

PayPoint plc

PAYPOINT ~~RESTRICTED~~ EXECUTIVE SHARE PLAN

Adopted by the Remuneration Committee of the Company on 21 March 2019

Amended by the Remuneration Committee of the Company and approved by shareholders at the Annual General Meeting held on 25 July 2019, ~~and~~ 24 July 2020, 1 August 2024



Remuneration
Consultants

CONTENTS

Rule	Page
<u>1. DEFINITIONS AND INTERPRETATION.....</u>	<u>3</u>
<u>2. ELIGIBILITY.....</u>	<u>6</u>
<u>3. GRANT OF AWARDS.....</u>	<u>6</u>
<u>4. LIMITS.....</u>	<u>98</u>
<u>5. VESTING OF AWARDS.....</u>	<u>1110</u>
<u>6. CONSEQUENCES OF VESTING FOR CONDITIONAL AWARDS.....</u>	<u>13</u>
<u>7. EXERCISE OF OPTIONS.....</u>	<u>13</u>
<u>8. CASH ALTERNATIVE.....</u>	<u>1514</u>
<u>9. LAPSE OF AWARDS.....</u>	<u>1615</u>
<u>10. HOLDING PERIOD.....</u>	<u>1615</u>
<u>11. LEAVERS.....</u>	<u>1716</u>
<u>12. CORPORATE EVENTS.....</u>	<u>19</u>
<u>13. MALUS AND CLAWBACK.....</u>	<u>2221</u>
<u>14. ADJUSTMENT OF AWARDS.....</u>	<u>24</u>
<u>15. ALTERATIONS.....</u>	<u>2524</u>
<u>16. MISCELLANEOUS.....</u>	<u>26</u>
<u>APPENDIX I - CASH CONDITIONAL AWARDS.....</u>	<u>2928</u>

1. DEFINITIONS AND INTERPRETATION

1.1 In the Plan, unless the context otherwise requires:

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

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

"**Bonus**" means the amount of any discretionary annual bonus to which an eligible executive (as determined in accordance with Rule 2 (*Eligibility*)) may become entitled under any bonus scheme established by a Participating Company from time to time;

"**Clawback**" means the reduction of elements of an individual's compensation and/or the obligation to repay amounts to a Group Member by an individual in accordance with Rule 13 (*Malus and Clawback*) in such manner and for such amounts as the Committee determines to be appropriate;

"**Committee**" means the remuneration committee of the Board or, on and after the occurrence of a corporate event described in Rule 12 (*Corporate events*) or liquidation or the entering into of administration or similar protection from creditors, the remuneration committee of the Board as constituted immediately before such event occurs;

"**Company**" means PayPoint plc (registered in England and Wales with registered number 03581541);

"**Conditional Award**" means a conditional right to acquire Shares at nil cost granted under the Plan;

"**Control**" means control within the meaning of section 719 of ITEPA;

"**Dealing Restriction**" means any restriction on dealing in securities imposed by regulation, statute, order, directive or any code adopted by the Company as varied from time to time;

"**Deferred Share Bonus Award**" means an Award which represents a deferred Bonus which might otherwise have been paid in cash and which is designated as such by the Committee under Rule 3.2 (*Committee determinations*);

"**Early Vesting Date**" means the date of an event following which an Award may Vest (and in the case of an Option, be exercised) before the Normal Vesting Date, being either:

- (a) the date of cessation of employment of a Participant in the circumstances referred to in Rule ~~11.1~~11.2 (*Good leavers*) and where the Committee determines that the date of cessation will be an Early Vesting Date; or
- (b) a date of notification referred to in Rule 12.1 (*General offers*) or Rule 12.2 (*Schemes of arrangement and winding up*) or the date of Vesting referred to in Rule 12.3 (*Demerger and similar events*);

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

"**Group Member**" means:

- (a) a Participating Company or a body corporate which is the Company's holding company (within the meaning of section 1159 of the Companies Act 2006) or a Subsidiary of the Company's holding company;

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

"**Holding Period**" if applicable, means such period or periods as the Committee may specify under [Rule 3.1 \(Terms of grant\)](#)-[Rule 3.2 \(Committee determinations\)](#) during which a Participant agrees not to sell, transfer, assign or dispose of their Net Vested Shares in accordance with Rule 10 (*Holding Period*);

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

"**Listing Rules**" means the Listing Rules published by the United Kingdom Listing Authority;

"**London Stock Exchange**" means London Stock Exchange plc or any successor thereto;

"**Malus**" means the reduction or forfeiture of an Award prior to its Vesting in accordance with Rule 13 (*Malus and Clawback*) in such manner and for such amounts as the Committee determines to be appropriate;

"**Net Vested Shares**" means the Vested Shares acquired or received by a Participant on or following the Vesting of a Conditional Award or on the exercise of an Option, in each case during the Holding Period, less:

- (a) if the Participant's Tax Liability is satisfied other than by way of sale of Vested Shares, a number of Shares that have an aggregate market value on the date of Vesting (in the case of a Conditional Award) or exercise (in the case of an Option) equal to the Participant's Tax Liability due and arising on the Vesting or exercise of the Award (as relevant); or
- (b) if the Vested Shares are sold to satisfy the Participant's Tax Liability due on the Vesting or exercise of an Award (as relevant), such number of Vested Shares so sold;

"**Normal Vesting Date**" means such date (or dates) as specified by the Committee at the Grant Date under [Rule 3.1 \(Terms of grant\)](#)-[Rule 3.2 \(Committee determinations\)](#) as the normal vesting date;

"**Option**" means a right to acquire Shares granted under the Plan;

"**Option Price**" means the amount, if any, payable in order to exercise an Option;

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

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

"**Performance Condition**" means a condition related to performance which is specified by the Committee under [Rule 3.2 \(Committee determinations\)](#)-[Rule 3.1 \(Terms of grant\)](#);

["Performance Share Award" means an Award to which one or more Performance Conditions apply;](#)

"**Plan**" means the PayPoint ~~Restricted~~-Executive Share Plan as amended from time to time;

"**Pre-Clawback Vesting Amount**" means the sum arrived at by:

- (a) taking the lower of the value of the Vested Shares subject to an Award on:
 - (i) Vesting in the case of a Conditional Award and exercise in the case of an Option; or
 - (ii) the sale of such Shares (if any) with Shares allocated on a “first in first out” basis; or
 - (iii) if the Shares resulting from the Vesting or exercise of an Award are still held by the Participant (or a nominee for him), the date of operation of Clawback; and
- (b) deducting any tax or social security contributions actually incurred on such Vesting, exercise and/or sale except to the extent that the Committee may require an individual to take reasonable steps to recover such tax and/or social security contributions in which case it will be added back;

"Remuneration Policy" means the prevailing shareholder approved directors' remuneration policy that applies to the Company under Chapter 4A of Part 10 of the Companies Act 2006;

"Restricted Share Award" means an Award: (i) which is not subject to Performance Conditions but may be subject to an Underpin Condition; and (ii) not including a Deferred Share Bonus Award;

"Retirement" means retirement (as determined in accordance with a policy approved by the Committee from time to time for the purpose of this Plan) **provided that** in the case of a former director of the Company, his Award will only Vest if he confirms (in such form as prescribed by the Company) prior to Vesting that he remains so retired and if such former director fails to provide such confirmation, the Committee may determine that his Award will lapse immediately;

"Rule" means a rule of the Plan;

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

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

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

"Underpin Condition" means a condition which is specified by the Committee under Rule 3.1 (*Terms of grant*);

"Vest" means:

(a) in relation to a Conditional Award the Shares in respect of the Award are released to the Participant in accordance with the provisions of this Plan; and

(b) in relation to an Option the Award becomes exercisable in accordance with the provisions of this Plan

~~in relation to any Award, there being a determination that any Performance Conditions have been achieved to any extent and either:~~

~~(a) the Normal Vesting Date for that Award has passed; or~~

~~(b) the Award being subject to an Early Vesting Date which has passed.~~

and "Vesting", ~~and~~ "Vested" and "Unvested" shall be construed accordingly; and

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

- 1.2 Any reference in the Plan to any enactment includes a reference to that enactment as from time to time modified, extended or re-enacted.
- 1.3 The singular includes references to the plural and vice versa. Words denoting the masculine gender shall include the feminine.
- 1.4 Expressions in italics and headings are for guidance only and do not form part of the Plan.
- 1.5 Where any Award has been granted such that parts of the Award are subject to different Normal Vesting Dates, Underpin Conditions and/or Holding Periods (or are otherwise subject to different provisions as to Vesting), references in these Rules to the Award shall, where the context so requires, be a reference to a relevant part of the Award.

2. ELIGIBILITY

An individual is eligible to be granted:

(a) an Award (including a Deferred Share Bonus Award) only if he is an employee (including an executive director) of a Participating Company; or

~~(a)~~(b) a Deferred Share Bonus Award if he is a former employee (including an executive director) of a Participating Company and he has participated in a bonus scheme operated by a Participating Company for the preceding financial year (or part thereof).

3. GRANT OF AWARDS

3.1 Terms of grant

Subject to Rule 3.2 (Committee determinations), Rule 3.6 (*Timing of grant*), Rule 3.7 (*Approvals and consents*) and Rule 4 (*Limits*), the Committee may resolve to grant an Award:

- (a) on the terms set out in the Plan; and
- (b) subject to such additional terms (whether a Performance Condition, Underpin Condition, Holding Period and/or any other terms) as the Committee may specify

to any person who is eligible to be granted an Award under Rule 2 (*Eligibility*) **provided that** Awards granted to an executive director of the Company shall be subject to any requirements set out in the Remuneration Policy. ÷

~~a Normal Vesting Date falling on the third anniversary of the Grant Date, or such later date specified by the Committee; and~~

~~a Holding Period commencing on the Normal Vesting Date and ending not earlier than the fifth anniversary of the Grant Date.~~

~~3.2~~ **Type of Award**

- ~~3.3~~ ~~On or before the Grant Date, the Committee shall determine whether an Award will be a Conditional Award or an Option. If the Committee does not specify the type of an Award on or before the Grant Date then an Award will be an Option with a nil Option Price.~~

3.2 Committee determinations

Subject to Rule 3.1 (*Terms of grant*), on or before the Grant Date, the Committee shall (or may, as appropriate) determine:

- (a) the number of Shares over which the Award is granted which, in the case of a Deferred Share Bonus Award, will be linked to a proportion of the Bonus that the Committee determines would otherwise have been paid to the Participant in cash and divided by the market value of a Share (as determined by the Committee) and rounding down to the nearest whole number of Shares;
- (b) whether the Award shall be a Restricted Share Award, Performance Share Award or a Deferred Share Bonus Award;
- (c) whether the Award shall be in the form an Option or a Conditional Award, provided that if no determination is made it shall be an Option with a nil Option Price;
- (d) if an Award is an Option, the Option Price (if any);
- (e) if an Award is an Option, the date at the end of which the exercise period shall (subject the term of the Plan) expire, provided that if no such determination is made that day shall be the day immediately preceding the 10th anniversary of the Grant Date;
- (f) if an Award is a Performance Share Award, the Performance Condition and/or any other additional conditions (in each case, if any) applicable to the Award;
- (g) if an Award is a Restricted Share Award, whether an Underpin Condition and/or any other additional conditions (in each case, if any) shall apply to the Award;
- (h) the Normal Vesting Date;
- (i) whether Shares acquired or received on Vesting or exercise (as applicable) of an Award shall be subject to a Holding Period; and
- (j) whether the relevant Participant shall be entitled to a dividend equivalent or increase in the number of Shares comprised within their Award pursuant to Rule 3.4 (*Dividend equivalent*).

3.43.3 Method of grant

An Award shall be granted ~~as follows:~~

by deed executed by the Company; ~~and~~

~~in the case of an Option, the Committee shall determine the Option Price (which will be nil unless the Committee specifies otherwise) on or before the Grant Date provided that the Committee may reduce or waive such Option Price on or prior to the exercise of the Option.~~

No amount shall be paid by an individual for the grant of an Award.

3.53.4 Dividend equivalent

- (a) Subject to Rule 3.4(b), the Committee may determine on the Grant Date that the number of Shares comprised in an Award shall increase by such number of additional Shares as could have been acquired at the closing mid-market price on each relevant ex-dividend date with the dividends which would have been paid on the Shares comprised in that Award which become Vested Shares in respect of any ex-dividend dates falling within the period

from the Grant Date to the Normal Vesting Date (or, where an Award is structured as an Option and the Committee determines the Shares under that Option shall be subject to a Holding Period, the date of expiry of the Holding Period or if earlier the date of exercise of the Option). Where an Award vests at an Early Vesting Date, no further accrual of dividend equivalents under this Rule 3.4 will occur after such Early Vesting Date. The Committee may exclude from this calculation any special dividend in respect of which an Award Vests in accordance with Rule 12.3 (*Demerger and similar events*) or for which an adjustment is made under Rule 14 (*Adjustment of Awards*).

- (b) The Committee may decide at any time that in lieu of the number of additional Shares calculated under Rule 3.4(a), when a Participant acquires Vested Shares pursuant to the Plan the Participant will be paid the cash value of the number of additional Shares calculated pursuant to Rule 3.4(a) with such cash value calculated on such reasonable basis as the Committee determines and paid subject to withholding for any Tax Liability.

3.63.5 Method of satisfying Awards

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

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

The Committee may decide to change the way in which it is intended that an Award may be satisfied after it has been granted, having regard to the provisions of Rule 4 (*Limits*), including any Awards granted prior to approval of the Plan by shareholders of the Company.

3.73.6 Timing of grant

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

- (a) in the 6 weeks beginning with:
 - (i) a date on which the Plan is most recently approved by the shareholders of the Company; or
 - (ii) the dealing day immediately following the date on which the Company announces its results for any period; or
 - (ii)(iii) the dealing day following the Committee's determination of a Bonus in respect of an eligible executive (as determined in accordance with Rule 2 (Eligibility));
 - (iii)(iv) the dealing day immediately following the lifting of any Dealing Restrictions that prevented the grant of Awards pursuant to Rules 3.6(a)(i), ~~and/or~~ 3.6(a)(ii) and/or 3.6(a)(iii);
- (b) at any other time when the Committee considers that circumstances are sufficiently exceptional to justify its grant

but an Award may not be granted after 25 July 2029 1 August 2034, being the expiry of the period of 10 years from the 2019-2024 annual general meeting.

3.83.7 Approvals and consents

The grant of any Award shall be subject to obtaining any approval or consent required under the Listing Rules, any Dealing Restrictions, the City Code on Takeovers and Mergers, or any other UK or overseas regulation or enactment.

3.93.8 Non-transferability and bankruptcy

An Award granted to any person:

- (a) shall not be transferred, assigned, charged or otherwise disposed of by him (except on his death to his personal representatives) and any attempt to do so shall result in its lapse; and
- (b) shall lapse immediately if he is declared bankrupt.

4. LIMITS

4.1 5 per cent. in 10 years limit

An Award shall not be granted if, at the time of its proposed Grant Date, it would cause the number of Shares allocated (as defined in Rule 4.3) in the immediately preceding 10-year period under the Plan and under any other discretionary executive share plan adopted by the Company to exceed such number as represents 5 per cent. of the ordinary share capital of the Company in issue at that time.

4.2 10 per cent. in 10 years limit

An Award shall not be granted if, at the time of its proposed Grant Date, it would cause the number of Shares allocated (as defined in Rule 4.3) in the immediately preceding 10-year period under the Plan and under any other employees' share scheme adopted by the Company to exceed such number as represents 10 per cent. of the ordinary share capital of the Company in issue at that time.

4.3 Meaning of "allocated"

For the purposes of Rules 4.1 and 4.2:

- (a) Shares are allocated:
 - (i) when an option, award or other contractual right to acquire unissued Shares or treasury Shares is granted;
 - (ii) where Shares are issued or treasury Shares are transferred otherwise than pursuant to an option, award or other contractual right to acquire Shares, when those Shares are issued or treasury Shares transferred;
- (b) any Shares which have been issued or which may be issued to any trustees to satisfy the exercise of any option, award or other contractual right granted under any employee share plan shall count as allocated; and
- (c) for the avoidance of doubt, existing Shares other than treasury Shares that are transferred or over which options, awards or other contractual rights are granted shall not count as allocated.

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

For the purposes of Rule 4.3:

- (a) where:

- (i) any option, award or other contractual right to acquire unissued Shares or treasury Shares is released or lapses (whether in whole or in part); or
- (ii) after the grant of an option, award or other contractual right the Committee determines that:
 - (aa) where an amount is normally payable on its exercise it shall be satisfied without such payment but instead by the issue of Shares and/or the transfer of treasury Shares and/or the payment of cash equal to the gain made on its exercise; or
 - (bb) it shall be satisfied by the transfer of existing Shares (other than Shares transferred out of treasury) and/or by settlement in cash

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

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

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

No Shares may be issued or treasury Shares transferred to satisfy the Vesting or exercise of any Award to the extent that such issue or transfer would cause the number of Shares allocated (as defined in Rule 4.3 and adjusted under Rule 4.4) to exceed the limits in Rules 4.1 and 4.2 (*5 per cent. and 10 per cent. in 10 years limits*).

4.6 **Changes to investor guidelines**

Treasury Shares shall cease to count as allocated Shares for the purposes of Rule 4.3 if institutional investor guidelines cease to require such Shares to be so counted.

4.7 **Individual limit – Restricted Share Award and Performance Share Award**

The maximum total market value of Shares (calculated as set out in this Rule) over which Restricted Share Awards and Performance Share Awards may be granted to:

- (i) any employee (excluding an executive director of the Company) during any financial year of the Company is 200% of his salary (as defined in this Rule); or
- (ii) an executive director of the Company during any financial year of the Company is such percentage of his salary (as defined in this Rule) as is specified in the Remuneration Policy.

For the purpose of this Rule 4.7:

- (a) an employee's "**salary**" shall be taken to be his base salary (excluding benefits in kind), expressed as an annual rate payable by the Participating Companies to him on the Grant Date (or such earlier date as the Committee shall determine). Where a payment of salary is made in a currency other than sterling, the payment shall be treated as equal to the equivalent amount of sterling determined by using any rate of exchange which the Committee may reasonably select; and
- (b) the "**market value**" of the Shares over which an Award is granted shall be taken to be an amount equal to the closing middle-market quotation of such Shares (as derived from the

London Stock Exchange Daily Official List) on the dealing day before the Grant Date or, if the Committee so determines, the average of the closing middle-market quotations during a period determined by the Committee not exceeding the 3 dealing days ending with the dealing day before the Grant Date provided such dealing day(s) do not fall within any period when dealings in Shares are prohibited as a result of Dealing Restrictions.

For the avoidance of doubt, this Rule 4.7 does not apply to Deferred Share Bonus Awards.

4.8 Individual limit – Deferred Share Bonus Award

The number of Shares over which a Deferred Share Bonus Award is granted shall ordinarily be such number as determined as the result of dividing a reference value of a specified portion of a Bonus being awarded as a Deferred Share Bonus Award by the market value of a Share (as determined by the Committee) and rounding down to the nearest whole Share.

The Committee will not grant a Deferred Share Bonus Award over Shares with a market value that exceeds the value of the Bonus.

4.8.9 Effect of limits

Any Award shall be limited and take effect so that the limits in this Rule 4 are complied with.

5. VESTING OF AWARDS

5.1 Timing of Vesting

Subject to Rule 5.2 (*Extent of Vesting*), Rule 5.3 (*Restrictions on Vesting*), Rule 5.6 (*Suspension or investigation for a disciplinary matter*) and Rule 13 (*Malus and Clawback*) an Award will Vest on the later of:

- (a) the date on which the Committee determines whether or not any applicable Performance Condition, Underpin Condition and/or any other condition imposed on the Vesting of the Award has been satisfied (in whole or in part); and
- (b) the Normal Vesting Date

except where earlier Vesting occurs on an Early Vesting Date under Rule 11 (*Leavers*) or Rule 12 (*Corporate events*).

5.2 Extent of Vesting

The Shares subject to an Award will only become Vested Shares to the extent:

- (a) if the Award is subject to a Performance Condition or Underpin Condition, that any ~~applicable~~such Performance Condition or Underpin Condition is confirmed by the Committee as having been satisfied on or before the Normal Vesting Date or, if appropriate, the Early Vesting Date;
- (b) as permitted by any other term imposed on the Vesting of the Award; and
- (c) in relation to Vesting at an Early Vesting Date, as permitted by Rules ~~4.4~~11.5 and 12.5 (*Reduction in number of Vested Shares*).

Where, under Rule 11 (*Leavers*) or Rule 12 (*Corporate events*), a Performance Condition or Underpin Condition is to be determined before the end of the full period over which performance such condition would be measured or assessed ~~under the Performance Condition~~ then, unless provided to the contrary by the Performance Condition or Underpin Condition, the extent to

which the Performance Condition or Underpin Condition has been satisfied in such circumstances shall be determined by the Committee on such reasonable basis as it decides.

5.3 Restrictions on Vesting

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

- (a) the Vesting of the Award, and the issue or transfer of Shares after such Vesting, would be lawful in all relevant jurisdictions and in compliance with the Listing Rules and any Dealing Restrictions;
- (b) if, on the Vesting of the Award, a Tax Liability would arise by virtue of such Vesting then the Participant must have entered into arrangements acceptable to the Company that the relevant Group Member will receive the amount of such Tax Liability (whether pursuant to Rule 5.5 (*Payment of Tax Liability*) or otherwise);
- (c) the Participant has entered into such arrangements as the Committee requires (and where permitted in the relevant jurisdiction) to satisfy a Group Member's liability to social security contributions in respect of the Vesting of the Award;
- (d) where the Committee requires, the Participant has entered into, or agreed to enter into, a valid election under Part 7 of ITEPA (*Employment income: elections to disapply tax charge on restricted securities*) or any similar arrangement in any overseas jurisdiction; and
- (e) where the Committee requires, the Participant confirms before the Vesting of the Award that he remains bound by the provisions of Rule 13 (*Malus and Clawback*).

5.4 Tax Liability before Vesting

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

5.5 Payment of Tax Liability

The Participant authorises the Company to sell or procure the sale of sufficient Vested Shares on or following the Vesting of his Award on his behalf to ensure that any relevant Group Member receives the amount required to discharge the Tax Liability which arises on Vesting except to the extent that he agrees to fund all or part of the Tax Liability in a different manner.

5.6 Suspension or investigation for a disciplinary matter

Notwithstanding any other provision of the Plan, if, at any time before an Award Vests, a Participant is suspended for a disciplinary matter or is the subject of an investigation into a disciplinary matter then the Committee in its absolute discretion, following consultation with the relevant Group Member, may determine that the Vesting of any Award shall be suspended until such time as the Committee lifts such suspension and exercises its discretion to Vest the Award or otherwise reduce the Award (to nil if the Committee considers that to be appropriate).

5.7 Delivery of net number of Shares

The Company may, in lieu of a Participant's right to receive the full number of Shares pursuant to the Vesting of a Conditional Award or exercise of an Option determine to reduce the number of Vested Shares in respect of which that Conditional Award Vests or Option may be exercised by a number that has a value at least (in its estimation) equal to any Tax Liability of that Participant that would have arisen in connection with the Vesting of the original Conditional Award or the exercise of the original Option, so that the original Conditional Award or Option (as the case may be) becomes an entitlement to receive both the reduced number of Shares (the "**Adjusted Award**") and a cash amount (the "**Cash Amount**") equal to the value of the number of Shares by which the Conditional Award or Option is reduced, and the Company shall then procure that the relevant Group Member applies such of the Cash Amount as is necessary in making a payment directly to the relevant tax authority to discharge the Tax Liability of such Participant that arises as a result of the Vesting or exercise of the original Award (with any surplus cash being returned to such Participant).

This Rule 5.7 will not apply to Awards made in any jurisdiction where the presence of this Rule would cause:

- (a) the grant of the Award to be unlawful or for it to fall outside any applicable securities law exemption; or
- (b) adverse tax consequences for the relevant Participant and/or any Group Member.

5.8 Vesting and exercise policy

Vesting of a Conditional Award or exercise of an Option shall take effect only when the Company (or the Plan's administrator as relevant) process it in line with the prevailing policy for such matters as approved by the Company for the Plan and contingent on having received payment of any relevant Option Price (or, if the Company so permits, an undertaking to pay that amount).

The aforementioned policy may include for example that:

- (a) request to exercise an Option will only be accepted and/or processed during such period(s) as the Company specifies; and/or
- (b) all Vested Shares must be sold through the Company's appointed brokers from time to time; and/or
- (c) the Vesting of a Conditional Award or exercise of an Option may be delayed until such time as the Company considers that it may secure buyers for the Vested Shares without adversely impacting the price of Shares.

6. CONSEQUENCES OF VESTING FOR CONDITIONAL AWARDS

On or as soon as reasonably practicable after the Vesting of a Conditional Award, the Board shall, subject to Rule 5.5 (*Payment of Tax Liability*), any arrangement made under Rules 5.3(b) and/or 5.3(c) (*Restrictions on Vesting*) and Rule 10 (*Holding Period*), transfer or procure the issue or transfer of the Vested Shares to the Participant (or a nominee for him) or, if appropriate, allot to him (or a nominee for him) the number of Vested Shares.

7. EXERCISE OF OPTIONS

7.1 Time of exercise

An Award in the form of an Option shall, subject to Rule 7.2 (*Restrictions on the exercise of an Option*), be exercisable in respect of Vested Shares:

- (a) in the period beginning on the Normal Vesting Date and expiring on the day preceding the tenth anniversary of the Grant Date (or such earlier date as the Committee determines at the Grant Date under Rule 3.2(e) (Committee determinations)) and the Award shall lapse at the end of that period unless it lapses earlier under Rule 11 (*Leavers*), or Rules 12.1 to 12.3 (*Corporate events*); or
- (b) if there is an Early Vesting Date, in accordance with the provisions of Rule ~~11.1~~11.2 (*Good leavers*); ~~or Rule 11.3 (Cessation of employment after Normal Vesting Date)~~; or Rules 12.1 to 12.3 as applicable (*Corporate events*).

7.2 Restrictions on the exercise of an Option

An Award which is a Vested Award in the form of an Option may not be exercised unless the following conditions are satisfied:

- (a) the exercise of the Option and the issue or transfer of Shares after such exercise would be lawful in all relevant jurisdictions and in compliance with the Listing Rules and any Dealing Restrictions;
- (b) if, on the exercise of the Option, a Tax Liability would arise by virtue of such exercise then the Participant must have entered into arrangements acceptable to the Company that the relevant Group Member will receive the amount of such Tax Liability (whether pursuant to Rule 7.5 (*Payment of Tax Liability*) or otherwise);
- (c) the Participant has entered into such arrangements as the Committee requires (and where permitted in the relevant jurisdiction) to satisfy a Group Member's liability to social security contributions in respect of the exercise of the Option;
- (d) where the Committee requires, the Participant has entered into, or agreed to enter into, a valid election under Part 7 of ITEPA (*Employment income: elections to disapply tax charge on restricted securities*) or any similar arrangement in any overseas jurisdiction; and
- (e) where the Committee requires, the Participant confirms before the exercise of the Option that he remains bound by the provisions of Rule 13 (*Malus and Clawback*).

7.3 Exercise in whole or part

An Option may be exercised in whole or part and in separate tranches unless, to facilitate the easier administration of the Plan, the Committee decides to impose a minimum number of Shares over which an Option may be exercised if it is not being exercised to the maximum extent possible and/or a maximum number of tranches in which it may be exercised.

7.4 Method of exercise

The exercise of any Option shall be effected in the form and manner prescribed by the Board. Unless the Company, acting fairly and reasonably determines otherwise, any notice of exercise shall, subject to Rule 7.2 (*Restrictions on the exercise of an Option*), take effect only when the Company receives it, together with payment of any relevant Option Price (or, if the Company so permits, an undertaking to pay that amount).

7.5 Payment of Tax Liability

The Participant authorises the Company to sell or procure the sale of sufficient Vested Shares on or following exercise of his Option on his behalf to ensure that any relevant Group Member

receives the amount required to discharge the Tax Liability which arises on such exercise except to the extent that he agrees to fund all or part of the Tax Liability in a different manner.

7.6 Transfer or allotment timetable

As soon as reasonably practicable after an Option has been exercised, the Company shall, subject to Rule 7.5 (*Payment of Tax Liability*), any arrangement made under Rules 7.2(b) and/or 7.2(c) (*Restrictions on the exercise of an Option*) and Rule 10 (*Holding Period*), transfer or procure the transfer to him (or a nominee for him) or, if appropriate, allot to him (or a nominee for him) the number of Shares in respect of which the Option has been exercised.

8. CASH ALTERNATIVE

8.1 Committee determination

Where a Conditional Award Vests or an Option has been exercised and Vested Shares have not yet been allotted or transferred to the Participant (or his nominee), the Committee may determine that, in substitution for his right to acquire such number of Vested Shares as the Committee may decide (but in full and final satisfaction of his right to acquire those Shares), he shall be paid by way of additional employment income a sum equal to the cash equivalent (as defined in Rule 8.2) of that number of Shares in accordance with the following provisions of this Rule 8.

The Committee may not make any such determination where the power to do so would result in a Tax Liability for the Participant in relation to the Award at an earlier time than would otherwise be the case (unless the Committee determines when the Award is granted that this restriction shall not apply) nor where such power would cause the grant of the Award to be unlawful in any jurisdiction.

8.2 Cash equivalent

For the purpose of this Rule 8, the "**cash equivalent**" of a Share is:

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

The "**market value**" on any day shall be determined as follows:

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

8.3 Payment of cash equivalent

Subject to Rule 8.4 (*Share alternative*), as soon as reasonably practicable after the Committee has determined under Rule 8.1 that a Participant shall be paid a sum in substitution for his right to acquire any number of Vested Shares:

- (a) the Company shall pay to him or procure the payment to him of that sum in cash; and

- (b) if he has already paid the Company for those Shares, the Company shall return to him the amount so paid by him.

8.4 Share alternative

If the Committee so decides, the whole or any part of the sum payable under Rule 8.3 (*Payment of cash equivalent*) shall, instead of being paid to the Participant in cash, be applied on his behalf:

- (a) in subscribing for Shares at a price equal to the market value by reference to which the cash equivalent is calculated; or
- (b) in purchasing such Shares; or
- (c) partly in one way and partly in the other

and the Company shall allot or transfer to him (or his nominee) or procure the transfer to him (or his nominee) of the Shares so subscribed for or purchased.

8.5 Deductions

There shall be deducted from any payment under this Rule 8 such amounts (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.

9. LAPSE OF AWARDS

An Award will lapse:

- (a) in accordance with the Rules; or
- (b) to the extent it is no longer capable of Vesting under these Rules.

10. HOLDING PERIOD

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

Subject to Rule 10.2 (*Permitted transfers during the Holding Period*), each Participant to which this Rule applies agrees:

- (a) to hold their Net Vested Shares during the Holding Period applying to those Shares in accordance with such terms and conditions that the Committee may impose and determine from time to time, which may include their Net Vested Shares being held by a nominee appointed by the Company on their behalf;
- (b) not to sell, transfer, assign or dispose of any interest in their Net Vested Shares until the expiry of the Holding Period applying to those Shares;
- (c) that if they acquire any further Shares by virtue of their holding of Net Vested Shares during the Holding Period those newly acquired Shares shall also be held subject to the terms of this Rule 10 (*Holding Period*) as they apply to the original Net Vested Shares until the expiry of the Holding Period unless the Committee, in its discretion, determines otherwise; and
- (d) to enter into any other document required by the Committee from time to time to give effect to the restrictions under this Rule 10 (*Holding Period*), including any elections required in accordance with Rules 5.3(d) and/or 7.2(d).

10.2 Permitted transfers during the Holding Period

The Committee may, in its discretion, allow a Participant to sell, transfer, assign or dispose of some or all of their Net Vested Shares before the end of the Holding Period, subject to:

- (a) any additional terms and conditions that the Committee may specify; and
- (b) any requirements of the Remuneration Policy.

10.3 Expiry of the Holding Period

The Holding Period shall expire on the earliest of:

- (a) the end of the period specified by the Committee under ~~Rule 3.1 (Terms of grant)~~ Rule 3.2 (Committee determinations);
- (b) a date of notification referred to under any of Rules 12.1 to 12.3 (*Corporate events*) (excluding the replacement of Awards under Rule 12.4 (*Internal reorganisations*));
- (c) the death of the Participant; or
- (d) such other date determined by the Committee, in its discretion.

Net Vested Shares shall cease to be subject to any restrictions under this Rule 10 (*Holding Period*) once the Holding Period has expired. If necessary, as soon as reasonably practicable following the expiry of the Holding Period the Board shall transfer or procure the transfer of the legal title for the Net Vested Shares and any documents of title relating to those Net Vested Shares to the Participant or their nominee as relevant.

11. LEAVERS

11.1 Former employees – Deferred Share Bonus Awards

Unless otherwise determined by the Committee at the Grant Date, the terms of this Rule 11 will not apply to a Deferred Share Bonus Award granted to a Participant who is a former employee (as set out in Rule 2(b) (Eligibility)) on the Grant Date of the relevant Deferred Share Bonus Award.

11.1.2 Good leavers – before Normal Vesting Date

If a Participant ceases to be a director or employee of a Group Member before the Normal Vesting Date by reason of:

- (a) death;
- (b) injury, disability or ill-health (in each case evidenced to the Committee's satisfaction);
- (c) redundancy (as defined in the Employment Rights Act 1996 or equivalent legislation in the jurisdiction in which the Participant was employed);
- (d) Retirement;
- (e) his employment being with either a company which ceases to be a Group Member or relating to a business or part of a business which is transferred to a person who is not a Group Member; or

- (f) for any other reason, if the Committee so decides (except in circumstances of the Participant's gross misconduct or summary dismissal)

then:

- i) the Award shall be retained until the Normal Vesting Date and the Committee shall apply Rule ~~41.4~~11.5 (*Leavers: reduction in number of Vested Shares*) to determine the number of Vested Shares, following which it may Vest (and in the case of an Option be exercised) in respect of the number of Vested Shares so determined (subject to Rule 5.3 (*Restrictions on Vesting*)), and in the case of an Option the period for exercise will be 12 months from the Normal Vesting Date and (subject to earlier lapse under Rule 12 (*Corporate events*)) the Option will lapse at the end of that period; **unless**
- ii) the Committee decides in exceptional circumstances that the date of cessation will be an Early Vesting Date in which case Rule ~~41.4~~11.5 (*Leavers: reduction in number of Vested Shares*) shall apply to determine the number of Vested Shares in respect of which the Award shall Vest and in the case of an Option may be exercised, and the period of exercise for such Option will be 12 months from the Early Vesting Date (subject to earlier lapse under Rule 12 (*Corporate events*)), and the Option will lapse at the end of that period.

11.211.3 Cessation of employment in other circumstances before the Normal Vesting Date

If a Participant ceases to be a director or employee of a Group Member before the Normal Vesting Date for any reason other than those specified in Rule ~~41.4~~11.2 (*Good leavers*) then any Award held by him shall lapse immediately on such cessation.

If an individual ceases to be a director or employee of a Group Member before the Normal Vesting Date in accordance with this Rule ~~41.2~~11.3 but after an event mentioned in Rules 12.1 to 12.3, then (unless the reason for leaving is the individual's misconduct) the Award shall not lapse and the provisions of Rule 12 shall take precedence over this Rule ~~41.2~~11.3.

11.311.4 Cessation of employment after Normal Vesting Date

Where a Participant ceases to be a director or employee of a Group Member after the Normal Vesting Date and he holds a Vested but unexercised Option, then subject to Rule ~~41.3~~11.4(b) (and to earlier lapse under Rule 7.1(a) (~~10-year life of Options~~*Exercise period*) or Rule 12 (*Corporate events*)) either:

- (a) the Option may be exercised within 12 months of the date of such cessation, and thereafter it will lapse to the extent it remains unexercised; or
- (b) if the reason for such cessation is the Participant's dishonesty, fraud, misconduct or any other circumstances justifying summary dismissal (as reasonably determined by the Committee), his Option shall lapse immediately on such cessation.

11.411.5 Leavers: reduction in number of Vested Shares

Where an Award is retained by a Participant in accordance with Rule ~~41.4~~11.2 (*Good leavers*) after his ceasing to be a director or employee of a Group Member, the Committee shall determine the number of Vested Shares of that Award by the following steps:

- (a) applying any Performance Condition or Underpin Condition (and any other condition imposed on the Vesting of the Award); and
- (b) applying a pro rata reduction to the number of Vested Shares determined under Rule ~~41.4~~11.5(a) based on the period of time after the Grant Date and ending on the date of

cessation of employment relative to the period commencing on the Grant Date and ending on the Normal Vesting Date (which for the avoidance of doubt excludes any Holding Period)

unless the Committee, acting fairly and reasonably, decides that the reduction in the number of Vested Shares under Rule ~~11.4~~11.5(b) is inappropriate in any particular case when it shall increase the number of Vested Shares to such higher number as it decides provided that number does not exceed the number of Shares determined under Rule ~~11.4~~11.5(a).

If an Award Vests under any of Rules 12.1 to 12.3 when the holder of that Award has ceased to be a director or employee of a Group Member but that individual's Award has been retained in accordance with Rule ~~11.4~~11.2, then this Rule ~~11.4~~11.5 shall take precedence over Rule 12.5 in applying any pro rata reductions in calculating the number of Vested Shares.

If an individual ceases to be a director or employee of a Group Member after an event mentioned in Rules 12.1 to 12.3, then Rule 12.5 shall take precedence over this Rule ~~11.4~~11.5 in applying any pro rata reductions in calculating the number of Vested Shares.

11.511.6 Holding Period following cessation of employment

~~For the avoidance of doubt~~Unless the Committee determines otherwise, any Award which is subject to a Holding Period in accordance with Rule 10 (*Holding Period*) shall remain subject to such Holding Period following the cessation of employment of the Participant.

11.611.7 Meaning of ceasing employment

- (a) Subject to Rule ~~11.6(b)~~11.7(b), a Participant shall be treated for the purposes of this Rule 11 as ceasing to be a director or employee of a Group Member at such time as he is no longer a director or employee of any Group Member.
- (b) A Participant shall be treated as ceasing to be a director or employee of a Group Member on the day on which such Participant gives or is served notice to termination of his employment with a Group Member (whether or not such termination is lawful) unless:
 - (i) the reason for giving or receiving notice is one listed in Rule ~~11.4~~11.2 (*Good leavers*); or
 - (ii) the Committee determines, in its absolute discretion, that such Participant shall be treated as ceasing to be a director or employee of a Group Member at such time as he is no longer a director or employee of any Group Member.
- (c) If a Participant is suspended as an employee of a Group Member in accordance with the disciplinary procedures operated by such Participant's employer and is subsequently terminated, such Participant shall be treated as ceasing to be a director or employee of a Group Member on the date on which such suspension began unless the Committee in its absolute discretion determines otherwise.
- (d) If any Participant ceases to be a director or employee of a Group Member before the Vesting of his Award in circumstances where he retains a statutory right to return to work then he shall be treated as not having ceased to be such a director or employee until such time (if at all) as he ceases to have such a right to return to work while not acting as an employee or director.

12. CORPORATE EVENTS

12.1 General offers

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

- (a) obtains Control of the Company as a result of making a general offer to acquire Shares;
~~or~~
- (b) having obtained Control of the Company makes such an offer and such offer becomes unconditional in all respects; or
- ~~(b)~~(c) becomes entitled to acquire Shares under sections 979 to 982 or sections 983 to 985 of the Companies Act 2006.

the Board shall within 7 days of becoming aware of that event notify every Participant of it and, subject to Rule 12.4 (*Internal reorganisations*), the following provisions shall apply:

- (i) subject to Rule 5.3 (*Restrictions on Vesting*), Awards shall Vest on the date of such notification if they have not then Vested and Rule 12.5 (*Corporate events: reduction in number of Vested Shares*) shall apply; and
- (ii) any Option may be exercised in respect of Vested Shares within one month (or such longer period as the Board shall allow) of the date of such notification, but to the extent that an Option is not exercised within that period, that Option shall (regardless of any other provision of the Plan, other than earlier lapse under Rule 7.1(a) (~~10-year life of Options~~Exercise period) or Rule 11 (*Leavers*)) lapse at the end of that period.

12.2 Schemes of arrangement and winding up

In the event that:

- (a) a compromise or arrangement is sanctioned by the Court under sections ~~899~~ or 901F of the Companies Act 2006 in connection with or for the purposes of a change in Control of the Company; or
- (b) the Company passes a resolution for a voluntary winding up of the Company

the Board shall, as soon as practicable, notify every Participant of that event and, subject to Rule 12.4 (*Internal reorganisations*), the following provisions shall apply:

- (i) subject to Rule 5.3 (*Restrictions on Vesting*), all Awards shall Vest on the date of such notification if they have not then Vested and Rule 12.5 (*Corporate events: reduction in number of Vested Shares*) shall apply; and
- (ii) any Option may be exercised in respect of Vested Shares within one month (or such longer period as the Board shall allow) of such notification, but to the extent that an Option is not exercised within that period, that Option shall (regardless of any other provision of the Plan, other than earlier lapse under Rule 7.1(a) (~~10-year life of Options~~Exercise period) or Rule 11 (*Leavers*)) lapse at the end of that period.

If the Board considers it appropriate in connection with a compromise or arrangement as referred to in Rule 12.2-(a), it may make such arrangements as it considers appropriate for Awards to Vest and for Options to be exercised following sanction of the compromise or arrangement by the Court but before the change of Control of the Company becomes effective.

12.3 Demerger and similar events

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

- (a) the Committee shall, as soon as reasonably practicable after deciding to apply these provisions, notify a Participant that, subject to earlier lapse under Rule 11 (*Leavers*), his Award Vests and, if relevant, his Option may be exercised in relation to Vested Shares on such terms as the Committee may determine and during such period preceding the Relevant Event or on the Relevant Event as the Committee may determine;
- (b) if an Award Vests, or an Option is exercised, conditional upon 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
- (c) if the Committee decides that an Award Vests under this Rule 12.3 then the date of that Vesting shall be the Early Vesting Date and the provisions of Rule 12.5 (*Corporate events: reduction in number of Vested Shares*) shall apply.

12.4 Internal reorganisations

In the event that:

- (a) a company (the "**Acquiring Company**") is expected to obtain Control of the Company as a result of an offer referred to in Rule 12.1 (*General offers*) or a compromise or arrangement referred to in Rule 12.2(a) (*Schemes of arrangement and winding up*); and
- (b) at least 75% of 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 in the Company

then the Committee, with the consent of the Acquiring Company, may decide before the obtaining of such Control that an Award shall not Vest under Rules 12.1 or 12.2 but shall be automatically surrendered in consideration for the grant of a new award which the Committee determines is equivalent to the Award it replaces except that it will be over shares in the Acquiring Company or some other company.

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

12.5 Corporate events: reduction in number of Vested Shares

Where any of Rules 12.1 to 12.3 apply the Committee shall determine the number of Vested Shares for an Award that has not then Vested by the following steps:

- (a) applying any Performance Condition or Underpin Condition (and any other condition imposed on the Vesting of the Award) to determine the number of Vested Shares; and
- (b) by applying a pro rata reduction to the number of Vested Shares determined under Rule 12.5(a) based on the period of time after the Grant Date and ending on the Early Vesting Date relative to the period after the Grant Date and ending on the Normal Vesting Date (which for the avoidance of doubt excludes any Holding Period)

unless the Committee, acting fairly and reasonably, decides that the reduction in the number of Vested Shares under Rule 12.5(b) is inappropriate in any particular case when it shall increase

the number of Vested Shares to such higher number as it decides provided that number does not exceed the number of Vested Shares determined under Rule 12.5(a).

12.6 Concert parties

For the purposes of this Rule 12, a person shall be deemed to have Control of the Company where he and any others "acting in concert" (as defined in The City Code on Takeovers and Mergers) with him together have Control of the Company.

13. MALUS AND CLAWBACK

13.1 Circumstances and period for Malus and Clawback

The Committee may decide:

- i. at any time prior to the date on which an Award Vests that an ~~un~~Unvested Award shall be subject to Malus; and/or
- ii. at any time prior to the third anniversary of the date that an Award Vests, that the individual to whom the Award was granted (the "**relevant individual**") shall be subject to Clawback,

if both:

- i. after due consideration, the Committee forms the view that one or more of the circumstances envisaged in (a) to (e)¹ below applies; and
- ii. such Malus and/ or Clawback is, in the Committee's opinion, appropriate.

The Committee shall not be obliged to prefer the application of Malus over Clawback or vice versa.

The circumstances which may give rise to the application of this Rule 13 are:

- (a) the relevant individual ceases to be a director or employee of a Group Member (as defined in Rule ~~11.6~~11.7 (*Meaning of ceasing employment*)) as a result of gross misconduct on the part of that individual or it is discovered that the relevant individual committed one or more acts which, in the reasonable opinion of the Committee, could have resulted in the summary dismissal from his employment by reason of his gross misconduct; or
- (b) there was a material misstatement of a Group Member's financial results for any period in which the relevant individual was: (i) a Participant in the Plan and/or (ii) a participant in a bonus scheme to which a Deferred Share Bonus Award relates; or
- (c) the Committee forms the view that in calculating or determining the value of an Award (including a bonus to which a Deferred Share Bonus Award relates) or any other condition imposed on the Award (including in respect to the Bonus to which a Deferred Share Bonus Award relates) such assessment or calculation was based on an error and that such error resulted (or may result) either directly or indirectly in that Award Vesting to a greater degree than would have been the case had that error not been made; or
- (d) there are circumstances which in the Committee's opinion have (or would have if made public) a sufficiently significant impact on the reputation of any Group Member to justify the application of this Rule 13 and for the avoidance of doubt, such circumstances need

¹ Malus and Clawback may only apply to circumstances envisaged in Rule 13.1(e) in respect of Awards granted after ~~24 July 2020~~.

not relate to a financial year in which the relevant individual was a Participant in the Plan;
or

- (e) the Company becomes insolvent or otherwise suffers a corporate failure and the Committee determines that such circumstances arose from events occurring (in whole or substantial part) during any period in which the relevant individual was a Participant and, in determining whether to apply this Rule 13, the Committee shall have regard to the extent to which it considers that such Participant was involved (directly or through oversight) in such events.

13.2 Application of Malus

If the Committee decides to apply Malus, it may lapse any ~~un~~Unvested Awards in whole or part as it considers proportionate. If the Committee concludes that there may be circumstances existing which may lead to this provision being applied, it may defer the Vesting of an Award for up to 6 months while the position is investigated and the Committee considers whether to invoke this provision.

13.3 Amount Subject to Clawback

The amount which may be subject to Clawback on any occasion will be such proportion of the Pre-Clawback Vesting Amount as the Committee considers to be fair and reasonable having regard to all the circumstances.

13.4 Method of Clawback

In order to ensure that the Clawback is satisfied:

- (a) the Committee may reduce (including, if appropriate, reducing to zero) the amount of the next annual incentive or bonus (if any) which would, but for the operation of this Rule 13, be payable to the relevant individual under any annual incentive or bonus plan operated by any Group Member; and/or
- (b) the Committee may reduce (including, if appropriate, reducing to zero):
 - (i) the extent to which any subsisting Awards held by the relevant individual Vest notwithstanding the extent to which any Performance Condition, [Underpin Condition](#) and/or any other condition imposed on such Awards has been satisfied; and/or
 - (ii) the extent to which any rights to acquire Shares granted to the relevant individual under any employees' share plan (other than the Plan and any plan with tax-advantaged status under ITEPA) operated by any Group Member vest or become exercisable notwithstanding the extent to which any conditions imposed on such rights to acquire Shares have been satisfied; and/or
 - (iii) the number of Shares subject to any Vested but unexercised Option; and/or
 - (iv) the number of Shares subject to any vested but unexercised right to acquire Shares granted to the relevant individual under any employees' share plan (other than the Plan and any plan with tax-advantaged status under ITEPA) operated by any Group Member

and any reduction made pursuant to Rule 13.4(b)(i) and/or Rule 13.4(b)(ii) shall take effect immediately prior to the Award Vesting or the right vesting or becoming exercisable (as

applicable) (or at such other time as the Committee decides) and any reduction made pursuant to Rule 13.4(b)(iii) and/or Rule 13.4(b)(iv) shall take effect at such time as the Committee decides; and/or

- (c) the Committee may require the relevant individual to pay to such Group Member as the Committee may direct, and on such terms as the Committee may direct (including, but without limitation to, on terms that the relevant amount is to be deducted from the relevant individual's salary or from any other payment to be made to the relevant individual by any Group Member), such amount as is required for the Clawback to be satisfied in full.

The ability to make any reduction pursuant to Rule 13.4(b)(ii) and/or Rule 13.4(b)(iv) shall be subject to terms of the clawback provision in the relevant employees' share plan.

13.5 Reduction in Awards to give effect to clawback provisions in other plans

The Committee may decide at any time to reduce the number of Shares subject to an Award (including, if appropriate, reducing to zero) to give effect to a clawback provision of any form contained in any incentive plan (other than the Plan) or an annual incentive or bonus plan operated by any Group Member. The value of the reduction shall be in accordance with the terms of the clawback provision in the relevant plan or, in the absence of any such term, on such basis as the Committee decides is appropriate.

13.6 Participant acceptance

The Participant by participating in the Plan, accepts that this Rule 13 is a fair, reasonable and not excessive means of aligning his interests with those of shareholders.

13.7 General

- (a) For the avoidance of doubt, Rule 13 can apply even if the Participant was not responsible for the event in question or if it took place before the Vesting or grant of the Award.
- (b) This Rule 13 may be applied in different ways for different Participants in relation to the same or different events.
- (c) The Committee will notify the Participant of any adjustment under this Rule 13.
- ~~(a)~~(d) Without limiting Rule 16.1 (Employment), the Participant will not be entitled to any compensation in respect of the operation or purported operation of this Rule 13.

14. ADJUSTMENT OF AWARDS

14.1 General rule

In the event of:

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

the Committee may make such adjustments in such manner and with effect from such date as it considers appropriate under Rule 14.2 (*Method of adjustment*). The Committee shall notify Participants in such manner as it considers appropriate of any adjustment under this Rule 14.1.

14.2 Method of adjustment

An adjustment made under this Rule 14 shall be to one or more of the following:

- (a) the number of Shares comprised in an Award;
- (b) subject to Rule 14.3 (*Adjustment below nominal value*), the Option Price; and
- (c) where any Option has been exercised but no Shares have been transferred or allotted after such 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 Adjustment below nominal value

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:

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

15.1 General rule on alterations

Except as described in Rule 15.2 (*Shareholder approval*), Rule 15.4 (*Alterations to disadvantage of Participants*) and Rule 15.5 (*Alterations to Performance Conditions or Underpin Conditions*) the Committee may at any time alter the Plan or the terms of any Award.

15.2 Shareholder approval

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

- (a) eligibility;
- (b) the individual limits on participation;
- (c) the overall limits on the issue of Shares or the transfer of treasury Shares;
- (d) the basis for determining a Participant's entitlement to, and the terms of, Shares or cash provided under the Plan;
- (e) the adjustments that may be made in the event of any variation of capital; and
- (f) the terms of this Rule 15.2 or Rule 15.3

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

15.3 Exceptions to shareholder approval

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

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

15.4 Alterations to disadvantage of Participants

No alteration to the material disadvantage of Participants shall be made under Rule 15.1 unless:

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

15.5 Alterations to Performance Conditions or Underpin Conditions

The Committee may alter the Performance Conditions or Underpin Conditions without prior shareholder approval if:

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

15.6 International

The Committee may, in respect of eligible individuals (as determined under Rule 2 (*Eligibility*)) who are or who may become subject to taxation outside the United Kingdom on their remuneration, establish such plans or sub-plans based on the Plan but subject to such modifications as the Committee determines to be necessary or desirable to take account of or to mitigate or to comply with relevant overseas taxation, securities or exchange control laws, provided that the terms of awards made under such plans or sub-plans are not overall more favourable than the terms of Awards made under the Plan and provided that awards made, and shares issued, pursuant to such plans or sub-plans shall count towards the limits set out in Rule 4 (*Limits*).

16. MISCELLANEOUS

16.1 Employment

The rights and obligations of any individual under the terms of his employment with any Group Member shall not be affected by his participation in the Plan or any right which he may have to participate in it. An individual who participates in the Plan waives any and all rights to compensation or damages in consequence of the termination of his employment for any reason whatsoever (and whether or not such termination is lawful or unlawful) insofar as those rights arise or may arise from him ceasing to have rights under an Award as a result of such termination.

Participation in the Plan shall not confer a right to continued employment upon any individual who participates in it. The grant of any Award does not imply that any further Award will be granted nor that a Participant has any right to receive any further Award.

16.2 Disputes

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

16.3 Exercise of powers and discretions

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

Each Group Member shall be entirely free to conduct its affairs as it sees fit without regard to any consequences under, upon or in relation to this Plan or any Award or Participant.

16.4 Employee trust

The Company and any Subsidiary of the company may provide money to the trustee of any employee benefit trust or any other person to enable them to acquire Shares to be held for the purposes of the Plan, or enter into any guarantee or indemnity for those purposes, to the extent permitted by Section 682 of the Companies Act 2006 and/or any other applicable law.

16.416.5 Share rights

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

Subject to Rule 10 (*Holding Period*), where Vested Shares are transferred to Participants (or their nominee), Participants will be entitled to all rights attaching to such Shares by reference to a record date on or after the date of such transfer.

16.516.6 Notices

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

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

In the case of service by post, the day of service will be 48 hours after posting and in the case of electronic communication the day of service will be the day of transmission by the sender.

16.616.7 Third parties

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

16.716.8 Benefits not pensionable

Benefits provided under the Plan shall not be pensionable.

16.816.9 Data protection

~~The basis for any processing of personal information about the Participant under the EU's General Data Protection Regulation (2016/679) (or any successor laws) is set out in~~ For the purpose of operating the Plan, the Company will collect and process information relating to Participants (and any eligible individuals under Rule 2) in accordance with the employee privacy notice which is available ~~on the Company intranet~~.

The employee privacy notice also contains details about how the Participant's personal information is processed and the Participant's rights in relation to that information. The Participant has a right to review the employee privacy notice.

16.916.10 Consistency with Remuneration Policy

Nothing in these rules or the terms of any Award will oblige a Group Member or any other person to make any remuneration payment or payment for loss of office which would be in breach of the Remuneration Policy.

The Company will not be obliged to seek the approval of its shareholders in general meeting for any such payment but may make such changes as are necessary or desirable to the terms of any payment to ensure that it is not in breach of the Remuneration Policy.

16.1016.11 Governing law

The Plan and all Awards shall be governed by and construed in accordance with the law of England and Wales and the Courts of England and Wales have exclusive jurisdiction to hear any dispute.

APPENDIX - CASH CONDITIONAL AWARDS

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

1. The Committee may grant or procure the grant of a Cash Conditional Award.
2. Each Cash Conditional Award shall relate to a given number of notional Shares.
3. On the Vesting of the Cash Conditional Award the holder of that Cash Conditional Award shall be entitled to a cash sum which shall be equal to the "Cash Value" of the notional Vested Shares, where the Cash Value of a notional Share is the market value of a Share on the date of Vesting of the Cash Conditional Award. For the purposes of this Appendix, the market value of a Share on any day shall be determined in accordance with Rule 8.2 (*Cash equivalent*).
4. Rule 8.5 (*Deductions*) shall apply to any sum payable under paragraph 3 above.
- 4.5. For the avoidance of doubt, a Cash Conditional Award shall not confer any right on its holder to receive Shares or any interest in Shares.