
Ocado Group plc

Ocado Group plc 2019 Value Creation Plan

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Amended by the Board on [●] 2022 following shareholder approval of amendments to the Plan on 4 May 2022

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1. *Making of Conditional Award*

1.1. *Conditional Award made by Grantor*

Subject to Rules 1.5, 1.6, 1.7 and 19.3, the Grantor may from time to time make a Conditional Award to any Eligible Employee selected by the Grantor at its absolute discretion.

1.2. *Terms of Conditional Award and Directors' Remuneration Policy limitations*

Subject to the Rules, the Grantor will in its absolute discretion decide whether or not any Conditional Award is made at any particular time and, if it is, to whom it is made and the terms of such Conditional Award. Where a Conditional Award is not made by the Board the terms must be approved in advance by the Board.

Where the Company is required to have in place a Directors' Remuneration Policy, the terms of a Conditional Award to be made to an Eligible Employee who is a director of the Company must fall within the scope of the Directors' Remuneration Policy most recently approved by the Company in a general meeting.

1.3. *Procedure for making Conditional Award and Conditional Award Date*

A Conditional Award shall be made by the Grantor passing a resolution. The Conditional Award Date shall be the date on which the Grantor passes the resolution or such later date as specified in the resolution and allowed by Rule 1.5. The making of a Conditional Award shall be evidenced by a deed executed by or on behalf of the Grantor. An Award Certificate shall be issued to the Award Holder as soon as reasonably practicable following the making of the Conditional Award.

1.4. *Contents of Award Certificate*

An Award Certificate shall state:

1. the Conditional Award Date;
2. the Initial Price;
3. the Participation Rate Percentage;
4. the relevant Personal Annual Cap;
5. the Measurement Dates, which for a Conditional Award made to any Eligible Employee shall, subject to the Rules, be 30 days after the announcement of the financial results for the Financial Year to which the relevant Measurement Date relates;
6. any Holding Period;
7. the method for calculating the Threshold Total Shareholder Return; and
8. any other conditions of the Conditional Award.

The Grantor may determine after the Conditional Award Date that additional Measurement Dates will apply to a Conditional Award and/or that the Participation Rate Percentage will be adjusted for one or more Measurement Dates. If the Grantor so determines, a revised Award Certificate shall be issued to the Award Holder as soon as reasonably practicable following such determination.

1.5. *When a Conditional Award may be made*

Subject to Rule 1.6, the Grantor may make a Conditional Award only during the 42 days beginning on:

1. the date of shareholder approval of the Plan or any amendment to the Plan; or
2. the day after the announcement of the Company's results, including a preliminary announcement, for any period through a Regulatory Information Service; or

3. any day on which the Board determines that circumstances are sufficiently exceptional to justify the making of the Conditional Award at that time; or
4. the day after the lifting of any Dealing Restrictions which prevented the making of a Conditional Award during any of the times described above.

1.6. *When a Conditional Award may not be made*

A Conditional Award may not be made:

1. when prevented by any Dealing Restrictions; or
2. after 1 May 2027 being the ~~fifth~~ eight anniversary of shareholder approval of the establishment of the Plan.

1.7. *To whom may a Conditional Award be made*

A Conditional Award may only be made to an individual who is an Eligible Employee at the Conditional Award Date. Unless the Board decides otherwise, a Conditional Award will not be made to an Eligible Employee who on or before the Conditional Award Date has given or received notice of termination of employment (whether or not lawful).

1.8. *Confirmation of acceptance of Conditional Award*

The Grantor may require an Eligible Employee who is (or is to be) made a Conditional Award to confirm his acceptance of the Rules and the terms of any Conditional Award made to him by a specified date. Such confirmation will be in a form set by the Grantor (which may require the Eligible Employee to execute a document). The Grantor may provide that the Conditional Award will lapse (and as a result be treated as never having been made) if the confirmation of acceptance is not provided by the specified date.

1.9. *Right to refuse Conditional Award*

An Award Holder may, by notice in writing to the Company within 30 days after the Conditional Award Date, say he does not want the Conditional Award in whole or part. In such a case, the Conditional Award shall to that extent be treated as never having been made.

1.10. *No payment for a Conditional Award*

An Award Holder shall not be required to make payment for the making of a Conditional Award unless the Board determines otherwise. Where an Award Holder refuses his Conditional Award pursuant to the terms of Rule 1.9, no payment in connection with the refusal is required from the Award Holder or the Grantor.

1.11. *Conditional Award non-transferable*

A Conditional Award shall be personal to the Award Holder and, except:

1. in the case of the death of an Award Holder; or
2. exceptionally, where the Board has permitted the Conditional Award to be held by a trustee on behalf of the Award Holder (for example, because of the Award Holder's ill-health),

a Conditional Award shall not be capable of being transferred, charged or otherwise alienated and shall lapse immediately if the Award Holder purports to transfer, charge or otherwise alienate the Conditional Award.

2. *Ceasing Relevant Employment before Measurement Date*

2.1. *General rule*

If an Award Holder ceases to be in Relevant Employment, then unless Rule 2.2 applies, his Conditional Award shall lapse on the date of cessation of Relevant Employment. Rule 2.3 shall apply to determine if an Award Holder has ceased Relevant Employment.

2.2. *Special cases*

Notwithstanding Rule 2.1, if an Award Holder ceases to be in Relevant Employment by reason of:

1. death, injury, ill-health or disability evidenced to the satisfaction of the Board; or
2. the Award Holder being employed by a company which ceases to be a Group Member; or
3. the Award Holder being employed in an undertaking or part of an undertaking which is transferred to a person who is not a Group Member; or
4. any other circumstances if the Board decides in any particular case

the Board, at its absolute discretion, may determine that his Conditional Award shall continue until the next Measurement Date following his cessation of employment on which it would otherwise have Converted.

Where this Rule 2.2 applies, the Board may at its absolute discretion pro rate the number of Plan Shares over which Nil Cost Options are granted to reflect the period from the Award Date to the date on which the Award Holder ceased Relevant Employment.

2.3. *Meaning of ceasing to be in Relevant Employment*

For the purposes of the Plan, an Award Holder shall not be treated as ceasing to be in Relevant Employment until he no longer holds any office or employment with any Group Member. In addition, unless the Board otherwise decides an Award Holder shall not be treated as so ceasing if within 7 days he recommences employment or becomes an office holder with any Group Member.

The Board may determine that an Award Holder will be treated as ceasing to be in Relevant Employment when he gives or receives notice of termination of his employment (whether or not lawful).

3. *Takeover and corporate events before Measurement Date*

This Rule 3 does not apply where Rule 14 (Exchange of Awards) applies.

If Rule 14 does not apply, and any of the events described in Rules 13.1 to 13.4 (inclusive) occurs before the final Measurement Date applicable to a Conditional Award then, the date of the event shall be the final Measurement Date.

If the event is one of those described in Rules 13.1 to 13.3 (inclusive) then in determining the value created for the purposes of Rule 6.3, the value of the consideration offered by the person acquiring Control will be substituted for the Measurement Price.

If the event is as described in Rule 13.4, then the proceeds per Plan Share received on the winding-up will be substituted for the Measurement Price.

If an event described in Rule 13.5 occurs, the Board, acting fairly and reasonably, shall take account of the circumstances to decide whether the date of such event shall be a final Measurement Date and shall notify each Award Holder whether the Conditional Award shall Convert.

4. *Lapse of Awards*

Notwithstanding any other provision of the Rules, an Award Holder's Conditional Award shall lapse on the earliest of:

1. subject to Rule 2, the Award Holder ceasing to be in Relevant Employment; or
2. when it has been determined by the Board that any terms and conditions imposed by the Board have not been satisfied in whole or in part in respect of the Conditional Award or cannot be satisfied in whole or in part; or
3. the date on which the Board determines, in accordance with Rule 6, that the Conditional Award cannot Convert at any time in the future; or
4. any relevant date provided for under these Rules; or
5. the date on which the Award Holder becomes bankrupt or enters into a compromise with his creditors generally, unless the Board determines otherwise.

In addition, notwithstanding any other provision of the Rules, an Award Holder's Nil Cost Options shall lapse on the earliest of:

6. the expiry of the Exercise Period; or
7. subject to Rule 12, the Award Holder ceasing to be in Relevant Employment; or
8. when it has been determined by the Board that any terms and conditions imposed by the Board have not been satisfied in whole or in part in respect of the Nil Cost Option or cannot be satisfied in whole or in part; or
9. any relevant date provided for under these Rules; or
10. the date on which the Award Holder becomes bankrupt or enters into a compromise with his creditors generally unless the Board determines otherwise.

5. *Adjustment of Conditional Award on Reorganisation or other corporate event*

Rule 15, which provides that Awards may be adjusted on a Reorganisation, shall apply to a Conditional Award and a demerger or other event mentioned in Rule 13.5 shall be treated as a Reorganisation for the purposes of this Rule.

6. *Conversion of Conditional Award*

6.1. *Measurement Date*

The Conditional Award will Convert (if at all) by reference to each Measurement Date determined by the Grantor and specified under Rule 1.4. ~~The Measurement Dates shall be determined by the Grantor on the Conditional Award Date.~~

6.2. *Effect of the Conditional Award Converting*

Subject to the Rules, the effect of the Conditional Award Converting shall be that the Grantor shall grant to the Award Holder a Nil Cost Option in accordance with Rule 7 to acquire the number of Plan Shares determined in accordance with Rule 6.3. The Grantor shall grant the Nil Cost Option on the Conversion Date which shall take place as soon as reasonably practicable after the Measurement Date.

6.3. *Determination of number of Plan Shares under Nil Cost Option*

The Board shall determine the number of Plan Shares subject to a Nil Cost Option to be granted to an Award Holder in accordance with the following method:

1. For each Measurement Date, calculate the Measurement Total Shareholder Return for the relevant Measurement Date;
2. The Conditional Award shall only Convert if the Measurement Total Shareholder Return for the relevant Measurement Date exceeds the Threshold Total Shareholder Return;
3. If the condition in paragraph 2 above is met, calculate the Participant Benefit for the purposes of the Conversion;
4. The Award Holder shall on Conversion be entitled to the grant, on the Conversion Date for the relevant Measurement Date, of a Nil Cost Option over the number of Plan Shares which equates to the Participant Benefit divided by the Measurement Price for that Measurement Date;
5. At the relevant Conversion Date, if on the Conversion of the Conditional Award (as calculated in accordance with Rule 6.3) the number of Plan Shares to be granted to the Award Holder under the Nil Cost Option (when aggregated with the number of Plan Shares under any Nil Cost Options granted on any previous Conversion Dates and which have not lapsed) shall exceed the limits set out in Rule 8, the Board shall reduce the number of Plan Shares subject to the Nil Cost Option accordingly.

6.4. *Notice of termination of employment*

Subject to Rule 2.2, any Conditional Award which is held by an Award Holder who has given or received notice of termination of employment (whether or not lawful) shall not Convert during any period when the notice is effective. If a Measurement Date occurs during a period when the notice is effective and the notice is later withdrawn then the Conditional Award shall Convert forthwith after such withdrawal.

7. *Grant, Vesting and exercise of Nil Cost Options*

7.1. *Grants made by Grantor*

On each Conversion Date following a Measurement Date, the Grantor will grant Nil Cost Options as determined in Rule 6.

7.2. *Procedure for granting Nil Cost Options*

A Nil Cost Option shall be granted by the Grantor passing a resolution. The grant date shall be the date on which the Grantor passes the resolution or such later date as specified in the resolution and subject to Rule 7.4. The grant of a Nil Cost Option shall be evidenced by a deed executed by or on behalf of the Grantor. An Award Certificate shall be issued to the Award Holder as soon as reasonably practicable following the grant.

7.3. *Contents of Award Certificate*

An Award Certificate shall state:

1. the date on which the Nil Cost Option was granted;
2. the number of Plan Shares subject to the Nil Cost Option;
3. the date or dates on which the Nil Cost Option will Vest and, if applicable: -
 - a) whether Table 1 or Table 2 in Rule 7.6 applies to the Nil Cost Option; or
 - b) where Rule 7.6(c) applies, the terms and conditions of Vesting specified by the Grantor applicable to the Nil Cost Option;
- 3.4. the Exercise Period;

- ~~4.5.~~ any Holding Period; and
~~5.6.~~ any further conditions of the Nil Cost Option.

7.4. When Nil Cost Options may not be granted

Nil Cost Options may not be granted:

1. when prevented by any Dealing Restrictions; or
2. after 1 November 2027 being six months following the fifth-eighth anniversary of shareholder approval of the establishment of the Plan.

7.5. Nil Cost Options non-transferable

A Nil Cost Option shall be personal to the Award Holder and, except:

1. in the case of the death of an Award Holder; or
2. exceptionally, where the Board has permitted the Nil Cost Option to be held by a trustee on behalf of the Award Holder (because for example of the Award Holder's ill-health),

a Nil Cost Option shall not be capable of being transferred, charged or otherwise alienated and shall lapse immediately if the Award Holder purports to transfer, charge or otherwise alienate the Nil Cost Option.

7.6. Vesting and exercise of Nil Cost Options and Deferred Nil Cost Options

Subject to Rules 12 and 13, Nil Cost Options will Vest as follows:

- a. in accordance with Table 1 below except where paragraphs b. or c. below apply;
- b. in accordance with Table 2 below where so determined by the Grantor for the relevant Nil Cost Options, provided that, in the case of any Nil-Cost Options granted in respect of a Conditional Award granted before such determination takes place, that determination will only have effect where the Award Holder gives the Company his prior written consent to such determination; or
- c. for Nil Cost Options granted on or after the 2022 AGM Date to an Award Holder to whom a Conditional Award had not been made before the 2022 AGM Date, in accordance with the Vesting dates and terms and conditions of Vesting specified by the Grantor for those Nil Cost Options and set out in the Award Certificate described in Rule 7.3.

Table 1: Original Vesting Schedule

Vesting date	Nil Cost Options (other than Deferred Nil Cost Options)	Deferred Nil Cost Options
First Vesting date	<ol style="list-style-type: none"> 1. Subject to paragraph 2 below, provided that the Measurement Total Shareholder Return for the third Measurement Date equals or exceeds the Compounded Initial Price, each Nil Cost Option held by an Award Holder (up to and including the Conversion Date relating to the third Measurement Date) shall Vest over 50 per cent of the Plan Shares subject to those Nil Cost Options. 2. If the value of 50 per cent of the Nil Cost Options held by an Award Holder (up 	Not applicable.

	<p>to and including the Conversion Date relating to the third Measurement Date) would exceed the Personal Annual Cap, the Nil Cost Options will not Vest in respect of the relevant number of excess Plan Shares (calculated by reference to the Market Value of a Plan Share at the fFirst Vesting dDate). The proportion of the Nil Cost Options which do not Vest shall be designated Deferred Nil Cost Options.</p> <p>3. If the Measurement Total Shareholder Return for the third Measurement Date is less than the Compounded Initial Price, the Nil Cost Options will not Vest and will not lapse.</p>	
Second Vesting date	<p>4. Subject to paragraph 5 below, provided that the Measurement Total Shareholder Return for the fourth Measurement Date equals or exceeds the Compounded Initial Price, each Nil Cost Option (excluding any Deferred Nil Cost Options) held by an Award Holder (up to and including the Conversion Date relating to the fourth Measurement Date) shall Vest over 50 per cent of the Plan Shares subject to those Nil Cost Options.</p> <p>5. If the value of the 50 per cent of the Nil Cost Options (excluding any Deferred Nil Cost Options) held by an Award Holder (up to and including the Conversion Date relating to the fourth Measurement Date) would exceed the Personal Annual Cap, the Nil Cost Options will not Vest in respect of the relevant number of excess Plan Shares (calculated by reference to the Market Value of a Plan Share at the sSecond Vesting dDate). The proportion of the Nil Cost Options which do not Vest shall be designated Deferred Nil Cost Options.</p> <p>6. If the Measurement Total Shareholder Return for the fourth Measurement Date is less than the Compounded Initial Price, the Nil Cost Options (excluding Deferred Nil Cost Options) will not Vest and will not lapse.</p>	<p>a. If the value of the Plan Shares subject to Nil Cost Options which Vest in accordance with paragraph 4 of this table is less than the Personal Annual Cap, Deferred Nil Cost Options held by the Award Holder shall Vest in whole or if less to the extent permitted by paragraph b below.</p> <p>b. The total value of Plan Shares subject to Nil Cost Options which Vest on this second Vesting date (including any Deferred Nil Cost Options) shall not exceed the Personal Annual Cap.</p>
Third Vesting date	<p>7. Subject to paragraph 8 below, provided that the Measurement Total Shareholder Return for the fifth Measurement Date, which is the final Measurement Date, equals or exceeds the Compounded Initial Price, each Nil Cost Option (excluding any Deferred Nil Cost Options) held by an Award Holder (up to and including the Conversion Date relating to the final Measurement Date) shall Vest in full.</p>	<p>c. If the value of the Nil Cost Options Vested in accordance with paragraph 7 of this table is less than the Personal Annual Cap, Deferred Nil Cost Options shall Vest in whole or if less to the extent permitted by paragraph d below.</p>

	<p>8. If the value of Plan Shares subject to all Nil Cost Options held by an Award Holder (up to and including the Conversion Date relating to the final Measurement Date) would exceed the Personal Annual Cap, the Nil Cost Options (excluding any Deferred Nil Cost Options) will not Vest in respect of the relevant number of Plan Shares (calculated by reference to the Market Value of a Plan Share at the tThird Vesting dDate). The proportion of the Nil Cost Options which do not Vest shall be designated Deferred Nil Cost Options.</p> <p>9. If the Measurement Total Shareholder Return for the final Measurement Date is less than the Compounded Initial Price, the Nil Cost Options (excluding Deferred Nil Cost Options) shall lapse to the extent that they have not already Vested.</p>	<p>d. The total value of Plan Shares Subject subject to Nil Cost Options which Vest on this third Vesting date (including any Deferred Nil Cost Options) shall not exceed the Personal Annual Cap.</p>
Subsequent Vesting dates to occur annually on the anniversary of the t Third Vesting d Date	Not applicable.	<p>e. On each of the subsequent Vesting dates, with the exception of the eighth Vesting date, Deferred Nil Cost Options shall Vest in whole or in part to the extent that the value of the Plan Shares over which the Deferred Nil Cost Options Vest does not exceed the Personal Annual Cap.</p> <p>f. On the eighth Vesting date, the Personal Annual Cap will no longer apply. Deferred Nil Cost Options held by an Award Holder on this Vesting date shall Vest in full.</p>

Table 2: Extended Vesting Schedule

Vesting date	Nil Cost Options (other than Deferred Nil Cost Options)	Deferred Nil Cost Options
First Vesting date	<p>1. Subject to paragraph 2 below, provided that the Measurement Total Shareholder Return for the third Measurement Date equals or exceeds the Compounded Initial Price, each Nil Cost Option held by an Award Holder (up to and including the Conversion Date relating to the third Measurement Date) shall Vest over 50 per</p>	Not applicable.

	<p>cent of the Plan Shares subject to those Nil Cost Options.</p> <p>2. If the value of 50 per cent of -the Nil Cost Options held by an Award Holder (up to and including the Conversion Date relating to the third Measurement Date) would exceed the Personal Annual Cap, the Nil Cost Options will not Vest in respect of the relevant number of excess Plan Shares (calculated by reference to the Market Value of a Plan Share at the fFirst Vesting dDate). The proportion of the Nil Cost Options which do not Vest shall be designated Deferred Nil Cost Options.</p> <p>3. If the Measurement Total Shareholder Return for the third Measurement Date is less than the Compounded Initial Price, the Nil Cost Options will not Vest and will not lapse.</p>	
Second Vesting date	<p>4. Subject to paragraph 5 below, provided that the Measurement Total Shareholder Return for the fourth Measurement Date equals or exceeds the Compounded Initial Price, each Nil Cost Option (excluding any Deferred Nil Cost Options) held by an Award Holder (up to and including the Conversion Date relating to the fourth Measurement Date) shall Vest over 50 per cent of the Plan Shares subject to those Nil Cost Options.</p> <p>5. If the value of the 50 per cent of the Nil Cost Options (excluding any Deferred Nil Cost Options) held by an Award Holder (up to and including the Conversion Date relating to the fourth Measurement Date) would exceed the Personal Annual Cap, the Nil Cost Options will not Vest in respect of the relevant number of excess Plan Shares (calculated by reference to the Market Value of a Plan Share at the sSecond Vesting dDate). The proportion of the Nil Cost Options which do not Vest shall be designated Deferred Nil Cost Options.</p> <p>6. If the Measurement Total Shareholder Return for the fourth Measurement Date is less than the Compounded Initial Price, the Nil Cost Options (excluding Deferred Nil Cost Options) will not Vest and will not lapse.</p>	<p>a. If the value of the Plan Shares subject to Nil Cost Options which Vest in accordance with paragraph 4 of this table is less than the Personal Annual Cap, Deferred Nil Cost Options held by the Award Holder shall Vest in whole or if less to the extent permitted by paragraph b below.</p> <p>b. The total value of Plan Shares subject to Nil Cost Options which Vest on this second Vesting date (including any Deferred Nil Cost Options) shall not exceed the Personal Annual Cap.</p>
Third Vesting date	<p>7. <u>Subject to paragraph 8 below, provided that the Measurement Total Shareholder Return for the fifth Measurement Date equals or exceeds the Compounded Initial Price, each Nil Cost Option (excluding any Deferred Nil Cost Options) held by an</u></p>	<p>c. <u>If the value of the Plan Shares subject to Nil Cost Options which Vest in accordance with paragraph 7 of this table is less than the Personal</u></p>

	<p>Award Holder (up to and including the Conversion Date relating to the fifth Measurement Date) shall Vest over 50 per cent of the Plan Shares subject to those Nil Cost Options.</p> <p>8. If the value of the 50 per cent of the Nil Cost Options (excluding any Deferred Nil Cost Options) held by an Award Holder (up to and including the Conversion Date relating to the fifth Measurement Date) would exceed the Personal Annual Cap, the Nil Cost Options will not Vest in respect of the relevant number of excess Plan Shares (calculated by reference to the Market Value of a Plan Share at the third Vesting date). The proportion of the Nil Cost Options which do not Vest shall be designated Deferred Nil Cost Options.</p> <p>9. If the Measurement Total Shareholder Return for the fifth Measurement Date is less than the Compounded Initial Price, the Nil Cost Options (excluding Deferred Nil Cost Options) will not Vest and will not lapse.</p>	<p>Annual Cap, Deferred Nil Cost Options held by the Award Holder shall Vest in whole or if less to the extent permitted by paragraph d below.</p> <p>d. The total value of Plan Shares subject to Nil Cost Options which Vest on this third Vesting date (including any Deferred Nil Cost Options) shall not exceed the Personal Annual Cap.</p>
Fourth Vesting date	<p>10. Subject to paragraph 11 below, provided that the Measurement Total Shareholder Return for the sixth Measurement Date equals or exceeds the Compounded Initial Price, each Nil Cost Option (excluding any Deferred Nil Cost Options) held by an Award Holder (up to and including the Conversion Date relating to the sixth Measurement Date) shall Vest over 50 per cent of the Plan Shares subject to those Nil Cost Options.</p> <p>11. If the value of the 50 per cent of the Nil Cost Options (excluding any Deferred Nil Cost Options) held by an Award Holder (up to and including the Conversion Date relating to the sixth Measurement Date) would exceed the Personal Annual Cap, the Nil Cost Options will not Vest in respect of the relevant number of excess Plan Shares (calculated by reference to the Market Value of a Plan Share at the fourth Vesting date). The proportion of the Nil Cost Options which do not Vest shall be designated Deferred Nil Cost Options.</p> <p>12. If the Measurement Total Shareholder Return for the sixth Measurement Date is less than the Compounded Initial Price, the Nil Cost Options (excluding Deferred Nil Cost Options) will not Vest and will not lapse.</p>	<p>e. If the value of the Plan Shares subject to Nil Cost Options which Vest in accordance with paragraph 10 of this table is less than the Personal Annual Cap, Deferred Nil Cost Options held by the Award Holder shall Vest in whole or if less to the extent permitted by paragraph f below.</p> <p>f. The total value of Plan Shares subject to Nil Cost Options which Vest on this fourth Vesting date (including any Deferred Nil Cost Options) shall not exceed the Personal Annual Cap.</p>

<p><u>Fifth Vesting date</u></p>	<p>13. Subject to paragraph 12 below, provided that the Measurement Total Shareholder Return for the seventh Measurement Date equals or exceeds the Compounded Initial Price, each Nil Cost Option (excluding any Deferred Nil Cost Options) held by an Award Holder (up to and including the Conversion Date relating to the seventh Measurement Date) shall Vest over 50 per cent of the Plan Shares subject to those Nil Cost Options.</p> <p>14. If the value of the 50 per cent of the Nil Cost Options (excluding any Deferred Nil Cost Options) held by an Award Holder (up to and including the Conversion Date relating to the seventh Measurement Date) would exceed the Personal Annual Cap, the Nil Cost Options will not Vest in respect of the relevant number of excess Plan Shares (calculated by reference to the Market Value of a Plan Share at the fifth Vesting date). The proportion of the Nil Cost Options which do not Vest shall be designated Deferred Nil Cost Options.</p> <p>15. If the Measurement Total Shareholder Return for the seventh Measurement Date is less than the Compounded Initial Price, the Nil Cost Options (excluding Deferred Nil Cost Options) will not Vest and will not lapse.</p>	<p>g. If the value of the Plan Shares subject to Nil Cost Options which Vest in accordance with paragraph 13 of this table is less than the Personal Annual Cap, Deferred Nil Cost Options held by the Award Holder shall Vest in whole or if less to the extent permitted by paragraph h below.</p> <p>h. The total value of Plan Shares subject to Nil Cost Options which Vest on this fifth Vesting date (including any Deferred Nil Cost Options) shall not exceed the Personal Annual Cap.</p>
<p>Third — <u>Sixth Vesting date</u></p>	<p>7-16. Subject to paragraph 178 below, provided that the Measurement Total Shareholder Return for the fifth eighth Measurement Date, which is the final Measurement Date, equals or exceeds the Compounded Initial Price, each Nil Cost Option (excluding any Deferred Nil Cost Options) held by an Award Holder (up to and including the Conversion Date relating to the final eighth Measurement Date) shall Vest in full.</p> <p>8-17. If the value of Plan Shares subject to all Nil Cost Options held by an Award Holder (up to and including the Conversion Date relating to the final eighth Measurement Date) would exceed the Personal Annual Cap, the Nil Cost Options (excluding any Deferred Nil Cost Options) will not Vest in respect of the relevant number of Plan Shares (calculated by reference to the Market Value of a Plan Share at the Third sixth Vesting date). The proportion of the Nil Cost Options which do not Vest shall be designated Deferred Nil Cost Options.</p>	<p>e.i. If the value of the Nil Cost Options Vested in accordance with paragraph 167 of this table is less than the Personal Annual Cap, Deferred Nil Cost Options shall Vest in whole or if less to the extent permitted by paragraph jd below.</p> <p>e.j. The total value of Plan Shares Ssubject to Nil Cost Options which Vest on this third sixth Vesting date (including any Deferred Nil Cost Options) shall not exceed the Personal Annual Cap.</p>

	9-18. If the Measurement Total Shareholder Return for the final <u>eighth</u> Measurement Date is less than the Compounded Initial Price, the Nil Cost Options (excluding Deferred Nil Cost Options) shall lapse to the extent that they have not already Vested.	
Subsequent Vesting dates to occur annually on the anniversary of the Third <u>sixth</u> Vesting Date	Not applicable.	<p>e.k. On each of the subsequent Vesting dates, with the exception of the <u>the seventh eighth</u> Vesting date, Deferred Nil Cost Options shall Vest in whole or in part to the extent that the value of the Plan Shares over which the Deferred Nil Cost Options Vest does not exceed the Personal Annual Cap.</p> <p>£.l. On the eighth Vesting date, the Personal Annual Cap will no longer apply. Deferred Nil Cost Options held by an Award Holder on this Vesting date shall Vest in full.</p>

In this Rule 7.6, for the purpose of applying the Personal Annual Cap, the value of a Nil Cost Option which is Vested or to be Vested shall be calculated as the relevant number of Plan Shares subject to the Nil Cost Option multiplied by the Market Value of a Plan Share on the relevant date of Vesting.

A Vested Nil Cost Option (including a Deferred Nil Cost Option) may be exercised in whole or in part at any time during the Exercise Period. If exercised in part, the unexercised part of the Nil Cost Option shall not lapse as a result and shall remain exercisable until such time as it lapses in accordance with the Rules.

The Board may determine that Vesting of the Nil Cost Option (including a Deferred Nil Cost Option) shall be delayed until any relevant investigation or other procedure relevant to an event falling within the scope of Rule 9 has been completed.

The Board may in addition adjust the level of Vesting of a Nil Cost Option (excluding a Deferred Nil Cost Option) upwards or downwards after application of any conditions set by the Board if in its opinion the level of Vesting resulting from the application of the conditions is not a fair and accurate reflection of business performance, an Award Holder's personal performance or other such factors the Board may consider appropriate.

7.7. No Vesting or exercise while Dealing Restrictions apply

Where the Vesting or exercise of a Nil Cost Option (including a Deferred Nil Cost Option) is prevented by any Dealing Restriction, the Vesting or exercise of that Nil Cost Option shall be delayed until the

Dealing Restriction no longer prevents it. Plan Shares may not be issued or transferred to an Award Holder while Dealing Restrictions prevent such issue or transfer.

7.8. *Procedure for exercise of Nil Cost Options*

A Nil Cost Option (including a Deferred Nil Cost Option) shall be exercised by the Award Holder giving notice to the Grantor (or any person appointed by the Grantor) in the form from time to time prescribed by the Board, which may include (for the avoidance of doubt) any electronic and/or online notification. Such notice shall specify the number of Plan Shares in respect of which the Nil Cost Option is being exercised, together with any payment and/or documentation required under Rule 16 and, if required, the Award Certificate.

For the avoidance of doubt, the date of exercise of a Nil Cost Option shall be the later of the date of receipt of the duly completed valid notice of exercise (or any later date as may be specified in that notice of exercise) and the date of compliance with the requirements of the first paragraph of this Rule 7.8.

7.9. *Issue or transfer of Plan Shares*

Subject to Rules 7.10 and 16 and to any necessary consent and to compliance by the Award Holder with the Rules, the Grantor shall, as soon as reasonably practicable and in any event not later than 30 days after the exercise date, arrange for the issue or transfer to the Award Holder of the number of Plan Shares specified in the notice of exercise together with, in the case of the partial exercise of a Nil Cost Option, an Award Certificate in respect of, or the original Award Certificate updated to show, the unexercised part of the Nil Cost Option.

7.10. *Cash Settling*

Subject to Rule 16, the Grantor may on exercise of a Nil Cost Option make a cash payment to the Award Holder equal to the Market Value of the Plan Shares in respect of which the Nil Cost Option has Vested on the date of exercise.

Where the Grantor settles a Nil Cost Option in the manner described in this Rule, this shall be in full and final satisfaction of the Award Holder's rights under the Nil Cost Option.

8. *Plan limits*

8.1. *General*

The aggregate number of Plan Shares over which Nil Cost Options may be granted shall be limited as set out in this Rule 8. In the event of any conflict between the limits in this Rule 8, the lower limit shall prevail.

8.2. *Cap on number of Plan Shares over which Nil Cost Options may be granted*

The aggregate number of Plan Shares over which Nil Cost Options may be granted under the Plan shall not exceed ~~2.75~~3.25 per cent of the Company issued ordinary share capital from time to time.

For the purpose of the limit in this Rule 8.2 there shall be disregarded any Plan Shares over which Nil Cost Options have been granted where the Nil Cost Options have lapsed or been renounced.

8.3. *10 per cent in 10 years*

A Nil Cost Option may not be granted if the result of granting the Nil Cost Option would be that the aggregate number of Plan Shares issued or committed to be issued under Nil Cost Options under the Plan or under options or awards granted in the preceding 10 year period under any other employee

share scheme (whether or not discretionary) operated by the Group would exceed 10 per cent of the Company's issued ordinary share capital.

8.4. 5 per cent in 10 years

A Nil Cost Option may not be granted if the result of granting the Nil Cost Option would be that the aggregate number of Plan Shares issued or committed to be issued under Nil Cost Options under the Plan or under options or awards granted in the preceding 10 year period under any other discretionary employee share scheme adopted by the Group would exceed 5 per cent of the Company's issued ordinary share capital.

8.5. Calculation

For the purpose of the limits contained in Rules 8.3 and 8.4:

1. for as long as required by The Investment Association's Principles of Remuneration treasury shares shall be included in the limit as if they were new issue shares; and
2. there shall be disregarded any Plan Shares where the right to acquire the Plan Shares has lapsed or been renounced; and
3. there shall be disregarded any Plan Shares which the Trustees have purchased, or determined that they will purchase, in order to satisfy an Award or the exercise of an option or the vesting of other rights of an employee under any other employee share scheme operated by the Group; and
4. any Plan Shares issued in relation to an Award, or on the exercise of an option or the vesting of other rights of an employee under any other employee share scheme operated by the Group, shall be taken into account once only (when the Award is made or the option is granted or the right awarded) and shall not fall out of account when the Award Vests, the option is exercised or other rights vest.
5. there shall be disregarded any Plan Shares subject to an option or other rights of an employee under an Employees' Share Scheme which were granted before the Flotation Date.

9. Malus

Notwithstanding any other provision of the Rules, the Board may at the time of Conversion of a Conditional Award or Vesting of a Nil Cost Option (or at any time before):

- a. reduce the basis on which Conversion of the Conditional Award would be determined and therefore reduce in whole or in part (including, for the avoidance of doubt, to nil) the number of Plan Shares over which a Nil Cost Option may be granted; and/or
- b. reduce in whole or in part (including, for the avoidance of doubt, to nil) the number of Plan Shares subject to a Nil Cost Option; and/or
- c. impose additional conditions on any Conditional Award or Nil Cost Option

in circumstances the Board determines exceptional, including without limitation:

1. a material misstatement in the published results of the Company or Group or any Group Member; and/or
2. an error in assessing any applicable performance condition or target and/or the number of Plan Shares subject to an Award; and/or
3. the assessment of any applicable performance condition or target and/or the number of Plan Shares subject to an Award being based on inaccurate or misleading information; and/or
4. misconduct on the part of the Award Holder; and/or
5. where, as a result of an appropriate review of accountability, the Board determines that the Award Holder has caused wholly or in part a material loss for the Group as a result of:
 - a) reckless, negligent or wilful actions or omissions; and/or
 - b) inappropriate values or behaviour; and/or

6. a Group Member is censured by a regulatory body or suffers, in the opinion of the Board, a significant detrimental impact on its reputation, provided that the Board determines that, following an appropriate review of accountability, the Award Holder was responsible for, or had management oversight over, the actions, omissions or behaviour that gave rise to that censure or detrimental impact; and/or
7. the Company or entities representing a material proportion of the Group becomes insolvent or otherwise suffers a corporate failure so that ordinary shares in the Company cease to have material value, provided that the Board determines, following an appropriate review of accountability, that the Award Holder should be held responsible (in whole or in part) for that insolvency or failure.

In determining any reduction which should be applied under this Rule 9, the Board shall act fairly and reasonably but its decision shall be final and binding.

For the avoidance of doubt, any reduction under this Rule 9 may be applied on an individual basis as determined by the Board. Whenever a reduction is made under this Rule 9, the relevant Award shall be treated to that extent as having lapsed.

10. Clawback

10.1. Trigger Events

In this Rule 10.1, **Trigger Events** means such circumstances as the Board determines exceptional which may include, without limitation:

1. a material misstatement in the published results of the Company or Group or any Group Member; and/or
2. an error in assessing any applicable performance condition or target and/or the number of Plan Shares subject to an Award; and/or
3. the assessment of any applicable performance condition or target and/or the number of Plan Shares subject to an Award being based on inaccurate or misleading information; and/or
4. misconduct on the part of the Award Holder; and/or
5. where, as a result of an appropriate review of accountability, the Board determines that the Award Holder has caused wholly or in part a material loss for the Group as a result of:
 - a) reckless, negligent or wilful actions or omissions; and/or
 - b) inappropriate values or behaviour; and/or
6. a Group Member is censured by a regulatory body or suffers, in the opinion of the Board, a significant detrimental impact on its reputation, provided that the Board determines that, following an appropriate review of accountability, the Award Holder was responsible for, or had management oversight over, the actions, omissions or behaviour that gave rise to that censure or detrimental impact; and/or
7. the Company or entities representing a material proportion of the Group becomes insolvent or otherwise suffers a corporate failure so that ordinary shares in the Company cease to have material value, provided that the Board determines, following an appropriate review of accountability, that the Award Holder should be held responsible (in whole or in part) for that insolvency or failure.

10.2. Application

Notwithstanding any other provision of the Rules, if at any time during the period of 2 years (or such longer period as the Board may determine) following the Vesting of a Nil Cost Option, a Trigger Event occurs, then:

1. Rules 10.3 to 10.7 and 10.9 shall apply; and

2. Where the Award takes the form of a Nil Cost Option and the Award Holder has not exercised such Nil Cost Option, Rule 10.8 shall also apply.

10.3. Clawback methods

Where Rule 10.2 applies, the Board may, in its absolute discretion, require the relevant Award Holder:

1. to transfer to the Company (or if required by the Company any other person specified by the Company) all or some of the Plan Shares acquired by the Award Holder (or his nominee) pursuant to the exercise of a Nil Cost Option; and/or
2. to pay to the Company (or if required by the Company any other person specified by the Company) an amount equivalent to all or part of the proceeds of sale or, in the event of a disposal of the Plan Shares at a price which the Board reasonably determines was less than market value at the time of disposal and where the disposal was not made at arm's length, an amount equivalent to the market value (as reasonably determined by the Board) at the time of disposal of all or some of the Plan Shares acquired pursuant to the exercise of a Nil Cost Option; and/or
3. to pay to the Company (or, if required by the Company, any other person specified by the Company) an amount equivalent to all or part of the amount of any cash in respect of an Award paid to or for the benefit of the Award Holder; and/or
4. to pay to the Company (or, if required by the Company, any other person specified by the Company) an amount equivalent to all or part of any benefit or value derived from or attributable to the Plan Shares referred to in paragraph 1 above (including but not limited to any special dividend or additional or replacement shares) on such terms as the Board may reasonably direct,

less in each case the amount of tax and social security contributions actually paid (or due to be paid) by the Award Holder in respect of the acquisition of the Plan Shares and/or payment of cash in respect of an Award.

10.4. Award Holder's obligation to recover tax

In addition to the obligation of the Award Holder as described in Rule 10.3, the Award Holder shall use his best endeavours to seek and obtain repayment or credit from HM Revenue & Customs (**HMRC**) or any relevant overseas tax authority of the tax and social security contributions paid on the Award Holder's behalf in relation to the Award as soon as reasonably practicable and to notify the Company of such claim and/or receipt of any credit or payment by HMRC (or any relevant overseas tax authority) in this regard. Following such notification the Company will be entitled to require the Award Holder to make a payment to it within 30 days, of an amount equivalent to the amount of any payment or credit received from HMRC (or any relevant overseas tax authority).

10.5. Authorisation of deductions

The Award Holder hereby authorises the Company or such other Group Member as may be the employer of the Award Holder to make deductions from any payment owing to him including, but not limited to, salary, bonus, holiday pay or otherwise in respect of any sum which would otherwise be payable by the Award Holder under this Rule 10.

10.6. Timing of transfers, payments and repayments

Any transfers, payments and repayments to be made by the Award Holder under this Rule 10 shall be made within 30 days of the date the Award Holder is notified in writing of the transfer required or the amount due, as appropriate.

10.7. Additional methods of effecting clawback

In addition to or in substitution for the actions described above that the Board may take under Rule 10.3 (the **Actions**), the Board may:

1. reduce the amount (including, for the avoidance of doubt, to nil) of any future bonus payable to the Award Holder; and/or
2. determine that the number of Plan Shares over which an award or right to acquire Plan Shares that may otherwise be granted to the Award Holder, under any Employees' Share Scheme operated by any Group Member (other than any tax-advantaged employee share plan that complies with the requirements of Schedules 2 or 3 of ITEPA 2003), shall be reduced by such number as the Board may determine (including, for the avoidance of doubt, to nil); and/or
3. reduce the number of Plan Shares (including, for the avoidance of doubt, to nil) subject to any award or right to acquire Plan Shares which has been granted to the Award Holder under any Employees' Share Scheme operated by any Group Member (other than any tax-advantaged employee share plan that complies with the requirements of Schedules 2 to 4 of ITEPA 2003), before the date on which the relevant award or right vests or becomes exercisable, by such number as the Board may determine; and/or
4. reduce the number of Plan Shares (including, for the avoidance of doubt, to nil) subject to any option to acquire Plan Shares which has been granted to the Award Holder, under any Employees' Share Scheme operated by any Group Member (other than any tax-advantaged employee share plan that complies with the requirements of Schedules 2 to 4 of ITEPA 2003), which has vested but not yet been exercised by such number as the Board may determine,

provided that the total amount represented by:

- a. reductions under this Rule 10.7;
- b. reductions under Rule 10.8; and
- c. the amount represented by any transfer and any amount or value payable under Rule 10.3 shall not, in the Board's reasonable opinion, exceed the amount represented by any transfer and any amount or value which would have been due if the Board had only carried out the Actions.

10.8. *Reduction of unexercised Nil Cost Option*

Where Rule 10.2 applies and the Award takes the form of a Nil Cost Option which the Award Holder has not exercised in full, the Board may in its absolute discretion reduce the number of Plan Shares which remain subject to such Nil Cost Option (including, for the avoidance of doubt, to nil). In addition to or in substitution for reducing such Nil Cost Option, the Board may take any of the actions set out in Rules 10.7.1 to 10.7.4 provided that the total amount represented by reductions under paragraphs 1 to 4 of Rule 10.7 and any reduction of the Nil Cost Option under this Rule 10.8 shall not, in the Board's reasonable opinion, exceed the amount which would have been represented by the reduction of the Nil Cost Option only.

10.9. *General provisions*

In carrying out any action under this Rule 10, the Board shall act fairly and reasonably but its decision shall be final and binding.

For the avoidance of doubt, any action carried out under this Rule 10 may be applied on an individual basis as determined by the Board. Whenever a reduction of an award, right to acquire Plan Shares or option is made under this Rule 10, the relevant award, right to acquire Plan Shares or option shall be treated to that extent as having lapsed.

10.10. *Interaction with other plans*

The Board may determine at any time to reduce the number of Plan Shares subject to an Award (including, for the avoidance of doubt, reducing to nil) either:

1. to give effect to one or more provisions of any form which are equivalent to those in Rule 10 (**Clawback Provisions**) contained in any Employees' Share Scheme operated by any Group Member (other than the Plan) or any bonus plan operated by any Group Member; or
2. as an alternative to giving effect to any such Clawback Provision.

The value of any reduction under Rule 10.10.1 shall be determined in accordance with the terms of the relevant Clawback Provisions in the relevant Employees' Share Scheme or bonus plan as interpreted by the Board in its absolute discretion.

The value of any reduction under Rule 10.10.2 shall be determined in accordance with the terms of the relevant Clawback Provisions in the relevant Employees' Share Scheme or plan applied as interpreted by the Board in its absolute discretion.

11. *Holding Period*

11.1. *Definitions*

In this Rule 11:

Holding Period Holder means a trustee or nominee designated by the Grantor in accordance with this Rule 11; and

Holding Period Shares means Plan Shares which are or were the subject of a Nil Cost Option to which a Holding Period applies, and in respect of which the Holding Period has not ended in accordance with this Rule 11.

11.2. *Application*

This Rule 11 applies to the extent that some or all of the Plan Shares acquired on exercise of a Nil Cost Option are subject to a Holding Period.

11.3. *Commencement of Holding Period*

The Holding Period will begin on the date on which a Nil Cost Option Vests and will apply in relation to the Award to the extent determined by the Board at the Award Date under Rule 1.4.

11.4. *Issue or transfer to Holding Period Holder*

Instead of arranging for the issue or transfer of the Holding Period Shares to the Award Holder on exercise of a Nil Cost Option under Rule 7.9, the Board may arrange for the Holding Period Shares to be issued or transferred to the Holding Period Holder, as designated by the Board, to be held for the benefit of the Award Holder. Any balance of the Plan Shares in respect of which an Award is exercised will be issued or transferred as described in Rule 7.9.

11.5. *No transfer during Holding Period*

The Award Holder or Holding Period Holder may not transfer, assign or otherwise dispose of any of the Holding Period Shares or any interest in them (and the Award Holder may not instruct the Holding Period Holder to do so) during the Holding Period except in the following circumstances:

1. the sale of sufficient entitlements nil-paid in relation to Holding Period Shares to take up the balance of the entitlements under a rights issue; and
2. the sale of sufficient Holding Period Shares to satisfy any liability to tax or employee social security contributions (or where Rule 16.2 applies, Employer's NIC) arising in relation to Holding Period Shares.

11.6. *Shareholder rights during Holding Period*

1. Unless the Board decides otherwise, the restrictions in this Rule 11 will apply to any cash or assets (other than ordinary dividends) received in respect of the Holding Period Shares and such cash or assets will be held by the Holding Period Holder until the end of the Holding Period.

2. During the Holding Period, the Holding Period Holder will be entitled to vote and have all other rights of a shareholder in respect of the Holding Period Shares

11.7. *Ceasing Relevant Employment during the Holding Period*

Ceasing Relevant Employment during the Holding Period will have no impact on the provisions of this Rule 11, save where cessation is by reason of death in which case the Holding Period shall immediately be deemed to have ended.

11.8. *Clawback*

For the avoidance of doubt, Rule 10 shall apply to the Holding Period Shares in the same way that it applies to any Plan Shares acquired by an Award Holder following exercise of a Nil Cost Option which are not Holding Period Shares.

11.9. *End of Holding Period*

Subject to the provisions of this Rule 11, the Holding Period will end on the earliest of the following:

1. the date set as the end of the Holding Period under Rule 1.4 or Rule 7.3;
2. subject to Rule 14.1, the relevant date on which an Award would have Vested under Rules 13.1 to 13.4;
3. if the Board so allows, the circumstances in which any event described in Rule 13.5 would apply; and
4. any other circumstances in the absolute discretion of the Board. Where this paragraph 4 applies, the Board may additionally determine that the Holding Period shall end only for such number of Holding Plan Shares as it may specify.

12. *Cessation of Relevant Employment after a Measurement Date*

12.1. *General rule*

Subject to Rule 12.2, if an Award Holder ceases to be in Relevant Employment after a Measurement Date, his Nil Cost Options (other than any Nil Cost Options which have been designated as Deferred Nil Cost Options in accordance with Rule 7.6) shall lapse on the date of cessation of the Award Holder's Relevant Employment. Rule 2.3 shall apply to determine if an Award Holder has ceased Relevant Employment.

12.2. *Special cases – Nil Cost Options other than Deferred Nil Cost Options*

Notwithstanding Rule 12.1, if an Award Holder ceases to be in Relevant Employment by reason of:

1. death, injury, ill-health or disability; or
2. the Award Holder being employed by a company which ceases to be a Group Member; or
3. the Award Holder being employed in an undertaking or part of an undertaking which is transferred to a person who is not a Group Member; or
4. any other circumstances if the Board decides in any particular case,

the Board, in its absolute discretion, taking into account such factors as the Board may consider relevant at the time of cessation, may decide that to the extent not Vested, Nil Cost Options which have not been designated as Deferred Nil Cost Options shall Vest at the normal Vesting dates set out in Rule 7.6.

For the purposes of Rule 12.2 this shall include any Nil Cost Option which is due to be granted on the Conversion Date relating to the next Measurement Date following his cessation of Relevant Employment pursuant to Rule 7.1 following the Conversion of the Conditional Award in accordance with Rule 6 but which has not been granted at the date of cessation of Relevant Employment. The Board may at its absolute discretion pro rate the extent to which Nil Cost Options Vest to reflect the period from the Conditional Award Date to the date on which the Award Holder ceased Relevant Employment.

The Award Holder (or, as the case may be, his personal representatives) shall be entitled to exercise the Nil Cost Options from the normal Vesting dates set out in Rule 7.6 for such period as the Board determines save where cessation is by reason of death in which case the Board may determine that personal representatives of the Award Holder shall be entitled to exercise the Nil Cost Options of the deceased Award Holder at such earlier date and for such period as it may determine. If not so exercised, the Nil Cost Options shall lapse at the end of such period.

12.3. *Deferred Nil Cost Options*

If an Award Holder ceases to be in Relevant Employment for any reason, then he shall retain his Deferred Nil Cost Options. The Award Holder (or, as the case may be, his personal representatives) shall be entitled to exercise his Deferred Nil Cost Options from the normal Vesting dates for Deferred Nil Cost Options set out in Rule 7.6 for such period as the Board determines (save where cessation is by reason of death in which case the Board may determine that personal representatives of the Award Holder shall be entitled to exercise the Deferred Nil Cost Options of the deceased Award Holder at such earlier date and for such period as it may determine). If not so exercised, the Deferred Nil Cost Options shall lapse at the end of such period.

12.4. *Interaction of Rules*

If a Nil Cost Option has become exercisable under Rule 2.2 or 12.2 and, during the period allowed for the exercise of the Nil Cost Option under Rule 2.2 or 12.2, an event occurs under Rule 13 also (or vice versa), the period allowed for the exercise of the Nil Cost Option shall be the shorter of the period allowed by Rule 2.2 or 12.2 (as appropriate) and the period allowed by Rule 13.

13. *Takeover and corporate events*

13.1. *Takeover*

Subject to Rules 3 and 14, where a person obtains Control of the Company as a result of making an offer to acquire Plan Shares, to the extent not Vested, Nil Cost Options shall Vest on the date the person obtains Control.

The Vested proportion of the Nil Cost Options (whether Vested under this Rule 13.1 or otherwise) may be exercised at any time during the period of 6 months (or, if the Board determines a longer period shall apply, that period) beginning with the time when the person making the offer has obtained Control. If not so exercised, the Nil Cost Options shall lapse at the end of such period unless the Board determines otherwise, in which case the Nil Cost Options shall continue in force until such time as they lapse in accordance with the Rules.

13.2. *Compulsory acquisition of Company*

Subject to Rules 3 and 14, if a person becomes entitled or bound to acquire shares in the Company under section 979 to 982 of the Companies Act 2006, to the extent not Vested, Nil Cost Options shall Vest.

The Vested proportion of the Nil Cost Options (whether Vested under this Rule 13.2 or otherwise) may be exercised at any time during the period beginning with the date the person serves a notice under section 979 and ending 7 clear days before the date on which the person ceases to be entitled to serve such a notice. If not so exercised, the Nil Cost Options shall lapse at the end of the 7 days.

13.3. *Scheme of arrangement*

Subject to Rules 3 and 14, if a person proposes to obtain Control of the Company in pursuance of a compromise or arrangement sanctioned by the court under section 899 of the Companies Act 2006, to the extent not Vested, Nil Cost Options will Vest on the date of the court sanction.

The Vested proportion of the Nil Cost Options (whether or not Vested under this Rule 13.3 or otherwise) may be exercised at any time during the period of 6 months from the compromise or arrangement being sanctioned by the court and at the end of that period they shall lapse.

13.4. *Winding-up of the Company*

Subject to Rules 3 and 14, if notice is given of a resolution for the voluntary winding-up of the Company, to the extent not Vested, Nil Cost Options will Vest on the date notice is given.

The Vested proportion of the Nil Cost Options (whether or not Vested under this Rule 13.4 or otherwise) may be exercised at any time during the period of 6 months from the date of the notice or, if earlier, on completion of the winding up, and at the end of such period they shall lapse.

13.5. *Demergers and other events*

Subject to Rules 3 and 14, the Board may determine that to the extent not Vested, Nil Cost Options will Vest (in full or in part) if it becomes aware that the Company will be affected by a demerger, distribution (which is not an ordinary dividend) or other transaction not otherwise covered by the Rules.

The Vested proportion of the Nil Cost Options (whether or not Vested under this Rule 13.5 or otherwise) may be exercised at any time during such a period as shall be determined by the Board and at the end of that period they shall lapse.

13.6. *Meaning of “obtains Control of the Company”*

For the purpose of Rule 13 a person shall be deemed to have obtained Control of the Company if he and others Acting In Concert with him have together obtained Control of it.

13.7. *References to Board within this Rule 13*

For the purposes of this Rule 13, any reference to the Board shall be taken to be a reference to those individuals who were members of the Board immediately before the event by virtue of which this Rule 13 applies.

13.8. *Notification of Award Holders*

The Board shall, as soon as reasonably practicable, notify each Award Holder of the occurrence of any of the events referred to in this Rule 13 and explain how this affects his position under the Plan.

13.9. *Vesting of Nil Cost Options in advance of a corporate event*

Where the Board is aware that an event is likely to occur under Rule 13:

1. in respect of which Nil Cost Options will Vest in circumstances where the conditions for relief under Part 12 of the Corporation Tax Act 2009 may not be satisfied; or
2. such other circumstances as the Board considers it appropriate for the Nil Cost Options to Vest

the Board may, in its absolute discretion, determine that the Nil Cost Options which are expected to Vest as a result of the relevant event shall Vest, in accordance with Rule 13, during such a period prior to the relevant event taking place as the Board specifies. Each Award Holder will be notified in writing if this Rule 13.9 is to apply and arrangements will be made to ensure that each Award Holder can exercise his Nil Cost Options before the relevant event.

13.10. *Interaction with Rule 10 (Clawback)*

Where an event occurs under Rules 13.1 to 13.5 which:

1. results in the Vesting of Nil Cost Options; or
2. would so result if there was any subsisting Nil Cost Option which had not already Vested or, in relation to an event referred to in Rule 13.5, if the Board had permitted Vesting of Nil Cost Options under Rule 13.5 in relation to such event,

the Board may, at its absolute discretion, determine that Rule 10 (Clawback) shall only apply to such extent (if at all) that the Board determines to any Nil Cost Option which was granted on the basis that Rule 10 applied to that Nil Cost Option. Where the Board makes such a determination, it will specify which Nil Cost Options such determination applies to (which may include Nil Cost Options which have already been Vested or exercised).

14. *Exchange of Awards*

14.1. *Where exchange applies*

A Conditional Award will not Convert under Rule 3 and Nil Cost Options will not Vest under Rule 13 but in each case will be exchanged for a new award (**New Award**) under this Rule to the extent that:

1. an offer to exchange the Award for a New Award is made and accepted by the Award Holder; or
2. the Board, if relevant, with the consent of the persons acquiring Control, decides that Awards will be automatically exchanged for New Awards.

14.2. *Terms of exchange*

The following applies in respect of the New Award:

1. The Conditional Award Date for the purposes of the New Award shall be deemed to be the same as the Conditional Award Date of the existing Award.
2. The New Award will be in respect of the shares in a company determined by the Board.
3. In the application of the Plan to the New Award, where appropriate, references to “Company” and “Plan Shares” shall be read as if they were references to the company to whose shares the New Award relates save that in the definition of “Board” the reference to “Company” shall be read as if it were a reference to Ocado Group plc.
4. The New Award must be equivalent to the existing Award and it will Convert or Vest at the same time and in the same manner as the existing Award.
5. Where a Conditional Award is exchanged, the Board may make such adjustments to the Initial Price, the Threshold Total Shareholder Return and the Participation Rate Percentage as it deems necessary to ensure, as far as reasonably possible, that the interests of the Award Holder are not affected either favourably or unfavourably.

15. *Adjustment of Awards on Reorganisation and other events*

15.1. *Power to adjust Conditional Awards and Nil Cost Options*

In the event of a Reorganisation or an event affecting the capital or funding of the Group (including, by way of example but without limitation, where the Group makes any acquisition which is funded in whole or in part by debt financing):

1. in relation to a Conditional Award, the Initial Price, the Threshold Total Shareholder Return, the Participation Rate Percentage, the description of the Plan Shares, or any one or more of these; or
2. in relation to a Nil Cost Option, the number of Plan Shares subject to the Nil Cost Option, the description of the Plan Shares, or any one or both of these,

or such other factors as are determined to be appropriate shall be adjusted in such manner as the Grantor, together with the Board where relevant, shall determine, and which the Company's advisors selected for this purpose confirm to be fair and reasonable.

15.2. *Notification to Award Holders*

The Grantor shall, as soon as reasonably practicable, notify each Award Holder of any adjustment made under this Rule 15.2 and explain how this affects his position under the Plan.

16. *Tax and social security withholding*

16.1. *Deductions*

If the Grantor, the Company or any Group Member or former Group Member (as the case may be) is obliged in any jurisdiction to account for tax and National Insurance contributions for which the Award Holder is liable in respect of any Award, including by virtue of the exercise of an Award, and such company has not received from the Award Holder the necessary amount, then such company shall be entitled to discharge such liability by selling or withholding sufficient Plan Shares in respect of which the Award has been validly exercised and allotting or procuring the transfer of the balance of the Plan Shares to the Award Holder or making such other arrangements as it may determine appropriate to meet any liability to taxes or National Insurance contributions in respect of any Award.

16.2. *Transfer of Employer's NIC*

The Grantor may, at its discretion, require the Award Holder to pay all or any part of the Employer's NIC in relation to an Award.

16.3. *Execution of document by Award Holder*

The Grantor may require an Award Holder to execute a document in order to bind himself contractually to any such arrangement as is referred to in Rules 16.1 and 16.2 and return the executed document to the Grantor by a specified date. It shall be a condition of Vesting and exercise of the Award that the executed document be returned by the specified date unless the Grantor determines otherwise.

16.4. *Tax elections*

The Board may, at its discretion, determine that a Nil Cost Option may not be exercised unless the Award Holder has beforehand signed an election under Chapter 2 of Part 7 of ITEPA 2003 and/or section 165 of the Taxation of Chargeable Gains Act 1992 or any local equivalent, if applicable.

16.5. *Anti-money laundering or countering financing of terrorism legislation*

The Board may, at its discretion, determine that a Nil Cost Option shall not be exercised unless the Award Holder has provided documentation in satisfaction of any relevant anti-money laundering or countering financing of terrorism legislation or legislations.

17. *Rights and listing of Plan Shares*

17.1. *Rights attaching to Plan Shares*

Plan Shares issued and/or transferred to an Award Holder under the Plan shall, as to voting, dividend, transfer and other rights, including those arising on a liquidation of the Company, rank equally in all respects and as one class with the Plan Shares of the same class in issue at the date of issue or transfer save as regards any rights attaching to such Plan Shares by reference to a record date prior to the date of such issue or transfer.

17.2. *Listing of Plan Shares*

If and so long as Plan Shares are listed on the Official List and traded on the London Stock Exchange, the Company will apply for the listing of any Plan Shares issued under the Plan as soon as reasonably practicable.

18. *Relationship of the Plan to contract of employment*

18.1. *Contractual provisions*

Notwithstanding any other provision of the Plan:

1. the Plan shall not form part of any contract of employment between the Company or any Subsidiary and an Eligible Employee;
2. unless expressly so provided in his contract of employment, an Eligible Employee has no right to be made an Award and the receipt of an Award in one year is no indication that the Award Holder will be made any subsequent Awards;
3. the Plan does not entitle any Award Holder to the exercise of any discretion in his favour;
4. the benefit to an Eligible Employee of participation in the Plan (including, in particular but not by way of limitation, any Awards held by him) shall not form any part of his remuneration or count as his remuneration for any purpose and shall not be pensionable; and
5. if an Eligible Employee ceases to be in Relevant Employment for any reason, he shall not be entitled to compensation for the loss or diminution in value of any right or benefit or prospective right or benefit under the Plan (including in particular, but not by way of limitation, any Awards held by him which lapse by reason of his ceasing to be in Relevant Employment) whether by way of damages for unfair dismissal, wrongful dismissal, breach of contract or otherwise or anything analogous thereto in any jurisdiction.

18.2. *Deemed agreement*

By accepting the making of an Award and not renouncing it, an Award Holder is deemed to have agreed to the provisions of these Rules, including this Rule 18.

19. Administration of the Plan

19.1. Responsibility for administration

The Board (and the Grantor where appropriate) shall be responsible for, and shall have the conduct of, the administration of the Plan. The Board may from time to time make, amend or rescind regulations for the administration of the Plan provided that such regulations shall not be inconsistent with the Rules.

19.2. Board's decision final and binding

The decision of the Board shall be final and binding in all matters relating to the Plan, including but not limited to the resolution of any dispute concerning, or any inconsistency or ambiguity in the Rules or any document used in connection with the Plan.

19.3. Grantor to consult with the Board

Where the Grantor is not the Company and has made, or proposes to make, an Award, the Grantor shall consult with, and take into account the wishes of, the Board before making any determination or exercising any power or discretion under the Plan.

19.4. Discretionary nature of Awards

All Awards shall be made entirely at the discretion of the Board.

19.5. Provision of information

An Award Holder and, where the Grantor is not the Company, the Grantor shall provide to the Company or any Group Member, as soon as reasonably practicable, such information as the Company reasonably requests for the purpose of complying with its obligations under section 421J of ITEPA 2003 or similar requirements of local tax legislation.

19.6. Cost of the Plan

The cost of introducing and administering the Plan shall be met by the Company. The Company shall be entitled, if it wishes, to charge an appropriate part of such cost and/or the costs of an Award to a Subsidiary.

19.7. Data protection

1. Subject to paragraph 2 below, the Award Holder consents to the holding, processing and transfer of personal data in relation to the Award Holder by or to the Company, any Group Member, the Trustees, any third party broker, registrar or administrator or any future purchaser of the Company or relevant Group Member employing the Award Holder for all purposes relating to the operation of the Plan and this consent shall include transferring or processing personal data to a country or territory that may not provide the same statutory protection for the information as the Award Holder's home country.
2. For the purposes of operating the Plan, the basis for any processing of personal information about an Award Holder under the EU's General Data Protection Regulation (2016/679) (or any successor laws) is set out in the Company's Employee Privacy Statement (accessible on the Company's intranet) and is not the consents and authorisations given under paragraph 1 above.

19.8. Third party rights

Nothing in these Rules confers any benefit, right or expectation on a person who is not an Award Holder. No such third party has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of these Rules.

20. *Amendment of the Plan*

20.1. *Power to amend the Plan*

Subject to Rules 20.2 and 20.3, the Board may from time to time amend the Rules (including, for the purposes of establishing a sub-plan for the benefit of employees located overseas).

20.2. *Amendments to the Plan*

Without the prior approval of the Company in general meeting, an amendment may not be made for the benefit of any existing or future Award Holders to the Rules relating to:

1. the basis for determining an Eligible Employee's entitlement (or otherwise) to be made an Award and/or to acquire Plan Shares on the exercise of a Nil Cost Option (as the case may be) under the Plan;
2. the persons to whom an Award may be made;
3. the limit on the aggregate number of Plan Shares over which Awards may be made;
4. the adjustment of Awards on a Reorganisation;
5. this Rule 20.2

except for:

6. an amendment which is of a minor nature and benefits the administration of the Plan; or
7. an amendment which is of a minor nature and is necessary or desirable in order to take account of a change of legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for any Award Holder, the Company or some other Group Member.

20.3. *Rights of existing Award Holder*

An amendment may not adversely affect the rights of an existing Award Holder except:

1. where the amendment is made to take account of any matter or circumstances which the Board reasonably considers is a legal or regulatory requirement which the Board reasonably considers is relevant and requires an amendment to be made in order for any Group Member to comply with such requirement; or
2. where the Award Holder affected by the change has been notified of such amendment and the majority of Award Holders affected by the change who have responded to such notification have approved the amendment.

21. *Notices*

21.1. *Notice by the Grantor*

Save as provided for by law, any notice, document or other communication given by, or on behalf of, the Grantor, or to any person in connection with the Plan, shall be deemed to have been duly given if delivered to him at his place of work, if he is in Relevant Employment, if sent by e-mail to such e-mail address as may be specified by him from time to time or, in the case of an Award Holder who remains in Relevant Employment, to such e-mail address as is allocated to him by any Group Member, or sent through the post in a pre-paid envelope to the postal address last known to the Company to be his address and, if so sent, shall be deemed to have been duly given on the date of posting.

21.2. *Notice to the Grantor*

Save as provided for by law any notice, document or other communication given to the Grantor (or any relevant person appointed by the Grantor) in connection with the Plan shall be delivered by hand or

sent by email, fax or post to the Company Secretary (or any relevant person appointed by the Grantor) at the Company's registered office or such other e-mail or postal address as may from time to time be notified to Award Holders but shall not in any event be duly given unless it is actually received at the registered office or such e-mail or postal address.

22. *Governing law and jurisdiction*

22.1. *Plan governed by English law*

The formation, existence, construction, performance, validity and all aspects whatsoever of the Plan, any term of the Plan and any Award made under it shall be governed by English law.

22.2. *English courts to have jurisdiction*

The English courts shall have jurisdiction to settle any dispute which may arise out of, or in connection with, the Plan.

22.3. *Jurisdiction agreement for benefit of the Company*

The jurisdiction agreement contained in this Rule 22 is made for the benefit of the Company only, which accordingly retains the right to bring proceedings in any other court of competent jurisdiction.

22.4. *Award Holder deemed to submit to such jurisdiction*

By accepting the making of an Award and not renouncing it, an Award Holder is deemed to have agreed to submit to such jurisdiction.

23. *Interpretation*

23.1. *Definitions*

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

2022 AGM Date means the date of the Company's annual general meeting in 2022;

Acting In Concert has the meaning given to that expression in The City Code on Takeovers and Mergers in its present form or as amended from time to time;

Award means a Conditional Award or a Nil Cost Option (as the context requires) under the Plan;

Award Certificate means a statement in a form, which may include an electronic form, determined by the Company setting out details of the Award as set out in Rule 1.4 in the case of a Conditional Award or as set out in Rule 7.3 in the case of a Nil Cost Option;

Award Holder means an individual who holds an Award or, where the context permits, his legal personal representatives. Where relevant, Award Holder(s) shall include reference to former Award Holder(s);

Board means, subject to Rule 13.7, the board of directors of the Company or a duly authorised committee of it or a person duly authorised by the board of directors of the Company or such committee;

Company means Ocado Group plc incorporated in England and Wales under company number 07098618;

Compounded Initial Price in respect of a Measurement Date means the Initial Price multiplied by $(1 + \text{Threshold Percentage})^n$, where n is the number of Financial Years which have occurred since the start of the Financial Year 2018/19 as at the relevant Measurement Date provided that if under Rule 3 the Measurement Date occurs during the Financial Year 2018/19, n shall equal 1;

Conditional Award means a potential right to be granted a Nil Cost Option on the Conversion Date relating to a Measurement Date;

Conditional Award Date means the date on which a Conditional Award is made in accordance with Rule 1.3;

Control has the meaning given to it by section 995 of the Income Tax Act 2007;

Conversion means the process of calculating the number of Plan Shares under a Nil Cost Option in respect of a Conditional Award and granting the Nil Cost Option and **Convert** shall be interpreted accordingly;

Conversion Date means in relation to a Measurement Date the date on which a Conversion occurs in relation to that Measurement Date;

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

Dealing Restrictions means any restrictions imposed by legislation, regulation or any other code or guidance on share dealing with which the Company seeks to comply;

Directors' Remuneration Policy has the meaning given to it by section 422A(6) of the Companies Act 2006;

Deferred Nil Cost Option means in respect of a Nil Cost Option, the part (if any) of the Nil Cost Option which does not Vest on the normal Vesting date of the Nil Cost Option as a result of the application of the Personal Annual Cap in accordance with Rule 7.6;

Eligible Employee means a director (other than a non-executive director) or a bona-fide employee of any company within the Group;

Employees' Share Scheme has the meaning set out in section 1166 of the Companies Act 2006;

Employer's NIC means employer's National Insurance contributions liability or any local equivalent;

Exercise Period means the period that is 10 years from the Conditional Award Date during which subject to the Rules a Nil Cost Option may be exercised;

Financial Year means a financial year of the Company;

Flotation Date means 24 July 2010;

Grantor means

1. in relation to an Award made by the Company, the Board;
2. in relation to an Award made by the Trustees, the Trustees; and
3. in relation to an Award made by any other person which the Board authorises to make an Award, that person;

Group means the Company and its Subsidiaries from time to time and **Group Member** shall be interpreted accordingly;

Holding Period means the period (if any) specified under paragraph 6 of Rule 1.4 during which the restrictions contained in Rule 11 apply;

Initial Price means the average of the Market Value for a Plan Share for the 30 day period ending on the day before the date of the annual general meeting held in 2019 at which the Company's shareholders approved the Plan or such higher value as the Board may determine from time to time;

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

London Stock Exchange means London Stock Exchange plc or any successor body;

Market Value on any day means

1. if at the relevant time Plan Shares are listed on the Official List (or on any other recognised stock exchange within the meaning of section 1005 of ITA 2007 or the Alternative Investment Market of the London Stock Exchange), the closing middle market quotation (as derived from the Daily Official List of the London Stock Exchange or the equivalent list or record for the recognised stock exchange on which the Plan Shares are listed) or, if the Board so decides, the closing price on the preceding Dealing Day; or
2. where Plan Shares are not so listed, the market value of a Plan Share calculated as described in the Taxation of Chargeable Gains Act 1992;

Measurement Date means any of the dates determined by the Grantor ~~for a~~ on the Conditional Award ~~Date~~ in relation to which Conversion may occur;

Measurement Price for any Measurement Date means the average of the Market Value for a Plan Share for the 30 day period following the announcement of the Company's financial results for the previous Financial Year;

Measurement Total Shareholder Return for any Measurement Date means the average of the Market Value for a Plan Share for the 30 day period following the announcement of the Company's financial results for the previous Financial Year plus the dividends paid per Plan Share in respect of that Financial Year, or such shorter period as appropriate for the first Measurement Date;

Nil Cost Option means a right to acquire Plan Shares for no payment granted under the Plan, including a Deferred Nil Cost Option unless the provision states otherwise;

Official List means the list maintained by the Financial Conduct Authority in accordance with section 74(1) of the Financial Services and Markets Act 2000 for the purposes of Part VI of that Act;

Participant Benefit means the excess between the Measurement Total Shareholder Return for the relevant Measurement Date and the Threshold Total Shareholder Return multiplied by the Participation Rate Percentage and then multiplying this product by the number of Plan Shares in issue on the relevant Measurement Date;

Participation Rate Percentage means such percentage or percentages set by the Grantor ~~at the Conditional Award Date~~ for the purposes of a Conditional Award which;

(i) shall not in respect of any Measurement Date occurring before the 2022 AGM Date shall not exceed 2.75 per cent; and

(ii) in respect of any Measurement Date occurring after the 2022 AGM Date shall not exceed 3.25 per cent;

Personal Annual Cap means such amount or amounts specified by the Grantor at the Conditional Award Date limiting the maximum number of Plan Shares over which a Nil Cost Option may Vest at any Vesting date;

Plan means Ocado Group plc 2019 Value Creation Plan as amended from time to time;

Plan Shares means ordinary shares in the capital of the Company (or any shares representing them);

Regulatory Information Service means a service that is approved by the Financial Conduct Authority on meeting the Primary Information Provider criteria and is on the list of Regulatory Information Services maintained by the Financial Conduct Authority (or any overseas equivalent);

Relevant Employment means employment with any Group Member;

Reorganisation means any variation in the share capital of the Company including, but without limitation, a capitalisation issue, rights issue, demerger or other distribution, a special dividend or distribution, rights offer or bonus issue and a sub-division, consolidation or reduction in the capital of the Company;

Rules mean the rules of the Plan;

Subsidiary has the meaning set out in section 1159 of the Companies Act 2006;

Threshold Percentage means 10 per cent per annum;

Threshold Total Shareholder Return means in relation to a Measurement Date the higher of:

1. the Compounded Initial Price; and
2. the highest previous Measurement Total Shareholder Return which resulted in a Conversion of the Award;

Trustees means the trustees of any trust created by a Group Member which, when taken together with the Plan, constitutes an Employees' Share Scheme; and

Vest means an Award Holder becoming entitled to exercise a Nil Cost Option.

23.2. Interpretation

In the Plan, unless otherwise specified:

1. save as provided for by law a reference to writing includes any mode of reproducing words in a legible form and reduced to paper or electronic format or communication including, for the avoidance of doubt, correspondence via e-mail; and
2. the Interpretation Act 1978 applies to the Plan in the same way as it applies to an enactment.

Schedule A – Linked Jointly Owned Equity Awards

On or after the Conditional Award Date of a Conditional Award the relevant Award Holder may acquire a JOE Award (as defined below) on the terms set out in this Schedule A.

This Schedule A forms part of the Rules. Words and expressions used in this Schedule A and not otherwise defined shall have the meanings given to them in the Rules. In the event of any conflict between the provisions of this Schedule A and the Rules, this Schedule A shall take precedence.

In this Schedule A, unless otherwise specified, a reference to a Rule is a reference to a rule of the Plan.

A.1. Definitions

For the purposes of this Schedule A, the following words and expressions have the following meanings:

Forfeitable means, in respect of a JOE Award, the JOE Award ceasing to be capable of Realisation and the Trustees having a right to acquire the JOE Award from the JOE Award Holder for a price which is the lower of the JOE Award Price and the JOE Market Value and **Forfeit** shall be construed accordingly;

Hurdle Value means, in respect of a JOE Award, the hurdle value set out in the applicable Joint Ownership Agreement, which may be a defined value or which may vary according to a formula or methodology set out in the Joint Ownership Agreement;

JOE Award means a beneficial interest in Plan Shares acquired by an Eligible Employee pursuant to this Schedule A and subject to the terms of a Joint Ownership Agreement and which is linked to the relevant Linked Conditional Award and any corresponding Linked Nil Cost Option;

JOE Award Date means the date on which an Eligible Employee acquires a JOE Award;

JOE Award Holder means an individual who holds a JOE Award or, where the context permits, his legal personal representatives;

JOE Award Price means the amount payable by a JOE Award Holder for his JOE Award which shall not be less than the JOE Market Value at the JOE Award Date;

JOE Market Value means the market value of the JOE Award, which:

1. at the JOE Award Date, shall be determined in accordance with the provisions of Part VIII of the Taxation of Chargeable Gains Act 1992; and
2. at all other times, shall be the greater of:
 - a) the amount given by deducting the Hurdle Value from the Market Value of the Plan Shares subject to the JOE Award; and
 - b) zero;

Joint Ownership Agreement means an agreement between the Company, the Trustees and an Eligible Employee in relation to the acquisition and holding of Plan Shares by the Eligible Employee and the Trustees and their respective beneficial interests in those Plan Shares;

Linked Conditional Award means the Conditional Award in connection with which a JOE Award Holder acquires a JOE Award;

Linked Nil Cost Option means any Nil Cost Option which was granted pursuant to the Conversion of the Linked Conditional Award;

Realisation means, in respect of a JOE Award, the JOE Award Holder realising value from the JOE Award by the Trustees transferring to the JOE Award Holder such number of Plan Shares as have a

Market Value equal to the JOE Market Value, rounded down to the nearest whole Plan Share, and **Realised** shall be interpreted accordingly; and

Subscription Price means such price as the Board may decide as the price at which Plan Shares are to be subscribed by the Trustees and JOE Award Holder.

A.2. Acquisition of award

A.2.1. The Company, together with the Trustees, may, on or before a proposed Conditional Award Date, invite an Eligible Employee who is to be or has been granted a Conditional Award to acquire a JOE Award by:

- A.2.1.1. subscribing for or acquiring Plan Shares jointly with the Trustees; and/or
- A.2.1.2. acquiring a beneficial interest in Plan Shares already held by the Trustees,

subject to the terms of this Schedule A and a Joint Ownership Agreement.

A.2.2. The Company shall make it a condition of the invitation that:

- A.2.2.1. it will lapse if the Joint Ownership Agreement is not signed by the Trustees and the Eligible Employee within a specified period;
- A.2.2.2. it will lapse if the proposed Linked Conditional Award is not granted to the Eligible Employee; and
- A.2.2.3. the Joint Ownership Agreement may only be executed on or after the Conditional Award Date of the Linked Conditional Award and during a period when a Conditional Award may be made pursuant to Rule 1.5 (*When a Conditional Award may be made*) and subject to Rule 1.6 (*When a Conditional Award may not be made*).

A.2.3. On or as soon as practicable after the JOE Award Date:

- A.2.3.1. the Company will procure that the relevant number of Plan Shares are issued or transferred to the JOE Award Holder and the Trustees jointly; and/or
- A.2.3.2. the Trustee will transfer a beneficial interest in Plan Shares already held by the Trustees to the JOE Award Holder

(as applicable), to be held subject to the Joint Ownership Agreement.

A.3. Terms of Joint Ownership Agreement and Award Certificates

A.3.1. The Joint Ownership Agreement shall be in such form as the Board determines and shall:

- A.3.1.1. set out the terms on which the Plan Shares subject to the JOE Award are acquired and held jointly between the JOE Award Holder and the Trustees, including but not limited to the:
 - A.3.1.1.a. Subscription Price (if applicable);
 - A.3.1.1.b. JOE Award Price (or the method by which the JOE Award Price will be determined); and
 - A.3.1.1.c. Hurdle Value;
- A.3.1.2. state the relevant Linked Conditional Award;
- A.3.1.3. set out that the JOE Award Holder and the Trustees shall not exercise the voting rights of the Plan Shares subject to the JOE Award and will waive any dividends unless and until the JOE Award has been Realised; and
- A.3.1.4. provide that, except for transfer on death of the JOE Award Holder to his personal representatives, the JOE Award Holder may not transfer or assign the JOE Award.

A.3.2. The Award Certificate for a Linked Conditional Award shall, in addition to the details set out in Rule 1.4 (*Contents of Award Certificate*), state that it is a Linked Conditional Award and set out the details of the JOE Award to which it is linked and any additional terms that arise by virtue of it being a Linked Conditional Award.

A.3.3. The Award Certificate for a Linked Nil Cost Option shall, in addition to the details set out in Rule 7.3 (*Contents of Award Certificate*), state that it is a Linked Nil Cost Option and set out

the details of the JOE Award to which it is linked and any additional terms that arise by virtue of it being a Linked Nil Cost Option.

A.4. Individual limit

The number of Plan Shares subject to a JOE Award shall not be greater than the Participation Rate Percentage of the Linked Conditional Award multiplied by the issued share capital of the Company at the JOE Award Date and rounded down to the nearest whole Plan Share.

A.5. Application of Plan limits

- A.5.1. Subject to Rule A.5.2, Rule 8.2 (*Cap on number of Plan Shares*), Rule 8.3 (*10 per cent in 10 years*) and Rule 8.4 (*5 per cent in 10 years*) shall apply in respect of JOE Awards as if references in those Rules to a “Nil Cost Option” also include a JOE Award.
- A.5.2. In respect of a JOE Award, the Plan Shares which are subject to the relevant Linked Nil Cost Options (if any) shall only be taken into account for the purposes of Rule 8.2 (*Cap on number of Plan Shares*), Rule 8.3 (*10 per cent in 10 years*) and Rule 8.4 (*5 per cent in 10 years*) to the extent that the aggregate number of such Plan Shares exceeds the number of Plan Shares subject to the JOE Award.

A.6. Realisation of JOE Awards and limitation of Linked Nil Cost Options

- A.6.1. Subject to Rules A.6.2 and A.6.3 a JOE Award Holder shall become entitled to call for the Realisation of his JOE Award, subject to any applicable Dealing Restrictions, following the later of a Linked Nil Cost Option Vesting and any date specified in the Joint Ownership Agreement.
- A.6.2. Any Plan Shares that a JOE Award Holder acquires pursuant to the Realisation of the JOE Award shall be subject to any Holding Period which is stated to apply pursuant to Rule 7.3.5 (*Contents of Award Certificate*) in respect of any Linked Nil Cost Option in respect of which the JOE Award was Realised.
- A.6.3. The extent to which a JOE Award may be Realised at any time shall be limited so as not to permit the transfer of a number of Plan Shares to the JOE Award Holder which exceeds the number of Plan Shares over which all relevant Linked Nil Cost Options are Vested (ignoring for these purposes any Linked Nil Cost Options which have been exercised) and for the purposes of this Rule A.6.3 only, Rule A.6.4 shall not apply.
- A.6.4. It shall be a term of any Linked Nil Cost Option that the number of Plan Shares which the JOE Award Holder may receive pursuant to the Realisation of his JOE Award and the exercise of the Linked Nil Cost Option shall not exceed the number of Plan Shares subject to all relevant Linked Nil Cost Options which have Vested, and the number of Plan Shares over which the Linked Nil Cost Option may be exercised shall be restricted accordingly.

A.7. Forfeiture of JOE Awards

- A.7.1. Notwithstanding any other provision of this Schedule A, a JOE Award Holder’s JOE Award shall become Forfeitable on the earliest of:
 - A.7.1.1. the Linked Conditional Award being treated as never having been made pursuant to Rule 1.8 (*Confirmation of acceptance of Conditional Award*) or Rule 1.9 (*Right to refuse Conditional Award*);
 - A.7.1.2. the failure of the JOE Award Holder to sign any document relating to the JOE Award required under the Joint Ownership Agreement within the period for such signature stated in the Joint Ownership Agreement;

- A.7.1.3. the failure of the JOE Award Holder to make a payment in respect of the JOE Award Price within the period for such payment stated in the Joint Ownership Agreement; and
- A.7.1.4. the Linked Conditional Award and all relevant Linked Nil Cost Options ceasing to exist in their entirety (whether by lapse, Conversion in the case of the Linked Conditional Award or exercise in the case of a Linked Nil Cost Option).
- A.7.2. Where a JOE Award becomes Forfeitable, the Trustees will exercise their right to acquire the JOE Award from the JOE Award Holder for the lower of the JOE Award Price and the JOE Market Value as soon as reasonably practicable thereafter (in the manner set out in the Joint Ownership Agreement), unless the Company in any case gives its prior agreement to the Trustees not doing so.

A.8. *Malus and Clawback*

- A.8.1. At any time before the Conversion of a Linked Conditional Award or the Vesting of a Linked Nil Cost Option, the Board may determine that the JOE Award shall become Forfeitable in respect of some or all of the Plan Shares subject to it if the Board may take any similar action in respect of the Linked Conditional Award or Linked Nil Cost Option pursuant to Rule 9 (*Malus*).
- A.8.2. For a period of 2 years (or such longer period as the Board may determine) following the Vesting of a Linked Nil Cost Option the Company may recover value from the JOE Award Holder (including, but not limited to, prescribing that the JOE Award shall become Forfeitable in whole or in part or that Plan Shares acquired pursuant to the Realisation of the JOE Award or the proceeds of sale of such Plan Shares shall be transferred or paid to the Company or any person specified by the Company) in the same circumstances as it may in respect of any Linked Nil Cost Option pursuant to Rule 10 (*Clawback*) subject to any limits on recovery in Rule 10 (*Clawback*).

A.9. *Adjustment of Hurdle Value*

In the circumstances referred to in Rule 1414 (*Exchange of Awards*) and Rule 15 (*Adjustment of Awards on Reorganisation and other events*) such adjustments may be made as the Company determines to be appropriate to the Hurdle Value or such other factors with the aim of ensuring, as far as reasonably possible, that the interests of the parties are not affected either favourably or unfavourably and which the Company considers to be fair and reasonable.

A.10. *Tax and social security*

- A.10.1. Subject to Rule A.10.2 of this Schedule A, where, in relation to any JOE Award the Trustees, the Company or any current or former Group Member (as the case may be) is obliged in any jurisdiction to account for tax and National Insurance contributions for which the JOE Award Holder is liable, the Trustees shall be entitled to (and if required by the Company shall) discharge such liability by selling some or all of the Plan Shares subject to the JOE Award and deducting from any sale proceeds attributable to the JOE Award Holder such amount as necessary to discharge such liability (and, where the Company or any current or former Group Member is liable to account for such sum to the relevant revenue or other authority, the Trustees may pay the amount deducted to the Company or current or former Group Member to enable them so to account) unless the JOE Award Holder has beforehand paid to the Trustees, the Company or the current or former Group Member an amount sufficient to discharge the liability.
- A.10.2. The JOE Award Holder may, by agreement with the Trustees, the Company or the current or former Group Member (as the case may be), enter into some other arrangement to ensure that the amount of the liability referred to in Rule A.10.1 of this Schedule A is available to them (whether by authorising the sale of some or all of the Plan Shares and the payment to the

Trustees, the Company or the current or former Group Member of the requisite amount out of the proceeds of sale or otherwise). Where this is the case the Plan Shares shall not be sold or proceeds of sale of Plan Shares shall not be transferred to the JOE Award Holder until the Trustees, the Company or the current or former Group Member determines that such arrangements are satisfactory to them.

A.11. Application of certain Rules

Rule 17 (*Rights and listing of Plan Shares*), Rule 18 (*Relationship of the Plan to contract of employment*), Rule 19 (*Administration of the Plan*), Rule 20 (*Amendment of the Plan*), Rule 21 (*Notices*) and Rule 22 (*Governing law and jurisdiction*) shall apply in respect of JOE Awards as if references in those Rules to an “Award” and an “Award Holder” include references to a JOE Award and a JOE Award Holder respectively.