

Rules of The Sage Group plc

2015 Performance Share Plan

Approved by the shareholders of The Sage Group plc on 3 March 2015

Adopted by the board of directors of The Sage Group plc on 3 March 2015

Amended by the remuneration committee of the board of directors of The Sage Group plc on 24 April 2018 and 16 November 2018

Amended by the remuneration committee of the board of directors of The Sage Group plc on 15 November 2019

Amended by the remuneration committee of the board of directors of The Sage Group plc on 12 November 2020 and the shareholders on 4 February 2021

Amended by the remuneration committee of the board of directors of The Sage Group plc on 11 November 2021

Expiry date: 3 March 2025

Contents

1	DEFINITIONS AND INTERPRETATION	1
2	GRANT OF AWARDS	3
3	PERFORMANCE CONDITION	4
4	RESTRICTIONS ON TRANSFER AND BANKRUPTCY	4
5	DIVIDEND EQUIVALENTS	4
6	INDIVIDUAL LIMIT	4
7	PLAN LIMITS	5
8	REDUCTION FOR MALUS AND CLAWBACK	5
9	VESTING, RELEASE AND EXERCISE	6
10	POST-TERMINATION RESTRICTION FOR EXECUTIVE DIRECTORS	7
11	TAXATION AND REGULATORY ISSUES	7
12	CASH EQUIVALENT	8
13	CESSATION OF EMPLOYMENT ETC.	8
14	CORPORATE EVENTS	9
15	ADJUSTMENTS	11
16	AMENDMENTS	12
17	LEGAL ENTITLEMENT	12
18	GENERAL	13
	SCHEDULE 1 CASH AWARDS	14
	SCHEDULE 2 US PARTICIPANTS	15
1	DEFINITIONS AND INTERPRETATION	15
2	GRANT OF AWARDS	15
3	DIVIDEND EQUIVALENTS	15
4	VESTING, RELEASE AND EXERCISE	15
5	TAXATION AND REGULATORY ISSUES	15
6	CASH EQUIVALENT	15

7	CESSATION OF EMPLOYMENT ETC.	16
8	AMENDMENTS	16
9	SCHEDULE 1 – CASH AWARDS	16
	SCHEDULE 3 FRENCH PARTICIPANTS	17
1	APPLICATION AND PURPOSE	17
2	DEFINITIONS	17
3	INTERPRETATION	18
4	ELIGIBILITY	19
5	VESTING PERIOD	19
6	DIVIDEND EQUIVALENTS	19
7	CLOSED PERIODS	19
8	ADDITIONAL PLAN LIMITS	19
9	ADDITIONAL INDIVIDUAL LIMIT	20
10	DELIVERY OF SHARES ONLY	20
11	DEATH OR DISABILITY	20
12	CORPORATE EVENTS AND ADJUSTMENTS	20
13	TAXATION AND PAYMENT	20
14	DISQUALIFICATION OF QUALIFIED AWARDS	21
15	AMENDMENT	21

THE SAGE GROUP PLC 2015 PERFORMANCE SHARE PLAN

1 DEFINITIONS AND INTERPRETATION

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

“Award”	a Conditional Award or a Nil-Cost Option;
“Board”	subject to rule 14.9, the board of the Company or any duly authorised committee of the board;
“Company”	The Sage Group plc registered in England and Wales under number 02231246;
“Conditional Award”	a right to acquire Shares in accordance with the rules of the Plan with no Exercise Period;
“Control”	the meaning given by section 995 of the Income Tax Act 2007;
“Dealing Day”	any day on which the London Stock Exchange is open for business;
“Dealing Restrictions”	restrictions imposed by the Company's share dealing code, the Listing Rules or any applicable laws or regulations which impose restrictions on share dealing;
“Eligible Employee”	an employee (including an Executive Director) of the Company or any of its Subsidiaries;
“Executive Director”	means an executive director of the Company;
“Exercise Period”	the period during which a Nil-Cost Option may be exercised;
“Grant Date”	the date on which an Award is granted;
“Grant Period”	<p>the period of 42 days commencing on:</p> <ul style="list-style-type: none">(i) the day on which Shares are admitted to trading on any stock exchange;(ii) the day on which the Plan is approved by shareholders of the Company in general meeting;(iii) the Dealing Day after the day on which the Company makes an announcement of its results for any period; or(iv) any day on which the Board resolves that exceptional circumstances exist which justify the grant of Awards; <p>unless the Company is restricted from granting Awards under the Plan during the periods specified above as a result of any Dealing Restrictions, in which case the relevant Grant Period will be 42 days commencing on the Dealing Day after such Dealing Restrictions are lifted;</p>
“Group Member”	the Company, any Subsidiary of the Company, any company which is (within the meaning of section 1159 of the Companies Act 2006) the

	Company's holding company or a Subsidiary of the Company's holding company or, if the Board so determines, any body corporate in relation to which the Company is able to exercise at least 20% of the equity voting rights and " Group " will be construed accordingly;
"Holding Period"	a period of two years (or such other period as may be determined by the Board) commencing on the Vesting Date;
"Internal Reorganisation"	where immediately after a change of Control of the Company, all or substantially all of the issued share capital of the acquiring company is owned directly or indirectly by the persons who were shareholders in the Company immediately before the change of Control;
"Leaves"	means ceasing to hold any office or employment with all members of the Group and " Leaving " will be understood accordingly;
"Listing Rules"	the UKLA's listing rules, as amended from time to time;
"Malus and Clawback Policy"	means The Sage Group plc Group Malus and Clawback Policy (as amended from time to time) and " Malus " and " Clawback " will have the meanings given in the Malus and Clawback Policy;
"Nil-Cost Option"	a right to acquire Shares in accordance with the terms of the Plan during an Exercise Period;
"Normal Release Date"	the date on which an Award will normally be Released, which: <ul style="list-style-type: none"> (i) in relation to an Award to which no Holding Period applies, will be the Vesting Date; and (ii) in relation to an Award to which a Holding Period applies, will be the day immediately following the end of the Holding Period;
"Participant"	any person who holds an Award or following his death, his personal representatives;
"Performance Condition"	a condition or conditions imposed under rule 3.1 which relates to performance;
"Performance Period"	the period over which a Performance Condition will be measured which, unless the Board determines otherwise, will be at least three years;
"Plan"	The Sage Group plc 2015 Performance Share Plan in its present form or as from time to time amended;
"Release"	<ul style="list-style-type: none"> (i) in relation to a Conditional Award, the point at which a Participant becomes entitled to receive the Shares under his Award in accordance with the rules of the Plan; and (ii) in relation to a Nil-Cost Option, the point at which it becomes capable of exercise in accordance with the rules of the Plan <p>and "Released" will be construed accordingly;</p>

“Release Date”	the date on which an Award is Released;
“Share”	a fully paid ordinary share in the capital of the Company;
“Subsidiary”	the meaning given by section 1159 of the Companies Act 2006;
“Tax Liability”	any tax or social security contributions liability in connection with an Award for which the Participant is liable and for which any Group Member or former Group Member is obliged to account to any relevant authority;
“Trustee”	the trustee or trustees for the time being of any employee benefit trust, the beneficiaries of which include Eligible Employees;
“UKLA”	the United Kingdom Listing Authority (or other relevant authority);
“Vest”	in relation to an Award, the Award reaching its Vesting Date and “Vesting” , Vested ” and “Unvested” will be construed accordingly; and
“Vesting Date”	<p>(i) in relation to an Award which is subject to a Performance Condition, will be the date on which the Board determines that the Performance Condition has been satisfied in accordance with rule 9.1 (or such later date determined by the Board); and</p> <p>(ii) in relation to an Award which is not subject to a Performance Condition, the third anniversary of the Grant Date (or such other date determined by the Board).</p>

1.2 References in the Plan to:

- 1.2.1 any statutory provisions are to those provisions as amended or re-enacted from time to time;
- 1.2.2 the singular include the plural and vice versa; and
- 1.2.3 the masculine include the feminine and vice versa.

1.3 Headings do not form part of the Plan.

2 GRANT OF AWARDS

- 2.1 Subject to rule 2.2, during a Grant Period, the Board may grant an Award to an Eligible Employee in its discretion subject to the rules of the Plan and will determine the duration of any Holding Period which will apply to the Award and such additional terms as it may consider appropriate.
- 2.2 The grant of an Award will be subject to obtaining any approval or consent required by the UKLA , any Dealing Restrictions and any other applicable laws or regulations (whether in the UK or overseas).
- 2.3 Awards must be granted by deed and, as soon as practicable after the Grant Date, Participants must be notified of the terms of their Award including whether the Malus and Clawback Policy applies, any Performance Condition and, in relation to an Award granted to an Executive Director, the relevant period for the purposes of rule 10 if not 12 months from Leaving.

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

2.5 If the Board grants an Award:

2.5.1 in error, or which is inconsistent with rule 2.1, it will be deemed never to have been granted and/or will immediately lapse; and/or

2.5.2 which is inconsistent with any of the provisions in this Plan, it will take effect only if and to the extent permissible under the Plan and will otherwise be deemed never to have been granted and/or will immediately lapse.

3 PERFORMANCE CONDITION

3.1 Unless the Board determines otherwise, the Release of Awards will be subject to the satisfaction of a Performance Condition, provided that the Release of an Award granted to an Executive Director of the Company must be subject to the satisfaction of a Performance Condition. Subject to rules 13 and 14, the Performance Condition will be measured over the Performance Period.

3.2 The Board may amend or substitute a Performance Condition if one or more events occur which cause the Board to consider that a substituted or amended Performance Condition would be more appropriate and would not be materially less difficult to satisfy.

4 RESTRICTIONS ON TRANSFER AND BANKRUPTCY

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

4.2 An Award will lapse immediately if the Participant is declared bankrupt.

5 DIVIDEND EQUIVALENTS

5.1 The Board may decide at any time prior to the issue or transfer of the Shares to which a Conditional Award or a Nil-Cost Option relates that Participants will receive an amount (in cash and/or additional Shares) equal in value to any dividends that would have been paid on those Shares by reference to dividend record dates falling between the Grant Date and the Release Date. This amount may assume the reinvestment of dividends (on such basis as the Board may determine) and may exclude or include special dividends and any such amount will be payable as soon as practicable after Release or, in the case of a Nil-Cost Option, exercise, of the relevant Award.

6 INDIVIDUAL LIMIT

6.1 Subject to rules 6.2 and 6.3, no Eligible Employee may be granted an Award which would, at the time it is granted, cause the market value (as determined by the Board) of all the Shares subject to Awards granted to that Eligible Employee in respect of a particular financial year of the Company to exceed 300% of his annual salary.

6.2 Subject to rule 6.3, if a Participant is granted a second Award within 12 months of becoming an Eligible Employee (but at no other time), the 300% limit described in rule 6.1 will apply separately in respect of that second Award.

6.3 To the extent any Award exceeds the limits set out in rules 6.1 and 6.2, it will be scaled back accordingly.

7 PLAN LIMITS

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

~~7.2 The Board must not grant an Award which would cause the number of Shares allocated under the Plan and under any other discretionary employee share plan adopted by the Company to exceed such number as represents five per cent of the ordinary share capital of the Company in issue at that time.~~

~~7.3~~7.2 Subject to rules ~~7.43~~ and ~~7.54~~, in determining the limits set out in rules ~~7.1~~ ~~and 7.2~~ Shares are treated as allocated if they have been newly issued by the Company or transferred from treasury to satisfy an option, award or other right granted during the ten years prior to the proposed Grant Date (an “award”), or in the case of such an award in respect of which Shares are yet to be delivered, if the Board intends that new Shares will be issued or that Shares from treasury will be transferred and for these purposes the number of Shares allocated includes:

~~7.3.17.2.1~~ Shares which have been issued or may be issued to any Trustee; and

~~7.3.27.2.2~~ Shares which have been or may be transferred from treasury to any Trustee

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

~~7.4~~7.3 The Board may determine that Shares transferred from treasury will cease to count as allocated for the purposes of rule ~~7.7.32~~ if guidelines published by institutional investor representative bodies no longer require such Shares to be counted.

~~7.5~~7.4 The number of Shares allocated does not include:

~~7.5.17.4.1~~ Shares issued or committed to be issued to satisfy awards granted prior to the admission of the Shares to trading on any stock exchange;

~~7.5.27.4.2~~ Shares in respect of which the right to acquire such Shares lapses or is released; and

~~7.5.37.4.3~~ existing Shares other than treasury Shares which are transferred or to which an award relates; and

~~7.5.47.4.4~~ Shares allocated in respect of awards which are then satisfied in cash.

~~7.6~~7.5 If the Board purports to grant one or more Awards which are inconsistent with the limits in this rule 7:

~~7.6.17.5.1~~ if only one Award is purported to be so granted, that Award will be limited and will take effect from the Grant Date over the maximum number of Shares permitted by ~~these the~~ limits; and

~~7.6.27.5.2~~ if more than one Award is purported to be so granted, each such Award will be reduced as determined by the Board and will take effect from the Grant Date over the maximum number of Shares permitted by ~~these the~~ limits.

~~7.7~~7.6 The Board may make such adjustments to the method of assessing the limits set out in rule ~~s-7.1~~ ~~and 7.2~~ as it considers appropriate in the event of any variation of the Company’s share capital.

8 REDUCTION FOR MALUS AND CLAWBACK

If there is any discrepancy between the Malus and Clawback Policy and the Plan, the Malus and Clawback Policy will prevail.

9 VESTING, RELEASE AND EXERCISE

9.1 As soon as reasonably practicable after the end of the Performance Period relating to an Award in respect of which a Performance Condition has been imposed under rule 3:

9.1.1 the Board will determine if and to what extent the Performance Condition has been satisfied and the extent to which an Award may Vest; and/or

9.1.2 an Award will Vest in accordance with any other factors that the Board decides are relevant.

To the extent that the Performance Condition has not been satisfied in full, the remainder of the Award will lapse immediately.

9.2 The Board may reduce (including to zero) the extent to which an Award will Vest if it considers the extent of Vesting would otherwise not be appropriate, including (but not limited to) when considering:

9.2.1 the wider performance of the Group;

9.2.2 the conduct, capability or performance of the Participant;

9.2.3 the experience of stakeholders;

9.2.4 any windfall gains;

9.2.5 the total value that would otherwise be received by the Participant compared to the maximum value that the Award was intended to deliver; or

9.2.6 any other reason at the discretion of the Board.

9.3 Subject to rules 13 and 14, an Award will be Released:

9.3.1 on the Normal Release Date; or

9.3.2 if on the Normal Release Date (or on any other date on which an Award is due to be Released under rule 13 or 14) a Dealing Restriction applies to the Award, on the date on which such Dealing Restriction lifts; and

a Nil-Cost Option may then be exercised until the tenth anniversary of the Grant Date (or such earlier date as the Board may determine on or prior to the Grant Date) in such manner as the Board determines, after which time it will lapse.

9.4 Subject to rules 11 and 12, where a Conditional Award has been Released or a Nil-Cost Option has been exercised, the number of Shares in respect of which the Award has been Released or exercised together with any additional Shares or cash to which a Participant becomes entitled under rule 5 will be issued, transferred or paid (as applicable) to the Participant as soon as practicable thereafter.

9.5 If an investigation is ongoing which might lead to Malus and/or Clawback being triggered then, unless otherwise determined by the Board, the Award will not Vest or be Released (as the case may be), if at all, until the investigation is concluded and, if a Nil-Cost Option, rule 9.5 will apply.

9.6 If an investigation is ongoing which might lead to Malus and/or Clawback being triggered then, unless otherwise determined by the Board:

9.6.1 exercise (if any) will take effect after such investigation is concluded; and

9.6.2 if the Exercise Period would otherwise have ended, it will be extended as determined by the Board,

and any references to “Exercise Period” will be interpreted accordingly.

10 POST-TERMINATION RESTRICTION FOR EXECUTIVE DIRECTORS

10.1 Meaning of “Employed as an Executive”

For the purposes of this rule 10, “**Employed as an Executive**” means becoming employed or engaged, directly or indirectly, by a business as an Executive Director or an equivalent role, as the Board decides is appropriate, within 12 months from Leaving, or such other period as the Board decides:

10.1.1 at the time the Award is granted; or

10.1.2 if the Participant has become an Executive Director since the Award Date, at the time of Leaving.

10.2 Application of rule

This rule 10 will apply to an Award where the Participant:

10.2.1 is an Executive Director;

10.2.2 Leaves for a reason as provided for under rule 13.4 before Vesting and the reason for Leaving is retirement, as agreed with your employer; and

10.2.3 becomes Employed as an Executive.

10.3 New employment commenced

If the Board decides, at any time, that the Participant became Employed as an Executive Director before or after settlement of the Award under rule 9:

10.3.1 if the Award has not yet been settled, it will immediately lapse in full unless the Board decide otherwise; or

10.3.2 if the Award has already been settled, the Board may recover such amount relating to the Award as the Board decides is appropriate. This amount may be recovered by using any of the methods set out in the Malus and Clawback Policy to effect Clawback (as defined in that policy).

11 TAXATION AND REGULATORY ISSUES

11.1 A Participant will be responsible for and indemnifies each relevant Group Member and the Trustee against any Tax Liability relating to his Award. Any Group Member and/or the Trustee may withhold an amount equal to such Tax Liability from any amounts due to the Participant (to the extent such withholding is lawful) and/or make any other arrangements as it considers appropriate to ensure recovery of such Tax Liability including, without limitation, the sale of sufficient Shares acquired subject to the Award to realise an amount equal to the Tax Liability.

11.2 The Release of an Award, the exercise of a Nil-Cost Option and the issue or transfer of Shares under the Plan will be conditional on:

11.2.1 obtaining any approval or consent required by the UKLA (or other relevant authority), any Dealing Restrictions, or any other applicable laws or regulations (whether in the UK or overseas).

- 11.2.2 The participant and the Company agreeing arrangements to discharge any Tax Liability in respect of that Release, exercise, issue or transfer.

12 CASH EQUIVALENT

- 12.1 Subject to rule 12.2, at any time prior to the date on which an Award has been Released or, in the case of a Nil-Cost Option, exercised, the Board may determine that, in substitution for his right to acquire some or all of the Shares to which his Award relates, the Participant will instead receive a cash sum. The cash sum will be equal to the market value (as determined by the Board) of that number of the Shares which would otherwise have been issued or transferred and for these purposes:

- 12.1.1 in the case of a Conditional Award, market value will be determined on the Release Date;
- 12.1.2 in the case of a Nil-Cost Option, market value will be determined on the date of exercise; and
- 12.1.3 the cash sum will be paid to the Participant as soon as practicable after the Release of the Conditional Award or the exercise of the Nil-Cost Option, net of any deductions (including but not limited to any Tax Liability or similar liabilities) as may be required by law.

- 12.2 The Board may determine that this rule 12 will not apply to an Award, or any part of it.

13 CESSATION OF EMPLOYMENT ETC.

13.1 Death

- 13.2 If a Participant dies, unless the Board determines otherwise:

- 13.2.1 an Unvested Award will Vest in accordance with rule 13.2 and be Released on the date of his death; and
- 13.2.2 a Vested Award which has not yet been Released will be Released on the date of his death in respect of Vested Shares.

- 13.3 The number of Shares in respect of which an Unvested Award Vests pursuant to rule 13.1.1 will be determined by the Board in its discretion, taking into account the extent to which any Performance Condition imposed under rule 3 has been satisfied and, if the Board so determines, the period of time that had elapsed from the Grant Date to the date of death as a proportion of 36 months (or such other period as the Board may determine). To the extent that an Award does not Vest in full, the remainder will lapse immediately.

- 13.4 A Nil-Cost Option (whether or not it was Released under rule 13.1) may then be exercised, subject to rule 14, during the period of 12 months from the date of death (or such other period as the Board may determine), after which time it will lapse.

13.5 Cessation of employment prior to the Vesting Date

- 13.6 If a Participant Leaves prior to the Vesting Date as a result of:

- 13.6.1 ill-health, injury or disability;
- 13.6.2 the Participant's employing company ceasing to be a Group Member or the transfer of an undertaking or part of an undertaking (in which the Participant is employed) to a person who is not a Group Member; or
- 13.6.3 any other reason at the Board's discretion, except where a Participant is summarily dismissed,

unless the Board determines that an Award will Vest and be Released in accordance with rule 13.5, an Award will, subject to rule 14, continue and Vest in accordance with rule 13.6 and be Released on the Normal Release Date.

13.7 If the Board determines that an Award will Vest and be Released in accordance with this rule 13.5, it will Vest in accordance with rule 13.6 and be Released as soon as practicable following the date of cessation.

13.8 The number of Shares in respect of which the Award Vests pursuant to rule 13.4 or 13.5 will be determined by the Board in its discretion, taking into account:

13.8.1 the extent to which any Performance Condition has been satisfied at the end of the Performance Period (if rule 13.4 applies) or at the date of cessation of office or employment (if rule 13.5 applies); and

13.8.2 unless the Board determines otherwise, the period of time that has elapsed from the Grant Date to the date of cessation of office or employment as a proportion of 36 months (or such other period as the Board may determine),

and to the extent that an Award does not Vest in full, the remainder will lapse immediately. A Nil-Cost Option may be exercised for a period of six months (or such other period as the Board may determine) from the Release Date after which time it will lapse.

13.9 If a Participant Leaves prior to the Vesting Date for any reason other than in accordance with rule 13.1 or 13.4, his Award will lapse at that time.

13.10 Cessation of employment on or after the Vesting Date

13.11 If a Participant Leaves on or after the Vesting Date for any reason (except where he is summarily dismissed, in which case his Award will lapse on cessation), unless the Board determines that his Award will be Released in accordance with rule 13.9, it will continue and be Released, subject to rule 14, on the Normal Release Date to the extent Vested.

13.12 If the Board determines that an Award will be Released in accordance with this rule 13.9, it will be Released, to the extent Vested, as soon as practicable following the date of cessation.

13.13 Where a Participant Leaves on or after the Vesting Date, a Nil-Cost Option may be exercised for a period of six months (or such other period as the Board may determine) from:

13.13.1 the date of cessation, if it has already been Released on that date; and

13.13.2 the Release Date, to the extent that it is Released in accordance with rules 13.8 or 13.9

after which time it will lapse unless the Participant has ceased to hold office or employment with a Group Member because of summary dismissal, in which case his Nil-Cost Option will lapse on cessation).

13.14 Where a Participant Leaves and the Award was granted subject to the Malus and Clawback Policy, these provisions will continue to apply to the Award unless and to the extent they are waived or varied by the Board.

14 CORPORATE EVENTS

14.1 Where any of the events described in rule 14.3 occur, then subject to rules 14.7 and 14.8, all Awards which have not yet been Released will be Released (in the case of Unvested Awards, in accordance with rule 14.2) at the time of such event unless they are Released earlier in accordance with rule 14.4. Nil-Cost Options will be exercisable for one month from the date of the relevant event, after which time all Nil-Cost Options will lapse.

14.2 Any Unvested Award will be Released pursuant to rule 14.1 taking into account the extent to which any Performance Condition has in the Board's opinion been satisfied (based on all factors which the Board considers relevant) and, unless the Board determines otherwise, the period of time from the Grant Date to the date of the relevant event as a proportion of 36 months (or such other period as the Board may determine) provided that the Board may vary the extent to which an Award is Released if it determines that exceptional circumstances warrant such a variation. To the extent that an Award is not Released, or is not exchanged in accordance with rules 14.7 and 14.8, it will lapse immediately.

14.3 The events referred to in rule 14.1 are:

14.3.1 General offer

If any person (either alone or together with any person acting in concert with him):

- (i) obtains Control of the Company as a result of making a general offer to acquire Shares; or
- (ii) already having Control of the Company, makes an offer to acquire all of the Shares other than those which are already owned by him and such offer becomes wholly unconditional.

14.3.2 Scheme of arrangement

A compromise or arrangement in accordance with section 899 of the Companies Act 2006 for the purposes of a change of Control of the Company which is sanctioned by the Court.

14.4 Loss of corporation tax deduction

If the Board determines that there would be a loss of corporation tax deduction under Part 12 of the Corporation Tax Act 2009 (or any similar legislation or rules in a jurisdiction outside the United Kingdom) if Awards were to be Released on or after an event described in rule 14.3, then the Board may resolve that Awards will be Released on an earlier date.

14.5 Winding-up

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

14.5.1 whether and to what extent Awards which have not yet been Released will be Released taking into account the extent to which any Performance Condition has in the Board's opinion been satisfied (based on all factors which the Board considers relevant) and, unless the Board determines otherwise, the period of time from the Grant Date to the date of the relevant event as a proportion of 36 months (or such other period as the Board may determine), provided that the Board may vary the extent to which an Award is Released if it determines that exceptional circumstances warrant such a variation; and

14.5.2 the period of time during which any Released Nil-Cost Option may be exercised, after which time it will lapse.

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

14.6 Other events

If the Company is or may be affected by a demerger, delisting, special dividend or other event and in the opinion of the Board, such event would affect the current or future value of Shares to a material extent and it would not be appropriate or practicable to adjust an Award in accordance with rule 15, the Board may determine that the following provisions will apply:

- 14.6.1 an Award will be Released on such terms as the Board may determine;
- 14.6.2 if an Award is Released under this rule 14.6, it will be Released taking into account the extent to which any Performance Condition has in the Board's opinion been satisfied (based on all factors which the Board considers relevant) and, unless the Board determines otherwise, the period of time from the Grant Date to the date of the relevant event as a proportion of 36 months (or such other period as the Board may determine), provided that the Board may vary the extent to which an Award is Released if it determines that exceptional circumstances warrant such a variation; and
- 14.6.3 to the extent that the Award is not Released it will lapse immediately, unless the Board determines otherwise.

The Board will then also determine the period during which any Released Nil-Cost Option may be exercised, after which time it will lapse.

14.7 Exchange

An Award will not be Released under rule 14.1 but will be exchanged on the terms set out in rule 14.8 to the extent that:

- 14.7.1 an offer to exchange the Award (the "Existing Award") is made and accepted by a Participant;
- 14.7.2 there is an Internal Reorganisation, unless the Board determines that an Award should be Released under rule 14.1; or
- 14.7.3 the Board decides (before the relevant event) that an Existing Award will be exchanged automatically.

14.8 Exchange terms

If this rule 14.8 applies, the Existing Award will not be Released but will be exchanged in consideration of the grant of a new award which, in the opinion of the Board, is equivalent to the Existing Award, but relates to shares in a different company (whether the acquiring company or a different company).

14.9 Malus and Clawback Policy

If this rule 13 (Corporate Events) applies to an Award, the Board may determine that the Malus and Clawback Policy will no longer apply to an Award or will be varied in its application to the Award.

In relation to any cash or Shares acquired prior to the relevant event, the Malus and Clawback Policy will continue to apply, with such amendments as the Board determines.

14.10 Meaning of Board

Any reference to the Board in this rule 14 means the members of the Board immediately prior to the relevant event.

15 ADJUSTMENTS

15.1 The number of Shares subject to an Award may be adjusted in such manner as the Board determines, in the event of:

- 15.1.1 any variation of the share capital of the Company; or

- 15.1.2 a demerger, delisting, special dividend, rights issue or other event which may, in the opinion of the Board, affect the current or future value of Shares.

15.2 The Board may also adjust any Performance Condition.

16 AMENDMENTS

16.1 Except as described in this rule 16, the Board may at any time amend the rules of the Plan or the terms of any Award.

16.2 Subject to rule 16.3, no amendment to the advantage of Eligible Employees and/or Participants will be made under this rule 16 to the provisions relating to:

- 16.2.1 the persons to whom, or for whom, Shares or cash are provided under the Plan;
- 16.2.2 limitations on the number or amount of Shares or cash subject to the Plan;
- 16.2.3 the maximum entitlement for any one Participant;
- 16.2.4 the basis for determining a Participant's entitlement to, and the terms of, Shares or cash to be provided under the Plan;
- 16.2.5 the adjustments that may be made in the event of a variation of capital; and
- 16.2.6 the terms of this rule 16.2

without prior approval of the members of the Company in general meeting.

16.3 Rule 16.2 will not apply to any minor amendment which is to benefit the administration of the Plan or is necessary or desirable to take account of any change in legislation or to obtain or maintain favourable taxation, exchange control or regulatory treatment for any Group Member or Participant.

16.4 No amendment to the material disadvantage of existing rights of Participants (except in respect of the Performance Condition) will be made under rule 16.1 unless:

- 16.4.1 every Participant who may be affected by such amendment has been invited to indicate whether or not he approves the amendment; and
- 16.4.2 the amendment is approved by a majority of those Participants who have so indicated.

16.5 No amendment will be made under this rule 16 if it would prevent the Plan from being an employees' share scheme in accordance with section 1166 of the Companies Act 2006.

17 LEGAL ENTITLEMENT

17.1 This rule 17 applies during a Participant's employment with any Group Member and after the termination of such employment, whether or not the termination is lawful.

17.2 Nothing in the Plan or its operation forms part of the terms of employment of a Participant and the rights and obligations arising from a Participant's employment with any Group Member are separate from, and are not affected by, his participation in the Plan. Participation in the Plan does not create any right to continued employment for any Participant.

17.3 The grant of any Award to a Participant does not create any right for that Participant to be granted any further Awards or to be granted Awards on any particular terms, including the number of Shares to which Awards relate.

- 17.4 By participating in the Plan, a Participant waives all rights to compensation for any loss in relation to the Plan, including:
- 17.4.1 any loss or reduction of any rights or expectations under the Plan in any circumstances or for any reason (including lawful or unlawful termination of the Participant's employment);
 - 17.4.2 any exercise of a discretion or a decision taken in relation to an Award or to the Plan, or any failure to exercise a discretion or take a decision; or
 - 17.4.3 the operation, suspension, termination or amendment of the Plan.

18 GENERAL

- 18.1 The Plan will terminate upon the date stated in rule 2.4, or at any earlier time by the passing of a resolution by the Board or an ordinary resolution of the Company in general meeting. Termination of the Plan will be without prejudice to the existing rights of Participants.
- 18.2 Shares issued or transferred from treasury under the Plan will rank equally in all respects with the Shares then in issue, except that they will not rank for any voting, dividend or other rights attaching to Shares by reference to a record date preceding the date of issue or transfer from treasury.
- 18.3 Any data protection policy (or policies) of the Company or any Group Member and/or data privacy notice(s) that are applicable to a Participant will apply to the processing of Participant's personal data.
- 18.4 The Plan will be administered by the Board. The Board will have full authority, consistent with the Plan, to administer the Plan, including authority to interpret and construe any provision of the Plan and to adopt regulations for administering the Plan. Decisions of the Board will be final and binding on all parties.
- 18.5 Any notice or other communication in connection with the Plan may be delivered personally or sent by electronic means or post, in the case of a company to its registered office (for the attention of the company secretary), and in the case of an individual to his last known address, or, where he is a director or employee of a Group Member, either to his last known address or to the address of the place of business at which he performs the whole or substantially the whole of the duties of his office or employment. Where a notice or other communication is given by post, it will be deemed to have been received 72 hours after it was put into the post properly addressed and stamped, and if by electronic means, when the sender receives electronic confirmation of delivery or if not available, 24 hours after sending the notice.
- 18.6 No third party will have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Plan (without prejudice to any right of a third party which exists other than under that Act).
- 18.7 The rules of the Plan will be governed by and construed in accordance with the laws of England and Wales. Any person referred to in the Plan submits to the exclusive jurisdiction of the Courts of England and Wales.

SCHEDULE 1 CASH AWARDS

1. CASH AWARDS

The rules of The Sage Group plc 2015 Performance Share Plan will apply to a right to receive a cash sum granted under this Schedule as if it was either a Conditional Award (a "Cash Conditional Award") or a Nil-Cost Option (a "Cash Option"), except as set out in this Schedule. Where there is any conflict between the rules of the Plan and this Schedule, the terms of this Schedule will prevail.

- 1.1** Each Cash Conditional Award or Cash Option will relate to a certain number of notional Shares.
- 1.2** On the Release of a Cash Conditional Award or the exercise of a Cash Option the Participant will be entitled to receive a cash sum, calculated by reference to the value of the number of notional Shares to which the Cash Conditional Award or the Cash Option relates, on the following basis:
 - 1.2.1** in the case of a Cash Conditional Award the cash sum will be equal to the market value (as determined by the Board) of the notional Shares to which the Cash Conditional Award relates on the Release Date; and
 - 1.2.2** in the case of a Cash Option the cash sum will be equal to the market value (as determined by the Board) of the notional Shares to which the Cash Option relates on the date of exercise.
- 1.3** The cash sum payable under paragraph 1.2 above will be paid to the Participant as soon as practicable after the Release of the Cash Conditional Award or the exercise of the Cash Option, net of any deductions (including, but not limited to, any Tax Liability or similar liabilities) as may be required by law.
- 1.4** A Cash Conditional Award or Cash Option will not confer any right on the holder to receive Shares or any interest in Shares.
- 1.5** The Malus and Clawback Policy will apply to an Award as if it has been granted under the main terms of the Plan.

SCHEDULE 2

US PARTICIPANTS

The rules of The Sage Group plc 2015 Performance Share Plan will apply to Awards held by Participants, who are or may become, subject to US tax or social security contributions liability in connection with an Award, except as set out in this Schedule 2. Where there is any conflict between the rules of the Plan and this Schedule 2, the terms of this Schedule 2 will prevail.

1 DEFINITIONS AND INTERPRETATION

- 1.1 An Award granted under this Schedule 2 may only be made in the form of a Conditional Award and the rules of the Plan, as amended by this Schedule 2, will be construed accordingly.

2 GRANT OF AWARDS

- 2.1 The following rule 2.5 will be added to rule 2:

"2.5 If a Participant becomes subject to any US tax or social security contributions liability in connection with an Award after the Grant Date, any unvested Nil-Cost Option that he holds at that time will be treated as if it had been granted as a Conditional Award without any further action on the part of the Participant or the Company. Such Conditional Award will be governed by the terms of this Schedule 2."

3 DIVIDEND EQUIVALENTS

- 3.1 The last sentence of rule 5.1 will be deleted and replaced with the following:

"This amount may assume the reinvestment of dividends (on such basis as the Board may determine) and may exclude or include special dividends and any such amount will be payable as soon as practicable after, but in any event no later than 31 December of the calendar year of the Release of the Conditional Award."

4 VESTING, RELEASE AND EXERCISE

- 4.1 The following wording will be added to rule 9.3, after the word "thereafter":

"and, in the case of a Conditional Award, no later than 31 December of the calendar year in which the Conditional Award is Released."

5 TAXATION AND REGULATORY ISSUES

- 5.1 The following rule 10.3 will be added to rule 10:

"10.3 For the purposes of US tax and social security contributions liability, an Award to which a Holding Period applies shall be treated as if the Vested portion of the Award was Released on the Vesting Date. The Company will procure the sale of such number of Shares as is required to satisfy any US tax and/or social security contributions liability that may arise to a Participant in respect of his Award on the Vesting Date. The remaining Shares under that Award will be Released on the Normal Release Date."

6 CASH EQUIVALENT

- 6.1 Rule 11.1.3 will be deleted and replaced with the following:

"11.1.3 the cash sum will be paid to the Participant as soon as practicable after, but in any event no later than 31 December of the calendar year of the Release of the Conditional Award".

7 CESSATION OF EMPLOYMENT ETC.

7.1 The following wording shall be added to the last paragraph of rule 12.4:

"provided that, an Award that is not subject to a Performance Condition must Vest and be Released in accordance with rule 12.5."

7.2 The following wording will be added to rule 12.5 after the word "cessation":

"Any Shares or cash to which a Participant becomes entitled under this rule 12.5 will be issued, transferred or paid (as applicable) to the Participant no later than 31 December of the calendar year of cessation."

7.3 The following wording will be added to rule 12.9 after the word "cessation":

"Any Shares or cash to which a Participant becomes entitled under this rule 12.9 will be issued, transferred or paid (as applicable) to the Participant no later than 31 December of the calendar year of cessation."

8 AMENDMENTS

8.1 The following rule 15.6 will be added to rule 15:

"15.6 Notwithstanding the provisions of this rule 15, any such amendment will only be effective to the extent that it does not contravene the provisions of section 409A of the US Internal Revenue Code of 1986, as amended from time to time, where appropriate."

9 SCHEDULE 1 – CASH AWARDS

9.1 The following wording will be added to clause 1.3, after the word "law":

"but in any event will be paid to the Participant no later than 31 December of the calendar year in which the Award is Released."

SCHEDULE 3 FRENCH PARTICIPANTS

1 APPLICATION AND PURPOSE

- 1.1** This French Schedule sets out the terms and conditions applicable to Qualified Awards granted to Eligible French Employees.
- 1.2** This French Schedule makes certain variations to the terms of The Sage Group plc 2015 Performance Share Plan, as amended from time to time (the “Plan”), in order to satisfy French securities laws, exchange control, corporate law and tax requirements, so that Qualified Awards may qualify for the specific tax and social security treatment in France under Sections L. 225-197-1 to L. 225-197-6 of the French Commercial Code.
- 1.3** The rules of the Plan shall apply, subject to the modifications contained in this French Schedule, whenever the Board (or any duly authorised committee of the Board) decides to grant Qualified Awards to Eligible French Employees. Nothing in this French Schedule prevents other forms of Award (including Conditional Awards) being granted to Eligible French Employees on a non-tax advantaged basis under the rules of the Plan, unamended by this French Schedule. This French Schedule only applies to, and amends the Plan for, Qualified Awards.
- 1.4** This French Schedule to the Plan was approved by the Board (or a duly authorised committee of the Board) on 12 November 2020, subject to shareholder approval, and then approved by the shareholders of the Company on 4 February 2021.

2 DEFINITIONS

- 2.1** Unless provided otherwise or unless the context requires otherwise, capitalised terms used but not defined in this French Schedule shall have the meaning assigned to them in the Plan.
- 2.2** The terms of Qualified Awards under this French Schedule shall be the same as those for Conditional Awards under the Plan, except to the extent that this French Schedule provides otherwise. References to Conditional Awards in the Plan shall apply to, and include, Qualified Awards, but modified by the special terms of this French Schedule. References to the Plan in the Plan and in this French Schedule will include the French Schedule and, where the French Schedule amends the Plan, the Plan will be interpreted accordingly.
- 2.3** The following definitions shall apply to Qualified Awards granted in accordance with this French Schedule:

“Closed Period” means:

- (i) the 30 calendar days prior to the announcement of the half-year or annual financial reports of the Company; or
- (ii) where there is material information (as defined under article 7 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC) that has not been made public, and which could, if disclosed to the public, significantly impact on the value of Shares and where the French Participant is either:
 - a. a member of the board of directors or supervisory board, or exercising the functions of general manager or deputy general manager, of the Company; or
 - b. an employee,

who has knowledge of this information, anytime until the information is disclosed to the public.

If French law or regulations are amended after adoption or amendment of this French Schedule to modify the definition and/or applicability of the Closed Period to Qualified Awards, such amendment shall become applicable to any Qualified Awards granted under this French Schedule, to the extent permitted or required by French law;

“Disability” has the meaning given in the second or third category of Article L.341-4 of the French Code de la sécurité sociale, as amended;

“Eligible French Employee” means an Eligible Employee who is an employee or an officer of a French Group Member and who is taxable in France for French tax purposes and/or subject to the French social security regime;

“French Group Member” means a company which is a Subsidiary with its registered office in France and is a company in which the Company holds, directly or indirectly, at least 10 per cent of the share capital or voting rights;

“French Participant” means an Eligible French Employee who has been granted a Qualified Award; and

“Qualified Award” means a Conditional Award granted under this French Schedule that is intended to qualify for the special tax and social security treatment applicable to free shares granted under Sections L. 225-197-1 to L. 225-197-6 of the French Commercial Code, as amended, at the Grant Date, and that:

- (i) is granted for no consideration;
- (ii) satisfies the requirements of a Conditional Award under the Plan; and
- (iii) complies with the requirements of this French Schedule at the Grant Date.

3 INTERPRETATION

- 3.1 It is intended that Qualified Awards granted under this French Schedule shall qualify for the special tax and social security treatment applicable to free shares granted under Sections L. 225-197-1 to L. 225-197-6 of the French Commercial Code, as amended, and in accordance with the relevant provisions set forth by French tax and social security laws, but the Company does not undertake to maintain this status.
- 3.2 The Plan, the terms of the French Schedule and the terms upon which a Qualified Award has been granted shall be interpreted and, where necessary, deemed to be modified, accordingly and in accordance with the relevant provisions set forth by French tax and social security laws, as well as the relevant administrative provisions.
- 3.3 In the event of any conflict between the provisions of this French Schedule and the Plan and/or any other documents related to the Plan, the provisions of this French Schedule will prevail for grants of Qualified Awards made to Eligible French Employees.
- 3.4 If for any reason a Conditional Award does not, but was originally intended to, satisfy the requirements of the French tax authorities for specific tax and social security treatment, the Company or Board (or any duly authorised committee of the Board) can take such actions, including changing the Vesting Date or Release Date and/or applying or amending a Holding Period, as it considers reasonably necessary to achieve such treatment, and the Plan, the terms of this French Schedule and the terms of the Conditional Award shall be interpreted and, where necessary, modified accordingly.
- 3.5 No Member of the Group (including a French Group Member) shall be liable for any adverse consequences, legal, tax or otherwise, if and to the extent that the French tax and social security treatment is unavailable.

4 ELIGIBILITY

Qualified Awards may only be granted to Eligible French Employees.

5 VESTING PERIOD

- 5.1** A Qualified Award may be granted with such Vesting Date and such Holding Period (if any) as determined in accordance with the main rules of the Plan, provided that the Normal Release Date for a Qualified Award must be at least two years after the Grant Date, or in each case at least such other period as is required to comply with the minimum mandatory period applicable to Qualified Awards under Section L. 225-197-1 of the French Commercial Code, as amended, or the relevant sections of the French Tax Code or the French Social Security Code, as amended, to benefit from the specific tax and social security treatment applicable to Qualified Awards.
- 5.2** Notwithstanding any other provision of the Plan except section 11.1, section 11.2 and section 12 (Corporate Events and Adjustments) of this French Schedule, Qualified Awards cannot become Released prior to the expiration of a two year period after the Grant Date, or such other period as is required to comply with the minimum mandatory period referred to above. This section 5.2 applies even if the French Participant is no longer an employee.

6 DIVIDEND EQUIVALENTS

A Qualified Award cannot and must not carry the right to dividend equivalents or other payments under rule 5 (Dividend Equivalents) of the Plan. Any dividend and voting rights will apply only upon and from the delivery of the Shares following Release.

7 CLOSED PERIODS

- 7.1** The Shares delivered to a French Participant pursuant to a Qualified Award may not be sold or transferred by or on behalf of a French Participant during a Closed Period, so long as the French requirements regarding Closed Periods are applicable to the Shares underlying the Qualified Award.
- 7.2** Nothing in this section 7 (Closed Periods) allows a French Participant to deal at a time prohibited by Dealing Restrictions.

8 ADDITIONAL PLAN LIMITS

- 8.1** At the Grant Date of any Qualified Award, the total number of Shares granted subject to Qualified Awards and subject to awards under any other employee share plan of the Company where such awards are granted subject to and in accordance with the provisions of Articles L.225-197-1 et seq. of the French Commercial Code and are (or are similar in substance to) a conditional right to acquire Shares (other than an option) for no or limited cost (up to 5 percent of the market value (as determined by the Board) of the Shares), must not exceed 10 percent of the issued ordinary share capital of the Company.
- 8.2** However, this relevant percentage may be increased to 30 percent if Qualified Awards are granted to all Eligible French Employees. Where this percentage is increased to 30 percent, Qualified Awards may only be granted over such number of Shares as does not exceed a ratio of one to five between the smallest and largest awards of Qualified Awards.
- 8.3** For the purposes of the limits in this section 8 (Additional Plan Limits):
- 8.3.1** to the extent the Shares subject to a Qualified Award have been Released and any Holding Period does not apply or has expired, the Shares do not need to be counted; and
- 8.3.2** to the extent a Qualified Award has lapsed, the lapsed Shares do not need to be counted.

9 ADDITIONAL INDIVIDUAL LIMIT

Qualified Awards cannot be granted to Eligible French Employees owning 10 percent or more of the Company's share capital (including any outstanding Awards under the Plan or outstanding awards under any other employee share plan operated by the Group where such Awards or awards (as applicable) are, or are similar in substance to, a conditional right to acquire shares, other than non-exercised options), or who may hold, as the result of the Qualified Award, 10 percent or more of the Company's share capital.

10 DELIVERY OF SHARES ONLY

A Qualified Award may only be settled in Shares and not cash.

11 DEATH OR DISABILITY

11.1 Notwithstanding any other provision of the Plan, immediately upon the death of a French Participant:

11.1.1 the French Participant's Qualified Awards will immediately become Vested and Released; and

11.1.2 the number of Shares in respect of which an Unvested Qualified Award Vests will be determined by the Board (or any duly authorised committee of the Board) in its discretion, taking into account the extent to which any Performance Condition imposed under rule 3 (Performance Condition) of the Plan has been satisfied, but there will not be any application of time-pro rating under rule 13.2 or for any other reason.

11.2 If a French Participant Leaves due to Disability:

11.2.1 Any Unvested Qualified Award will:

- (i) Continue to Vest and be Released in accordance with the terms of the Plan, unless the committee determines that an earlier Vesting Date should apply; and
- (ii) Vest only to the extent prescribed by rule 13 (Cessation of Employment Etc.) of the Plan;

11.2.2 any Holding Period will cease to apply upon Leaving; and

11.2.3 where the Qualified Award was granted subject to the Malus and Clawback Policy, these provisions will continue to apply to the Qualified Award unless and to the extent they are waived or varied by the committee.

12 CORPORATE EVENTS AND ADJUSTMENTS

In the event rule 14 (Corporate Events) or rule 15 (Adjustments) of the Plan applies, Qualified Awards will be dealt with in accordance with the provisions of the Plan. This may cause the Qualified Awards to cease to qualify for the French specific tax and social security regime. In this case, the provisions of rule 14 (Corporate Events) or rule 15 (Adjustments) of the Plan nevertheless continue to apply, notwithstanding any potential detrimental tax or social security consequences for the French Participant.

13 TAXATION AND PAYMENT

13.1 Notwithstanding any other provision of the Plan, French Participants shall be ultimately liable and responsible for all taxation and social security that they are legally required to pay in connection with Qualified Awards.

13.2 To the extent a Qualified Award qualifies for French specific tax and social security treatment under Sections L. 225-197-1 to L. 225-197-6 of the French Commercial Code, the French Participant is

responsible for reporting the receipt of any French taxation and social security under the Plan, and making payment, to the French tax authorities.

- 13.3** To the extent a Qualified Award or a Conditional Award does not so qualify, or is subject to a Tax Liability outside of France, the taxation, withholding and payment provisions of the Plan continue to apply to the Qualified Award or Conditional Award, unamended by this French Schedule.

14 DISQUALIFICATION OF QUALIFIED AWARDS

- 14.1** If the Board (or any duly authorised committee of the Board) intends that a Qualified Award will no longer qualify for the specific tax and social security treatment in France applicable to Conditional Awards granted under Sections L. 225-197-1 to L. 225-197-6 of the French Commercial Code, as amended, the Board (or any duly authorised committee of the Board) may, provided it is authorized to do so under the Plan, determine to lift, shorten or terminate any restrictions then applicable to the Vesting or Release of the Qualified Award or to the sale of the Shares underlying the Qualified Award which may have been imposed under this French Schedule or pursuant to the terms of the Qualified Award.
- 14.2** In the event that a Qualified Award no longer qualifies under the French tax and social security regime, the French Participant shall be ultimately liable and responsible for all taxes and/or social security contributions that the French Participant is legally required to pay in connection with the Qualified Award and the taxation, withholding and payment provisions of the Plan will apply unamended by this French Schedule.

15 AMENDMENT

Subject to the terms of the Plan, the Shareholders authorised the Board (or any duly authorised committee of the Board) to reserve the right to amend or terminate this French Schedule at any time.