

abrdn plc

The abrdn plc (Employee) Share Plan

Adopted by the Board on 14 June 2006
Part C amended by the Board on 25 June 2009
Amended by the Board on 26 October 2021
Expiry date 26 October 2031

Irish Revenue Commissioners Reference: PS/AQ Stand2

The Plan is a discretionary benefit offered by the abrdn Group for the benefit of its employees. Its purpose is to increase the interest of the employees in abrdn's business goals and results through share ownership. The Plan is an incentive for the employees' future performance and commitment to the goals of the abrdn Group.

Shares awarded or purchased under the Plan are **not** part of salary.

The board of abrdn plc shall have the right to decide, in its sole discretion, whether or not participation will be offered and, subject to the Rules of the Plan, to which employees the Plan will extend.

Participating in the Plan is an investment opportunity distinct from any employment contract. Participation in the Plan entails the risk associated with an investment. An individual who participates in the Plan is treated as being aware of such risks and accepts such risks of his own free will.

The detailed rules for the Plan are set out in this document.

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PART A: FOR UK TAX RESIDENT PARTICIPANTS

1. DEFINITIONS

1.1. In the Plan, unless the context otherwise requires:

"Accumulation Period" means a period specified by the Board not exceeding twelve months during which the Trustees accumulate a Qualifying Employee's Partnership Share Money before acquiring Partnership Shares or repaying it to the employee;

"Acquisition Date" means:

- a) in relation to Partnership Shares, where there is no Accumulation Period, the date set by the Trustees in relation to the Award, being a date not later than 30 days after the last date on which the Partnership Share Money to be applied in acquiring the Partnership Shares was deducted;
- b) in relation to Partnership Shares, where there is an Accumulation Period, the date set by the Trustees in relation to the Award, being a date not later than 30 days after the end of the Accumulation Period which applies to the Award; and
- c) in relation to Dividend Shares, the date set by the Trustees in relation to the acquisition of such Shares, being a date not later than 30 days after the dividend is received by them;

"Associated Company" has the same meaning as in paragraph 94 of the Schedule;

"Award Date" means the date on which Free Shares or Matching Shares are awarded under the Plan;

"Award" means:

- a) in relation to Free Shares and Matching Shares, the appropriation of Free Shares and Matching Shares under the Plan; and
- b) in relation to Partnership Shares, the acquisition of Partnership Shares on behalf of Qualifying Employees under the Plan;

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

"the Company" means abrdn plc (registered in Scotland with registered number SC286832);¹

"Control" has the same meaning as in section 719 of the ITEPA;

"CTA 2010" means the Corporation Tax Act 2010;

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

"Dividend Shares" means Shares acquired on behalf of a Participant from the reinvestment of dividends under Rule 11 of the Plan and which are subject to the Plan;

"Free Share Agreement" means an agreement relating to Free Shares awarded under the Plan;

"Free Shares" means Shares awarded under Rule 8 of the Plan which are subject to the Plan;

¹ Formerly named Standard Life plc.

"Holding Period" means:

- a) in relation to Free Shares, the period specified by the Board as mentioned in Rule 8.13 (*Holding Period for Free Shares*);
- b) in relation to Matching Shares, the period specified by the Board as mentioned in Rule 10.5 (*Holding Period for Matching Shares*); and
- c) in relation to Dividend Shares, the period of three years from the Acquisition Date;

"HMRC" means HM Revenue & Customs;

"Initial Market Value" means the Market Value of a Share on an Award Date and, where the Share is subject to a restriction or risk of forfeiture, the Market Value shall be determined without reference to that restriction or risk;

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

"ITTOIA 2005" means the Income Tax (Trading and Other Income) Act 2005;

"the London Stock Exchange" means the London Stock Exchange plc;

"Market Value" means on any day:

- a) where all Shares comprising an Award are quoted on the Daily Official List of the London Stock Exchange and are both purchased and awarded by the Trustees on the same day, the price at which such Shares were purchased and, where Shares are purchased at different times during that day and at different prices, the average of the prices paid by the Trustees in the purchase of those Shares; or
- b) if the Shares to be awarded on that day were not all purchased by the Trustees on that day and the Shares are quoted on the Daily Official List of the London Stock Exchange, the average of the middle market quotations of a Share as derived from the that list on the three preceding Dealing Days or such other dealing day or days as agreed in advance with HMRC; or
- c) if the Shares have not been admitted to the Daily Official List of the London Stock Exchange, the market value of a Share determined in accordance with the provisions of Part VIII of the Taxation of Chargeable Gains Act 1992 and agreed for the purposes of the Plan with HMRC Shares Valuation on or before that day;

"Matching Shares" means Shares awarded under Rule 10 of the Plan and which are subject to the Plan;

"NICs" means National Insurance contributions;

"Participant" means an individual who has received an Award of Free Shares, Matching Shares or Partnership Shares, or on whose behalf Dividend Shares have been acquired;

"Participating Company" means the Company and any Subsidiary designated by the Board;

"Partnership Shares" means Shares awarded under Rule 9 of the Plan and which are subject to the Plan;

"Partnership Share Agreement" means an agreement relating to Partnership Shares (and if appropriate Matching Shares) awarded under the Plan;

"Partnership Share Money" means money deducted from a Qualifying Employee's Salary pursuant to a Partnership Share Agreement and held by the Trustees to acquire Partnership Shares or to be returned to such a person;

"PAYE" means the requirements of Pay As You Earn as prescribed by Part 11 of ITEPA or PAYE regulations under section 684 of ITEPA;

"Performance Allowances" means the criteria for an Award of Free Shares which determine:

- (a) whether Shares are awarded; and
- (b) the number or value of Shares awarded;

"the Plan" for the purposes of Awards granted under this Part A means Part A of the abrdn (Employee) Share Plan as amended from time to time;

"Plan Shares" means:

- (a) Free Shares, Matching Shares or Partnership Shares awarded to Participants;
- (b) Dividend Shares acquired on behalf of Participants; and
- (c) shares in relation to which paragraph 87(2) (*company reconstructions: new shares*) of the Schedule applies in each case that remain subject to the Plan;

"Plan Termination Notice" means a notice issued under paragraph 89 of the Schedule;

"Qualifying Company" has the same meaning as in paragraph 17 of the Schedule;

"Qualifying Corporate Bond" has the same meaning as in section 117 of the Taxation of Chargeable Gains Act 1992;

"Qualifying Employee" means an employee who must be invited to participate in an Award under Rule 3.5 and any employee who has been invited to participate under Rule 3.6 and, where the context so requires, is eligible to receive an Award on an Award Date;

"Qualifying Period" means:

- (a) in the case of Free Shares, 18 months before the Award is made or such other period not exceeding that period as the Board may determine in relation to the Award;
- (b) in the case of Partnership Shares and Matching Shares where there is an Accumulation Period, 6 months before the start of the Accumulation Period or such other period not exceeding that period as the Board may determine in relation to the Award; and
- (c) in the case of Partnership Shares and Matching Shares where there is no Accumulation Period, 18 months before the deduction of Partnership Share Money relating to the Award or such other period not exceeding that period as the Board may determine in relation to the Award;

"Redundancy" has the same meaning as in the Employment Rights Act 1996;

"Relevant Employment" means employment by the Company or any Associated Company;

"Rules" means the rules of the Plan;

"Salary" has the same meaning as in paragraph 43 of the Schedule;

"the Schedule" means Schedule 2 to ITEPA;

"Shares" means ordinary shares in the capital of the Company which comply with the conditions set out in paragraph 25 of the Schedule;

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

"Tax Year" means 6 April to 5 April inclusive;

"the Trust Deed" means the trust deed made between the Company and the Trustees in connection with the Plan;

"the Trustees" means the trustees or trustee for the time being of the Plan;

"the Trust Fund" means all assets transferred to the Trustees to be held on the terms of the Trust Deed and the assets from time to time representing such assets, including any accumulations of income;

"the Trust Period" means beginning with the date of this Deed and ending on the first to occur of:

- (a) the date when an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding up of the Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in circumstances such that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company which becomes the Company for the purposes of this Deed); or
- (b) the date of the death of the last surviving beneficiary under the Trust Deed, or
- (c) such date as the Trustees shall in their absolute discretion determine in writing (provided that no such determination shall be made that would prevent the requirements of paragraph 90 of the Schedule being satisfied);

"the UKLA" means the United Kingdom Listing Authority; and

"UK Resident Taxpayer" has the same meaning as in paragraph 8(2) of the Schedule (*employee resident in the UK*).

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

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

2. PURPOSE OF THE PLAN

The purpose of the Plan is to enable employees of Participating Companies to acquire Shares which give them a continuing stake in the Company.

3. ELIGIBILITY

General rule on eligibility

3.1. An individual is eligible to participate in an Award only if:

- (a) he is an employee of a Participating Company;

- (b) he has been an employee of a Qualifying Company at all times during any Qualifying Period;
- (c) he is so eligible on the relevant date(s) as set out in Rule 3.4 (*Relevant dates of eligibility*); and
- (d) he does not fail to be so eligible either because he is excluded from participating under Rule 3.2 (*Participation in more than one plan*).

Participation in more than one plan

- 3.2. Individuals are not eligible to participate in an Award in any Tax Year if in that Tax Year they are at the same time to participate in an award of shares under another plan established by the Company or a connected company (within the meaning of paragraph 18(3) of the Schedule) and approved under the Schedule or if they would participate in such a plan but for failure to meet the relevant Performance Allowances.
- 3.3. If an individual participates in an Award under the Plan in a Tax Year in which he has already participated in an award under one or more other plans established by the Company or a connected company within the meaning of paragraph 18(3) of the Schedule) and approved under the Schedule then:
- (a) Rule 8.4 (*Maximum annual amount of Free Shares*)
 - (b) Rule 9.3 (*maximum amount of Partnership Share Money deductions*)
 - (c) Rule 11.6 (*limit on amounts reinvested in Dividend Shares*)
- apply as if the Plan and the other plan or plans were a single plan.

Relevant dates of eligibility

- 3.4. The relevant dates mentioned in Rule 3.1(c) are:
- (a) in the case of Free Shares, the date on which the Award of such shares is made;
 - (b) in the case of Partnership Shares or Matching Shares where there is no Accumulation Period, the date on which the Partnership Share Money relating to the Award is deducted; and
 - (c) in the case of Partnership Shares or Matching Shares where there is an Accumulation Period, the date on which the Partnership Share Money relating to the Award is first deducted.

Employees who must be invited to participate in Awards

- 3.5. Whenever the Board decides to invite individuals to participate in the Plan, it must invite all individuals who meet the requirements in Rule 3.1 (General rule on eligibility) and are UK Resident Taxpayers.

Employees who may be invited to participate in Awards

- 3.6. Whenever the Board decides to invite individuals to participate in the Plan, it may also invite any employee who meets the requirements in Rule 3.1 (*General rule on eligibility*) to participate in the Plan who is not a UK Resident Taxpayer.

4. PARTICIPATION ON SAME TERMS

- 4.1. Subject to Rules 8.4 to 8.5 (*Awards of Free Shares subject to Performance Allowances*), every Qualifying Employee who is invited to participate in the Plan shall be invited to participate on the same terms and those who do participate shall do so on the same terms.

- 4.2. The Company may make an Award of Free Shares to Qualifying Employees by reference to their remuneration, length of service or hours worked in accordance with paragraphs 9(3) and 9(4) of the Schedule.

5. LIMITS

10 per cent in 10 years limit

- 5.1. No Award shall be granted in any calendar year which would, at the time it is granted, cause the number of Shares allocated (as defined in Rule 5.2) in the period of 10 calendar years ending with that calendar year under the Plan or under any other employee share plan adopted by the Company or any Subsidiary to exceed such number as represents 10 per cent. of the ordinary share capital of the Company in issue at that time.

Meaning of "allocated"

- 5.2. For the purposes of Rule 5.1:

- a) Shares are allocated:
 - i. when an option, award or other contractual right to acquire unissued Shares or treasury Shares is granted;
 - ii. where Shares are issued or treasury Shares are transferred otherwise than pursuant to an option, award or other contractual right to acquire Shares, when those Shares are issued or treasury Shares transferred;
- b) any Shares which have been issued or which may be issued (or any Shares transferred out of treasury or which may be transferred out of treasury) to any trustees to satisfy the exercise of any option, award or other contractual right shall be treated 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".

Post-grant events affecting numbers of "allocated" Shares

- 5.3. For the purposes of Rule 5.2 where:

- a) 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
- b) after the grant of an option, award or other contractual right the Board determines that:
 - i. where an amount is normally payable on its exercise it shall be satisfied without such payment but instead shall be satisfied by cash and/or the issue of Shares and/or the transfer of treasury Shares equal to the gain made on its exercise; or
 - ii. it shall be satisfied by the transfer of existing Shares (other than Shares transferred out of treasury)

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

- 5.4. 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.

Changes to investor guidelines

- 5.5. Treasury Shares shall cease to count as "allocated" for the purposes of Rule 5.2 if the Investment Association's guidelines on remuneration cease to require such Shares to be so counted.

6. ALTERATIONS

Alterations to key features

- 6.1. The Board may, with the Trustees' written consent, at any time alter the Plan in any respect provided that no amendment shall be made that would cause the Plan to cease to qualify as a Schedule 2 SIP without the prior approval by ordinary resolution of the members of the Company in general meeting.

Alterations to the advantage of Participants

- 6.2. Subject to Rule 6.3, no alteration to the advantage of the persons who participate or may participate in the Plan shall be made under Rule 6.1 to the provisions concerning eligibility, the individual limits on participation, the overall limits on the allocation of Shares under the Plan, the basis for determining how many Shares employees receive and the adjustments that may be made following a rights issue or any other variation of capital without the prior approval by ordinary resolution of the members of the Company in general meeting.

Minor administration amendments

- 6.3. Rule 6.2 shall not apply to 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, the Company, the Trustees or any Subsidiary.

7. MISCELLANEOUS

Employment

- 7.1. The rights and obligations of any individual under the terms of his employment with the Company or a Subsidiary 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 shall by participating in the Plan waive any and all rights to compensation or damages in consequence of the termination of his employment for any reason whatsoever insofar as those rights arise or may arise from his ceasing to have rights under the Plan 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 making of an Award does not imply that any further Awards will be made or that any individual has a right to receive an Award.

Remuneration

- 7.2. Except where required by law, no money or money's worth received by any individual under the Plan shall form part of his remuneration for any purpose whatsoever.

Disputes and interpretation

- 7.3. 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 related to the Plan, the decision of the Board shall be final and binding upon all persons.

Notices

- 7.4. Any notice or other communication under or in connection with the Plan may be given in such manner as the Board consider to be appropriate which may include by personal delivery, by email or intranet or by

post, in the case of a company to its registered office or to such other address notified for this purpose to the person giving the notice, and in the case of an individual to his last known address, or, where he is an employee of a Participating Company, either to his last known postal address, to the postal address of the place of business at which he performs the whole or substantially the whole of the duties of his employment or in the absence of there being such a place, the place of business to which regular correspondence in connection with his employment is sent, or to his allocated corporate email address. Unless otherwise stated in these Rules, where any such notice or other communication is given by a Qualifying Employee or Participant to the Company or the Trustee, it shall be effective only on receipt by the Company or, as the case may be, the Trustee.

Funding

- 7.5. The Company and any Subsidiary may provide money to the trustees of any trust or any other person to enable them or him to acquire Shares to be held for the purpose of the Plan or enter into any guarantee or indemnity for these purposes, to the extent permitted by the Companies Act 2006.

Grant

- 7.6. The Board shall determine when (if at all) Awards shall be made, the type of Awards that shall be made at that time, and subject to the rules of the Plan, the terms of those Awards, and nothing in these Rules should be interpreted as conferring any obligation on the Company to make Awards on a regular basis or replicate the terms of Awards previously made under the Plan.

Shares to rank equally

- 7.7. All Shares allotted under the Plan shall rank equally in all respects with Shares of the same class then in issue except for any rights attaching to such Shares by reference to a record date prior to the date of allotment.
- 7.8. Where the Shares to be the subject of Awards on any date do not all carry the same rights, the Trustees shall so far as possible ensure that the number of Shares carrying any particular rights which are so awarded to any individual on that day bears to the number of Shares so awarded to him on that date the same proportion as the total number of Shares carrying those rights which are so appropriated on that day bears to the total number of Shares so appropriated on that day.

Void as to excess

- 7.9. If in the consequence of an error or omission it is ascertained following an Award Date that:
- (a) a Qualifying Employee has not been given the opportunity to participate in the Plan in respect of any type of Award to which he should have been entitled under the Plan; or
 - (b) the number of Shares expressed to be awarded to any Qualifying Employee on any occasion is found to be incorrect any Award expressed to have been made in respect of more than the correct number of Shares shall be void as to the excess, any Award expressed to have been made in respect of fewer than the correct number of Shares shall relate to the correct number of Shares if the Trustee holds unallocated Shares that could otherwise have been used to make that Award and the Company and the Trustee may do all acts and things as may be agreed with HMRC to rectify such error or omission, notwithstanding that such actions may not otherwise be in accordance with the Rules of the Plan.

Termination

- 7.10. The Board may terminate the Plan at any time and following such termination no further Awards shall be made. For the avoidance of doubt, such termination shall not affect the rights and obligations of Participants in respect of Awards granted prior to the date of the Plan's termination.

Third parties

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

Governing law

- 7.12. The Plan and all Awards made under it shall be governed and construed in accordance with the laws of Scotland and the Courts of Scotland have exclusive jurisdiction to hear any dispute.

Data protection

- 7.13. The Company and any of its Subsidiaries may collect, hold, process and transfer the Participant's personal information, including sensitive personal data, as set out in the data protection privacy notice supplied to the Participant.

8. FREE SHARES

- 8.1. If and when the Board decides to make, or procure the Trustees to make, an Award of Free Shares, every Qualifying Employee shall be invited to enter into a Free Share Agreement with the Company.
- 8.2. The Trustees, acting with the prior consent of the Board, may from time to time award Free Shares.
- 8.3. The number of Free Shares to be awarded to each Qualifying Employee on an Award Date shall be determined by the Board in accordance with this Rule 8.

Maximum annual Award of Free Shares

- 8.4. The Initial Market Value of Free Shares awarded to a Qualifying Employee in any Tax Year shall not exceed £3,600 or such other limit as may be permitted by paragraph 35 of the Schedule from time to time.

Allocation of Free Shares by reference to performance

- 8.5. The Board may decide that the number of Free Shares (if any) to be awarded to each Qualifying Employee on a given Award Date shall be determined by reference to Performance Allowances.
- 8.6. If Performance Allowances are used, they shall apply to all Qualifying Employees participating in that Award.
- 8.7. Where Performance Allowances are used:
- (a) they shall be determined by reference to such fair and objective criteria (the "**performance targets**") relating to business results or such other objective criteria as the Board shall determine over such period as the Board shall specify; and
 - (b) performance targets shall be set for performance units of one or more employees (provided that an employee shall not be a member of more than one performance unit).
- 8.8. Where the Board decides to use Performance Allowances it shall, as soon as reasonably practicable, notify:
- (a) each employee participating in the Award of the performance targets and measures which shall be used to determine the number or value of Free Shares awarded to him; and

- (b) all Qualifying Employees, in general terms, of the performance targets and measures to be used to determine the number or value of Free Shares to be awarded to each Qualifying Employee provided that the Board may exclude from such notice any information the disclosure of which the Board reasonably considers would prejudice commercial confidentiality.

8.9. The Board shall determine the number of Free Shares (if any) to be awarded to each Qualifying Employee by reference to performance using “Method 1” (Rules 8.10 and 8.11) or “Method 2” (Rule 8.12). The same method shall be used for all Qualifying Employees participating in each Award.

Performance Allowances: Method 1

8.10. Subject to Rule 8.11, by Method 1:

- (a) at least 20% of Free Shares awarded in respect of any performance period shall be awarded without reference to performance;
- (b) the remaining Free Shares shall be awarded by reference to performance; and
- (c) the highest Award made to an individual by reference to performance in that period shall be no more than four times the highest Award to an individual without reference to performance.

8.11. If Method 1 is used:

- (a) the Free Shares awarded without reference to performance (under Rule 8.10(a)) shall be awarded on the same terms as mentioned in Rule 4 (*Participation on same terms*); and
- (b) the Free Shares awarded by reference to performance (under Rule 8.10(b)) need not be allocated on the same terms, as mentioned in Rule 4 (*Participation on same terms*).

Performance Allowances: Method 2

8.12. By Method 2:

- (a) some or all Free Shares shall be awarded by reference to performance;
- (b) the Award of Free Shares to Qualifying Employees who are members of the same performance unit shall be made on the same terms, as mentioned in Rule 4 (*Participation on same terms*);
- (c) the performance targets must be consistent targets within the meaning of paragraph 42(3) of the Schedule (*targets which at the time they are set can reasonably be viewed as being comparable in terms of the likelihood of their being met by the performance units to which they apply*); and
- (d) Free Shares awarded to members of each performance unit shall be treated as separate Awards and there is no requirement for Awards of Free Shares made to members of different performance units to be on the same terms.

Holding Period for Free Shares

8.13. The Board shall, in relation to each Award Date, specify a Holding Period throughout which a Participant shall be bound by the terms of the Free Share Agreement:

- (a) to permit the Free Shares awarded to him to remain in the hands of the Trustees; and
- (b) not to assign, charge or otherwise dispose of the beneficial interest in the Free Shares.

8.14. The Holding Period shall, in relation to each Award, be a specified period of not less than three years nor more than five years (or such other periods required by paragraph 36 of the Schedule from time to time), beginning with the Award Date and shall be the same for all Participants who receive an Award at the same time. The Holding Period shall not be increased in respect of Free Shares already awarded under the Plan.

8.15. A Participant may, during the Holding Period, direct the Trustees:

- (a) to accept or agree to an offer for any of his Free Shares if the acceptance or agreement shall result in a new holding being equated with those shares for the purposes of capital gains tax; or
- (b) to accept an offer of a Qualifying Corporate Bond (whether alone or with other assets or cash or both) for his Free Shares if the offer forms part of such a general offer as is mentioned in Rule 8.15(c)); or
- (c) to accept an offer of cash, with or without other assets, for his Free Shares if the offer forms part of a general offer which is made to holders of shares of the same class as his shares, or to holders of shares in the same company (whether such offer is made to different shareholders by different means or not) and which is made, in the first instance, on a condition such that, if it is satisfied, the person making the offer shall have control of that company, within the meaning of sections 450 and 451 of the Corporation Tax Act 2010;
- (d) to agree to a transaction affecting his Free Shares or such of them as are of a particular class, if the transaction would be entered into pursuant to a compromise, arrangement or scheme applicable to or affecting:
 - i. all of the ordinary share capital of the Company or, as the case may be, all the shares of the class in question; or
 - ii. all the shares, or all the shares of the class in question, which are held by a class of shareholders identified otherwise than by reference to their employment or their participation in a plan (including the Plan) approved under the Schedule; or
- (e) if there is a takeover offer (within the meaning of section 974 of the Companies Act 2006), to exercise any right arising under section 983 of the Companies Act 2006 to require an offeror to acquire his Free Shares or such of them as are of a particular class.

9. PARTNERSHIP SHARES

9.1. The Board may at any time invite every Qualifying Employee to enter into a Partnership Share Agreement with the Company under which:

- (a) the Qualifying Employee authorises his employer company to deduct part of his Salary for the purchase of Partnership Shares; and
- (b) the Company undertakes to arrange for Partnership Shares to be awarded to the Qualifying Employee under the Plan.

9.2. Partnership Shares shall not be subject to any provision under which they may be forfeited.

Maximum amount of deductions

- 9.3. Subject to Rules 9.4 and 9.5, the amount of Partnership Share Money deducted from a Qualifying Employee's Salary shall not exceed £1,800 in any Tax Year (or such other maximum amount as may for the time being be permitted by paragraph 46(1) of the Schedule).
- 9.4. Subject to Rule 9.5, the amount of Partnership Share Money deducted from a Qualifying Employee's Salary for any Tax Year shall not exceed 10% (or such other maximum amount as may for the time being be permitted by paragraph 46(2) of the Schedule) of the total of the payments of Salary made to the Qualifying Employee for that Tax Year.
- 9.5. The Board may set lower limits than those specified in Rules 9.3 and 9.4 above.
- 9.6. A lower limit set by the Board in respect of the limit in Rule 9.4 may be framed:
- (a) by substituting a lower percentage than that specified in Rule 9.4;
 - (b) by specifying that a particular description of earnings is not to be regarded as forming part of a Qualifying Employee's Salary for the purposes of the limit.
- 9.7. Any amount deducted in excess of that allowed by Rule 9.3 or 9.4 shall be paid over to the relevant employee, subject to deduction of income tax under PAYE and NICs, as soon as practicable.

Minimum amount of deductions

- 9.8. The Board may set the minimum amount to be deducted under the Partnership Share Agreement on any occasion and this amount shall be the same in relation to all Partnership Share Agreements entered into in response to invitations issued on the same occasion. The minimum amount shall not be greater than £10 (or such other minimum amount as may for the time being be permitted by paragraph 47(2) of the Schedule).

Notice of possible effect of deductions on benefit entitlement

- 9.9. Every Partnership Share Agreement shall contain a notice under paragraph 48 of the Schedule.

Restriction imposed on number of Shares awarded

- 9.10. Subject to Rules 9.3 and 9.4, the Board may specify the maximum number of Shares to be included in, or the maximum amount of individual salary deductions relating to, an Award of Partnership Shares.
- 9.11. The Partnership Share Agreement shall contain an undertaking by the Company to notify each Qualifying Employee of any restriction on the number of Shares or the maximum amount of individual salary deductions to be included in an Award.
- 9.12. The notification in Rule 9.11 shall be given:
- (a) if there is no Accumulation Period, before the deduction of the Partnership Share Money relating to the Award; and
 - (b) if there is an Accumulation Period, before the beginning of the Accumulation Period relating to the Award.

Payment of deductions to the Trustees

- 9.13. The Participating Companies shall, as soon as practicable after deduction from Salary, pass the Partnership Share Money to the Trustees to be held by them on behalf of the Qualifying Employee until such time as it is applied by them in acquiring Partnership Shares on his behalf.

Plan with no Accumulation Period

- 9.14. If there is no Accumulation Period, the Trustees shall apply Partnership Share Money to acquire Shares on behalf of the Qualifying Employee on the Acquisition Date. The number of Shares awarded to each Qualifying Employee shall be determined in accordance with the Market Value of the Shares on that date.

Plan with Accumulation Period

- 9.15. If there is an Accumulation Period, the Trustees shall apply the Partnership Share Money to acquire Shares on behalf of the Qualifying Employee on the Acquisition Date.
- 9.16. The number of Shares acquired on behalf of each Qualifying Employee shall be determined by reference to the lower of:
- (a) the Market Value of the Shares at the beginning of the Accumulation Period; and
 - (b) the Market Value of the Shares on the Acquisition Date.
- 9.17. If a transaction occurs during an Accumulation Period which results in a new holding of shares being equated for the purposes of capital gains tax with any of the Shares to be acquired under the Partnership Share Agreement, the Participant may agree that the Partnership Share Agreement shall have effect after the time of that transaction as if it were an agreement for the purchase of shares comprised in the new holding. By signing the application for an Award of Partnership Shares, each Participant agrees to the acquisition of the new shares.

Surplus Partnership Share Money

- 9.18. Any surplus Partnership Share Money remaining after the acquisition of Shares by the Trustees:
- (a) may, with the agreement of the Participant, be carried forward to the next deduction (where there is no Accumulation Period) or to the next Accumulation Period (where there is an Accumulation Period); and
 - (b) in any other case, shall be paid over to the Participant, subject to deduction of income tax under PAYE and NICs, as soon as practicable.

Scaling down

- 9.19. If the Company receives applications for Partnership Shares exceeding the Award maximum determined in accordance with Rule 9.10 then the following steps shall be taken in sequence until the excess is eliminated:
- Step 1 the excess of the deduction chosen by each applicant over the amount specified in accordance with Rule 9.8 shall be reduced pro rata;
 - Step 2 all deductions shall be reduced to the amount specified in accordance with Rule 9.8; and
 - Step 3 no such Awards shall be made for that period.

The Board may use other methods of scaling down but these must be agreed in advance with HMRC. Each application shall be deemed to have been modified or withdrawn in accordance with the foregoing provisions, and each employee who has applied for Partnership Shares shall be notified of the change.

Withdrawal from Partnership Share Agreement

- 9.20. An employee may withdraw from a Partnership Share Agreement at any time by notice in writing to the Company. Unless a later date is specified in the notice, such a notice shall take effect 30 days after the Company receives it. Any Partnership Share Money then held on behalf of an employee shall be paid over to that employee as soon as practicable. This payment shall be subject to the deduction of income tax under PAYE and NICs.

Repayment of Partnership Share Money on withdrawal of approval or termination

- 9.21. If the Plan ceases to be a Schedule 2 SIP by virtue of paragraphs 81H or 81I of Schedule 2 or a Plan Termination Notice is issued in respect of the Plan, any Partnership Share Money held on behalf of employees shall be repaid to them as soon as practicable, subject to deduction of income tax under PAYE and NICs.

Stopping, varying and restarting deductions

- 9.22. An employee may at any time give notice to the Company to stop deductions under the Partnership Share Agreement. An employee may vary his deductions under the Partnership Share Agreement with the agreement of the Company. Unless a later date is specified in the notice, the Company will ensure within 30 days of receiving the notice that either no such further deductions are made or that such variation of deductions shall take effect.
- 9.23. An employee who has stopped deductions may subsequently give notice in writing to the Company to restart deductions under the Partnership Share Agreement, but the employee may not make up any deductions that have been missed. An employee may not restart deductions more than such number of times in any Accumulation Period as the Board shall determine and State in the Partnership Share Agreement for that Accumulation Period. On receipt of a restart notice, the Company will ensure that deductions are restarted under the Partnership Share Agreement not later than the re-start date within the meaning of paragraph 54(6) of the Schedule (*the date of the first deduction due under the Partnership Share Agreement more than 30 days after receipt of the notice to restart deductions*).

Access to Partnership Shares

- 9.24. When Partnership Shares have been awarded to a Participant, the Participant may at any time withdraw any or all of the Partnership Shares from the Plan, subject to any income tax and NICs due.

10. MATCHING SHARES

General requirements for Matching Shares

- 10.1. Matching Shares shall:
- (a) be Shares of the same class and carrying the same rights as the Partnership Shares to which they relate;
 - (b) subject to Rule 10.3, be awarded on the same day as the Partnership Shares to which they relate are acquired on behalf of the Qualifying Employee; and
 - (c) be awarded to all Participants on the same basis.

Ratio of Matching Shares to Partnership Shares

- 10.2. The Partnership Share Agreement shall specify the ratio of Matching Shares to Partnership Shares for the time being offered by the Company and that ratio shall not exceed 2:1 (or such other ratio as may

for the time being be permitted by paragraph 60 of the Schedule). Different ratios may apply within an Award of Matching Shares provided that this shall not be used to favour directors or higher paid employees. The Board may vary the ratio before Partnership Shares are acquired. Employees shall be notified of the terms of any such variation before the Partnership Shares are awarded under the Partnership Share Agreement.

- 10.3. If the Partnership Shares on the day on which they are awarded under the Partnership Share Agreement do not produce a whole number of Matching Shares, only the rounded down whole number of Matching Shares shall be awarded at that time.

Holding Period for Matching Shares

- 10.4. The Board shall, in relation to each Award Date, specify a Holding Period, throughout which a Participant shall be bound by the terms of the Partnership Share Agreement.

- 10.5. The Holding Period shall, in relation to each Award, be a specified period of not less than three years nor more than five years (or such other periods required by paragraph 36 of the Schedule from time to time), beginning with the Award Date and shall be the same for all Participants who receive an Award at the same time. The Holding Period shall not be increased in respect of Matching Shares awarded under the Plan.

- 10.6. A Participant may, during the Holding Period, direct the Trustees:

- (a) to accept or agree to an offer for any of his Matching Shares if the acceptance or agreement shall result in a new holding being equated with those original Shares for the purposes of capital gains tax; or
- (b) to accept an offer of a Qualifying Corporate Bond (whether alone or with other assets or cash or both) for his Matching Shares if the offer forms part of such a general offer as is mentioned in Rule 10.6(c); or
- (c) to accept an offer of cash, with or without other assets, for his Matching Shares if the offer forms part of a general offer which is made to holders of shares of the same class as his shares or to the holders of shares in the same company (whether such offer is made to different shareholders by different means or not), and which is made in the first instance on a condition such that if it is satisfied the person making the offer shall have control of that company, within the meaning of sections 450 and 451 of the Corporation Tax Act 2010;
- (d) to agree to a transaction affecting his Matching Shares, or such of them as are of a particular class, if the transaction would be entered into pursuant to a compromise, arrangement or scheme applicable to or affecting:
 - (vii) all of the ordinary share capital of the Company or, as the case may be, all the shares of the class in question; or
 - (viii) all the shares, or all the shares of the class in question, which are held by a class of shareholders identified otherwise than by reference to their employment or their participation in a plan (including the Plan) approved under the Schedule; or
- (e) if there is a takeover offer (within the meaning of section 974 of the Companies Act 2006), to exercise any right arising under section 983 of the Companies Act 2006 to require an offeror to acquire his Free Shares or such of them as are of a particular class.

11. DIVIDEND SHARES

Reinvestment of cash dividends

- 11.1. The Free Share Agreement or Partnership Share Agreement, as appropriate, shall set out the rights and obligations of Participants receiving Dividend Shares under the Plan.
- 11.2. The Board may direct that any cash dividend in respect of Plan Shares held on behalf of Participants may be applied in acquiring further Plan Shares on their behalf.
- 11.3. Dividend Shares shall be Shares:
- (a) of the same class and carrying the same rights as the Shares in respect of which the dividend is paid; and
 - (b) which are not subject to any provision for forfeiture.
- 11.4. The Board may decide to:
- (a) apply all Participants' dividends, up to the limit specified in Rule 11.6, to acquire Dividend Shares;
 - (b) pay all dividends in cash to all Participants; or
 - (c) offer Participants the choice of either 11.4(a) or 11.4(b).
- 11.5. The Board may revoke any direction for reinvestment of cash dividends.
- 11.6. For the purposes of this Rule 11, Dividend Shares are those acquired under the Plan and those acquired under any other plan approved under the Schedule. In exercising their powers in relation to the acquisition of Dividend Shares, the Trustees must treat Participants fairly and equally.
- 11.7. Where applicable, the Trustees shall apply all the cash dividend to acquire Shares on behalf of the Participant on the Acquisition Date. The number of Dividend Shares acquired on behalf of each Participant shall be determined by the Market Value of the Shares on the Acquisition Date.

Certain amounts not reinvested to be carried forward

- 11.8. Subject to Rule 1.1, any amount that is not reinvested:
- (a) because the amount of the cash dividend is insufficient to acquire a Share; or
 - (b) because there is an amount remaining after acquiring the Dividend Shares,
- may be retained by the Trustees and carried forward to be added to the amount of the next cash dividend to be reinvested.
- 11.9. If:
- (a) the Participant ceases to be in Relevant Employment; or
 - (b) a Plan Termination Notice is issued,
- the amount so retained under rule 11.8 shall be repaid to the Participant as soon as practicable. On making such a payment, the Participant shall be provided with the information specified in paragraph 80(4) of the Schedule.

Cash dividends where no requirement to re-invest

- 11.10. Any cash dividends which are not required to be reinvested under the Plan in respect of Plan Shares held on behalf of a Participant must be paid over to the Participant as soon as practicable.

Holding period for Dividend Shares

- 11.11. The Holding Period shall be a period of three years (or such other period required by paragraph 67 of the Schedule from time to time), beginning with the Acquisition Date.
- 11.12. A Participant may, during the Holding Period, direct the Trustees:
- (a) to accept or agree to an offer for any of his Dividend Shares if the acceptance or agreement shall result in a new holding being equated with those shares for the purposes of capital gains tax; or
 - (b) to accept an offer of a Qualifying Corporate Bond (whether alone or with other assets or cash or both) for his Dividend Shares if the offer forms part of such a general offer as is mentioned in paragraph 11.12(b); or
 - (b) to accept an offer of cash, with or without other assets, for his Dividend Shares if the offer forms part of a general offer which is made to holders of shares of the same class as his shares or to holders of shares in the same company (whether such offer is made to different shareholders by different means or not), and which is made in the first instance on a condition such that if it is satisfied the person making the offer shall have control of that company, within the meaning of sections 450 and 451 of the Corporation Tax Act 2010; or
 - (c) to agree to a transaction affecting his Dividend Shares, or such of them as are of a particular class, if the transaction would be entered into pursuant to a compromise, arrangement or scheme applicable to or affecting:
 - (ix) all of the ordinary share capital of the Company or, as the case may be, all the shares of the class in question; or
 - (x) all the shares, or all the shares of the class in question, which are held by a class of shareholders identified otherwise than by reference to their employment or their participation in a plan (including the Plan) approved under the Schedule; or
 - (d) if there is a takeover offer (within the meaning of section 974 of the Companies Act 2006), to exercise any right arising under section 983 of the Companies Act 2006 to require an offeror to acquire his Free Shares or such of them as are of a particular class.
- 11.13. Where a Participant is charged to tax in the event of their Dividend Shares ceasing to be subject to the Plan, they shall be provided with the information specified in paragraph 80(4) of the Schedule.

12. FORFEITURE

- 12.1. If the Board so specifies in relation to an Award under the Plan, a Participant shall cease to be beneficially entitled to some or all of the Free Shares or Matching Shares appropriated to that Participant in that Award on:
- (a) the Participant ceasing to be in Relevant Employment at any time in the forfeiture period otherwise than for a permitted reason;

- (b) the Participant withdrawing those Plan Shares from the Plan at any time in the forfeiture period other than for a permitted reason; or
- (c) in the case of Matching Shares, on the Participant withdrawing the Partnership Shares in respect of which the Matching Shares were awarded from the Plan within the forfeiture period otherwise than for a permitted reason.

12.2. In Rules 12.1(a) and (c) a “**permitted reason**” means:

- (a) injury;
- (b) disability;
- (c) a transfer to which the Transfer of Undertakings (Protection of Employment) Regulations 2006 apply (or would apply if the transfer took place in the UK);
- (d) a change of Control or other circumstances by which the company with which the Participant is employed ceases to be an Associated Company of the Company;
- (f) Redundancy;
- (g) retirement; or
- (h) death.

12.3. In Rule 12.1 “**the forfeiture period**” means the forfeiture period specified by the Board being a period of not more than three years beginning with the Award Date.

12.4. Forfeiture may not be linked to the performance of any person or persons.

12.5. The same provision for forfeiture must apply in relation to all Free or Matching Shares included in the same Award under the Plan.

13. **PARTICIPANT CEASING TO BE IN RELEVANT EMPLOYMENT**

13.1. If a Participant ceases to be in Relevant Employment then (subject to the Trustees selling shares in accordance with their PAYE obligations) his Plan Shares (or any balance of his Plan Shares after the Trustees have discharged their PAYE obligations) shall be transferred to him by the Trustees as soon as reasonably practical.

13.2. If a Qualifying Employee ceases to be in Relevant Employment during an Accumulation Period any Partnership Share Money deducted in the Accumulation Period from that person's Salary is (subject to the Trustees meeting their PAYE obligations) to be paid over to the Qualifying Employee as soon as practicable.

13.3. If a Qualifying Employee ceases to be in Relevant Employment during an acquisition period relating to an Award of Partnership Shares, he shall, for the purposes of the Award of Partnership Shares, and Matching Shares if relevant, be treated as ceasing to be in Relevant Employment immediately after the Award is made. For these purposes, “acquisition period” has the meaning given to it in paragraph 97(3) of the Schedule.

13.4. For the purposes of the Plan, a Participant shall not be treated as ceasing to be in Relevant Employment until such time as he is no longer an employee of the Company or any Associated Company.

14. **COMPANY RECONSTRUCTIONS**

14.1. The following provisions of this Rule 14 apply if there occurs in relation to any of a Participant's Plan Shares (referred to in this Rule 14 as "**the Original Holding**"):

- (a) a transaction which results in a new holding (referred to in this Rule 14 as "**the New Holding**") being equated with the Original Holding for the purposes of capital gains tax; or
- (b) a transaction which would have that result but for the fact that what would be the new holding consists of or includes a Qualifying Corporate Bond.

14.2. If an issue of shares of any of the following description (in respect of which a charge to income tax arises) is made as part of a company reconstruction, those shares shall be treated for the purposes of this Rule as not forming part of the New Holding:

- (a) redeemable shares or securities issued as mentioned in section 1000(1) of the CTA 2010;
- (b) share capital issued in circumstances such that section 1022(3) of CTA 2010 applies; or
- (c) share capital to which section 410 of ITTOIA 2005 applies that is issued in a case where section 410(2) or (3) of ITTOIA 2005 applies.

14.3. In this Rule 14:

"**Corresponding Shares**" in relation to any New Shares, means the Shares in respect of which the New Shares are issued or which the New Shares otherwise represent;

"**New Shares**" means shares comprised in the New Holding which were issued in respect of, or otherwise represent, shares comprised in the Original Holding.

14.4. Subject to the following provisions of this Rule 14, references in the Plan to a Participant's Plan Shares shall be respectively construed, after the time of the company reconstruction, as being or, as the case may be, as including references to any New Shares.

14.5. For the purposes of the Plan:

- (a) a company reconstruction shall be treated as not involving a disposal of shares comprised in the Original Holding; and
- (b) the date on which any New Shares are to be treated as having been appropriated to or acquired on behalf of the Participant shall be that on which Corresponding Shares were so appropriated or acquired.

14.6. In the context of a New Holding, any reference in this Rule 14 to shares includes securities and rights of any description which form part of the New Holding for the purposes of Chapter II of Part IV of the Taxation of Chargeable Gains Act 1992.

15. **RIGHTS ISSUES**

15.1. Any shares or securities allotted under clause 9 of the Trust Deed shall be treated as Plan Shares identical to the shares in respect of which the rights were conferred and shall be treated as if they were awarded to or acquired on behalf of the Participant under the Plan in the same way and at the same time as those shares.

15.2. Rule 15.1 does not apply:

- (a) to shares and securities allotted as the result of taking up a rights issue where the funds to exercise those rights were obtained otherwise than by virtue of the Trustees disposing of rights in accordance with this rule; or

- (b) where the rights to a share issue attributed to Plan Shares are different from the rights attributed to other ordinary shares of the Company and in these circumstances any shares, securities or rights allotted are not Plan Shares, and Sections 127 to 130 of Taxable of Chargeable Gains Act 1992 (*re-organisation of share capital etc.*) do not apply in relation to them.

16. PAYE LIABILITY

- 16.1. The Trustees may dispose of a Participant's Plan Shares or accept a sum from the Participant in order to meet any PAYE liability in the circumstances provided in sections 510 to 512 of ITEPA (*PAYE: shares ceasing to be subject to the plan*).
- 16.2. Where the Trustees receive a sum of money which constitutes a capital receipt (within the meaning of section 502 of ITEPA) or the proceeds of any disposal in respect of which a Participant is chargeable to income tax as employment income, the Trustees shall pay to the relevant employer a sum equal to the amount of that income tax charge and transfer the balance to the Participant, unless the provisions of Section 514 of ITEPA apply (*Capital Receipts, deductions by Trustees*).
- 16.3. The Trustees shall maintain records necessary to enable them to carry out their PAYE obligations, and the PAYE obligations of the employer company so far as they relate to the Plan.
- 16.4. The Trustees shall maintain records of Participants who have participated in one or more plans approved under the Schedule established by the Company or a connected company (*within the meaning of paragraph 18(3) of the Schedule*).
- 16.5. Where the Participant becomes liable to income tax pursuant to the Plan under ITEPA, Chapter 3 or 4 of Part 4 of the Income Tax (Trading and Other Income) Act 2005, the Trustees shall inform the Participant of any facts which are relevant to determining that liability.
- 16.6. Where Plan Shares cease to be subject to the Plan in circumstances where the employer has a consequent PAYE obligation, the Trustees shall pay to the employer a sum which is sufficient to enable the employer to discharge that obligation unless the Participant makes a payment to the employer as referred to in Section 510(4) of ITEPA (*PAYE: shares ceasing to be subject to the Plan*).

PART B: FOR IRISH TAX RESIDENT PARTICIPANTS

1. DEFINITIONS AND INTERPRETATION

1.1. In this Plan, unless the context otherwise requires:

“Accounting Period” means a period in respect of which the profit and loss account and balance sheet of the Company are required to be made up pursuant to section 399 of the Companies Act 2006 of the United Kingdom;

“the Board” means the board of directors of the Company, a duly authorised committee of the Board or a duly authorised person or a committee appointed by them;

“the Company” means abrdn plc (registered in Scotland with registered number SC286832);

“the London Stock Exchange” means London Stock Exchange plc;

“Participant” means an individual to whom the Trustees have appropriated Shares under the Plan;

“Participating Company” means the Company or any Subsidiary to which the Board has resolved that the Plan shall for the time being extend and is bound by the terms of the Trust Deed either by being a party to it or having entered into a separate deed of adherence;

“the Plan” for the purposes of appropriations made under this Part B means Part B of the abrdn plc (Employee) Share Plan, subject to any alterations or additions made under Rule 11;

“the Retention Period” in connection with any of a Participant’s Shares means the period beginning on the date on which such Shares are appropriated or deemed to have been appropriated to him and ending on the second anniversary of that date (or such other anniversary of that date as may be determined by section 511(1)(a) of the Act) or, if it is earlier:

- a) the date on which the Participant ceases to be an employee or full-time director of any Participating Company, by reason of injury or disability or on account of his being dismissed by reason of redundancy, within the meaning of the Redundancy Payments Acts, 1967 to 2003, or
- b) the date on which the Participant reaches pensionable age as defined in section 2 to the Social Welfare (Consolidation) Act 1993, or
- c) the date of the Participant’s death;

“Rules” mean the rules of the Plan as amended from time to time;

“Salary Foregone Limit” means an amount which an individual offered participation under Rule 6.1 may elect to forego as salary and have applied under Rule 7.5 in the acquisition and appropriation of Shares to that individual provided that the amount foregone in respect of each year of assessment shall not exceed the lesser of the value of Shares appropriated under Rule 7.1 and 7½% of the individual’s Qualifying Remuneration as defined in Rule 7.3

“Shares” means fully paid ordinary shares in the capital of the Company which comply with the provisions of Part 3 of Schedule 11 to the Taxes Consolidation Act 1997 and where the context so requires shall refer to a single share;

“Subsidiary” means a body corporate which is a subsidiary of the Company within the meaning of Section 155 of the Companies Act 1963 and of which the Company has control within the meaning of section 432 of the Taxes Consolidation Act 1997;

“the Taxes Consolidation Act 1997” means the Taxes Consolidation Act 1997;

“the Trust Deed” means the trust instrument made between abrdn plc and the Trustees whereby Shares are required to be appropriated to individuals who participate in the Plan;

“the Trustees” means the trustees or trustee for the time being of the Trust Deed;

and expressions not otherwise defined herein have the same meanings as they have in the Taxes Consolidation Act 1997.

- 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.

2. PAYMENTS TO THE TRUSTEES

- 2.1. Subject to Rule 1.1, the Board may at any time decide that the Plan should be operated in respect of any Accounting Period, that is to say that such amount as the Board may determine (having regard to Rule 7.4) should be paid under the Plan by the Participating Companies to the Trustees in respect of that Accounting Period (but subject to Rule 2.2), to be applied by the Trustees in acquiring Shares for appropriation to the individuals who participate in the Plan.
- 2.2. In the case of a Participating Company which is within the charge to corporation tax, the sum payable under the Plan to the Trustees in respect of any Accounting Period shall be such that, in the opinion of the Board, it may be deducted as mentioned in Section 517 Taxes Consolidation Act 1997 (which will be the case if, within 9 months of the end of that Accounting Period, it is applied by the Trustees in acquiring Shares as mentioned in Rule 2.1 for appropriation to individuals who are eligible to participate in the Plan by virtue of their being or having been employees or directors of that Participating Company).

3. ISSUE OF SHARES

- 3.1. If the Trustees, pursuant to their obligation under Clause 2 of the Trust Deed, shall at any time apply to the Company to subscribe for Shares (rather than acquiring such Shares in any other manner), the Board on behalf of the Company may allot such Shares to them at such price as the Board shall determine (but subject to Rule 3.2 and Rule 3.3 and to Rule 4).

3.2. Subscription Price

The price at which Shares in the Company may be issued under the Plan shall be determined by the Board but shall not be less than the nominal value of a Share.

- 3.3. All Shares allotted under the Plan shall rank equally in all respects with the Shares of the same class for the time being in issue except that they shall not rank for any other rights attaching to such Shares by reference to a record date prior to the date of the allotment.

4. LIMITS

4.1. 10 per cent in 10 years limit

No Shares shall be allocated in any calendar year which would, at the time they are allocated, cause the number of Shares allocated (as defined in Rule 4.2) in the period of 10 calendar years ending with that calendar year under the Plan or under any other employee share plan adopted by the Company or any Subsidiary to exceed such number as represents 10 per cent. of the ordinary share capital of the Company in issue at that time.

4.2. Meaning of "allocated"

For the purposes of Rule 14.1:

- (a) Shares are allocated:
 - (i) when an option, award or other contractual right to acquire unissued Shares or treasury Shares is granted;
 - (ii) where Shares are issued or treasury Shares are transferred otherwise than pursuant to an option, award or other contractual right to acquire Shares, when those Shares are issued or treasury Shares transferred;
- (b) any Shares which have been issued or which may be issued (or any Shares transferred out of treasury or which may be transferred out of treasury) to any trustees to satisfy the exercise of any option, award or other contractual right shall be treated 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".

4.3. Post-grant events affecting numbers of "allocated" Shares

For the purposes of Rule 4.2 where:

- (a) 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
- (b) after the grant of an option, award or other contractual right the Board determines that:
 - (i) where an amount is normally payable on its exercise it shall be satisfied without such payment but instead shall be satisfied by cash and/or the issue of Shares and/or the transfer of treasury Shares equal to the gain made on its exercise; or
 - (ii) it shall be satisfied by the transfer of existing Shares (other than Shares transferred out of treasury)

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

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

4.5. Changes to investor guidelines

Treasury Shares shall cease to count as "allocated" for the purposes of Rule 4.2 if the Investment Association's guidelines on remuneration cease to require such Shares to be so counted.

5. ELIGIBILITY

5.1. An individual is eligible to have Shares appropriated to him under the Plan on any day (the "**appropriation day**") if (and only if) he was at the **Relevant Time** an employee or full time director of a company which is a Participating Company and he satisfies the conditions specified in Rule 5.2, unless he is ineligible to have Shares appropriated to him by virtue of Rule 5.5.

5.2. The conditions referred to in Rule 5.1 above are that the individual:

- (a) shall at all times during the **Qualifying Period** have been an employee (but not a director) or a full-time director of the Company or a company which was for the time being a Subsidiary,
- (b) was at the **Relevant Time** chargeable to tax in respect of his employment or office under Schedule E of the Taxes Consolidation Act 1997.

5.3. For the purposes of Rule 5:

- a) the Relevant Time is either:
 - i. the end of the last Accounting Period ending prior to the **appropriation day**, or
 - ii. such other time during the period of 3 years ending with the **appropriation day** as the Board may determine (provided that no such determination may be made if it would have the effect that the **Qualifying Period** would not fall within the said 3-year period);
- b) the Qualifying Period is either:
 - i. the period of two years ending at the **Relevant Time**, or
 - ii. such other period ending at the **Relevant Time** but falling within the 3-year period mentioned in paragraph (a) above as the Board may determine;
- (c) an individual shall be treated as a **full-time director** of a company if he is obliged to devote to the performance of the duties of his office or employment with that company the whole or substantially the whole of his working time, and in any event not less than 20 hours a week;

5.4. Any determination of the Board under paragraph (a) or (b) of Rule 5.3 shall have effect in relation to every relevant individual.

5.5. An individual shall not be eligible to have Shares appropriated to him under the Plan at any time if:

- (a) he is at that time ineligible to have Shares so appropriated to him by virtue of paragraphs 12, 13 or 14 of Part 4 of Schedule 11 to the Taxes Consolidation Act 1997; or
- (b) after the **Relevant Time** he has been dismissed or been given notice of dismissal from the office or employment by virtue of which he would but for this paragraph be eligible to have Shares so appropriated to him (or has given notice of resignation from such office or employment in order to avoid such dismissal) on grounds of breach of regulations, criminal acts outside work, dishonesty, unsatisfactory conduct or unsatisfactory work (defined in accordance with his employing company's personnel policies from time to time), unless he is still an employee or full-time director on the appropriation day in which case he shall be eligible to have Shares appropriated to him.

6. INVITATIONS AND DIRECTION TO APPROPRIATE SHARES

6.1. The Board shall ensure that every individual who is eligible to have Shares appropriated to him under the Plan on any day on which Shares are appropriated under it shall have been given an invitation to apply, within a period of not less than 14 days from the date of the invitation (or such shorter period as may be agreed with the Revenue Commissioners), to participate in the Plan in respect of the Accounting Period in question, and:

- (a) any such invitation may be expressed to relate to more than one **appropriation day**; and
- (b) each individual must complete a contract of participation the first time he participates, and complete an application form for each tax year in which the individual decides to participate in the Plan, and
- (c) the Board may include details in any aforesaid invitation of an amount of salary up to the Salary Foregone Limit which an individual may elect to forego to be used in the acquisition of Shares under the Plan for appropriation to that individual.

6.2. As soon as reasonably practicable after the Company shall have been notified by the Trustees that their obligation under Clause 2 of the Trust Deed to apply the sums paid under the Plan in respect of any Accounting Period in the acquisition of Shares has been discharged, the Board shall direct the Trustees to appropriate Shares simultaneously in the Company in accordance with Rule 7, on a day specified in the direction, to every individual who:

- (a) is eligible to have Shares appropriated to him under the Plan on that day, and
- (b) has applied (in such form and manner as the Board may prescribe) to participate in the Plan in respect of that Accounting Period, and
- (c) is bound in contract with the Company (in such form and manner as the Board may prescribe) as mentioned in Section 511(4) of the Taxes Consolidation Act 1997.

6.3. Any determination of the Board made for the purpose of ascertaining the number of Shares to be appropriated under the Plan to any individual at any time shall have effect in relation to every appropriation of Shares thereunder at that time.

7. APPROPRIATION OF SHARES

7.1. The number of Shares appropriated to any individual under the Plan at any time shall, subject to Rules 7.5 and 7.6, be ascertained in accordance with such of the following paragraphs as the Board shall determine, that is to say it shall be:

- (a) such number as shall, when appropriated, have an initial market value equal to such amount as the Board may have determined pursuant to Rule 7.27.2 for this purpose; or
- (b) such number as shall be found in any other manner previously approved in writing by the Revenue Commissioners for the purposes of the Plan,

PROVIDED THAT if the number of Shares appropriated to any individual at that time would be such that the total of the initial market values of the Shares appropriated to him under the Plan and any other approved scheme in any year of assessment would exceed the relevant amount (being €12,700 per annum or such other sum as may be specified in the Taxes Consolidation Act 1997), then that number shall be reduced so far as is necessary to ensure that that limit is not exceeded.

7.2. The Board may determine any of the following amounts for the purposes of Rule 7.1:

- (a) an amount equal to such fraction of the individual's **Qualifying Remuneration** at the time of the appropriation as the Board may specify provided that the same fraction will apply to each individual;

- (b) an amount specified by the individual which is less than the amount referred to in paragraph (a) above provided that the shortfall which is paid in cash to the individual shall be subject to statutory withholdings.

- 7.3. For the purposes of Rules 7.2 and 7.7(d), an individual's **Qualifying Remuneration** at any time is the aggregate of the total payments made by the Company or any Subsidiary to the individual during the year of assessment for income tax purposes ending on 31 December next following the end of the Accounting Period ("the Relevant Year of Assessment") which are taken into consideration in computing his liability to income tax under Schedule E of the Taxes Consolidation Act 1997 or an amount calculated on such other basis as may be agreed with the Revenue Commissioners.
- 7.4. The Board shall ensure that the total amount paid under the Plan to the Trustees in respect of the Accounting Period in question does not exceed such amount as is, in the opinion of the Board, necessary for the Trustees to acquire Shares in the Company for appropriation in accordance with this Rule.
- 7.5. Notwithstanding Rule 7.1, the Trustees shall appropriate Shares which have been acquired out of salary which an individual has elected to forego (subject to his Salary Foregone Limit) provided that the value of such Shares when aggregated with the value of shares appropriated under Rule 7.1 may not exceed the relevant amount specified in Rule 7.1 and if this would arise then the number of Shares appropriated under this Rule shall be reduced accordingly and any excess salary foregone will be repaid to the individual subject to deduction of PAYE and PRSI.
- 7.6. In addition to the amounts in Rules 7.1 and 7.5 above, if the Board so decides in any given year of assessment each eligible employee may be given the opportunity to buy shares in the Company out of his own resources ("Qualifying Partnership Shares") through a contributory arrangement and subject to the provisions set out in Rule 7.7 below, and thereby obtain additional Shares under the Plan ("Matching Shares").
- 7.7. The following provisions shall apply to the contributory arrangement in Rule 7.6 above:
 - (a) The price at which Qualifying Partnership Shares will be offered to eligible employees will be the initial market value of the corresponding Matching Shares;
 - (b) All Qualifying Partnership Shares must be lodged with the Trustee, or any other person nominated by the Board for the purpose, for the Retention Period and all Matching Shares allocated to a Participant must be held by the Trustee for the Retention Period. The Participant must undertake not to sell his Qualifying Partnership Shares or his Matching Shares for the Retention Period.
 - (c) The number of Matching Shares that may be allocated under the Plan shall be determined by the Board but shall not be less than one Matching Share for each Qualifying Partnership Share purchased;
 - (d) The maximum amount of Qualifying Partnership Shares that may be purchased shall be determined by the Board but shall not exceed 7.5% of Qualifying Remuneration;
 - (e) The minimum amount of Qualifying Partnership Shares that may be purchased shall also be determined by the Board but shall not exceed the lesser of Euro 127 or 1% of Qualifying Remuneration; and
 - (f) The total initial market value of Shares (including Matching Shares) appropriated to any individual in a year of assessment shall not exceed the limit specified in paragraph 3(4) of Part 2 of Schedule 11 to the Taxes Consolidation Act 1997.

8. INITIAL MARKET VALUE

8.1. For the purposes of the Plan, the initial market value of Shares shall be equal to either:

- (a) their average price, as determined under Rule 8.2 below, or
- (b) if the Board with the approval of the Revenue Commissioners shall so determine, to the middle-market quotation of Shares of that class (as derived from the prices quoted in the Daily Official List published by the London Stock Exchange) on a dealing day falling within the period of 30 days ending with the day on which the appropriation thereof is made.

8.2. For the purposes of Rule 8.1, the average price of a Share shall be found by:

- (a) taking the amount (if any) applied by the Trustees in subscribing for Shares as mentioned in Rule 3.1 during the period of 30 days ending with the day on which the appropriation in question is made and prior to that appropriation,
- (b) adding to that amount the amount (if any) applied by the Trustees in purchasing Shares in the Company on the London Stock Exchange (or otherwise at a price which is not less than the middle market quotation of a Share in the Company on the date on which those Shares are purchased) during the period of 30 days ending with that day and prior to the appropriation (excluding any part thereof applied in the payment of incidental costs and expenses), and
- (c) dividing the result by the total number of Shares in the Company acquired by the Trustees as mentioned in paragraphs (a) and (b) above.

9. CAPITALISATION ISSUES

In the event of the Company allotting any new shares by way of capitalisation to the Trustees in respect of any Participant's Shares, such new shares will, subject to the provisions of the Taxes Consolidation Act 1997 form part of that Participant's Shares and will be deemed to have been appropriated at the same time as, and will be held by the Trustees on the same terms as, the Participant's Shares to which they relate.

10. TAKEOVERS AND OTHER TRANSACTIONS AFFECTING A PARTICIPANT'S SHARES

10.1. In the event that:

- (a) an offer is made to acquire any Participant's Shares (in this sub-rule 10.1(a) referred to as **original shares**) in circumstances such that acceptance thereof will result in a new holding (as defined in section 584 of the Act) being equated with such original shares for the purposes of capital gains tax;
- (b) an offer is made to acquire any Participant's Shares as part of a general offer made to holders of shares of the same class as the Participant's Shares or of shares in the same company for a cash consideration, with or without other assets, and is also made in the first instance on a condition such that, if it is satisfied, the person making the offer will have control of the Company (within the meaning of section 11 of the Taxes Consolidation Act 1997); or
- (c) a transaction is proposed which affects a Participant's Shares or such of them as may be of a particular class and such transaction would be entered into pursuant to a compromise, arrangement or scheme applicable to or affecting:
 - i. all the ordinary shares of the Company or, as the case may be, all the shares of the class in question; or

- ii. all the shares or shares of the class in question which are held by a class of shareholders identified otherwise than by reference to their participation in an approved scheme;

then, notwithstanding anything in clause 3 of the Trust Deed, the Trustees may, at the direction of the relevant Participant, accept such offer or, as the case may be, agree to such compromise arrangement or scheme in respect of that Participant's Shares.

10.2. In the event that any offer is made or compromise, arrangement or scheme proposed affecting any of a Participant's Shares which does not fall within Rule 10.1, then the Participant concerned may only direct the Trustees to accept or agree thereto to the extent that implementation thereof would not result in a breach of clause 3 of the Trust Deed.

10.3. The Trustees will promptly take all reasonable steps using information supplied by the Company to notify Participants of the principal terms of any offer, transaction, compromise, merger, arrangement or scheme falling within this rule, and in the absence of any direction from a Participant concerning how the Trustees should act thereon in respect of such Participant's Shares the Trustees will not take any action in respect thereof.

10.4. In any of the following events:

- (a) if the Company ceases to carry on business and another body corporate, person or firm (whether in contemplation of or after such cessation of business) enters into an agreement with the Trustees to perform the obligations of the Company under the Trust Deed and the rules;
- (b) if the business or a part of the business of the Company is acquired by or vested in any other body corporate, person or firm and such other body corporate, person or firm enters into an agreement with the Trustees or is bound by virtue of or pursuant to any statutory provision or instrument made thereunder or any order of a Court or otherwise to perform the said obligations;
- (c) if the Company is dissolved by virtue of or pursuant to any statutory provision or any order of the Court made thereunder or otherwise, and another body corporate, person or firm is bound by virtue of or pursuant to any statutory provision or any order of the Court made thereunder or otherwise to perform the said obligations;
- (d) if the Company amalgamates or enters into any arrangement having the effect of amalgamation with any other body corporate, person or firm; or
- (e) if the Company desires to be discharged of its duties as the Company and any other body corporate, person or firm enters into an agreement with the Trustees to perform the said obligations;

then in any such event, by deed supplemental hereto in such form as the Company and the Trustees require and which has received the prior written approval of the Revenue Commissioners, the Company will be thereby released from all the said obligations, and such other body corporate, person or firm as aforesaid will be deemed to be substituted for the Company as the person liable to perform the said obligations, and the Trust Deed and the rules will henceforth have effect as if such other body corporate, person or firm had been a party to and had executed the Trust Deed in place of the Company and as if the reference to the Company in the Trust Deed and in the rules were references to such other body corporate, person or firm.

11. ALTERATIONS AND ADDITIONS

- 11.1. Subject to Rule 11.2, the Board may at any time alter or add to all or any of the provisions of the Plan in any respect (having regard to the fact that, if such an alteration or addition is made at a time when the Plan is approved by the Revenue Commissioners under Chapter 1, Part 17 of the Taxes Consolidation Act 1997 and Schedule 11 thereto) the approval will not thereafter have effect unless the Revenue Commissioners have previously approved in writing the alteration or addition.

11.2. Alterations to the advantage of Participants

Subject to Rule 11.3, no alteration to the advantage of the persons who participate or may participate in the Plan shall be made under Rule 11.1 to the provisions concerning eligibility, the individual limits on participation, the overall limits on the issue of Shares or the transfer of treasury Shares under the Plan, the basis for determining how many Shares employees receive and the adjustments that may be made following a rights issue or any other variation of capital without the prior approval by ordinary resolution of the members of the Company in general meeting.

11.3. Minor administration amendments

Rule 11.2 shall not apply to 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, the Company, the Trustees or any Subsidiary.

- 11.4. As soon as reasonably practicable after making any alteration or addition to the Plan the Board shall give notice in writing of it to:

- (a) the Trustees, each of the Participating Companies which are Subsidiaries and any Participant affected thereby; and
- (b) if the Plan is then approved by the Revenue Commissioners under Chapter 1, Part 17 of the Taxes Consolidation Act 1997 and Schedule 11 thereto, to the Revenue Commissioners.

12. MISCELLANEOUS

- 12.1. The rights and obligations of any individual under the terms of his employment with the Company or a Subsidiary 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 shall by participating in the Plan waive any and all rights to compensation or damages in consequence of the termination of his employment for any reason whatsoever insofar as those rights arise or may arise from his ceasing to have rights under the Plan 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. Any appropriation of Shares does not imply that any appropriations of Shares will be made or that any individual has a right to receive an appropriation of Shares.

12.2. Remuneration

Except where required by law, no money or money's worth received by any individual under the Plan shall form part of his remuneration for any purpose whatsoever.

12.3. Disputes and interpretation

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 related to the Plan, the decision of the Board shall be final and binding upon all persons.

12.4. Notices

Any notice or other communication under or in connection with the Plan may be given in such manner as the Board consider to be appropriate which may include by personal delivery, by email or intranet (but only to the extent that all individuals entitled to receive such notice have equal access to email or intranet) or by post, in the case of a company to its registered office or to such other address notified for this purpose to the person giving the notice, and in the case of an individual to his last known address, or, where he is an employee of a Participating Company, either to his last known postal address, to the postal address of the place of business at which he performs the whole or substantially the whole of the duties of his employment or in the absence of there being such a place, the place of business to which regular correspondence in connection with his employment is sent, or to his allocated corporate email address. Unless otherwise stated in these Rules, where any such notice or other communication is given by a Participant to the Company or the Trustees, it shall be effective only on receipt by the Company or, as the case may be, the Trustees.

12.5. **Funding**

The Company and any Subsidiary may provide money to the trustees of any trust or any other person to enable them or him to acquire Shares to be held for the purpose of the Plan or enter into any guarantee or indemnity for these purposes, to the extent permitted by the UK Companies Act 2006.

12.6. **No entitlement to appropriation of Shares**

The Board shall determine when (if at all) Shares shall be appropriated under the Plan, and subject to the rules of the Plan, the basis on which Shares are appropriated and nothing in these Rules should be interpreted as conferring any obligation on the Company to procure that Shares are appropriated on a regular basis or replicate the terms on which Shares were previously appropriated under the Plan.

12.7. **Errors and omissions**

If in the consequence of an error or omission it is ascertained following an appropriation day that:

- (a) an individual has not been given the opportunity to participate in the Plan in respect of any Shares to which he should have been entitled under the Plan; or
- (b) the number of Shares expressed to be appropriated to any individual on any occasion is found to be incorrect

any appropriation expressed to have been made in respect of more than the correct number of Shares shall be void as to the excess, any appropriation expressed to have been made in respect of fewer than the correct number of Shares shall relate to the correct number of Shares if the Trustee holds unallocated Shares that could otherwise have been used for this purpose and the Company and the Trustee may do all acts and things as may be agreed in writing with the Revenue Commissioners to rectify such error or omission, notwithstanding that such actions may not otherwise be in accordance with the Rules of the Plan.

12.8. **Termination**

The Board may terminate the Plan at any time and following such termination no further appropriations of Shares shall be made. For the avoidance of doubt, such termination shall not affect the rights and obligations of Participants in respect of Shares appropriated prior to the date of the Plan's termination.

12.9. **Third party rights**

No third party has any right under the Contracts (Rights of Third Parties) Act 1999 of the United Kingdom (or any similar legislation in any other jurisdiction) to enforce any term of the Plan.

12.10. **Governing law**

The Plan and all Shares allocated under it shall be governed and construed in accordance with the law of the Republic of Ireland and the Courts of the Republic of Ireland have exclusive jurisdiction to hear any dispute.

PART C: FOR NON-TAX FAVOURED AWARDS

1. DEFINITIONS AND INTERPRETATION

1.1. In the Plan, unless the context otherwise requires:

"**Award**" means a Free Award or a Matching Award;

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

"**Company**" means abrdn plc (registered in Scotland with registered number SC286832);

"**Conditional Right**" means a conditional right to acquire Shares granted under the Plan;

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

"**Dividend Equivalent**" means a value calculated by reference to dividends paid on Shares as described in Rule 3.6;

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

- (a) the date of cessation of employment of a Participant in the circumstances referred to in Rule 11.2 (*Good leavers*); 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 (*Demergers and similar events*);

"**Exercise Period**" means the period referred to in Rule 7.2 during which an Option may be exercised;

"**Free Award**" means a Conditional Right or an Option granted without reference to Partnership Shares;

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

"**Group Member**" means:

- (a) a Participating Company, a body corporate which is the Company's holding company (within the meaning of section 736 of the Companies Act 1985) or a Subsidiary of the Company's holding company; or
- (b) a body corporate which is a subsidiary undertaking (within the meaning of section 258 of that Act) of a body corporate within paragraph (a) above and has been designated by the Board for this purpose;

"**Initial Market Value**" means the middle market quotation of a Share on the day preceding the Grant Date or in the absence of such a quotation such price as the Board shall reasonably determine (*for Awards granted on the flotation of the Company the Board shall use the flotation price*);

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

"**Listing Rules**" means the Listing Rules published by UKLA;

"London Stock Exchange" means London Stock Exchange plc or any successor entity;

"Matching Award" means a Conditional Right or an Option granted by reference to Partnership Shares;

"Normal Vesting Date" means the date on which an Award Vests under Rule 6.1;

"Option" means a right to acquire shares granted under the Plan which is designated as an option by the Board under Rule 3.2;

"Option Price" means the amount, if any, payable on the exercise of 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;

"Partnership Shares" means Shares that are acquired by an individual in connection with the grant of a Matching Award;

"Plan" for Awards granted under this Part C means Part C of the abrdn (Employee) Share Plan as amended from time to time;

"Rule" means a rule of the Plan;

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

"Subsidiary" means a body corporate which is a subsidiary (within the meaning of section 736 of the Companies Act 1985);

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

"UKLA" means the United Kingdom Listing Authority;

"Vest" means:

- (a) in relation to a Conditional Right, the Participant becoming entitled to have the Vested Shares transferred to him;
- (b) in relation to an Option, it becoming exercisable;

and **Vesting** shall be construed accordingly; and

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

- 1.2. Any reference in the Plan to any enactment is to an enactment of the United Kingdom (unless otherwise stated and includes a reference to that enactment as from time to time modified, extended or re-enacted.
- 1.3. Expressions in italics and headings are for guidance only and do not form part of the Plan.

2. ELIGIBILITY

General rule on eligibility

- 2.1. An **individual** is eligible to be granted an Award only if he is an employee of a Participating Company and has completed such qualifying period (not exceeding 18 months) of employment with one or more Group Members as determined by the Board from time to time.

Eligibility for Matching Awards: Partnership Shares

- 2.2. A Matching Award may only be granted to an individual who is eligible under Rule 2.1 to be granted an Award and who has acquired or has agreed to acquire Partnership Shares.

3. GRANT OF AWARDS

Terms of grant – General

- 3.1. Subject to Rules 3.8 (Timing of grant) and 3.10 (Approvals and consents), the Board may, in its sole discretion, grant an Award on:
- (a) the terms set out in the Plan; and
 - (b) such additional objective terms as the Board may specify
- to any person who is eligible to be granted an Award under Rule 2 (*Eligibility*).

Type of Award

- 3.2. On or before the Grant Date, the Board shall determine whether an Award will be:
- (a) a Free Award or a Matching Award; and
 - (b) in the form of a Conditional Right or an Option. If the Board does not specify the form of an Award on or before the Grant Date then that Award will be a Conditional Right.

Method of Grant

- 3.3. Awards shall be granted as follows:
- (a) a Conditional Right or an Option shall be given effect by deed executed by the Company; and
 - (b) if an Award is an Option, the Board shall determine the Option Price (if any) on or before the Grant Date provided that the Board may reduce or waive such Option Price on or prior to the exercise of the Option.

Method of satisfying Awards

- 3.4. Unless specified to the contrary by the Board on the Grant Date, and subject to Rule 9, 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).3.5

- 3.5. The Board may decide to change the way in which it is intended that an Award granted as a Conditional Award or an Option may be satisfied after it has been granted, having regard to the provisions of Rule 5 (*Limits*).

Dividend Equivalent

- 3.6. The Board may decide on or before the grant of an Award that a Participant (or his nominee) shall be entitled to receive the value of the dividends (excluding any dividend tax credit unless the Board decides otherwise) that would have been paid on the Vested Shares in respect of dividend record dates occurring during the period between the Grant Date and the date of Vesting. If the Board does not make a positive determination in this regard then Participants shall not be entitled to receive the value of any dividends.
- 3.7. The Board, acting fairly and reasonably, may decide to disapply Rule 3.6 in relation to a special dividend which would otherwise be included under Rule 3.6.

Timing of grant

- 3.8. Subject to Rule 3.10 (*Approvals and consents*), the Board may grant an Award at any time.

Non-transferability

- 3.9. An Award granted to any Participant shall not be capable of being transferred, assigned, charged or otherwise disposed of by him except on his death to his personal representative and the Award shall lapse in the event of any attempt to so transfer, assign, charge or otherwise dispose of the Award.

Approvals and consents

- 3.10. The grant of any Award shall be subject to obtaining any approval or consent required under the Listing Rules, the Market Abuse Regulation (Retained Regulation (EU) 596/2014 (originating from Regulation (EU) 596/2014)), any relevant share dealing code of the Company, the City Code on Takeovers and Mergers, or any other UK or overseas regulation or enactment.

4. PARTNERSHIP SHARES

Acquisition of Partnership Shares

- 4.1. If the Board intends to grant Matching Awards, it shall invite such individuals who are eligible under Rule 2.1 (General rule on eligibility) as it decides to acquire Partnership Shares for the purpose of qualifying for the grant of a Matching Award.
- 4.2. Prior to the issue of any such invitation, the Board shall decide on:
- (a) the number or value of Shares over which a Matching Award will be granted relative to the number or value of Partnership Shares acquired by an individual;
 - (b) the manner and timing of the acquisition of Partnership Shares;
 - (c) the manner in which the Partnership Shares shall be held;
 - (d) any minimum and/or maximum number of Partnership Shares which may be acquired; and
 - (e) any restriction to apply on the sale or disposal of the Partnership Shares

and such decisions will be communicated in the invitation.

Variation of share capital and dividends – Partnership Shares

4.3. If:

- (a) a Participant acquires any further Shares by virtue of his holding of Partnership Shares under a variation of share capital of the Company then, unless the Board decides otherwise, he may add those Shares to his holding of Partnership Shares; or
- (b) a Participant receives a special dividend by virtue of his holding of Partnership Shares he may purchase further Shares with the dividend and add those Shares to his holding of Partnership Shares; or
- (c) a Participant receives securities other than Shares by virtue of his holding of Partnership Shares, he may sell (or where applicable redeem) those securities and use the proceeds to purchase further Shares which will be added to his holding of Partnership Shares.

and, in any such case, the Board shall decide whether or not Matching Awards will be adjusted accordingly under Rule 13 (*Adjustment of Awards*).

5. LIMITS

10 per cent in 10 years limit

- 5.1. No Award shall be granted in any calendar year which would, at the time it is granted, cause the number of Shares allocated (as defined in Rule 5.2) in the period of 10 calendar years ending with that calendar year under the Plan or under any other employee share plan adopted by the Company or any Subsidiary to exceed such number as represents 10 per cent. of the ordinary share capital of the Company in issue at that time.

Meaning of "allocated"

5.2. For the purposes of Rule 5.1:

- (a) Shares are allocated:
 - (i) when an option, award or other contractual right to acquire unissued Shares or treasury Shares is granted;
 - (ii) where Shares are issued or treasury Shares are transferred otherwise than pursuant to an option, award or other contractual right to acquire Shares, when those Shares are issued or treasury Shares transferred;
- (b) any Shares which have been issued or which may be issued (or any Shares transferred out of treasury or which may be transferred out of treasury) to any trustees to satisfy the exercise of any option, award or other contractual right shall be treated 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".

Post-grant events affecting numbers of "allocated" Shares

5.3. For the purposes of Rule 5.2 where:

- (a) 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
- (b) after the grant of an option, award or other contractual right the Board determines that:
 - (i) where an amount is normally payable on its exercise it shall be satisfied without such payment but instead shall be satisfied by cash and/or the issue of Shares and/or the transfer of treasury Shares equal to the gain made on its exercise; or
 - (ii) it shall be satisfied by the transfer of existing Shares (other than Shares transferred out of treasury)

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

5.4. 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.

Changes to investor guidelines

5.5. Treasury Shares shall cease to count as "allocated" for the purposes of Rule 5.2 if the Investment Association's guidelines on remuneration cease to require such Shares to be so counted.

Limit on Free Awards

5.6. The Initial Market Value of Shares that may be placed under a Free Award to any eligible Participant in any financial year of the Company shall not exceed £3,600.

Limit on Matching Awards

5.7. The Initial Market Value of Shares that may be placed under Matching Awards to any eligible Participant in any financial year of the Company shall not exceed £3,600.

5.8. The maximum ratio of the Initial Market Value of Shares subject to a Matching Award to the pre-tax monies used to buy Partnership Shares shall be 2:1 and for this purpose the Board can determine that a harmonised tax rate shall be used (*the current intention is that this will be 30%*).

6. VESTING OF AWARDS

Timing of Vesting

6.1. Subject to Rule 6.3 (*Restrictions on Vesting: regulatory and tax issues*), an Award will Vest on the later of:

- (a) for a Free Award, the Grant Date or such other date as the Board decides on or prior to the Grant Date;
- (b) for a Matching Award, the third anniversary of the Grant Date or such other date as the Board decides on or prior to the Grant Date); and
- (c) the date on which the Board determines whether or not any condition imposed on the Vesting of the Award has been satisfied (in whole or part)

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

Extent of Vesting

- 6.2. An Award will only Vest to the extent permitted by any condition (if any) imposed on the Vesting of the Award.

Restrictions on Vesting: regulatory and tax issues

- 6.3. An Award will not Vest unless the following conditions are satisfied:
- (a) the Vesting of the Award, and the issue or transfer of Shares following such Vesting must be lawful in all relevant jurisdictions and in compliance with the Listing Rules, the Market Abuse Regulation (Retained Regulation (EU) 596/2014 (originating from Regulation (EU) 596/2014)), any relevant share dealing code of the Company, the City Code on Takeovers and Mergers and any other relevant UK or overseas regulation or enactment;
 - (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 Board that the relevant Group Member will receive the amount of the Tax Liability (whether pursuant to Rule 6.5 (*Payment of Tax Liability*) or otherwise); and
 - (c) where the Board requires, the Participant has entered into, or agreed to enter into, a valid election under Part 7 of ITEPA (*Employment income: elections to disapply tax charge on restricted securities*) or any similar arrangement in any overseas jurisdiction.

For the purposes of this Rule 6.3, references to Group Member include any former Group Member.

Tax liability before Vesting

- 6.4. 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 secure that it receives 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 such Tax Liability and the number of Shares subject to his Award shall be reduced accordingly.

For the purposes of this Rule 6.4 references to Group Member include a former Group Member.

Payment of Tax Liability

- 6.5. 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 he agrees to fund all or part of the Tax Liability in a different manner that is acceptable to the Board.

7. CONSEQUENCES OF VESTING

Conditional Rights

- 7.1. On or as soon as reasonably practicable after the Vesting of a Conditional Right, the Board shall, subject to Rule 6.5 (*Payment of Tax Liability*) and any arrangement made under Rules 6.3(b) and 6.3(c) (*Restrictions on Vesting: regulatory and tax issues*), transfer or procure the transfer of the Vested Shares to the Participant (*or a nominee for him*).

Options

- 7.2. An Option shall, subject to Rule 8.1 (*Restrictions on the exercise of an Option: regulatory and tax issues*), be exercisable in respect of Vested Shares for a period of three months beginning with the date on which the Option Vests unless it lapses earlier under Rule 11.3 (*Cessation of employment in other circumstances*), Rule 12.1 (*General offers*) or Rule 12.2 (*Schemes of arrangement and winding up*).
- 7.3. If an Option is not exercised during the last 30 days of the Exercise Period because of any regulatory restrictions referred to in Rule 8.1(a) the Board may extend the period during which the Option may be exercised so as to permit the Option to be exercised as soon as those restrictions cease to apply.

Payment of Dividend Equivalent

- 7.4. If under Rule 3.6 (Dividend Equivalent) Participants are entitled to the Dividend Equivalent in relation to Shares under their Award, the Shares comprised in the Dividend Equivalent will be delivered as soon as practicable after Vesting and Rule 6.5 shall apply as it applies to Vested Shares.

The Board, acting fairly and reasonably may decide to disapply this Rule 7.4 in relation to all or part of a special dividend which would otherwise be included under this Rule.

8. EXERCISE OF OPTIONS

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

- 8.1. An Option which has Vested may not be exercised unless the following conditions are satisfied:
- (a) the exercise of the Option and the issue or transfer of Shares following such exercise must be lawful in all relevant jurisdictions and in compliance with the Listing Rules, the Market Abuse Regulation (Retained Regulation (EU) 596/2014 (originating from Regulation (EU) 596/2014)), any relevant share dealing code of the Company, the City Code on Takeovers and Mergers and any other relevant UK or overseas regulation or enactment;
 - (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 Board that the relevant Group Member will receive the amount of such Tax Liability (whether pursuant to Rule 8.4 (*Payment of Tax Liability*) or otherwise); and
 - (c) where the Board requires, the Participant has entered into, or agreed to enter into, a valid election under Part 7 of ITEPA (*Employment income: elections to disapply tax charge on restricted securities*) or any similar arrangement in any overseas jurisdiction.

For the purposes of this Rule 8.1, references to Group Member include any former Group Member.

Exercise in whole or part

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

Method of exercise

- 8.3. The exercise of any Option shall be effected in the form and manner prescribed by the Board. Unless the Board, acting fairly and reasonably, determines otherwise, any notice of exercise shall, subject to Rule 8.1 (*Restrictions on the exercise of an Option: regulatory and tax issues*), take effect only when the Company receives it, together with payment of any relevant Option Price (*or, if the Board so permit, an undertaking to pay that amount*).

Payment of Tax Liability

- 8.4. 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 he agrees to fund all or part of the Tax Liability in a different manner.

Allotment and transfer timetable

- 8.5. As soon as reasonably practicable after an Option has been exercised, the Board shall, subject to Rule 8.4 (*Payment of Tax Liability*) and any arrangement made under Rules 8.1(a) 8.1(b) or 8.1(c) (*Restrictions on Vesting: regulatory and tax issues*), transfer or procure the transfer to him (*or a nominee for him*) of the number of Shares in respect of which the Option has been exercised.

9. CASH ALTERNATIVE

Board determination

- 9.1. Except:
- (a) in respect of any Award held by a Participant who is resident in Canada for the purposes of the Income Tax Act (Canada) where it would result in the cash payment referred to below being made after 31 December in the third calendar year following the year in which the Participant provided the services in respect of which the Award was made²; or
 - (b) in any other cases as the Board may determine where a Conditional Right Vests, or where an Option has been exercised and Vested Shares have not yet been transferred to the Participant (or his nominee), the Board may determine that, in substitution for his right to acquire such number of Vested Shares as the Board may decide (but in full and final satisfaction of his right to those Shares), he shall be paid by way of additional employment income a sum equal to the cash equivalent (as defined in Rule 9.2) of that number of Shares in accordance with the following provisions of this Rule 9.

Cash equivalent:

For the purposes of this Rule 9, the cash equivalent of any Shares is:

- (a) in the case of a Conditional Right, the market value of a Share on the day when the Award Vests; and

² This would mean, for example, that if an Award was granted on 10 July 2009 in respect of services being provided by the Participant at the time of such Award, no cash payment could be made after 31 December 2012.

- (b) in the case of an Option, the market value of those Shares on the day when the Option is exercised reduced by the Option Price in respect of those Shares.

9.2. Market value on any day shall be determined as follows:

- (a) if on the date of Vesting or exercise, Shares are quoted in The London Stock Exchange Daily Official List, the closing price of a Share, as derived from that List, on the dealing day before that day; or
- (b) if the Shares are not so quoted, such value of a Share as the Board determines.

Payment of cash equivalent

9.3. As soon as reasonably practicable after the Board has determined under Rule 9.1 that a person 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.

Deductions

9.4. There shall be deducted from any payment under this Rule 9 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.

10. LAPSE OF AWARDS

General Rule

10.1. An Award will lapse:

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

Lapse of Matching Award on disposal of Partnership Shares

10.2. A Matching Award that has not Vested shall lapse on the date on which the Participant transfers, charges or otherwise disposes of the Partnership Shares to which the Matching Award relates, but only pro-rata to the number of Partnership Shares which are so transferred, charged or otherwise disposed of. In exceptional circumstances, the Board may determine that this Rule 10.2 shall not apply and may substitute reasonable alternative provisions.

11. LEAVERS

Good leavers

11.1. If a Participant ceases to be a director or employee of a Group Member for any reason (other than dismissal for misconduct) before the Normal Vesting Date, his Free Award will Vest 60 days after the date of cessation or such earlier date in this 60-day period as the Board shall determine.

11.2. 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) retirement as agreed with the Participant's employer;
- (c) injury or disability;
- (d) redundancy (as defined in Rule 11.5);
- (e) his office or employment being in 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 Board so decides

then, subject to Rule 6.3 (*Restrictions on Vesting: regulatory and tax issues*), his Matching Award shall Vest 60 days after the date of cessation or such earlier date in this 60-day period as the Board may determine.

Cessation of employment in other circumstances

- 11.3. If a Participant ceases to be a director or employee of a Group Member for any reason other than those specified in Rule 11.2 (*Good leavers*), then any Matching Award held by him that has not Vested at that time shall lapse immediately on such cessation and any Matching Award held by him that has Vested at that time shall lapse 30 days after such cessation.

Meaning of ceasing employment

- 11.4. A Participant shall not be treated for the purposes of this Rule 11 as ceasing to be a director or employee of a Group Member until such time as he is no longer a director or employee of any Group Member. If any Participant ceases to be such a director or employee 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 as he ceases to have such a right while not acting as an employee or director.

Meaning of redundancy

- 11.5. For the purposes of Rule 11.2(d) "redundancy" shall be given its local meaning in the relevant jurisdiction and the expiry of a fixed term contract shall constitute a redundancy unless the Participant starts a new contract with any Group Member within four weeks of the termination of the previous contract, in which case an Award shall neither Vest nor lapse but shall continue on the same terms.

12. TAKEOVERS AND OTHER CORPORATE EVENTS

General offers

- 12.1. 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

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

- (xv) subject to Rule 6.3 (*Restrictions on Vesting: regulatory and tax issues*), all Awards shall Vest on the date of such notification if they have not then Vested; and
- (xvi) any Option may be exercised within one month 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) lapse on the expiration of that period.

Schemes of arrangement and winding up

12.2. In the event that:

- (a) any person obtains Control of the Company as a result of a compromise or arrangement sanctioned by the Court under section 899 of the Companies Act 2006; or
- (b) the Company passes a resolution for a voluntary winding up; or
- (c) an order is made for the compulsory winding up of the Company

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

- (i) subject to Rule 6.3 (*Restrictions on Vesting: regulatory and tax issues*) all Awards shall Vest on the date of notification if they have not then Vested; and
- (ii) any Option may be exercised within one month 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) lapse on the expiration of that period.

Demerger and similar events

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

- (a) the Board 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 on such terms as the Board may determine and during such period preceding the Relevant Event or on the Relevant Events as the Board 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 Board decides that an Award Vests under this Rule 12.3, then the date of that Vesting shall be the Early Vesting Date.

Internal reorganisations

12.4. 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 (*Schemes of arrangement and winding up*); and
- (b) at least 90% 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 Board, with the consent of the Acquiring Company, may decide before the obtaining of such Control that an Award shall not Vest under Rule 12.1 or Rule 12.2 but shall be automatically surrendered in consideration for the grant of a new award which the Board 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 awards.

13. **ADJUSTMENT OF AWARDS**

General rule

13.1. 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

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

Method of adjustment

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

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

Adjustment below nominal value

13.3. An adjustment under Rule 13.2 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 following 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 the same in paying up that amount.

14. ALTERATIONS

General rule on alterations

- 14.1. Except as described in Rule 14.2 (*Shareholder approval*) and Rule 14.4 (*Alterations to disadvantage of Participants*), the Board may at any time alter the Plan or the terms of any Award.

Shareholder approval

- 14.2. Except as described in Rule 14.3 (*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 14.1 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; and
- (e) the adjustments that may be made in the event of any variation of capital

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

Exceptions to shareholder approval

- 14.3. Rule 14.2 (*Shareholder approval*) shall not apply to 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.

Alterations to disadvantage of Participants

- 14.4. No alteration to the material disadvantage of Participants shall be made under Rule 14.1 in respect of a subsisting Award 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. MISCELLANEOUS

Employment

- 15.1. The rights and obligations of any individual under the terms of his office or 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 office or employment for any reason whatsoever 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.

Disputes

- 15.2. 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 Board shall be final and binding upon all persons.
- 15.3. The exercise of any discretion by the Board shall not be open to question by any person and a Participant or a former Participant shall have no rights in relation to the exercise or omission to exercise any such discretion.

Share rights

- 15.4. All Shares allotted under the Plan shall rank equally in all respects with the Shares of the same class then in issue except for any rights attaching to such Shares by reference to a record date before the date of the allotment.
- 15.5. 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 such transfer or the release of such restrictions.

Notices

- 15.6. Any notice or other communication under or in connection with the Plan may be given:
- (a) by personal delivery or by sending the same by post, in the case of a company to its registered office, and in the case of an individual to 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 their usual business address or such other address for the time being notified for that purpose to the person giving the notice; or
 - (c) by such other method as the Board determines.

Third parties

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

Benefits not pensionable

- 15.8. Benefits provided under the Plan shall not be pensionable.

Governing law

- 15.9. The Plan and all Awards granted under it shall be governed by and construed in accordance with the law of Scotland and the Courts of Scotland have exclusive jurisdiction to hear any dispute.

SCHEDULE - CASH CONDITIONAL RIGHTS

The rules of Part C of the abrdn (Employee) Share Plan shall apply to a right (a “**Cash Conditional Right**”) to receive a cash sum granted or to be granted under this Schedule as if it was a Conditional Right, except as set out in this Schedule. Where there is any conflict between the rules of Part C of the Plan and this Schedule, the terms of this Schedule shall prevail.

1. The Board may grant or procure the grant of a Cash Conditional Right.
2. Each Cash Conditional Right shall relate to a given number of notional Shares.
3. On the Vesting of the Cash Conditional Right the holder of that 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 Right. For the purposes of this Schedule, the market value of a Share on any day shall be determined in accordance with Rule 9.2 of Part C of the abrdn (Employee) Share Plan (*Cash Equivalent*).
4. The cash sum payable pursuant to paragraph 3 above shall be paid by the employer of the Participant within 30 days of the Vesting of the Cash Conditional Right, net of any deductions (on account of tax or similar liabilities) as may be required by law.
5. For the avoidance of doubt, a Cash Conditional Right shall not confer any right on the holder of such an Award to receive Shares or any interest in Shares.