

**CONVATEC GROUP PLC**

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**The Convatec Group  
Omnibus Incentive Plan**

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**Adopted by the Board on 25 February 2025**

**Approved by shareholders on [●] 2025 AGM**

**Expiry on the date of [2035] AGM**

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## **THE CONVATEC GROUP OMNIBUS INCENTIVE PLAN**

### **Introduction**

Awards under the Plan can take the form of:

- A conditional share award, which is a right to receive shares for no payment;
- A nil cost option, which is a right to buy shares for no payment;
- An option, which is a right to buy shares on payment of an exercise price (set when the option is granted);
- A stock appreciation right, which is a right to receive shares where the number of Shares reflects the growth in value of a Share over time; and
- Restricted shares, where a participant receives shares at the date of grant but may be required to return those shares,

whose vesting is subject to continued employment (Service Conditions), and any other conditions including conditions relating to the achievement of specified (individual or corporate) performance conditions (Performance Conditions) as determined by the remuneration committee.

In all cases, awards can be granted as “Phantom Awards”, where they are satisfied by a cash payment rather than delivery of Shares.

Awards under the Plan may be granted as “Buy-out Awards” to compensate newly hired employees for payments they forfeit by leaving their previous employers to join the Group. Awards may also be granted as “Deferred Bonus Awards” in respect of a portion of annual bonus that would otherwise have been paid to employees in cash.

The detailed terms and conditions of an award will be established by the remuneration committee in line with the terms of the Plan.

This introduction does not form part of the rules.

## **1. GRANT OF AWARDS**

- 1.1 The Committee may, in its absolute discretion, determine which Employees (if any) will be selected for the grant of an Award. Awards may then be granted by the Company to selected Employees during a Grant Period.
- 1.2 The Committee will determine the form of an Award to be granted. An Employee may be granted any form of Award or any combination of Awards.
- 1.3 An Employee will be notified of the grant of an Award and informed of the specific terms of the Award in such manner as the Company may determine from time to time. Such notification will specify (among other things):
  - (a) the Grant Date;
  - (b) the number of Shares subject to the Award;
  - (c) whether the Award is an Option, a Conditional Award, a Phantom Award or combination of those;
  - (d) where the Award takes the form of an Option, the Exercise Price (if any) and Exercise Period;
  - (e) the Vesting Date(s); and
  - (f) Performance Conditions (if any).
- 1.4 An Employee may be asked to accept an Award within a timeframe set by the Committee and if the Award is not accepted within that timeframe the Committee may determine that the Award will lapse.

## **2. COMPLIANCE WITH OVERARCHING REQUIREMENTS**

- 2.1 Any Awards granted to executive directors of the Company will be subject to and made in accordance with the terms of the Directors' Remuneration Policy.
- 2.2 The Committee may at any time amend an Award in any way it considers appropriate in order to ensure compliance with any law, regulation or regulatory regime to which the Company, any Group Company or a Participant is subject. This includes making changes to an Award that may be detrimental to a Participant without that Participant's consent or electing to satisfy an Award that has been granted over Shares by payment of a cash sum.
- 2.3 The grant, vesting, exercise and lapse of any Award is subject to all applicable Dealing Restrictions.

## **3. GRANT LIMITS**

### *Individual Limits*

- 3.1 An Employee may be granted more than one Award in any Financial Year but the aggregate Award Value of all Awards granted to an Employee in respect of a Financial Year may not exceed the maximum value permitted for any executive director of the Company in the Directors' Remuneration Policy.

- 3.2 Where an Award is granted as a Deferred Bonus Award, the number of Shares subject to the Award shall be equal to  $A/B$  where:

**A** = such percentage of the pre-tax annual bonus that would otherwise have been payable to the Employee in respect of the relevant bonus year that the Committee determines should be delivered by way of an Award under this Plan; and

**B** = the Market Value of a Share,  
and any fraction of a Share shall be rounded down to the nearest whole Share.

#### *Plan Limits*

- 3.3 Awards may not be satisfied by the issue of Shares to the extent that such issue would, when added to the aggregate number of Shares issued or issuable pursuant to Awards granted in the previous ten years under the Plan and any other Employees' Share Scheme, exceed such number as represents ten per cent. of the issued ordinary share capital of the Company immediately before that day.
- 3.4 Where Treasury Shares are transferred or to be transferred under this Plan or any other Employees' Share Scheme, they will be treated for the purpose of this rule 3 as Shares which are issued or issuable for so long as recommended by UK institutional shareholder guidelines.
- 3.5 In determining the limits in this rule 3, any Shares attributable to an Award which has lapsed, been forfeited or otherwise become incapable of vesting will be ignored.

#### **4. PERFORMANCE CONDITIONS**

- 4.1 The Committee may determine that an Award will only Vest to the extent that Performance Conditions are satisfied. For the avoidance of doubt, an Award may be granted without being subject to any Performance Conditions.
- 4.2 The Committee may set different Performance Conditions for Awards granted in different years or to different Participants at the same time (in terms of the type of condition, the weighting given to that Performance Condition, the length of the Performance Period and any targets applicable to each Performance Condition).
- 4.3 The Committee may determine that an Award will be subject to multiple Performance Conditions or that an Award will be sub-divided and that each part be subject to a different Performance Condition.
- 4.4 An Award (including any applicable Dividend Equivalents) will lapse to the extent that the Performance Conditions are not met.
- 4.5 The Committee may vary the Performance Conditions applying to existing Awards if an event occurs or there are circumstances (for example, a significant acquisition or disposal of a business or a significant part of a business) such that the conditions are no longer a fair measure of performance provided that, in the reasonable opinion of the Committee, the new conditions are not materially less challenging than the original conditions would have been but for the event or circumstances in question.

## **5. SERVICE CONDITIONS**

- 5.1 Except as otherwise set out in these Rules, an Award will only Vest if the Participant continues to be an Employee on the Scheduled Vesting Date or is a Good Leaver.
- 5.2 Except as otherwise set out in these Rules, an Award will lapse automatically on the Participant ceasing to be an Employee.

## **6. OTHER VESTING CONDITIONS**

- 6.1 If, on the Scheduled Vesting Date, the Participant has not:
- (a) complied with all regulatory and legal requirements that may apply to the Participant in respect of or in connection with the Award; or
  - (b) provided any relevant information, and made any relevant elections or obtained any necessary dealing consents, as reasonably requested by the Company,

the Award will not Vest on that date and the Committee will decide whether it will Vest as soon as practicable (as determined by the Committee) following the date on which it is satisfied or if it will lapse immediately.

- 6.2 If, on the Scheduled Vesting Date, the Participant, the Company or any Group Company is subject to any Dealing Restriction, including any Dealing Restriction that would apply in respect of arrangements required by any Group Company to satisfy any Tax liability in connection with the Award, the Award will not Vest on that date and will instead Vest as soon as practicable (as determined by the Committee) following the date on which it is satisfied.

- 6.3 If, on or shortly prior to the Scheduled Vesting Date:
- (a) the Participant is subject to an investigation, disciplinary process or disciplinary sanction (whether or not the disciplinary sanction is subject to appeal or further challenge) and that investigation or process will not have concluded by the Scheduled Vesting Date; or
  - (b) the Committee reasonably considers that there are or may be circumstances that would justify the use of its powers set out in rule 12,

the Committee may determine that the Award will not Vest on the Scheduled Vesting Date and will instead Vest on such later date as the Committee may in due course determine.

- 6.4 The Committee may make Vesting of an Award conditional upon any other conditions it considers appropriate. Any such conditions will be notified to the Participant shortly following the Grant Date.

## **7. CONDITIONS SPECIFIC TO RESTRICTED SHARES**

- 7.1 If an Award takes the form of Restricted Shares, the Participant (or a proposed Participant) may be required to enter into an irrevocable agreement with the Company in such form as the Company may prescribe. This may include an agreement by the Participant that, for so long as the Award has not Vested,:

- (a) the Restricted Shares will be held by the Trustee or a nominee specified by the Company;
  - (b) no person will seek to transfer, assign, sell, pledge, charge or otherwise dispose of the Restricted Shares;
  - (c) no voting rights will be exercised on the Restricted Shares;
  - (d) any entitlement to dividends on the Restricted Shares will be waived; and / or
  - (e) the Restricted Shares will be transferred to (or to the order of) the Company, for a total of £0.01 (one penny), to the extent the Award lapses.
- 7.2 If the Participant does not enter into any required agreement in accordance with rule 7.1 either before the Grant Date or within such period after the Grant Date as the Committee may specify, the Award will not be granted or if it has been granted, such grant will be ineffective.
- 7.3 On or before the Date of Grant for an Award which takes the form of a Restricted Share Award, the Company will transfer or procure the transfer to the Participant or their nominee or such other person as the Committee may determine the number of Restricted Shares which are subject to the Award.
- 7.4 A Participant will not be entitled to any dividend or voting rights in respect of any unvested portion of their Restricted Share Award, save as may be permitted by rule 8.

## **8. ENTITLEMENT TO DIVIDEND EQUIVALENTS**

- 8.1 At any time prior to Vesting of an Award, the Committee may, in its absolute discretion, determine that an Award should include a right to Dividend Equivalents.
- 8.2 Dividend Equivalents will entitle a Participant to additional Shares or, if the Committee determines in its absolute discretion, a cash payment, to be delivered or paid within the period of 90 days after the Award is satisfied by the Company.
- 8.3 The Committee has complete discretion to determine the basis on which the value of the Dividend Equivalents is calculated and may set different methods for Awards granted in different years or to different Participants at the same time, including whether to calculate by reference to:
- (a) the Vesting Period, Performance Period or any other period;
  - (b) the ex-dividend date, record date or payment date;
  - (c) ordinary dividends only or including special dividends; and
  - (d) cash dividends only or including dividends-in-specie.
- 8.4 For the avoidance of doubt any payment referred to in this rule 8 does not represent an entitlement to actual dividends on the underlying Shares that are the subject of an Award. Dividend Equivalents will only accrue in respect of any portion of an Award that Vests.

## **9. VESTING OF AWARDS**

- 9.1 An Award may have a single Scheduled Vesting Date which is the date on which the entire Award is expected to Vest or may have multiple Scheduled Vesting Dates with different parts of the Award expected to Vest on different Scheduled Vesting Dates. For an Award with multiple Scheduled Vesting Dates, references in these Rules to an Award should be read to mean part of an Award.
- 9.2 Except as otherwise set out in these Rules, an Award will Vest only to the extent that any applicable Performance Conditions, Service Condition and Other Vesting Conditions have been satisfied.

## **10. CONSEQUENCES OF VESTING**

- 10.1 **Conditional Awards:** Subject to rule 11, on the Vesting of an Award which takes the form of a Conditional Award, a Participant need take no action and the Company will arrange for the Vested Shares and any Dividend Equivalents under a Conditional Award to be delivered to the Participant within 90 days of the Vesting Date. If the Award has Vested due to a Participant's death or if the Participant dies during the 90 day period the Shares shall be issued or transferred to the Legal Representative as soon as reasonably practicable after the date of death.
- 10.2 **Options:** A Participant may, subject to any Dealing Restrictions, exercise a Vested Option at any time during the Exercise Period by submitting an Exercise Notice to the Company or its designated agent. An Exercise Notice may relate to all or some of the Vested Shares under an Option, and must be accompanied by payment of the applicable Exercise Price (if any) or a commitment, satisfactory to the Company, for payment of the Exercise Price. An Exercise Notice will take effect on the date it is accepted as valid by the Company or, if there are any Dealing Restrictions in place on that date, as soon as practicable (as determined by the Committee) on or after the date when all Dealing Restrictions have lifted. Subject to rule 11, the Company will arrange for the Vested Shares and any Dividend Equivalents to be delivered to the Participant within 90 days after the date on which the Exercise Notice takes effect.
- 10.3 **Share Appreciation Rights:** Subject to rule 11, the Company will arrange for the Vested Shares and any Dividend Equivalents under a Share Appreciation Right to be delivered to the Participant within 90 days of the Vesting Date.
- 10.4 **Restricted Shares:** The Restricted Shares will stop being at risk of forfeiture on the Vesting Date and, subject to rule 11, the Participant may request that the Shares be transferred from the Trustee or nominee. The Company will arrange for any Dividend Equivalents to be delivered to the Participant within 90 days of the Vesting Date.
- 10.5 **Phantom Conditional Awards:** The Company will arrange for the Cash Value of the notional Vested Shares and any Dividend Equivalents under a Phantom Conditional Award to be paid to the Participant as soon as reasonably practicable after the Vesting Date. The Company may in its discretion pay or procure payment of the cash sum in sterling or the equivalent in a Participant's local currency (converted on the basis of such exchange rate as the Committee may in its discretion determine).
- 10.6 **Phantom Options:** A Participant may, subject to any Dealing Restrictions, exercise a Vested Phantom Option at any time during the Exercise Period by delivering an



Exercise Notice to the Company or its designated agent. An Exercise Notice must relate to all the Vested Notional Shares under Option (and not some only) and must be accompanied by payment of the applicable Exercise Price (if any) or a commitment, satisfactory to the Company, for payment of the Exercise Price. An Exercise Notice will take effect on the date it is accepted as valid by the Company or, if there are any Dealing Restrictions in place on that date, as soon as practicable (as determined by the Committee) on or after the date when all Dealing Restrictions have lifted. The Company will arrange for the Option Exercise Value of the notional Vested Shares and any Dividend Equivalents to be paid to the Participant as soon as reasonably practicable after the date on which the Exercise Notice takes effect. The Company may in its discretion pay or procure payment of the cash sum in sterling or the equivalent in a Participant's local currency (converted on the basis of such exchange rate as the Company may in its discretion determine).

- 10.7 **Phantom Share Appreciation Rights:** The Company will arrange for the Cash Value of the notional Vested Shares and any Dividend Equivalents under a Share Appreciation Right to be paid to the Participant in as soon as reasonably practicable after the Vesting Date. The Company may in its discretion pay or procure payment of the cash sum in sterling or the equivalent in a Participant's local currency (converted on the basis of such exchange rate as the Company may in its discretion determine).

## **11. HOLDING PERIOD**

- 11.1 The Committee may, in its absolute discretion, determine that an Award should be subject to a mandatory Holding Period.
- 11.2 The Committee may impose such terms and requirements on an Award for the purposes of the Holding Period as it considers necessary or desirable including, but not limited to:

- (a) requiring Participants to hold Shares via a nominee or the Trustee;
- (b) restricting the circumstances in which the Shares or Award subject to the Holding Period may be transferred, assigned, sold, pledged or otherwise disposed of;
- (c) restricting the exercise of Options during the Holding Period;
- (d) requiring the Participant to provide information to satisfy the Company as to the Participant's observance of the Holding Period; and
- (e) requiring the Participant to waive dividends or for any dividends paid on Shares during the Holding Period to be reinvested into the acquisition of further Shares, with those Shares subject to the balance of the Holding Period,

save that a Participant will always be allowed to sell Shares to satisfy any Tax liability incurred by them in connection with the Award.

- 11.3 Where a Holding Period applies to a Phantom Award, the Committee may impose similar terms and requirements in respect of the Phantom Award but adjusted as it considers appropriate to take account of the fact the Award will be settled in cash.

- 11.4 The Committee may at any time during a Holding Period determine that the Holding Period shall cease to apply to all or some of the Shares or Awards subject to that Holding Period.

## **12. MALUS AND CLAWBACK ARRANGEMENTS**

- 12.1 Awards are subject to the Company's malus and clawback principles in place from time to time. By accepting an Award, a Participant agrees to be bound by the terms of such applicable principles.

## **13. LEAVERS**

- 13.1 The Committee may specify at the Grant Date the circumstances in which a Participant will become a Good Leaver in respect of an Award and any such specification will override the terms in rule 13.2.

- 13.2 If the Committee does not specify at the Grant Date the circumstances in which a Participant will become a Good Leaver, then a Participant will become a Good Leaver if they cease to be an Employee at any time before the Scheduled Vesting Date of their Award by reason of:

- (a) death;
- (b) serious injury, ill-health or disability (as agreed by the Committee);
- (c) the sale of the business or company in which the Participant is employed out of the Group; or
- (d) any other reason where the Committee so determines in its absolute discretion.

- 13.3 A Good Leaver's Award will not lapse but remain capable of Vesting on the Scheduled Vesting Date subject to (i) the satisfaction of any Performance Conditions and Other Vesting Conditions and (ii) time pro rating reduction by multiplying the number of Shares under the Award by the fraction  $A/B$ , where:

$A$  is the number of complete months from the start of the Vesting Period to the Termination Date, and which shall not be greater than  $B$ ; and

$B$  is the number of months in the Vesting Period,

with any fraction of a Share rounded down to the nearest whole Share.

- 13.4 Any Holding Period applicable to a Good Leaver's Award will continue to apply (other than in case of death).

- 13.5 The Committee may vary the application of rules 13.3 and 13.4 to a Good Leaver in any way it considers appropriate including but not limited to:

- (a) allowing an Award to Vest sooner than the Scheduled Vesting Date in which case the Committee will assess satisfaction of any Performance Conditions and Other Vesting Conditions by reference to that earlier date;
- (b) waiving in whole or in part any Performance Conditions or Other Vesting Conditions;

- (c) waiving in whole or in part the time pro rating reduction or adjusting the method by which the reduction is calculated;
  - (d) waiving in whole or in part the Holding Period; and
  - (e) where a Participant becomes a Good Leaver by reason of the demerger, sale or transfer of the company, business or division in which they are employed, the Committee may determine that part or all of the Award must be rolled over into an equivalent award over shares in the demerged or purchaser company (or such terms as the Company shall agree with that company).
- 13.6 A Participant who holds more than one Award may be treated differently in respect of each Award (including potentially being a Good Leaver in respect of some Awards and not others). Different parts of an Award, or Awards made to different Participants at the same time, may also be treated differently for the purposes of this rule 13.
- 13.7 A Good Leaver may exercise an Option within six months (12 months in case of death) following the latest of (i) the Termination Date, (ii) the Vesting Date and (iii) the expiry of any Holding Period. If a Participant ceases to be an Employee and is not a Good Leaver but holds a Vested Option at their Termination Date, they may exercise that Option within three months following the later of (i) the Termination Date and (ii) the expiry of any Holding Period.
- 13.8 A Participant will not cease to be an Employee for the purposes of this rule 13 if they cease to be employed by a member of the Group but continue to be or are immediately afterwards employed by another member of the Group.

## **14. CORPORATE EVENTS**

- 14.1 A Corporate Event occurs if:
- (a) any person (either alone or together with any person acting in concert with them) obtains Control of the Company as a result of making:
    - (i) a general offer to acquire the whole of the issued and to be issued ordinary share capital of the Company which is made on a condition such that if it is satisfied, the person making the offer will have Control of the Company; or
    - (ii) a general offer to acquire all of the Shares;
  - (b) any 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;
  - (c) any person becomes bound or entitled to acquire Shares in the Company under sections 979 to 989 of the Companies Act 2006; or
  - (d) notice is given of a resolution for the voluntary or compulsory winding-up of the Company.
- 14.2 Subject to rules 14.3 to 14.7, if a Corporate Event occurs all outstanding Awards will automatically Vest on the Relevant Date and, in the case of Options, will be automatically exercised on that date provided that any Exercise Price payable by the

Participant is equal to or less than the relevant offer price or consideration (as determined by the Committee).

### **Proportion of Award that Vests**

14.3 The number of Shares in respect of which the Award Vests on the Relevant Date will be determined by the Committee as follows:

- (a) by having regard to the extent to which any applicable Performance Conditions are met at the Relevant Date, subject to such modification or other factors as the Committee may consider appropriate in light of the Corporate Event, including if it considers that the Performance Conditions would have been met to a greater or lesser extent at the end of the original Performance Period; and
- (b) by multiplying the resulting number of Shares by  $A/B$  where:
  - (i)  $A$  is the number of complete months from the start of the Vesting Period to the Relevant Date, and which cannot be greater than  $B$ ; and
  - (ii)  $B$  is the number of months in the Vesting Period,

with any fraction of a Share rounded down to the nearest whole Share, save that in any particular case, the Committee may, in its absolute discretion, disapply (in whole or in part) the application of the time pro-rating calculation.

### **Internal reorganisation**

14.4 If the purpose and effect of the Corporate Event, together with any associated transactions, is to create a new holding company for the Company, such company having substantially the same shareholders and proportionate shareholdings as those of the Company immediately prior to the Corporate Event, an Award will not Vest automatically and only with the consent of the Committee. Unless the Committee determines otherwise in its absolute discretion, an Award will in such circumstances instead be exchanged automatically for an equivalent award in accordance with rules 14.5 to 14.7.

### **Exchange of awards**

14.5 If any person (either alone or together with any person acting in concert with them) (the *Acquiring Company*):

- (a) obtains Control of the Company as a result of making:
  - (i) a general offer to acquire the whole of the issued and to be issued ordinary share capital of the Company which is made on a condition such that if it is satisfied the Acquiring Company will have Control of the Company; or
  - (ii) a general offer to acquire all the Shares; or
- (b) 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; or

- (c) becomes bound or entitled to acquire shares in the Company under sections 979 to 989 of the Companies Act 2006,

and the Acquiring Company notifies Participants or the Company of an offer of a replacement Award which (in the opinion of the Committee) is equivalent to the Old Award but relates to shares in a different company (whether the Acquiring Company itself or another company) (the *New Award* and *New Grantor*), then the Committee may determine that for any Award which has not lapsed (the *Old Award*):

- (d) a Participant will be given a choice between the Vesting of their Old Award on the Relevant Date in accordance with rule 14.2 and releasing the Old Award in return for the grant of the New Award; or
- (e) Old Awards lapse on the Relevant Date and will be exchanged automatically for the New Awards.

14.6 Following any exchange of Awards under rule 14.5, the provisions of the Plan will be construed as if:

- (a) the New Award was an award granted under the Plan at the same time as the Old Award;
- (b) references to the Company in the Rules were references to the New Grantor;
- (c) references to the Committee in the Rules were references to the board of directors of the New Grantor or any duly authorised committee thereof;
- (d) references to Shares were references to shares or notional shares in the New Grantor; and
- (e) the Vesting Date in relation to the New Award was the same as that in relation to the Old Award.

14.7 The Committee may make such adjustments to the Performance Conditions applicable to the New Award as it, in its absolute discretion, considers appropriate provided that any such adjustment shall not, in the reasonable opinion of the Committee, make the Performance Conditions materially easier or harder to satisfy.

### **Adjustment of awards**

14.8 In the event of any Capital Reorganisation (or the implementation by the Company of a demerger or payment of a super dividend or other event which would otherwise materially affect the value of an Award) the price payable by a Participant on Vesting (or Exercise Price) (if any), the description of Shares and the number of Shares under an Award may be adjusted in such manner as the Committee may determine.

## **15. TAXATION**

15.1 Any liability of a Participant to Tax or social security contributions in respect of an Award or Shares under an Award (including, for the avoidance of doubt, any cash amount paid) shall be for the account of the relevant Participant (and the Participant shall indemnify the Group in respect of the same), and the release of any Shares or the exercise of any Award shall be conditional on the Participant complying with any arrangements specified by the Company or the Trustee for the payment of taxation and

any social security contributions (including, without limitation, the sale of sufficient Shares or withholding from any Cash Value or other cash payment to enable the Company or the Trustee or any employing company in the Group to satisfy its obligations in respect of deduction of taxation and employee's social security contributions at source).

- 15.2 The Company or, where the Committee so directs, any member of the Group, will pay the appropriate stamp duty on behalf of Participants in respect of any transfer of Shares on the Vesting or exercise of an Award under the Plan.
- 15.3 If the Committee so requires, a Participant who is or may be subject to income tax in the UK in respect of their Awards will, within all applicable time periods, enter into a relevant tax election (including an election under section 431 of the Income Tax (Earnings and Pension) Act 2003) in connection with and as a condition of their Award.
- 15.4 At or before the Vesting of an Award, the Company may, in its absolute discretion, either: (i) deliver cash in lieu of a number of Shares in respect of which the Award will Vest with a value at least (in its estimation) equal to the liability of the Employee to any income tax and social security contributions that will arise on Vesting or exercise of the Award. Such cash amount shall be paid directly to the Employee's employing company or another Group Company acting as agent in order for that company to make a payment directly to the relevant taxation authority to discharge the liability of the Employee to income tax and social security contributions that arises as a result of the Vesting of the Award; or (ii) determine that the Award will only Vest at the Vesting Date in respect of that number of Shares subject to it in respect of which the Employee has provided to the relevant Group Company the funds sufficient to meet the liability to income tax and social security contributions arising, with the remainder of the Shares subject to the Award Vesting subsequently when Vesting would not be subject to Dealing Restrictions.

## **16. LAPSE OF AWARDS**

- 16.1 Awards will lapse upon the occurrence of the earliest of the following events:
  - (a) to the extent that it is determined by the Committee that any Performance Conditions applicable to an Award have not been met following the expiry of the relevant Performance Period;
  - (b) to the extent that any Other Vesting Conditions have not been met at the Scheduled Vesting Date and are considered by the Committee to no longer be capable of being met;
  - (c) in relation to an Award which is granted in the form of an Option, the expiry of the Exercise Period;
  - (d) the Participant ceasing to be an Employee, unless the Participant is a Good Leaver; or the Award is a Vested Option;
  - (e) if the Participant becomes a Good Leaver, the Termination Date to the extent that the Award is no longer capable of Vesting in accordance with rule 13;

- (f) if the Participant becomes a Good Leaver and the Award is a Vested Option, six months following the latest of (i) the Termination Date, (ii) the Vesting Date and (iii) the expiry of any Holding Period;
- (g) if the Participant ceases to be an Employee and is not a Good Leaver but holds a Vested Option at their Termination Date, three months following the later of (i) the Termination Date and (ii) the expiry of any Holding Period;
- (h) immediately following the Relevant Date in respect of any Relevant Event specified in rule 14 (Corporate Events);
- (i) unless the Committee determines otherwise, the Participant being deprived of the legal or beneficial ownership of the Award by operation of law, or doing or omitting to do anything which causes them to be so deprived including becoming or being declared bankrupt; or
- (j) any purported transfer of an Award.

## **17. AMENDMENT AND ADMINISTRATION**

- 17.1 The decision of the Committee in all matters relating to the Plan shall be final and conclusive.
- 17.2 The Committee may at any time discontinue the grant of Awards. No Awards may be granted under the Plan after the date of the Company's annual general meeting in 2035. Termination of the Plan shall not affect any outstanding Awards.
- 17.3 The Committee may amend any of the provisions of the Plan in any way it thinks fit provided that:
  - (a) the Committee may not make any amendment that would materially prejudice the interests of existing Participants except with the prior consent or sanction of the Participants who hold (in aggregate) a majority of all the Shares under Awards which would be affected by any such proposed amendment; and
  - (b) no amendment which, in the reasonable opinion of the Committee, is to the advantage of Employees or Participants may be made to:
    - (i) the definition of Employee;
    - (ii) the limitations on the number of Shares subject to the Plan;
    - (iii) the maximum entitlement of an Employee under the Plan;
    - (iv) the basis for determining a Participant's entitlement to Shares under the Plan;
    - (v) the terms of Shares to be provided under the Plan; and
    - (vi) the adjustment provisions of the Plan,

without the prior approval of the Company in general meeting except in the case of minor amendments to benefit the administration of the Plan, to take account of a change in legislation or to obtain or maintain favourable tax,

exchange control or regulatory treatment for Participants or for any member of the Group; or as otherwise permitted under these rules.

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

## **18. ISSUE, TRANSFER OR LISTING OF SHARES**

- 18.1 Shares to be issued pursuant to the Plan will rank *pari passu* in all respects with the Shares then in issue, except that they will not rank for any rights attaching to Shares by reference to a record date preceding the Vesting Date.
- 18.2 For so long as the Shares are admitted to Listing, application will be made for any newly issued ordinary shares to be admitted to such listing and admitted to trading on the London Stock Exchange.
- 18.3 Shares to be transferred pursuant to the Plan will be transferred free of all liens, charges and encumbrances and together with all rights attaching thereto, save as may be necessary or desirable to enforce any applicable Holding Period.
- 18.4 Any Shares acquired under the Plan will be subject to the articles of association of the Company as amended from time to time.
- 18.5 If for any reason the Committee considers that it is impractical or legally onerous to deliver Vested Shares, it may instead pay or procure the payment to the Participant of the Cash Value or, in the case of an Option, the Option Exercise Value, subject to such deductions for any Tax liability required by applicable law. The Company may in its discretion pay or procure the payment of any cash sum in sterling or the equivalent in a Participant's local currency (converted on the basis of such exchange rate as the Company may in its discretion determine).

## **19. RELATIONSHIP BETWEEN PLAN AND EMPLOYMENT**

- 19.1 An Award will not constitute a contract of employment. The rights and obligations of any individual under the terms of their office or employment with the Group shall not be affected by their participation in the Plan or any right they may have to participate in the Plan. An individual who participates in the Plan waives all and any rights to compensation or damages in consequence of the termination of their office or employment with any company for any reason whatsoever (whether lawfully or unlawfully), insofar as those rights arise or may arise from their ceasing to have rights under the Plan as a result of such termination, or from the loss or diminution in value of such rights or entitlements. In the event of any conflict between the terms of this rule and the Participant's terms of employment, this rule will take precedence.
- 19.2 Benefits under the Plan shall not be pensionable.
- 19.3 By participating in the Plan, the Participant's attention is drawn to the Group's data privacy policy provided to them, which sets out how the Participant's personal data



will be used and shared by the Company and other members of the Group. Such policy does not form part of these Rules and may be updated from time to time. Any such updates shall be notified to the Participant.

## **20. NOTICES**

- 20.1 Any notice or other document which has to be given to a Participant under or in connection with the Plan may be (i) delivered or sent by hand, registered post or courier using an internationally recognised courier company to them at their home address according to the records of their employing company, (ii) sent by email to any email address according to the records of their employing company or, in either case, such other address as may appear to the Company to be appropriate, or (iii) provided electronically through a website hosted by the Company or an agent of the Company, provided that the Participant is notified by hand, email, registered post or courier that such notice or document has been or will be provided in this manner.
- 20.2 Notices sent by hand, registered post or courier to a Participant will be deemed to have been given at the time of delivery. Notices sent by email, in the absence of evidence to the contrary, will be deemed to have been received at the time of transmission. Where delivery occurs outside of 9.30am to 5.30pm on a Business Day, notice shall be deemed to have been received at 9.30am on the next following Business Day.
- 20.3 Notices provided through a website will be deemed to have been received on the day they are posted on the website or, if later, the day the Participant is deemed in accordance with rule 20.2 to have received the notification that the notice has been provided there.
- 20.4 Any notice or other document required to be given to the Company under or in connection with the Plan may be delivered or sent by hand, registered post or courier to it at its registered office (or such other place or places as the Committee may from time to time determine and notify to Participants) or sent by email to any email address notified to the sender.
- 20.5 All Share certificates, and other communications relating to the Plan will be sent at the Participant's risk.

## **21. GENERAL**

- 21.1 Every Award granted under this Plan shall be personal to the Participant to whom it is granted and, except to the extent necessary to enable a Legal Representative to realise the Award following the death of a Participant, neither the Award nor the benefit of that Award may be transferred, assigned, charged or otherwise disposed of to any person. An Award will lapse immediately if the Participant to whom it was made purports to transfer, charge or otherwise dispose of that Award to any person otherwise than as permitted by the Plan.
- 21.2 The existence of any Award shall not affect in any way the right or power of the Company or its shareholders to make or authorise any or all adjustments, recapitalisations, reorganisations or other changes in the Company's capital structure, or any merger or consolidation of the Company, or any issue of Company shares, bonds, debentures, preferred or prior preference stocks ahead of, or convertible into, or otherwise affecting the Shares or the rights thereof, or the dissolution or liquidation of

the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

- 21.3 The invalidity or non-enforceability of one or more provisions of the Plan will not affect the validity or enforceability of the other provisions of the Plan, which will remain in full force and effect.
- 21.4 Nothing in this Plan confers any benefit, right or expectation on a person who is not an Employee. No third party has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Plan. This does not affect any other right or remedy of a third party which may exist.

## **22. GOVERNING LAW**

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

## **Schedule 1**

### **Definitions**

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

***Acquiring Company*** has the meaning given in rule 14;

***Award*** means an award granted under the Plan in the form of a Conditional Award, an Option, a Share Appreciation Right, Restricted Shares, or a Phantom Award and will, where applicable, mean the relevant part of any Award;

***Award Value*** means the aggregate value of the Shares under an Award as at the Grant Date where the value per Share shall be no less than the average of the Market Value for a Share on the three consecutive Dealing Days immediately preceding the Grant Date (rounded up to the nearest whole penny), unless the Committee determines otherwise;

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

***Business Day*** means a day (excluding Saturdays and Sundays) on which banks are generally open in London (United Kingdom) for general commercial business;

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

***Cash Value*** means an amount which, in the opinion of the Committee, is equal to the Market Value of the Vested Shares under an Award on: (a) in the case of a Conditional Award, a Share Appreciation Right, a Phantom Conditional Award or a Phantom Share Appreciation Right, the Vesting Date; and (b) in the case of an Option or a Phantom Option, the Exercise Date;

***Committee*** means the remuneration committee of the Board or such other appropriately constituted committee;

***Company*** means Convatec Group Plc (incorporated in England and Wales under company number 10361298);

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

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

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

***Dealing Restriction*** means a restriction on the Participant, the Company or any Group Company imposed by any law, order, regulation or directive, including Article 18 of the Market Abuse Regulation, the Insider Trading and Market Abuse Policy, the Listing Rules and/or any other code adopted by the Company regulating dealings in Shares;

**Deferred Bonus Award** means an Award granted in respect of a portion of the annual bonus that the Committee has determined should be satisfied by way of an Award under this Plan;

**Dividend Equivalent** means an entitlement to additional Shares or a cash amount in accordance with rule 8;

**Employee** means a person who is an employee (including an executive director) of any member of the Group;

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

**Exercise Date** means the date when the exercise of an Option or Phantom Option is effective under rule 10.2;

**Exercise Notice** means the notice from a Participant to the Company or its agent in such form (which may include an online platform) and containing such information and conditions as the Company may from time to time specify;

**Exercise Period** means the period commencing on the Vesting Date and ending on the tenth anniversary of the Grant Date, unless the Participant is a Good Leaver in which case it will end six months, or in the case of death, 12 months following the latest of (i) the Termination Date, (ii) the Vesting Date and (iii) the expiry of any Holding Period, or the Participant holds a Vested Option and ceases to be an Employee but is not a Good Leaver in which case it will end three months following the later of (i) the Termination Date and (ii) the expiry of any Holding Period.

**Exercise Price** means the price per Share payable upon exercise of an Option or Phantom Option as determined by the Committee at the Grant Date and which may, for the avoidance of doubt, be nil or nominal cost;

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

**Grant Date** means the date on which an Award is granted under this Plan;

**Grant Period** means the period of 42 days commencing on any of the following:

- (a) the date the Plan is approved by shareholders in general meeting;
- (b) the day on which the Company makes an announcement of its results for any period;
- (c) any day on which the Committee resolves that circumstances exist which justify the grant of Awards outside the periods referred to in (a) and (b) above;  
or
- (d) the day following the lifting of any Dealing Restrictions which prevented the grant of the Award during the periods referred to in (a) to (c) above.

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

**Holding Period** means such period as the Committee may determine during which the Participant must retain some or all of the Shares which Vest under an Award (including any Shares delivered in satisfaction of Dividend Equivalents) or, in the case of a Vested but unexercised Option, the Option itself;

**Insider Trading and Market Abuse Policy** means the Company's insider trading and market abuse policy, as amended from time to time;

**Legal Representative** means a deceased Participant's duly appointed legal personal representative, or equivalent representative in jurisdictions other than the UK, as evidenced by such representative to the satisfaction of the Committee;

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

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

**Market Abuse Regulation** means the retained EU law version of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse (Market Abuse Regulation) which applies in the UK pursuant to the European Union (Withdrawal) Act 2018;

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

- (a) if the Shares are Listed, an amount equal to its middle market quotation as derived from the Official List of the London Stock Exchange;
- (b) if the Shares are not Listed, the value of a Share on that date as determined by the Committee in its absolute discretion having regard to applicable tax laws;

**New Award** has the meaning given in rule 14;

**New Grantor** has the meaning given in rule 14;

**Old Award** has the meaning given in rule 14;

**Option** means an Award which takes the form of an option to buy Shares during the Exercise Period on payment of the Exercise Price;

**Option Exercise Value** means in relation to an Option or a Phantom Option, the aggregate Market Value of the Vested Shares or notional Vested Shares subject to such Option or Phantom Option on the last date of the relevant Exercise Period less any Exercise Price payable, provided that if the calculation produces a negative number, the Option Exercise Value shall be nil;

**Other Vesting Conditions** means the conditions for an Award to Vest set at the Grant Date in accordance with rule 6 and, for an Award that is Restricted Shares, rule 7;

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

**Performance Conditions** means the performance conditions set at the Grant Date by the Committee which must be satisfied for an Award to Vest, and which may relate to individual or corporate performance;

**Performance Period** means the period over which a Performance Condition is measured, and which will, unless the Committee determines otherwise at the Grant Date, be the period of three consecutive Financial Years;

**Phantom Award** means a Phantom Conditional Award, a Phantom Option, and a Phantom Share Appreciation Right, each of which entitle a Participant to receive a cash payment calculated by reference to the Market Value of a notional Share and references in these Rules to **Shares** will, in the case of a Phantom Award, be read as a reference to notional Shares as appropriate;

**Phantom Conditional Award** means an Award which takes the form of a right to receive a cash payment calculated by reference to the Market Value on the Vesting Date of the notional Vested Shares under the Award;

**Phantom Option** means an Award which takes the form of an option to ask for a cash payment calculated by reference to the Market Value on the Exercise Date of the notional Vested Shares under the Option on payment of the Exercise Price;

**Plan** means this Convatec Group Omnibus Incentive Plan as amended from time to time in accordance with the Rules;

**Relevant Date** means:

- (a) if the Relevant Event falls within rule 14.1(a) the date on which Control is obtained and any conditions to which the offer is made subject are satisfied;
- (b) if the Relevant Event falls within rule 14.1(b), either the date on which the scheme of arrangement is approved at the shareholders' meeting or is sanctioned by the court (as determined by the Committee in its absolute discretion) or such equivalent date under equivalent applicable law;
- (c) if the Relevant Event falls within 14.1(c), the date on which the person first becomes so bound or entitled; or
- (d) if the Relevant Event falls within rule 14.1(d), the date on which notice of the resolution for winding up is given;

**Corporate Event** has the meaning given in rule 14.1;

**Restricted Shares** means where the Participant has beneficial ownership of the Shares under an Award from the Grant Date but may forfeit those Shares during the Vesting Period;

**Rules** means the rules of the Plan (as amended from time to time) and references to **rule** shall be interpreted accordingly;

**Scheduled Vesting Date** means the date or dates upon which an Award (or part of an Award) is expected to Vest, subject to satisfaction of any conditions to Vesting;

**Share Appreciation Right** means an Award which takes the form of a right to be given Shares with a Market Value at the Vesting Date equal to the amount by which, if any, the Market Value of a number of Shares at the Vesting Date exceeds the Market Value of those Shares at the Grant Date;

**Shares** means fully paid ordinary shares (or notional shares) in the capital of the Company or shares representing those shares following any Capital Reorganisation (or other reorganisation of the share capital of the Company);

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

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

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

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

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

**Vest** means the Service Condition, any Performance Condition and any Other Vesting Conditions have been satisfied and a Participant has become entitled to the Shares under their Award in accordance with the terms of this Plan and Vesting and Vested Shares will be construed accordingly;

**Vesting Date** means the date on which on Award actually Vests which may be the Scheduled Vesting Date, or may be a later date if Vesting is delayed in accordance with rule 6, or may be an earlier date as permitted by rules 13 and 14; and

**Vesting Period** means the period beginning on the Grant Date (or such earlier date as the Committee may determine) and ending on the Scheduled Vesting Date.

1.2 **Interpretation.** In these rules, unless the context otherwise requires:

- (a) references to a **person** include any individual, firm, body corporate (wherever incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representative body (whether or not having separate legal personality); and
- (b) headings do not affect the interpretation of these rules; the singular shall include the plural and vice versa; and references to one gender include all genders.

1.3 **Enactments.** Except as otherwise expressly provided in these rules, any express reference to an enactment includes references to: (i) that enactment as amended, consolidated or re-enacted by or under any other enactment before or after the date the Plan is approved by the Board; (ii) any enactment which that enactment re-enacts (with or without modification); and (iii) any subordinate legislation (including regulations)

made (before or after the date the Plan is approved by the Board) under that enactment, as amended, consolidated or re-enacted as described at (i) or (ii) above.