
Rules of the Essentra plc 2024 Deferred Bonus Plan

Adopted by the board of directors on [●] 2024

Expiry date [●] 2034

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The Essentra plc 2024 Deferred Bonus Plan

1. Definitions and Interpretation

1.1 In this Plan, unless otherwise stated, the words and expressions below have the following meanings:

“Award” means a Conditional Award or a Nil-Cost Option;

“Board” means, subject to rule 11.7, the board of the Company or any committee or person duly authorised by the board, or any duly appointed successor body;

“Bonus” means the bonus (if any) earned by an Eligible Employee in respect of the immediately preceding financial year;

“Company” means Essentra plc registered in England and Wales under number 05444653;

“Conditional Award” means a right to receive Shares automatically at no cost subject to the rules of the Plan;

“Control” has the meaning given by section 995 of the Income Tax Act 2007;

“Dealing Day” means any day on which the London Stock Exchange is open for business;

“Dealing Restrictions” means restrictions imposed by the Company’s share dealing code, the Listing Rules, the MAR or any other laws or regulations that impose restrictions on share dealing;

“Deferred Bonus” means the amount of Bonus which is to be delivered in the form of an Award;

“Eligible Employee” means an employee or former employee (including in each case an executive director) of the Company or any of its Subsidiaries;

“FCA” means the United Kingdom Financial Conduct Authority, or any successor body;

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

“Grant Period” means the period of 42 days beginning on:

- (a) the day on which the Plan is approved by shareholders in general meeting;
- (b) the first Dealing Day after the day on which the Company makes an announcement of its results for any period;
- (c) the day on which the Policy is approved by shareholders; or
- (d) any day on which the Board resolves that exceptional circumstances exist which justify the grant of Awards,

unless the Company is restricted from granting Awards during the periods specified above as a result of any Dealing Restrictions, in which case the

relevant Grant Period will be 42 days beginning on the day after such Dealing Restrictions are lifted;

“Group Member” means the Company, any Subsidiary of the Company, any company that is (within the meaning given by section 1159 of the Companies Act 2006) the Company’s holding company or a Subsidiary of the Company’s holding company or, if the Board so determines, any body corporate in relation to which the Company is able to exercise at least 20% of the equity voting rights and **“Group”** will be construed accordingly;

“Internal Reorganisation” means where immediately after a change of Control of the Company, all or substantially all of the share capital of the acquiring company is owned directly or indirectly by the persons who were shareholders in the Company immediately before the change of Control;

“Listing Rules” means the FCA’s listing rules, as amended from time to time;

“MAR” means the EU Market Abuse Regulation 596/2014 and any associated EU Regulation to the extent each is incorporated into the law of the United Kingdom by virtue of section 3 of the European Union (Withdrawal) Act 2018 and as amended by any instrument related to their incorporation into the law of the United Kingdom;

“Nil-Cost Option” means a right to acquire Shares subject to the rules of the Plan for nil cost or for a Nominal Exercise Price;

“Nominal Exercise Price” means an exercise price per Share equal to the nominal value of a Share from time to time;

“Participant” means any person who holds an Award or following their death, their personal representatives;

“Plan” means the Essentra plc 2024 Deferred Bonus Plan as amended from time to time;

“Policy” means the Company’s directors’ remuneration policy that has most recently been approved by the Company’s shareholders;

“Recovery Period” means subject to rule 6.6, such period as the Board determines on or before the Grant Date and notified to Participants under rule 2.5;

“Relevant Liability” means any tax, social security contributions, levy, charge or other payroll deductions required by law arising out of or in connection with an Award for which the Participant is liable (or which may be recovered from the Participant) and for which any Group Member or former Group Member is obliged to pay or account to any relevant authority, or any reasonable estimate thereof;

“Share” means a fully paid ordinary share in the Company;

“Shareholding Requirement” means any requirement, guideline or policy determined by the Board from time to time pursuant to which a person must hold Shares either during their office or employment with a Group Member or following their ceasing to hold office or employment with a Group Member;

“Subsidiary” has the meaning given by section 1159 of the Companies Act 2006;

“Trustee” the trustee or trustees for the time being of any employee benefit trust, the beneficiaries of which include Eligible Employees;

“Vest” means:

- (i) in relation to a Conditional Award, the point at which a Participant becomes entitled to receive the Shares; and
- (ii) in relation to a Nil-Cost Option, the point at which it becomes capable of exercise,

under the rules of the Plan and any other term of the Award, and **“Vesting”** and **“Vesting Date”** will be construed accordingly.

1.2 References in the Plan to:

1.2.1 any statutory provisions or to regulations are to those provisions or regulations as amended or re-enacted from time to time;

1.2.2 the singular include the plural and vice versa; and

1.2.3 the masculine include the feminine and vice versa.

1.3 Headings do not form part of the Plan.

2. Grant of Awards

2.1 The Board may, during a Grant Period, grant an Award to an Eligible Employee.

2.2 An Award will be granted over such number of Shares as have at the Grant Date a market value (as determined by the Board) that is as nearly as is possible equal to the Deferred Bonus.

2.3 An Award may be subject to such additional terms as the Board may determine, which may include without limitation restrictions on the disposal of some or all of the Shares acquired pursuant to an Award for such period as the Board may determine and that any Shares so restricted may be forfeited if the Participant ceases to hold office or employment with a Group Member during such period on account of gross misconduct. The Board may make the Vesting of an Award or exercise of a Nil-Cost Option conditional on the Participant taking any action (including entering into any agreement) reasonably required by the Board in relation to such additional terms.

2.4 The grant of an Award will be subject to obtaining any approval required by the FCA (or other relevant authority), any Dealing Restrictions and any other laws or regulations (whether in the UK or overseas).

2.5 Awards must be granted by deed (or in such other written form as the Board determines) and, as soon as reasonably practicable after the Grant Date, Participants must be notified of the terms of their Award including the Vesting Date, Recovery Period and any additional terms imposed by the Board in accordance with rule 2.3 and, in the case of a Nil-Cost Option, whether it has a Nominal Exercise Price.

- 2.6 A Participant may be required to accept an Award in such form as the Board reasonably requires and, if the Board has not received (or waived the right to require) such acceptance on or before the date that is three months after the Grant Date:

2.6.1 the Award may not Vest; and/or

2.6.2 the Board may determine that the Award will lapse.

- 2.7 No Award may be granted under the Plan after the tenth anniversary of the date on which the Plan was approved by shareholders.

3. Restrictions on Transfer and Bankruptcy

- 3.1 An Award must not be transferred, assigned, charged or otherwise disposed of in any way (except in the event of the Participant's death, to their personal representatives) and will lapse immediately on any attempt to do so.

- 3.2 An Award will lapse immediately if the Participant is declared bankrupt or, if the Participant is outside the UK and any analogous event occurs.

4. Dividend Equivalents

- 4.1 The Board may decide before the delivery of Shares in satisfaction of an Award, that the Participant will receive an amount (in cash and/or additional Shares) equal in value to any dividends that would have been paid on those Shares on such terms and over such period (ending no later than the Vesting Date) as the Board may determine. This amount may assume the reinvestment of dividends (on such basis as the Board may determine) and may normally include special dividends.

5. Plan Limits

- 5.1 The Board must not grant an Award that would cause the number of Shares allocated under the Plan and under any other employee share plan adopted by the Company to exceed such number as represents ten per cent of the ordinary share capital of the Company in issue.

- 5.2 The Board must not grant an Award that would cause the number of Shares allocated on a discretionary basis under the Plan and under any other employee share plan adopted by the Company to exceed such number as represents five per cent of the ordinary share capital of the Company in issue.

- 5.3 Subject to rules 5.4 and 5.5, in determining the limits set out in rules 5.1 and 5.2, Shares are treated as allocated if, on any day, they have been newly issued by the Company or transferred from treasury to satisfy an option, award or other right granted during the period of ten years before that day (an "**award**"), or in the case of such an award in respect of which Shares are yet to be delivered, if the Board intends that new Shares will be issued or that Shares from treasury will be transferred and for these purposes the number of Shares allocated includes:

5.3.1 Shares that have been issued or may be issued to any Trustee; and

5.3.2 Shares that have been or may be transferred from treasury to any Trustee,

and in either case for the Trustee to then transfer to satisfy an award (unless these Shares have already been counted under this rule).

- 5.4 The Board may determine that Shares transferred from treasury will cease to count as allocated for the purposes of rule 5.3 if guidelines published by institutional investor representative bodies no longer require such Shares to be counted.
- 5.5 The number of Shares allocated does not include:
 - 5.5.1 Shares that were allocated to satisfy awards to the extent that such awards have lapsed, been relinquished or been satisfied in cash; and
 - 5.5.2 existing Shares (other than treasury Shares) that have been transferred to satisfy awards or that have been allocated to satisfy awards.
- 5.6 If the Board purports to grant one or more Awards that are inconsistent with the limits in this rule 5, each such Award will be reduced as determined by the Board and will take effect from the Grant Date over the reduced number of Shares.
- 5.7 The Board may make such adjustments to the method of assessing the limits set out in rules 5.1 and 5.2 as it considers appropriate in the event of any variation of the Company's share capital.

6. Reduction and Recovery

- 6.1 Notwithstanding any other rule of the Plan, this rule 6 applies to each Award and will continue to apply after the cessation of a Participant's office or employment with a Group Member for any reason, whether or not any termination is lawful.

Action that may be taken to give effect to reduction and recovery provisions

- 6.2 The Board may, where rule 6.4, or 6.5 applies:
 - 6.2.1 impose further conditions on an Award; and/or
 - 6.2.2 reduce (including to nil) the number of Shares to which an Award relates,at any time before the end of the Recovery Period in respect of such Award.
- 6.3 If Shares and/or cash have been delivered in satisfaction of an Award, the Board may, where rule 6.4 applies:
 - 6.3.1 require a Participant to make a cash payment to the Company in respect of some or all of the Shares or cash delivered to them under the Award; and/or
 - 6.3.2 require a Participant to transfer for nil consideration some or all of the Shares delivered to them under the Award,

at any time before the end of the Recovery Period in respect of an Award, and the Board will determine the basis on which the amount of cash or Shares is calculated including whether and if so to what extent to take account of any tax or social security liability applicable to the Award.

Triggers

- 6.4 The Board may take any of the actions set out in rule 6.2 or 6.3 if the Board determines that any of the following circumstances have occurred or exist before the end of the Recovery Period:
- 6.4.1 a material misstatement of any Group Member's financial results;
 - 6.4.2 an error in assessing the quantum of the Participant's Bonus or in the information, calculations or assumptions on which the Award was granted;
 - 6.4.3 a material failure of risk management in any Group Member or a relevant business unit;
 - 6.4.4 serious reputational damage to any Group Member or a relevant business unit;
 - 6.4.5 serious misconduct or material error on the part of the Participant;
 - 6.4.6 a material corporate failure in any Group Member or a relevant business unit; or
 - 6.4.7 any other circumstances that the Board considers to be similar in their nature or effect to those in this rule 6.4.

Cross-clawback

- 6.5 The Board may take any of the actions set out in rule 6.2 in order to effect the recovery of sums paid or Shares delivered under any malus or clawback provisions that are included in any incentive plan (including the Plan) operated by any Group Member.

Other provisions relating to reduction and recovery provisions

- 6.6 If the action or conduct of any Participant, Group Member or relevant business unit is under investigation by the Company, or the Company has been notified by a third party that an investigation into such action or conduct has begun, before the end of the Recovery Period and such investigation has not been or is not expected to be concluded by that date, the Board may extend the Recovery Period to end on such later date as the Board considers appropriate to allow such investigation to be concluded.
- 6.7 For the purposes of this rule 6, references to:
- 6.7.1 a Participant include former Participants; and
 - 6.7.2 a Group Member or a relevant business unit include any former Group Member or former business unit.

7. Vesting, Exercise and Settlement

- 7.1 Subject to rules 8, 10 and 11, an Award will Vest on the Vesting Date unless:
- 7.1.1 a Dealing Restriction applies to the Participant, in which case the Award will Vest on the date on which such Dealing Restriction lifts; or

- 7.1.2 the action or conduct of any Participant, Group Member of relevant business unit is under investigation pursuant to rule 6 and such investigation has not yet been concluded by that date, in which case the Award will Vest on such later date considers appropriate to allow such investigation to be concluded.
- 7.2 Subject to rules 8, 10 and 11, a Vested Nil-Cost Option may be exercised until the tenth anniversary of the Grant Date (or such earlier date as the Board may determine on or before the Grant Date) in such manner as the Board determines, after which time it will lapse. To exercise a Nil-Cost Option with a Nominal Exercise Price, the Participant must, unless the Board decides to waive the requirement to pay the Nominal Exercise Price, pay the Nominal Exercise Price to the Company or enter into arrangements acceptable to the Board to pay the Nominal Exercise Price.
- 7.3 Subject to rules 8 and 9, where a Conditional Award has Vested or a Nil-Cost Option has been exercised, the number of Shares in respect of which the Award has Vested or has been exercised together with any additional Shares or cash to which a Participant becomes entitled under rule 4 will be issued, transferred or paid (as applicable) to the Participant within 30 days thereafter.
- 7.4 Any costs associated with the delivery of Shares to satisfy an Award (including any stamp duty or stamp duty reserve tax) will be borne by the Company (or another Group Member). Any costs associated with the sale of Shares acquired pursuant to an Award (including on any sale pursuant to rule 8) will be borne by the Participant.

8. Relevant Liabilities and Regulatory Issues

- 8.1 A Participant will be responsible for and indemnifies each relevant Group Member and the Trustee against any Relevant Liability relating to their Award. Any Group Member and/or the Trustee may:
 - 8.1.1 withhold from any amounts due to the Participant (to the extent that such withholding is lawful) an amount not exceeding such Relevant Liability; or
 - 8.1.2 make any other arrangements as it considers appropriate to ensure recovery of the Relevant Liability, which may include the sale of Shares acquired and using the proceeds to meet the Relevant Liability, or the cash settlement under rule 9 of part of the Award.
- 8.2 The Vesting of an Award, the exercise of a Nil-Cost Option and the issue or transfer of Shares under the Plan will be subject to obtaining any approval required by the FCA (or any other relevant authority), any Dealing Restrictions or any other laws or regulations (whether in the UK or overseas).
- 8.3 The Board may make the delivery of any Shares on the Vesting of a Conditional Award or the exercise of a Nil-Cost Option conditional on the Participant taking any action (including entering into any agreement) in relation to those Shares reasonably required by the Board in connection with any Shareholding Requirement.

9. Cash Equivalent

9.1 Subject to rule 9.2, at any time before Shares have been delivered to a Participant to satisfy an Award, the Board may determine that, in substitution for their right to acquire some or all of those Shares, the Participant will instead receive a cash sum equal to:

9.1.1 in the case of a Conditional Award, the market value (as determined by the Board) on the Vesting Date of the Shares that would otherwise have been delivered; and

9.1.2 in the case of a Nil-Cost Option, the market value (as determined by the Board) on the date of exercise of the Shares that would otherwise have been delivered less any Nominal Exercise Price, and

any such cash sum will be paid to the Participant within 30 days after the Vesting of the Conditional Award or the exercise of the Nil-Cost Option, net of any Relevant Liability.

9.2 The Board may determine that this rule 9 will not apply to an Award or any part of it.

10. Cessation of Employment

Cessation of employment before the Vesting Date – default position

10.1 If a Participant ceases to hold office or employment with a Group Member before the Vesting Date other than in accordance with rule 10.2 or on account of their death, that Award will lapse on the date of such cessation.

Cessation of employment before the Vesting Date – good leaver

10.2 If a Participant ceases to hold office or employment with a Group Member before the Vesting Date as a result of:

10.2.1 ill-health, injury, disability or redundancy as established to the satisfaction of the Board;

10.2.2 the Participant's employing company ceasing to be a Group Member or the transfer of an undertaking or part of an undertaking to a person who is not a Group Member; or

10.2.3 any other reason (other than gross misconduct, in which case that Award will lapse on the date of such cessation) as the Board may determine,

then the Award will normally continue pursuant to the Rules of the Plan and Vest on the Vesting Date, unless the Board determines that the Award should Vest earlier.

Death

10.3 If a Participant ceases to hold office or employment with a Group Member as a result of their death then, unless the Board determines otherwise, an Award which has not Vested at the date of their death will Vest in full as soon as is practicable thereafter.

Period of exercise of a Nil-Cost Option

- 10.4 If a Participant ceases to hold office or employment with a Group Member other than as a result of their dismissal for gross misconduct, a Nil-Cost Option which had Vested prior to the date of cessation, or which Vests on or after cessation, may, subject to rule 11 and 10.6, be exercised during the period of six months from the later of the date of: (i) the Participant's cessation of office or employment; and (ii) the date on which the Award Vests, or such other period as determined by the Board, after which time it will lapse.
- 10.5 If a Participant dies, a Nil-Cost Option which had Vested prior to the date of death, or which Vests on or after death, may, subject to rule 11, be exercised during the period of 12 months from the later of the date of: (i) death; and (ii) the date on which the Award Vests, or such other period as determined by the Board, after which time it will lapse.

Meaning of cessation of employment

- 10.6 For the purposes of the Plan, no person will be treated as ceasing to hold office or employment with a Group Member until that person no longer holds:

10.6.1 an office or employment; or

10.6.2 a right to return to an office or employment

with any Group Member, unless the Board determines that a person will be treated as ceasing to hold office or employment with a Group Member on an earlier date, not being earlier than the date such person gives or receives notice of termination of office or employment.

Leavers – shareholding requirement

- 10.7 The Board may determine that any Award held by a Participant after they have ceased to hold office or employment with a Group Member will lapse if the Participant fails to abide by any applicable Shareholding Requirement.

11. Corporate events

General offer and scheme of arrangement

- 11.1 Where any of the events described in rule 11.2 occurs, subject to rule 11.5:

11.1.1 all Awards will Vest at the time of such event; and

11.1.2 all Nil-Cost Options will (whether they have Vested under this rule 11.1 or earlier) lapse after a period of one month (or such other period as the Board may determine) from the date of the relevant event.

- 11.2 The events referred to in rule 11.1 are:

11.2.1 any person (either alone or together with any person acting in concert with them):

- (a) obtaining Control of the Company as a result of making a general offer to acquire Shares; or
- (b) already having Control of the Company, making an offer to acquire all of the Shares other than those which are already owned by them,

and such offer becoming wholly unconditional; and

- 11.2.2 a compromise or arrangement in accordance with either section 899 or 901F of the Companies Act 2006 for the purposes of a change of Control of the Company, being sanctioned by the Court.

Winding up

- 11.3 On the passing of a resolution for the voluntary winding-up or the making of an order for the compulsory winding up of the Company, the Board will determine:

- 11.3.1 whether and to what extent Awards will Vest; and
- 11.3.2 the period of time during which any Nil-Cost Option (whether it has Vested under rule 11.3.1 or earlier) may be exercised after which time it will lapse.

To the extent that an Award does not Vest it will lapse immediately.

Other events

- 11.4 If the Company is or may be affected by any variation of the share capital of the Company, a demerger, delisting, special dividend or other event that, in the opinion of the Board, may materially affect the current or future value of Shares, the Board may determine:

- 11.4.1 that an Award will Vest on such terms and to such extent as the Board may determine; and
- 11.4.2 the period of time during which any Nil-Cost Option (whether it Vested under rule 11.4.1 or earlier) may be exercised, after which time it will lapse.

To the extent that an Award does not Vest it will lapse immediately, unless the Board determines otherwise.

Exchange

- 11.5 An Award will not Vest or lapse under this rule 11 but will be exchanged for a new award that, in the opinion of the Board, is equivalent to the Award, to the extent that:

- 11.5.1 an offer to exchange the Award is made and accepted by a Participant;
- 11.5.2 there is an Internal Reorganisation, unless the Board determines otherwise; or
- 11.5.3 the Board decides (before the relevant event) that an Award will be exchanged.

The new award may be over shares in and/or other securities issued by a different company (whether an acquiring company or a different company) and/or a right to receive a cash amount.

- 11.6 If an Award is exchanged under rule 11.5, the rules of this Plan will be construed in relation to the new award (the “**New Award**”) as if:

- 11.6.1 the New Award was an Award granted under the Plan at the same time as the Award;

- 11.6.2 references to the Company were references to the company whose shares and/or other securities are subject to the New Award; and
- 11.6.3 references to Shares were references to shares and/or other securities that are the subject of the New Award.

Meaning of Board

- 11.7 Any reference to the Board in this rule 11 means the members of the Board immediately before the relevant event.

12. Adjustments

- 12.1 The number of Shares subject to an Award may be adjusted in such manner as the Board determines, in the event of:
 - 12.1.1 any variation of the share capital of the Company; or
 - 12.1.2 a demerger, delisting, special dividend or other event that may, in the opinion of the Board, affect the current or future value of Shares.

13. Amendments

- 13.1 Except as described in this rule 13, the Board may amend the rules of the Plan or the terms of any Award.
- 13.2 Subject to rule 13.3, no amendment to the advantage of Eligible Employees and/or Participants may be made under this rule 13 to the provisions relating to:
 - 13.2.1 the persons to whom, or for whom, Shares or cash are provided under the Plan;
 - 13.2.2 limitations on the number or amount of Shares or cash subject to the Plan;
 - 13.2.3 the maximum entitlement for any one Participant;
 - 13.2.4 the basis for determining a Participant's entitlement to, and the terms of, Shares or cash to be provided under the Plan;
 - 13.2.5 the adjustments that may be made in the event of a variation of capital; and
 - 13.2.6 the terms of this rule 13.2without prior approval of the shareholders of the Company in general meeting.
- 13.3 Rule 13.2 will not apply to any minor amendment that is to benefit the administration of the Plan or is necessary or desirable to take account of any change in legislation or to obtain or maintain favourable taxation, exchange control or regulatory treatment for any Group Member, Eligible Employee or Participant.
- 13.4 No amendment to the material disadvantage of existing rights of Participants will be made under rule 13.1 unless:

- 13.4.1 every Participant who may be affected has been invited to indicate whether or not they approve the amendment; and
- 13.4.2 the amendment is approved by a majority of those Participants who have so indicated.
- 13.5 No amendment will be made under this rule 13 if it would prevent the Plan from being an employees' share scheme within the meaning of section 1166 of the Companies Act 2006.
- 13.6 The Board may establish further schedules to the Plan for overseas territories. Any such schedule will be similar to the Plan but may modify the Plan to take account of local tax, exchange control or securities laws. Any Shares made available under any such schedule must be treated as counting against the limits set out in rule 5.

14. Legal Entitlement

- 14.1 This rule 14 applies during a Participant's employment with any Group Member and after the termination of such employment, whether or not the termination is lawful.
- 14.2 Nothing in the Plan or its operation forms part of the terms of employment of a Participant and the rights and obligations arising from a Participant's employment with any Group Member are separate from, and are not affected by, their participation in the Plan. Participation in the Plan does not create any right to continued employment with a Group Member for any Participant.
- 14.3 The grant of any Award to a Participant does not create any right for that Participant to be granted any further Awards or to be granted Awards on any particular terms, including the number of Shares to which Awards relate.
- 14.4 By participating in the Plan, a Participant waives all rights to compensation for any loss in relation to the Plan, including:
 - 14.4.1 any loss or reduction of any rights or expectations under the Plan in any circumstances or for any reason (including lawful or unlawful termination of the Participant's employment);
 - 14.4.2 any exercise of a discretion or a decision taken in relation to an Award or to the Plan, or any failure to exercise a discretion or take a decision; and
 - 14.4.3 the operation, suspension, termination or amendment of the Plan.

15. General

- 15.1 The Plan will terminate upon the date stated in rule 2.7, or at any earlier time by the passing of a resolution by the Board or an ordinary resolution of the Company in general meeting. Termination of the Plan will be without prejudice to the existing rights of Participants.
- 15.2 Shares issued or transferred from treasury under the Plan will rank equally in all respects with the Shares then in issue, except that they will not rank for any voting, dividend or other rights attaching to Shares by reference to a record date preceding the date of issue or transfer from treasury.

- 15.3 The personal data of any Eligible Employee, Participant or former Participant may be processed in connection with the operation of the Plan in accordance with the Group's prevailing data protection policy and as notified to Eligible Employees pursuant to a privacy notice or otherwise. If an Eligible Employee, Participant or former Participant is employed outside the European Economic Area and outside the United Kingdom and consent is needed for processing of their personal data in connection with the operation of the Plan, by participating in the Plan, they consent to such processing of their personal data.
- 15.4 The Plan will be administered by the Board. The Board will have full authority, consistent with the Plan, to administer the Plan, including authority to interpret and construe any provision of the Plan and to adopt regulations for administering the Plan. Decisions of the Board will be final and binding on all parties.
- 15.5 Any notice or other communication in connection with the Plan may be delivered personally or sent by electronic means or post, in the case of a company to its registered office (for the attention of the company secretary), and in the case of an individual to their last known address, or, where they are a director or employee of a Group Member, either to their last known address or to the address of the place of business at which they perform the whole or substantially the whole of the duties of their office or employment. Where a notice or other communication is given by post, it will be deemed to have been received 72 hours after it was put into the post properly addressed and stamped, and if by electronic means, when the sender receives electronic confirmation of delivery or if not available, 24 hours after sending the notice.
- 15.6 No benefits received under the Plan will be pensionable.
- 15.7 If any rule of the Plan or any term of an Award is held to be void but would be valid if part of its wording were deleted, such rule will apply with such deletion as may be necessary to make it valid.
- 15.8 No third party other than a Group Member will have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Plan (without prejudice to any right of a third party that exists other than under that Act).
- 15.9 The rules of the Plan will be governed by and construed in accordance with the laws of England and Wales. Any person referred to in the Plan submits to the exclusive jurisdiction of the Courts of England and Wales.

Schedule US Taxpayers

The purpose of this Schedule is to vary certain of the provisions of the Plan in their application to US Taxpayers (as defined below). Awards within the scope of this Schedule are intended to fall within the "short-term deferral" exemption to Section 409A, and all such Awards shall be administered and interpreted in a manner that complies with this intention. Notwithstanding the foregoing, to the extent that an Award constitutes "nonqualified deferred compensation" within the meaning of Section 409A, it is intended that such Award will satisfy the applicable requirements of Section 409A, and such Award shall be administered and interpreted in a manner that complies with this intention.

Where there is any conflict between the Rules and this Schedule, the terms of this Schedule will prevail.

1. Definitions and Interpretation

1.1. In this Schedule, the following expressions will have the following meanings:

"Award Certificate" means a document pursuant to which a Participant is notified of the terms of their Award;

"Code" means the US Internal Revenue Code 1986, as amended from time to time, and the regulations thereunder;

"Exercise Period" means the period commencing on the date when the Nil-Cost Option Vests in accordance with the rules and ending on 31 December of the year in which the Nil-Cost Option Vests;

"Schedule 2" means this Schedule 2 to the Plan;

"Section 409A" means section 409A of the Code and associated Treasury regulations;

"Short-Term Deferral Period" means the period beginning on the day on which an Award ceases to be subject to a substantial risk of forfeiture and ending on 15 March of the following calendar year; and

"US Taxpayer" means a Participant who is or may become subject to a US tax or social security contribution liability in connection with an Award.

2. Application of the rules of the Plan

2.1. The rules of the Plan will apply to Awards that are subject to this Schedule, save as those rules are otherwise amended by this Schedule.

3. Awards

3.1. If a Participant to whom an Award has been granted becomes a US Taxpayer after the Grant Date, the terms of the Award will take effect as if it had been granted subject to the rules of the Plan as varied by this Schedule.

4. Grant of Awards

4.1. No additional term may be applied under rule 2.3 which would cause any Award granted under this Schedule to fail to satisfy the "short-term deferral" exemption to Section 409A.

4.2. With reference to rule 2.5, a Participant who is granted an Award under this Schedule will be notified of the terms of their Award in an Award Certificate.

5. Vesting, Release, Exercise and Settlement

5.1. Awards subject to this Schedule will Vest on the date specified by the Board on or before the Grant Date and as set out in the Award Certificate.

5.2. Rule 7.1 may only apply to the extent that the Award continues to be exempt from the requirements of Section 409A under the "short-term deferral" exemption.

5.3. Notwithstanding any other provision of the Plan, no Nil-Cost Option may be exercised following the last day of the Exercise Period, such that rule 7.2 will not apply to the extent it would permit exercise to take place following the Exercise Period.

5.4. The delivery of Shares to a Participant following the Vesting of a Conditional Award pursuant to rule 7.2 must take place no later than the last day of the Short-Term Deferral Period.

5.5. The payment of any Dividend Equivalent pursuant to rules 4 and 7.3 will be made:

5.5.1. in the case of a Conditional Award, no later than the last day of the Short-Term Deferral Period; and

5.5.2. in the case of a Nil-Cost Option, at the same time the Shares in respect of which the Nil-Cost Option is exercised are delivered.

5.6. Where Awards are to be satisfied pursuant to rule 7.3 with Shares from an employee benefit trust:

5.6.1. the Participant will not have any interest in those Shares until the Conditional Award has Vested or the Nil-Cost Option has been exercised in accordance with the rules of the Plan;

5.6.2. the Participant will not have any interest in any trust in which Shares are held; and

5.6.3. the Trustee will not allocate any Shares or other trust assets in favour of the Participant until the Conditional Award has Vested or the Nil-Cost Option has been exercised in accordance with the rules of the Plan.

6. Relevant Liabilities and Regulatory Issues

6.1. Any additional condition applied to an Award pursuant to Rule 8.3 may only apply to the extent that the Award continues to be exempt from the requirements of Section 409A under the "short-term deferral" exemption.

7. Cash Equivalent

7.1. To the extent to which any cash equivalent is payable pursuant to rule 9 in respect of:

- 7.1.1. a Conditional Award, such payment shall be made no later than the last day of the Short-Term Deferral Period; and
- 7.1.2. a Nil-Cost Option, such payment shall be made no later than the last day of the Exercise Period.

8. Cessation of Employment

- 8.1. Where a Participant ceases to hold office or employment with a Group Member prior to the Vesting of their award as a result of their death or for one of the reasons listed in Rule 10.2, that Award will automatically Vest on the date of the Participant's date of cessation and no decision will be required by the Board.
- 8.2. Notwithstanding the periods stated therein, no Nil-Cost Option capable of exercise pursuant to rule 10.4 (and rule 10.5 in respect of participants whose employment with a Group Member ceases as a result of their death) may be exercised after the end of the Exercise Period.

9. Corporate Events

- 9.1. Notwithstanding any other period specified therein, no Nil-Cost Option capable of exercise pursuant to rule 11 may be exercised after the end of the Exercise Period and the delivery of Shares to a Participant following the Vesting of an Award (other than a Nil-Cost Option) pursuant to rule 7.3 must take place no later than the last day of the Short-Term Deferral Period.

10. Adjustments

- 10.1. Any adjustment under rule 12 will take effect in relation to an Award within the scope of this Schedule only to the extent that the Award continues to be exempt from the requirements of Section 409A under the "short-term deferral" exemption.

11. Amendments

- 11.1. Any amendment under rule 13 will take effect in relation to an Award within the scope of this Schedule only to the extent that the Award continues to be exempt from the requirements of Section 409A under the "short-term deferral" exemption.

12. Source of Shares

- 12.1. The Board may satisfy Awards granted under this Schedule by delivering American Depositary Shares in the Company.