the date of expiration of the Short-Term Deferral Period, such Option shall immediately expire and automatically be cancelled and cease to have any further legal force or effect whatsoever as of the date of expiration of the Short-Term Deferral Period; provided that to the extent that an Option that has become vested and exercisable remains unexercised as of the date of expiration of the Short-Term Deferral Period, and the Market Value of the Shares underlying such vested and exercisable Option exceeds the Option Exercise Price thereof on such date, such Option (to the extent so vested and exercisable) shall be automatically exercised on such date on a cashless basis.

## **3. VESTING OF AWARDS**

- 3.1 Notwithstanding anything to the contrary in Rules 5.4 and 5.6 of the Plan, to the extent that a Conditional Award or Phantom Award granted to a US Taxpayer becomes Vested, payment in respect thereof shall be made no later than the date of expiration of the Short-Term Deferral Period.
- 3.2 Notwithstanding anything in the Plan to the contrary, with respect to Options subject to Rule 2.2 of this US Schedule and Conditional Awards granted to US Taxpayers, to the extent that the Vesting Date of such Awards would otherwise fall on a date when the Vesting of the Award or sale of any Shares to satisfy US Tax arising on Vesting would be prohibited by Dealing Restrictions, such Vesting shall be delayed until such later date as those Dealing Restrictions cease to apply, provided that in all events, the Shares underlying such Awards must be delivered to the applicable US Taxpayer no later than the date of expiration of the Short-Term Deferral Period.

## **4. ENTITLEMENT TO DIVIDEND EQUIVALENTS**

- 4.1 To the extent that the Committee determines that an Award granted to a Participant that is a US Taxpayer carries Dividend Equivalents, such Dividend Equivalents (to the extent that they become Vested) shall be



paid no later than the date of expiration of the Short-Term Deferral Period, and in the case of Options, the payment thereof may not be conditioned upon the exercise of the Options.

## **5. LEAVERS**

- 5.1 For purposes of Rule 8.1 of the Plan, the continued Vesting contemplated thereby based on the satisfaction of the applicable Performance Conditions shall only apply to US Taxpayers to the extent that such Performance Conditions continue to constitute a substantial risk of forfeiture for US federal income tax purposes. To the extent that such Performance Conditions do not continue to constitute a substantial risk of forfeiture for US federal income tax purposes as of the applicable Terminate Date, the pro rated Vesting contemplated by Rule 8.1 shall take effect as of the applicable Termination Date, and the exercise of any Options subject to Rule 2.2 of this US Schedule and the payment in respect of any Conditional Awards or Phantom Awards granted to US Taxpayers shall occur no later than the date of expiration of the Short-Term Deferral Period.
- 5.2 Rule 8.3 of the Plan shall not apply to any Participant who is a US Taxpayer to the extent that it would result in adverse tax consequences to a US Taxpayer under Section 409A.

## **6. HOLDING PERIOD FOR US TAXPAYERS**

- 6.1 With respect to any Award granted to a US Taxpayer, unless otherwise expressly determined by the Committee at the time of grant of an Award (or thereafter, if such later action would not reduce the rights of a Participant with respect to an Award), a Holding Period shall be applied to Vested and issued Shares in accordance with Rule 5 during which the Participant must retain the Shares which become Vested and issued pursuant to an Award (including any Shares delivered in satisfaction of Dividend Equivalents), save to the extent such Shares need to be sold to satisfy a Tax liability arising in connection with the Award. Unless otherwise expressly determined by the Committee at the time of grant of an Award (or thereafter, if such later action would not reduce the rights of a Participant with respect to an Award), the default Holding Period contemplated by the foregoing sentence shall be the period commencing on the Date of Grant of the applicable Award and continuing until the date on which the Shares underlying the applicable Award would have become Vested and issued to the Participant under the Plan rules had the accelerated Vesting and payment provisions contained in this US Schedule not been applicable.

## **7. CORPORATE EVENTS**

- 7.1 For purposes of the application of Rules 11.1 and 11.2 of the Plan, for Awards that are characterized as “nonqualified deferred compensation” within the meaning of Section 409A and that are held by Participants that are US Taxpayers, to the extent that the payment or exercise of such

Awards would be triggered upon the occurrence of such corporate events as described in Rules 11.1 and 11.2, such payment or exercise shall not occur unless the applicable event also constitutes a “change in ownership,” “change in effective control,” or “change in the ownership of a substantial portion of the Company’s assets” within the meaning of Section 409A.

## **8. ROLLOVER OF AWARDS**

- 8.1 To the extent that any rollover of Awards occurs under Rule 11.14, the terms and conditions of any New Award shall not modify the exercise or payment timing applicable under the corresponding Old Award or otherwise result in any change to the terms and conditions to the New Award if such modification or change would result in adverse tax consequences to a US Taxpayer under Section 409A.

## **9. GENERAL**

- 9.1 Awards granted to US Taxpayers are intended to be exempt from the requirements of Section 409A pursuant to the Short-Term Deferral Exemption, and the Plan and any Award granted to a US Taxpayer shall be interpreted, operated and administered in a manner consistent with such intention. Members of the Group shall have no liability to a US Taxpayer or any other party if an Award that is intended to be exempt from Section 409A is not so exempt and, in the event that any amount or benefit under the Plan becomes subject to penalties under Section 409A, responsibility for payment of such penalties shall rest solely with the affected US Taxpayer and not with any member of the Group.
- 9.2 To the extent that the Committee has authority to exercise discretion over the Vesting or payment of any Award under the Plan granted to a US Taxpayer, such discretion shall be exercised only in a manner that complies with the requirements of Section 409A.
- 9.3 No setoffs or deductions against any amounts owed to a US Taxpayer by any member of the Group may be made hereunder to the extent that such setoff or deduction would result in adverse tax consequences to the US Taxpayer under Section 409A.
- 9.4 No amendment may be made to the Plan (including this US Schedule) or any Award granted under the Plan to a US Taxpayer if, and to the extent that, the amendment would cause any Award granted to a US Taxpayer to violate Section 409A.
- 9.5 The Board or the Committee shall have the full authority, consistent with the Rules, to administer this US Schedule, including authority to interpret and construe any provision of this US Schedule, to identify eligible Employees and Participants with respect to whom the provisions of this US Schedule may apply, and to adopt any regulations for administering this US Schedule and any documents it thinks necessary or appropriate. The decision of the Board or Committee, as applicable,

on any matter concerning this US Schedule will be final and binding on all parties.

## **10. SECURITIES LAW COMPLIANCE**

- 10.1 Notwithstanding any provision of the Plan to the contrary, (i) no Award shall be granted and no Share shall be delivered or sold to a US Taxpayer unless such grant, delivery and sale is in compliance with US federal securities laws and any applicable US state securities laws, and (ii) Shares acquired by a US Taxpayer pursuant to the exercise or payment of Awards may only be resold in compliance with the registration requirements or an applicable exemption from the registration requirements of the US Securities Act of 1933, as it may be amended from time to time.
- 10.2 Notwithstanding any provision of the Plan to the contrary, Awards granted to a Participant who is a California Participant on the Date of Grant shall be subject to the following additional limitations, terms, and conditions, which for purposes of compliance with California Securities Law only, shall be deemed to be a separate Plan maintained solely for California Participants:
- (a) except to the extent otherwise provided under Rule 9.3 of this US Schedule, each Award shall be granted in accordance with Rule 701;
  - (b) Awards may not be granted more than ten (10) years after the date on which the Plan is adopted or the date on which the Plan is approved by the issuer's security holders, whichever is earlier;
  - (c) in the event that a California Participant's employment with each member of the Group terminates due to the California Participant's death or incapacity, such California Participant's Options, to the extent Vested as of the California Participant's Termination Date, shall remain exercisable (subject to any applicable Dealing Restrictions or other securities law restrictions) for at least six (6) months following the California Participant's Termination Date (or, if earlier, the expiration of such Option), and thereafter, such Options shall immediately lapse and automatically be cancelled and cease to have any further legal force or effect whatsoever; provided, however, that if such post-termination exercise period would exceed the Short-Term Deferral Period, then, in lieu of such exercise period, (i) each Option held by such California Participant as of the Termination Date, to the extent that on such date (A) such Option is vested and (B) the Market Value of the Shares underlying such Option exceeds the exercise price of such Option on such date, shall be automatically exercised on a cashless basis on the Termination Date, and (ii) all other Options held by such California Participant, to the extent not automatically exercised as provided herein, shall immediately lapse and automatically be

cancelled and cease to have any further legal force or effect whatsoever;

- (d) in the event that a California Participant's employment with each member of the Group terminates due to any reason other than death, disability or for cause, such California Participant's Options, to the extent Vested as of the California Participant's Termination Date, shall remain exercisable (subject to any applicable Dealing Restrictions or other securities law restrictions) for at least thirty (30) days following the California Participant's Termination Date (or, if earlier, the expiration of such Options), and thereafter, such Options shall immediately lapse and automatically be cancelled and cease to have any further legal force or effect whatsoever;
- (e) the rights of a California Participant to acquire Shares under the Plan shall be non-transferable except to the extent of a transfer by will, laws of descent and distribution, to a revocable trust, or as permitted by Rule 701;
- (f) the number of Shares issuable and the Option Exercise Price thereof under the Option shall be proportionately adjusted in the event of a stock split, reverse stock split, stock dividend, recapitalization, combination, reclassification or other distribution of the Company's equity securities without the receipt of consideration by the Company of or on the Shares; and
- (g) the number of California Participants may not exceed 35 unless the Plan is approved by holders of a majority of the outstanding securities of the Company entitled to vote by the later of (x) within twelve (12) months before or after the date the Plan is adopted or (y) prior to or within twelve (12) months of the granting of any Option or issuance of any security under the Plan in California.

10.3 Notwithstanding Rule 10.2 of this US Schedule, Awards may be granted under the Plan to any California Participant in accordance with any other registration exemption permitted under California Securities Law or by qualification under such law, subject to such conditions as required by such law.