



PACE PLC

THE PACE PERFORMANCE SHARE PLAN

As amended by the Directors on 1 May 2009

**As amended by the General Counsel and Company Secretary under power delegated
by the Directors on 1 May 2009**

**As further amended by the General Counsel and Company Secretary under power delegated by
the Committee on 17 March 2011 and 24 April 2012 and 14 April 2014**

**As amended with the approval of shareholders of the Company by ordinary resolution on
24 April 2014**

This Plan:-

- **provides for awards to be made to selected employees in the form of Nil-Cost Option Awards and Contingent Share Awards**
- **was approved by ordinary resolution of shareholders of the Company on 22 April 2009**



Pinsent Masons

THE PACE PERFORMANCE SHARE PLAN

Contents

Part A: Interpretation and Administration	Rules 1 – 4
Part B: Making of Awards	Rules 5 – 17
Part C: Nil-Cost Option Awards	Rules 18 – 22
Part D: Contingent Share Awards	Rules 23 – 27
Part E: Performance Conditions	Rule 28
Part F: Recovery of Award Tax Liability	Rule 29
Part G: Corporate Events	Rules 30 – 34
Part H: Amendments	Rules 35 – 36
Part I: Miscellaneous	Rules 37 – 42

CONTENTS

Rule		Page
1	DEFINITIONS	1
2	INTERPRETATION	6
3	ADMINISTRATION	7
4	RIGHTS ATTACHING TO SHARES	7
5	ELIGIBILITY	8
6	FORM OF AWARDS	8
7	TIMING AND MAKING OF AWARDS	8
8	OVERALL LIMITS ON THE ISSUE OF NEW SHARES TO SATISFY AWARDS	8
9	INDIVIDUAL LIMITS ON THE MAKING OF AWARDS	9
10	AWARD CERTIFICATE	9
11	ACKNOWLEDGEMENT OF AN AWARD	9
12	TAX INDEMNITY	10
13	TRANSFER OF BURDEN OF EMPLOYER'S NICS	10
14	DATA PROTECTION	10
15	RELATIONSHIP WITH CONTRACT OF EMPLOYMENT	11
16	NON-TRANSFERABILITY OF AWARDS	11
17	LAPSE OF AWARDS	12
18	STRUCTURE OF A NIL-COST OPTION AWARD	13
19	EXERCISE OF A NIL-COST OPTION AWARD	13
20	NIL-COST OPTION AWARD - LEAVING BY REASON OF DEATH, INJURY, DISABILITY ETC	14
21	NIL-COST OPTION AWARD - LEAVING FOR ANY OTHER REASON	15
22	NIL-COST OPTION AWARD – LEAVING FOR MISCONDUCT	15
23	STRUCTURE OF A CONTINGENT SHARE AWARD	16
24	SATISFACTION OF CONTINGENT SHARE AWARDS	16
25	CONTINGENT SHARE AWARDS - LEAVING BY REASON OF DEATH, INJURY, DISABILITY ETC	17
26	CONTINGENT SHARE AWARD - LEAVING FOR ANY OTHER REASON	18
27	CONTINGENT SHARE AWARD – LEAVING FOR MISCONDUCT	18
28	PERFORMANCE CONDITIONS	20

29	RECOVERY OF AWARD TAX LIABILITY	22
30	DEEMED VESTING ON A CORPORATE EVENT	23
31	EXCHANGE OF AWARDS ON AN INTERNAL RECONSTRUCTION	23
32	DEMERGER	23
33	COMPULSORY ACQUISITION, RECONSTRUCTION AND WINDING-UP	24
34	CHANGE OF CONTROL	25
35	VARIATION OF SHARE CAPITAL	26
36	ALTERATION OF THE PLAN	26
37	SERVICE OF DOCUMENTS	28
38	STAMP DUTY	28
39	JURISDICTION	29
40	PURCHASES BY TRUSTEE	29
41	THIRD PARTY RIGHTS	29
42	SECTION 409A	29
	SCHEDULE 1 - INDIA	30
	SCHEDULE 2 - CASH-BASED AWARDS	31
	SCHEDULE 3 - ISRAEL	35

**RULES OF
THE PACE PERFORMANCE SHARE PLAN**

PART A: INTERPRETATION AND ADMINISTRATION

1. DEFINITIONS

1.1 In this Plan the following words and expressions shall have the meanings given below:-

"Acquiring Company"	a company which has acquired Control of the Company
"Announcement"	the announcement to a Regulatory Information Service (as defined in The Listing Rules) of the results of the Company for any period
"Associated Company"	any company which, in relation to the Company, is an associated company as that term is defined in section 416 of the Income and Corporation Taxes Act 1988 but with the omission of the words "or at any other time within one year previously"
"Award"	a Nil-Cost Option Award or a Contingent Share Award (as appropriate in the context)
"Award Certificate"	a certificate evidencing an Award
"Award Date"	in relation to an Award, the date on which that Award is made
"Awardholder"	a person to whom an Award has been made or, if that person has died and where the context requires, his Personal Representatives
"Awardholder's Employer"	such member of the Group as is an Awardholder's employer or, if he has ceased to be employed within the Group, was his employer or such other member of the Group, or other person as, under the PAYE Regulations or, as the case may be, the NI Regulations, or any other statutory or regulatory enactment (whether in the UK, the US or otherwise) is obliged to account for any Award Tax Liability
"Award Shares"	the Shares over which an Award subsists
"Award Tax Liability"	any liability of an Awardholder's Employer or of any other person to account to Her Majesty's Revenue and Customs, the US Internal Revenue Service or any other tax authority for any amount of, or representing, income tax or NICs (which shall, to the extent provided for in Rule 13, include Employer's NICs) or any equivalent charge in the nature of tax or social security contributions (whether under the laws of the UK, the US or of any other jurisdiction) (which, for the avoidance of doubt, will not include employer's payroll taxes in the US), which may arise on the grant, vesting, exercise, assignment or release of an Award or the acquisition of Shares pursuant to an Award
"Committee"	means:- (a) in relation to an Award granted to an executive director of the Company or a member of the Executive Group the Remuneration Committee of

	<p>the Directors or such other committee comprising a majority of non-executive directors of the Company to which the Directors delegate responsibility for overseeing the operation of this Plan or following a change of Control of the Company, those persons who comprised the Remuneration Committee or such other committee of the Directors immediately before such change of Control; and</p> <p>(b) in relation to an Award granted to any other person a duly authorised committee of the Directors</p>
"Company"	Pace plc (registered in England and Wales no. 1672847)
"Contingent Share Award"	a right to acquire Shares granted pursuant to Part D
"Control"	has the meaning given in section 719 of ITEPA
"Corporate Nominee"	the person in whose name Shares are registered under a Corporate Nominee Facility
"Corporate Nominee Facility"	an arrangement sponsored by the Company under which Shares owned by an individual who is an employee or former employee of a member of the Group are held in the name of a corporate nominee on behalf of such individual
"Daily Official List"	the Daily Official List of the London Stock Exchange
"Dealing Day"	a day on which the London Stock Exchange is open for business
"Directors"	the board of directors of the Company or a duly authorised committee of the directors
"Eligible Employee"	an employee of any member of the Group, including any executive director of the Company
"Employer's NICs"	secondary class I NICs in the UK (for which the Awardholder's Employer is primarily liable to account)
"Exchange Act"	the US Securities Exchange Act of 1934, as amended
"Exchange of Awards"	<p>the grant to the Awardholder, in consideration of the cancellation of an Award, of rights to acquire shares in an Acquiring Company, or a company which has Control of an Acquiring Company or either is, or has Control of, a company which is a member of a consortium owning either an Acquiring Company or a company having Control of an Acquiring Company, being rights which are:-</p> <p>(a) in the opinion of the Committee, substantially equivalent in value to the value of such Award; and</p> <p>(b) on terms approved by the Directors</p>
"Executive Group"	the executive committee of the Company and a further number of Eligible Employees each of whom is selected by the Remuneration Committee of the Directors on the basis that they provide a contribution to the Company of similar weight to the executive committee

"Form of Acknowledgement"	in relation to an Award, a form completed by the Awardholder, under which the Awardholder notifies the Grantor of his acknowledgement of such Award and his agreement to be bound by the rules of this Plan and which is in such form as the Grantor may specify when the Award is made
"Grantor"	in relation to an Award, the Company or such other person as has made that Award
"Group"	the Company and any company which is for the time being a Subsidiary
"Holding Period"	means the period of two years from the third anniversary of the Award Date or such other period to be determined by the Grantor when an Award is granted
"ITEPA"	the Income Tax (Earnings and Pensions) Act 2003
"Leaving"	ceasing to hold office or employment within the Group (and see Rule 2.8) and "Leaves" and other related expressions shall be construed accordingly
"Leaving Date"	the date on which an Awardholder Leaves
"London Stock Exchange"	London Stock Exchange plc
"Market Value"	in relation to a Share on any day, means the market value as determined by the Company and which may be determined using the middle market quotation of a Share as derived from the Daily Official List for the Dealing Day immediately preceding that day or the average of such middle market quotations over a period of up to three Dealing Days or such other basis as the Company determines appropriate
"Misconduct"	<p>(a) in relation to a US Awardholder, such Awardholder's</p> <ul style="list-style-type: none"> (i) failure to substantially perform his job responsibilities in good faith, (ii) commission of an act of dishonesty, fraud, wilful disobedience, gross misconduct or breach of duty which detrimentally affects any member of the Group or any Associated Company, (iii) unauthorised use, misappropriation, destruction or diversion of any tangible or intangible asset or corporate opportunity of any member of the Group or an Associated Company, (iv) any material breach of any employment or service agreement between the Awardholder and any member of the Group or any Associated Company, (v) participation in any business operation or enterprise that competes with, or solicits the business or employment of the customers, employees or suppliers of any member of the Group or any Associated Company, during such Awardholder's term of employment with any member of the Group or any Associated Company, or (vi) indictment on charges of any felony or a misdemeanour involving fraud, dishonesty, misappropriation or moral turpitude; and <p>(b) in relation to any other Awardholder, circumstances justifying the summary dismissal of such Awardholder from his office or employment with any member of the</p>

Group or any Associated Company

"Model Code"	the code adopted by the Company, which contains provisions similar in purpose and effect to the provisions of the Model Code on directors' dealings in securities, as issued by the UK Listing Authority from time to time
"NIC Award Income"	a gain realised upon the vesting, exercise or release of, or acquisition of, Shares pursuant to an Award being a gain that is treated as remuneration derived from the Awardholder's employment by virtue of section 4(4)(a) of the SSCBA
"NICs"	national insurance contributions
"Nil-Cost Option Award"	a right to acquire Shares granted pursuant to, and exercisable in accordance with, Part C
"NI Regulations"	the laws, regulations and practices currently in force relating to liability for and the collection of NICs
"Official List"	the official list of the UK Listing Authority
"Ordinary Share Capital"	the issued ordinary share capital of the Company other than fixed-rate preference shares, including any Shares held in treasury
"PAYE Regulations"	the regulations made under section 684 of ITEPA
"Performance Condition"	a condition (or conditions) measured over a given period and relating to performance of the Company and/or, as appropriate, of a Subsidiary and/or a business unit and/or the individual Awardholder, as specified pursuant to Rule 28
"Performance Period"	the period of at least three Years over which performance is to be measured for the purposes of determining whether and to what extent a Performance Condition is met
"Personal Data"	the name, home address, e-mail address and telephone number, date of birth, national insurance or other individual reference number of an Awardholder or other employee information, including details of all rights to acquire Shares or other securities granted to such Awardholder and of Shares or other securities issued or transferred to such Awardholder pursuant to this Plan and any other personal information which would identify the Awardholder and is necessary for the administration of this Plan
"Personal Representatives"	the personal representatives of an Awardholder (being either the executors of his will or, if he dies intestate, the duly appointed administrator(s) of his estate or, in either case, the equivalent under applicable local law) who have produced to the Company evidence of their appointment as such

"Plan"	the Pace Performance Share Plan as set out in these rules and amended from time to time pursuant to Rule 36
"Relevant Period"	the Vesting Period, or if a Holding Period applies, the period of three years following the Award Date or such other longer period as may be determined by the Grantor when an Award is granted
"Retirement"	a person permanently ceasing work for any member of the Group or an Associated Company, or on his own account or for any other person, firm or company whatsoever
"SSCBA"	The Social Security Contributions and Benefits Act 1992
"Shares"	fully-paid ordinary shares in the capital of the Company (or, following a reconstruction, demerger or reorganisation of the Company or a change of Control, shares or other securities acquired by virtue of, or in exchange for, such ordinary shares)
"Subscription Award"	a right to subscribe for new Shares granted in accordance with, and subject to, the rules of this Plan
"Subsidiary"	any company which is for the time being a subsidiary (as defined in section 736 of the Companies Act 1985) of the Company
"Tenth Anniversary"	in relation to an Award, the tenth anniversary of the Award Date
"Trust"	the Pace plc Employee Benefits Trust
"Trustee"	the trustee or trustees for the time being of the Trust or of any other employee trust established for the benefit of employees of the Group
"UK"	United Kingdom
"UK Listing Authority"	the Financial Services Authority in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000
"US"	United States of America
"US Awardholder"	an Eligible Employee or Awardholder, as relevant in the context, who is resident in the US or is otherwise subject to US employment laws and/or US securities laws and/or US Federal Income Tax
"Vested Award Shares"	has the meaning given in Rule 2.6
"Vesting Period"	(i) in respect of any Award Shares the period commencing on the Award Date and ending on such date as the Committee specifies on or before the Award Date, which shall be the date the Committee would determine (or would anticipate determining) the extent, if any, to which the Performance Condition(s) relevant to that Award has been met following the announcement of the Company's results for the Performance Period relevant to those Award Shares or, if a Holding Period applies, the date falling at the end of the Holding Period or such

other date as the Committee specifies; and

- (ii) the Committee may also determine, on or before the Award Date, that distinct proportions of Award Shares within an Award will each have a separate Vesting Period

PROVIDED THAT the Vesting Period shall not end earlier than the third anniversary of the Award Date

"Year" a financial year of the Company (and see Rule 8)

1.2 Words and phrases not otherwise defined shall have the meanings they bear for the purposes of Part 7 of ITEPA.

2. **INTERPRETATION**

2.1 Any reference to any enactment includes a reference to that enactment as from time to time modified, extended or re-enacted.

2.2 Words denoting the masculine gender shall include the feminine.

2.3 Words denoting the singular shall include the plural and vice versa.

2.4 No account should be taken of the rule headings which have been inserted for ease of reference only.

2.5 References to Shares in respect of which an Award subsists at any time are to be read and construed as references to the Shares over which the Award is then held (and in respect of which it has not then lapsed).

Vesting of Award Shares

2.6 References to Award Shares being or becoming Vested Award Shares shall be read and construed as:-

2.6.1 in the case of a Nil-Cost Option Award, references to Award Shares in respect of which such Nil-Cost Option Award may be immediately exercised in consequence of the ending of a Vesting Period and, for the avoidance of doubt, the applicable Performance Condition having been satisfied or the application of Rules 20.3, 20.3.2, 20.4 or 30.2; and

2.6.2 in the case of a Contingent Share Award, references to Award Shares to which the Awardholder becomes or has become immediately entitled in consequence of the ending of a Vesting Period and, for the avoidance of doubt, the applicable Performance Condition having been satisfied or the application of Rules 25.3.2, 25.4 or 30.2.

SAVE THAT:-

(a) except when Award Shares become Vested Award Shares in consequence of Rules 20.3.2 (whether or not adjusted under Rule 20.4), 25.3.2 (whether or not adjusted under Rule 25.4) or 30.2, Award Shares shall not become Vested Award Shares before the end of the Vesting Period; and

(b) no Award Shares shall first become Vested Award Shares at a time when the Company is in a prohibited period pursuant to the Model Code and instead any such Award Shares shall first become Vested Award Shares on the date determined by the Committee to be the earliest date on which the Company is not in such a prohibited period; and

(c) where the Committee suspects that circumstances may have occurred that it considers may fall within Rule 17.A, Rule 22 or Rule 27, and it wishes to investigate or await the

outcome of any internal or external investigation before confirming the application of this Rule, it may determine that an Award shall not become a Vested Award pending the outcome of the investigation, in which case the Committee shall notify each affected Awardholder of the impact of the determination.

- 2.7 References to unvested Award Shares shall be read and construed as references to Award Shares which, at any given time, have not become Vested Award Shares.

Time of Leaving

- 2.8 An Awardholder shall be treated for the purposes of this Plan as ceasing to hold office or employment within the Group when either he no longer holds any office or employment with any member of the Group or any Associated Company or, if earlier, when he gives or receives notice to terminate his office or employment with any member of the Group or any Associated Company or is dismissed without notice (including for Misconduct) from any such office or employment.

Resolution of Disputes

- 2.9 If any question, dispute or disagreement arises as to the interpretation of this Plan or of any rules, regulations or procedures relating to it or as to any question or right arising from or related to this Plan, the decision of the Committee shall be final and binding upon all persons.

3. ADMINISTRATION

- 3.1 The Committee shall be responsible for setting the overall policy and principles relating to the operation of this Plan. The Committee may from time to time make and vary such rules and regulations which are consistent with the rules of this Plan and establish such procedures for its administration and implementation as it thinks fit.
- 3.2 The Company and/or any Subsidiary shall bear the costs of the administration and implementation of this Plan.

4. RIGHTS ATTACHING TO SHARES

- 4.1 The issue or transfer of any Shares under or for the purposes of this Plan shall be subject to the Company's Memorandum and Articles of Association and to any necessary consents of any governmental or other authorities (whether in the UK or otherwise) under any enactments or regulations from time to time in force.
- 4.2 It shall be the responsibility of the Awardholder to comply with any requirements to be fulfilled in order to obtain or obviate the necessity of any such consent.
- 4.3 All Shares issued or transferred under this Plan shall rank equally in all respects with the Shares then in issue, except for any rights attaching to such Shares by reference to a record date prior to the date of such allotment or transfer.

PART B: MAKING OF AWARDS

5. ELIGIBILITY

- 5.1 Subject to the following provisions of this Rule 5, the Committee shall have absolute discretion in determining the criteria for selecting those individuals to whom Awards may be made.
- 5.2 An Award may only be made to an Eligible Employee.
- 5.3 An Award shall not be made by any person other than the Company without the prior approval of the Committee.

6. FORM OF AWARDS

- 6.1 An Award may take the form of:-
 - 6.1.1 a Nil-Cost Option Award; or
 - 6.1.2 a Contingent Share Award.

7. TIMING AND MAKING OF AWARDS

- 7.1 An Award may only be made during the period of:-
 - 7.1.1 42 days following approval of this Plan by the Company's shareholders;
 - 7.1.2 42 days beginning with the second Dealing Day following an Announcement;
 - 7.1.3 42 days immediately after the person to whom it is made first becomes an Eligible Employee; or
 - 7.1.4 subject to the Model Code, at any other time but only if, in the opinion of the Committee, the circumstances are exceptional.
- 7.2 If the Grantor is restricted by reason of the Model Code or any statute, order or regulation (including any regulation, order or requirement imposed on the Company by the UK Listing Authority or any other regulatory authority) from making an Award within any period as mentioned in Rule 7.1 the Grantor may make an Award within the period of 42 days after all such restrictions are removed.
- 7.3 No Award may be made more than ten years after the approval of this Plan by the Company's shareholders in general meeting or, if earlier, the date that this Plan was adopted by the Directors, as provided under Section 260.140.42(d) of Title 10 of the California Code of Regulations.
- 7.4 An Awardholder shall not be required to pay any amount for the grant of an Award.
- 7.5 An Award shall be granted by the Company (or other Grantor) executing a deed, in such form as the Committee may specify from time to time.

8. OVERALL LIMITS ON THE ISSUE OF NEW SHARES TO SATISFY AWARDS

- 8.1 Subject to the following provisions of this Rule 8 and Rule 4, the Company may issue Shares (as new Shares or out of treasury) for the purposes of satisfying Awards and may do so on such terms, as to subscription price or otherwise, as the Directors may determine.
- 8.2 The number of Shares in respect of which Subscription Awards may be granted on any day, when added to the number of Shares issued or which remain issuable pursuant to rights to subscribe for Shares granted under this Plan and any other employees' share scheme in the period of 10 years preceding that day, shall not exceed 10 per cent of the Ordinary Share Capital on that day.

- 8.3 For the purposes of this Rule 8, "year" means a calendar year.
- 8.4 For the purposes of this Rule 8 references to rights to subscribe for Shares shall:-
- 8.4.1 if so required in accordance with guidance issued by the Association of British Insurers, be taken to include references to rights to acquire Shares issued or to be issued out of treasury; and
- 8.4.2 exclude any rights to subscribe for Shares which have in fact been, or will be satisfied by the transfer of Shares by an existing shareholder (other than the Company itself).
- 8.5 For the avoidance of doubt, if Shares issued to the Trustee have been counted for the purpose of this Rule 8, they shall not also be counted when they are used to satisfy an Award (or a right granted under any other employees' share scheme).
- 8.6 Subject to Rule 8.2 above, and any adjustment under Rule 35, the maximum number of Shares that may be issued pursuant to Awards granted under this Plan will be 10% of the Ordinary Share Capital at the date on which the Pace International Performance Share Plan was first adopted by the Directors (being 18 October 2010)¹. If an outstanding Award for any reason expires or is terminated or cancelled or if Shares are acquired pursuant to an Award subject to forfeiture and are forfeited, the Shares allocable to the expired, terminated or cancelled portion of such Award or such forfeited Shares shall again be available for issuance under the Plan.

9. **INDIVIDUAL LIMITS ON THE MAKING OF AWARDS**

- 9.1 Awards may be made to an Eligible Employee in any Year over Shares with an aggregate Market Value (as at the respective Award Dates) of up to 200% of the amount of such Eligible Employee's annual basic salary at the Award Date **PROVIDED THAT** the normal maximum shall be 100%.

10. **AWARD CERTIFICATE**

As soon as practicable after an Award has been made the Company shall procure the issue to the Awardholder of an Award Certificate (which may be by e-mail) which specifies:-

- 10.1 the type of Award;
- 10.2 the Grantor;
- 10.3 the Award Date;
- 10.4 the number of Award Shares;
- 10.5 the Vesting Period and, if appropriate, that a Holding Period shall apply;
- 10.6 the applicable Performance Condition;
- 10.7 that it is a condition of the Award that the Awardholder agrees to indemnify the Grantor and the Awardholder's Employer in respect of any Award Tax Liability; and
- 10.8 (if appropriate) that, if the Awardholder is a participant in a Corporate Nominee Facility, the Award Shares may be issued or transferred and delivered directly to the Corporate Nominee for the Awardholder's account,

and is otherwise in such form as the Committee may specify from time to time.

11. **ACKNOWLEDGEMENT OF AN AWARD**

- 11.1 The provisions of Rule 11.2 shall only apply in relation to an Award if the Grantor determines that the Awardholder will be required to acknowledge his Award.

¹ The Ordinary Share Capital at that date was 304,340,497.

11.2 If the Grantor determines that the Awardholder will be required to acknowledge his Award and the Awardholder does not, within such period as the Grantor may notify to the Awardholder, deliver to the Grantor a duly completed Form of Acknowledgement in relation to such Award, then at the end of that period:-

11.2.1 if the Award is a Nil-Cost Option Award, it shall lapse and cease to be exercisable; and

11.2.2 if the Award is a Contingent Share Award, it shall lapse and the Awardholder shall not become entitled to any Shares pursuant to that Award.

12. **TAX INDEMNITY**

It shall be a term and condition of every Award that the Awardholder indemnifies the Grantor and the Awardholder's Employer against any Award Tax Liability.

13. **TRANSFER OF BURDEN OF EMPLOYER'S NICs**

If the Grantor so determines in relation to any Award, it shall be a term and condition of that Award that the Awardholder shall agree with and undertake to the Company and, if different, the Awardholder's Employer that:-

13.1 the Awardholder's Employer may recover from the Awardholder, the whole or any part of any Employer's NICs payable in respect of any NIC Award Income; and

13.2 if required to do so, the Awardholder shall enter into a joint election with the Awardholder's Employer (in a form approved by Her Majesty's Revenue and Customs under paragraph 3B of Schedule 1 to the SSCBA) for the transfer to the Awardholder of the whole, or such part as the Company may determine, of any liability of the Awardholder's Employer to Employer's NICs on any NIC Award Income.

14. **DATA PROTECTION**

It shall be a term and condition of every Award that an Awardholder agrees and consents to:-

14.1 the collection, use, processing and transfer of his Personal Data by any member of the Group, any Associated Company, the Grantor, the Trustee, any third party administrator of the Plan and the Company's brokers or registrars;

14.2 members of the Group, any Associated Company, the Grantor, the Trustee, any third party administrator of the Plan and the Company's brokers or registrars transferring the Awardholder's Personal Data amongst themselves for the purposes of implementing, administering and managing this Plan and the grant of Awards and the acquisition of Shares pursuant to Awards;

14.3 the use of Personal Data by any such person for any such purposes; and

14.4 the transfer to and retention of Personal Data by third parties including any Trustee or third party administrator of the Plan (whether or not any such third party is situated outside the European Economic Area) for or in connection with such purposes.

15. **RELATIONSHIP WITH CONTRACT OF EMPLOYMENT**

Notwithstanding any other provision of this Plan:-

- 15.1 the making of an Award shall not form part of the Awardholder's entitlement to remuneration or benefits pursuant to his contract of employment and no benefits under the Plan shall be pensionable;
- 15.2 the existence of a contract of employment between any person and the Company or any present or past Subsidiary or Associated Company, shall not give such person any right or entitlement to have an Award made to him in respect of any number of Shares or any expectation that an Award might be made to him, whether subject to any conditions or at all;
- 15.3 the rights and obligations of an Awardholder under the terms of his contract of employment with the Company or any present or past Subsidiary or Associated Company shall not be affected by the making of an Award or his participation in this Plan;
- 15.4 the rights or opportunity granted to an Awardholder on the making of an Award shall not give the Awardholder any rights or additional rights to compensation or damages in consequence of the loss or termination (and/or the giving or receiving of notice of termination) of his office or employment with the Company or any present or past Subsidiary or Associated Company for any reason whatsoever (whether or not the termination (and/or the giving or receiving of notice of termination) is ultimately held to be wrongful or unfair);
- 15.5 an Awardholder shall not be entitled to any compensation or damages for any loss or potential loss which he may suffer by reason of being unable to acquire Shares, or any interest in Shares pursuant to an Award in consequence of:-
 - 15.5.1 the loss or termination (and/or the giving or receiving of notice of termination) of his office or employment with the Company or any present or past Subsidiary or Associated Company for any reason whatsoever (whether or not the termination (and/or the giving or receiving of notice of termination) is ultimately held to be wrongful or unfair); or
 - 15.5.2 the exercise by the Committee or the Directors of any discretion in accordance with this Plan; and
- 15.6 the making of an Award on any occasion is at the discretion of the Committee. No entitlement to be granted an Award in the future shall be created on the grounds that an Award was or Awards were made in the past nor on the grounds that an Award or Awards may previously have been granted over a particular number of Shares. Even the repeated grant of Awards shall not create future entitlements to receive an Award or Awards at all or to be granted an Award or Awards over a specific number of Shares.

16. **NON-TRANSFERABILITY OF AWARDS**

- 16.1 An Award is personal to an Awardholder and may not be transferred during his lifetime.
- 16.2 If an Awardholder:-
 - 16.2.1 transfers, assigns, mortgages, charges or otherwise disposes of an Award or of any interest in or right to acquire any Award Shares (other than to his Personal Representatives); or
 - 16.2.2 is adjudged bankrupt or an interim order is made because he intends to propose a voluntary arrangement to his creditors under the Insolvency Act 1986 (or any other provision of the laws of any jurisdiction outside the UK which is intended to have similar effect or purpose); or

16.2.3 makes or proposes any other plan or arrangement, in relation to his debts, with his creditors or any section of them; or

16.2.4 is otherwise deprived (except on death) of the legal or beneficial ownership of an Award or of any interest in or right to acquire any Award Shares, whether by operation of law or by doing or omitting to do anything which causes him to be so deprived

the Awardholder shall immediately cease to have any right or entitlement to any Award Shares which have not then become Vested Award Shares.

17. **LAPSE OF AWARDS**

If or insofar as Award Shares do not become Vested Award Shares, whether in consequence of a Performance Condition not being satisfied in full, or the operation of Rule 17A (Clawback) or otherwise, an Award shall lapse in respect of the balance of such Award Shares.

17A. **CLAWBACK²**

17A.1 This Rule 17A applies if, at any time prior to Award Shares becoming Vested Award Shares:-

17A.1.1 the accounts of the Company or of any member of the Group are required to be restated in circumstances where the Committee determines that there has been a mis-statement in the relevant accounts which would result or did in fact result either directly or indirectly in the Award Shares becoming Vested Award Shares to a greater degree than would have been the case if the mis-statement had not been made;

17A.1.2 circumstances have arisen in which the Awardholder's Employer would be entitled to dismiss the Awardholder summarily (but such Awardholder has not in fact become a Leaver); or

17A.1.3 the Committee determines that there was a material misjudgement of the performance of the Company or a member of the Group due to inaccuracies in underlying information or assumptions and that misjudgement would result either directly or indirectly in the Award Shares becoming Vested Award Shares to a greater degree than would have been the case if that misjudgement had not taken place.

17A.2 If Rule 17A.1 applies, the Committee may determine that the affected subsisting Awards shall lapse in respect of such number of Award Shares as the Committee may in its discretion consider appropriate or that further conditions should be imposed on the Award.

17A.3 Following a determination made under Rule 17A.2:-

17A.3.1 the Company shall notify each affected Awardholder of the impact of the determination and the reason for it;

17A.3.2 to the extent determined by the Committee in accordance with Rule 17A.2 each affected Award or other affected rights over Shares shall immediately lapse in respect of such number of Shares as is determined by the Committee and any references to Shares subject to such Award or rights going forward shall be construed as references only to those Shares which continue to be subject to such Award or rights following the application of this Rule 17A.

17A.4 The Committee may in its discretion make any alteration or amendment to this Rule 17A as is necessary or desirable to take account of local laws affecting any member of the Group or any Awardholder.

² This Rule 17A only applies to Awards granted on or after 14 April 2014, the date this Rule was adopted into this Plan.

PART C: NIL-COST OPTION AWARDS

18. STRUCTURE OF A NIL-COST OPTION AWARD

- 18.1 The Trustee (acting on the recommendation of the Company), or the Company, may from time to time grant to any Eligible Employee a Nil-Cost Option Award, except that a US Awardholder may not be granted or hold a Nil-Cost Option Award.
- 18.2 The exercise of a Nil-Cost Option Award shall be subject to a Performance Condition.
- 18.3 Unless the Committee determines otherwise before an Award is granted no amount shall be payable by the Awardholder for the acquisition of Shares pursuant to a Nil-Cost Option Award.
- 18.4 The Committee may determine on grant that a Nil-Cost Option Award will be subject to a Holding Period.

19. EXERCISE OF A NIL-COST OPTION AWARD

- 19.1 A Nil-Cost Option Award may only ever be exercised in respect of Vested Award Shares.
- 19.2 A Nil-Cost Option Award may not be exercised after the Tenth Anniversary or such earlier date as may be specified at the Award Date.
- 19.3 Except as otherwise provided in Rule 20, a Nil-Cost Option Award may not be exercised at any time unless the Awardholder then holds office or employment with a member of the Group or an Associated Company.

Exercise Procedure

- 19.4 A Nil-Cost Option Award shall be exercised only by the Awardholder serving a notice on the Grantor (or otherwise as the Grantor may direct) which specifies the number of Shares in respect of which such Nil-Cost Option Award is exercised on that occasion which shall not exceed the number of Vested Award Shares in respect of which such Nil-Cost Option Award subsists and which have not been specified for this purpose in an earlier notice of exercise.
- 19.5 A Nil-Cost Option Award shall not be exercised on any occasion if such exercise would not be in accordance with the Model Code.

Issue or Transfer of Shares

- 19.6 Subject to Rule 29, within 30 days after the Grantor receives a notice of exercise pursuant to Rule 19.4, the Grantor shall issue or transfer or procure the issue or transfer to or to the order of the Awardholder of the Shares in respect of which the Nil-Cost Option Award is duly exercised on that occasion.
- 19.7 If, when a Nil-Cost Option Award is exercised, in consequence of the Model Code or otherwise, the Grantor is restricted from issuing or transferring or procuring the issue or transfer of Shares, the Grantor shall not be obliged to issue or transfer or procure the issue or transfer of any Shares until after all such restrictions are lifted.
- 19.8 As soon as reasonably practicable after the allotment or transfer of any Shares upon the exercise of a Nil-Cost Option Award, the Grantor shall procure:-
- 19.8.1 the issue of a definitive share certificate or such acknowledgement of shareholding as is prescribed from time to time for the Shares allotted or transferred to the Awardholder; and
- 19.8.2 if Shares are to be allotted and, on the date of allotment, Shares of the same class are listed on the Official List, that any Shares so allotted are admitted to the Official List.

Transfer to a Nominee

19.9 If the Awardholder requests, some or all of the Shares he acquires on the exercise of a Nil-Cost Option Award may be transferred to a nominee of the Awardholder, provided that beneficial ownership of the Shares vests in the Awardholder.

19.10 If the Awardholder is a participant in a Corporate Nominee Facility, Shares he acquires shall be transferred automatically to the Corporate Nominee.

20. NIL-COST OPTION AWARD – LEAVING BY REASON OF DEATH, INJURY, DISABILITY ETC

20.1 The following provisions of this Rule 20 shall apply if an Awardholder to whom a Nil-Cost Option Award has been made Leaves by reason of:-

- (a) death;
- (b) injury or disability (evidenced to the satisfaction of the Committee);
- (c) Retirement with the consent of the Company or the Awardholder's Employer;
- (d) the fact that the office or employment by virtue of which he is eligible to participate in this Plan relates to a business, or part of a business, which is transferred to a person who is neither an Associated Company nor a member of the Group;
- (e) the fact that the company with which he holds the office or employment by virtue of which he is eligible to participate in this Plan is no longer a member of the Group or an Associated Company; or
- (f) any other circumstances at the Committee's discretion.

20.2 Subject to Rule 19.2 and Rule 22, if after the end of the Vesting Period, the Awardholder Leaves in any of the circumstances set out in Rule 20.1, such Nil-Cost Option Award may be exercised, within the period of 6 months beginning with the Leaving Date, in respect of Award Shares which, immediately before the Leaving Date, were Vested Award Shares.

20.3 If, before the end of the Vesting Period, an Awardholder Leaves in any of the circumstances set out in Rule 20.1 then, subject to Rule 19.2 and Rules 17A and 22, the Committee shall permit the Awardholder to retain his Nil-Cost Option Award in respect of any unvested Award Shares and to exercise such Award either:-

20.3.1 within the period of 6 months after the end of the applicable Vesting Period but only in respect of a proportion (corresponding to such proportion of the Relevant Period as fell before the Leaving Date) of the Award Shares which would otherwise have become Vested Award Shares in consequence of the Performance Condition being satisfied; or

20.3.2 if the Committee so determines, within the period of 6 months beginning with the Leaving Date, but only in respect of a proportion (corresponding to such proportion of the Relevant Period as fell before the Leaving Date) of such of the Award Shares which would otherwise have become Vested Award Shares in consequence of the Committee making a determination pursuant to Rule 28.6 (Deemed Vesting upon Leaving)

PROVIDED THAT where the Awardholder leaves in the circumstances of his death, the period of 6 months above may be extended to up to 12 months.

20.4 The Committee may (if it so determines in its absolute discretion) permit the Awardholder to exercise a Nil-Cost Option Award in respect of a proportion of the Award Shares which is different to the proportion of Award Shares determined by the application of Rules 20.3.1 and 20.3.2 (as appropriate) if the Committee determines that exceptional circumstances exist.

20.5 A Nil-Cost Option Award shall lapse and cease to be exercisable:-

20.5.1 in respect of any remaining Award Shares; and

20.5.2 to the extent it is not exercised within the relevant period.

21. NIL-COST OPTION AWARD - LEAVING FOR ANY OTHER REASON

If an Awardholder to whom a Nil-Cost Option Award has been made Leaves for any other reason then his Award will immediately lapse and cease to be exercisable.

22. NIL-COST OPTION AWARD – LEAVING FOR MISCONDUCT

22.1 If either:-

22.1.1 an Awardholder Leaves by reason of Misconduct; or

22.1.2 an Awardholder Leaves and the Company subsequently determines that before the Leaving Date circumstances had arisen in which the Awardholder's Employer was entitled to dismiss the Awardholder summarily

a Nil-Cost Option Award granted to the Awardholder shall immediately lapse and cease to be exercisable and none of the Grantor, the Company or the Awardholder's Employer shall be under any obligation to issue or transfer or procure the issue or transfer of any Shares or of any interest in Shares pursuant to such Nil-Cost Option Award.

22.2 The provisions of Rule 22.1 shall have effect in relation to a Nil-Cost Option Award regardless of whether the Awardholder has already exercised or purported to exercise such Nil-Cost Option Award.

PART D: CONTINGENT SHARE AWARDS

23. STRUCTURE OF A CONTINGENT SHARE AWARD

- 23.1 The Trustee (acting on the recommendation of the Company), or the Company, may from time to time grant to any Eligible Employee a Contingent Share Award.
- 23.2 Entitlement to receive Shares pursuant to a Contingent Share Award shall be subject to a Performance Condition.
- 23.3 No amount shall be payable by the Awardholder for the acquisition of Shares pursuant to a Contingent Share Award.
- 23.4 The Committee may determine on grant that a Contingent Share Award will be subject to a Holding Period.

24. SATISFACTION OF CONTINGENT SHARE AWARDS

- 24.1 Except as otherwise provided in Rule 25, no Shares subject to a Contingent Share Award shall be issued or transferred to an Awardholder unless the Awardholder then holds office or employment with a member of the Group or an Associated Company.
- 24.2 As soon as practicable after any Award Shares subject to a Contingent Share Award have become Vested Award Shares, the Grantor shall issue or transfer or procure the issue or transfer of Vested Award Shares to or to the order of the Awardholder.
- 24.3 Where the Awardholder is subject to US Federal Income Tax, Vested Award Shares subject to a Contingent Share Award must be issued or transferred in accordance with this Part D no later than the end of the second month after the end of the Year in which the Shares become Vested Award Shares or, if later, the end of the second month after the end of the Awardholder's taxable year in which the Shares become Vested Award Shares.
- 24.4 An Awardholder shall have no right or entitlement to Award Shares which do not become Vested Award Shares.
- 24.5 For the avoidance of doubt, no Contingent Share Award shall confer any beneficial interest in any Award Shares prior to the Awardholder (or his nominee) being registered as the holder of the Shares and, for the avoidance of doubt, no Awardholder shall be entitled to any dividends paid or any other distribution made, or to exercise or direct the exercise of any votes or any other rights, in respect of any such Award Shares by reference to a record date before he (or his nominee) is registered as the holder of the Shares.

Issue or Transfer of Shares

- 24.6 Vested Award Shares subject to a Contingent Share Award may not be issued or transferred to or to the order of an Awardholder on any occasion if such issue or transfer would not then be in compliance with the Model Code.
- 24.7 If, in consequence of the Model Code or otherwise, the Grantor is restricted from issuing or transferring or procuring the issue or transfer of Shares on vesting of a Contingent Share Award, the Grantor shall not be obliged to issue or transfer or procure the issue or transfer of any Shares until after all such restrictions are lifted.
- 24.8 In relation to any US Awardholder, if the Shares, or another class of equity securities issued by the Company, are not registered under the Exchange Act at the time that Shares become Vested Award Shares, the Grantor shall not be obliged to issue, transfer or procure the issue or transfer of any Shares until such time as (i) the Shares are registered under the Exchange Act, (ii) the Company has made other arrangements for the holding of such Shares or (iii) in the opinion of legal counsel of the Company, the Company is exempt from the registration requirements under the Exchange Act, which may include where the Awardholder's Vested Award Shares are held in a trust or other entity respected as a single holder of record under

Section 12(g) of the Exchange Act and Regulation 12g5-1 promulgated thereunder (in which case such trust or other entity shall be treated as the Awardholder's nominee for the purposes of this Rule 24). If the Awardholder's Vested Award Shares are held in such a trust or other entity, then the Awardholder's rights shall be governed by the governing documents of such trust or other entity and, where relevant, references to the Awardholder in this Plan shall apply to the trust or other entity.

24.9 As soon as reasonably practicable after the allotment or transfer of any Shares in respect of a Contingent Share Award, the Grantor shall procure:-

24.9.1 the issue of a definitive share certificate or such acknowledgement of shareholding as is prescribed from time to time for the Shares allotted or transferred to the Awardholder; and

24.9.2 if Shares are to be allotted and, on the date of allotment, Shares of the same class are listed on the Official List, that any Shares so allotted are admitted to the Official List.

Transfer to a nominee

24.10 If the Awardholder is a participant in a Corporate Nominee Facility then any Shares he acquires shall be transferred automatically to the Corporate Nominee.

24.11 If the Awardholder so requests, some or all of the Shares he acquires in respect of a Contingent Share Award may be transferred to a nominee of the Awardholder, provided that beneficial ownership of the Shares vests in the Awardholder.

25. CONTINGENT SHARE AWARDS – LEAVING BY REASON OF DEATH, INJURY, DISABILITY ETC

25.1 The following provisions of this Rule 25 shall apply if an Awardholder to whom a Contingent Share Award has been made Leaves by reason of:-

- (a) death;
- (b) injury or disability (evidenced to the satisfaction of the Committee);
- (c) Retirement with the consent of the Company or the Awardholder's Employer;
- (d) the fact that the office or employment by virtue of which he is eligible to participate in this Plan relates to a business, or part of a business, which is transferred to a person who is neither an Associated Company nor a member of the Group;
- (e) the fact that the company with which he holds the office or employment by virtue of which he is eligible to participate in this Plan is no longer a member of the Group or an Associated Company; or
- (f) any other circumstances at the Committee's discretion

SAVE THAT if the Awardholder is subject to US Federal Income Tax, (d) above shall not apply.

25.2 Subject to Rule 27, if after the end of the Vesting Period the Awardholder Leaves in any of the circumstances set out in Rule 25.1, the Grantor shall as soon as reasonably practicable after the Leaving Date, issue or transfer or procure the issue or transfer to, or to the order of, the Awardholder of such of the Award Shares as, immediately before the Leaving Date, were Vested Award Shares **SAVE THAT** if the Awardholder is subject to US Federal Income Tax, Shares must be issued or transferred in all events prior to two months after the end of the Year in which the Award Shares become Vested Award Shares or, if later, the end of the second month after the end of the Awardholder's taxable year in which the Award Shares become Vested Award Shares.

25.3 If, before the end of the Vesting Period, an Awardholder Leaves in any of the circumstances set out in Rule 25.1 then, subject to Rules 17A and 27, the Committee shall permit the Awardholder to retain his Contingent Share Award in respect of any unvested Award Shares and shall either:-

25.3.1 as soon as reasonably practicable after the end of the Vesting Period, issue or transfer or procure the issue or transfer to, or to the order of, the Awardholder of a proportion (corresponding to such proportion of the Relevant Period as fell before the Leaving Date) of the Award Shares which would otherwise have become Vested Award Shares in consequence of the Performance Condition being satisfied **SAVE THAT** if the Awardholder is subject to US Federal Income Tax, Shares must be issued or transferred in all events prior to two months after the end of the Year in which the Award Shares become Vested Award Shares or, if later, the end of the second month after the end of the Awardholder's taxable year in which the Award Shares become Vested Award Shares; or

25.3.2 if the Committee so determines, as soon as reasonably practicable after the Leaving Date, issue or transfer or procure the issue or transfer to, or to the order of, the Awardholder of a proportion (corresponding to such proportion of the Relevant Period as fell before the Leaving Date) of such of the Award Shares which would otherwise have become Vested Award Shares in consequence of the Committee making a determination pursuant to Rule 28.6 (Deemed Vesting upon Leaving) **SAVE THAT** if the Awardholder is subject to US Federal Income Tax, Shares must be issued or transferred in all events prior to two months after the end of the Year in which the Leaving Date occurs or, if later, the end of the second month after the end of the Awardholder's taxable year in which the Leaving Date occurs.

25.4 The Committee may (if it so determines in its absolute discretion) issue or transfer or procure the issue or transfer to the Awardholder of a proportion of the Award Shares which is different to the proportion of Award Shares determined by the application of either of Rules 25.3.1 and 25.3.2 (as appropriate) if the Committee determines that exceptional circumstances exist. If the Awardholder is subject to US Federal Income Tax, Vested Award Shares must be issued or transferred in all events prior to two months after the end of the Year in which the Committee exercises its discretion under this Rule 25.4 or, if later, the end of the second month after the end of the Awardholder's taxable year in which the Committee exercises its discretion under this Rule 25.4.

25.5 A Contingent Share Award shall lapse in respect of any remaining Award Shares.

26. **CONTINGENT SHARE AWARD - LEAVING FOR ANY OTHER REASON**

If an Awardholder to whom a Contingent Share Award has been made Leaves for any other reason then his Award will immediately lapse and he shall not be entitled to receive any Shares pursuant to such Award.

27. **CONTINGENT SHARE AWARD – LEAVING FOR MISCONDUCT**

27.1 If either:-

27.1.1 an Awardholder Leaves by reason of Misconduct; or

27.1.2 an Awardholder Leaves and the Company subsequently determines that before the Leaving Date circumstances had arisen in which the Awardholder's Employer was entitled to dismiss the Awardholder by reason of Misconduct,

a Contingent Share Award granted to the Awardholder shall immediately lapse and none of the Grantor, the Company or the Awardholder's Employer shall be under any obligation to issue or transfer or procure the issue or transfer of any Shares or of any interest in Shares pursuant to such Contingent Share Award.

27.2 The provisions of Rule 27.1 shall have effect in relation to a Contingent Share Award regardless of whether the Award Shares have already become Vested Award Shares.

PART E: PERFORMANCE CONDITIONS

28. PERFORMANCE CONDITIONS

- 28.1 The Committee shall determine the Performance Condition applicable to an Award before the Award is granted.
- 28.2 A Performance Condition may provide that a given number or proportion of Award Shares shall become Vested Award Shares according to whether, and the extent to which, different levels of performance are achieved or exceeded.
- 28.3 After an Award has been granted the Committee may (with the consent of the Grantor, where appropriate), in appropriate circumstances, amend the Performance Condition if an event has occurred or events have occurred in consequence of which the Committee reasonably considers that the existing Performance Condition should be so amended **PROVIDED THAT** the Committee considers such an amendment to be fair and reasonable and that the amended Performance Condition is not materially less or more difficult to satisfy than was the original Performance Condition when first set but for the event or events in question.
- 28.4 The number of Shares in respect of which Award Shares shall become Vested Award Shares on any occasion shall be rounded up to the nearest whole number of Shares.

Deemed Vesting upon a Corporate Event

- 28.5 If, before the end of the Vesting Period, circumstances arise as mentioned in Rules 32 ("Demerger"), 33 ("Compulsory Acquisition, etc") or 34 ("Change of Control") the Committee shall determine whether and to what extent any Performance Condition shall then be deemed to be satisfied having regard to the progress towards meeting any applicable Performance Condition.

Deemed Vesting upon Leaving

- 28.6 If an Awardholder Leaves before the end of the Vesting Period, the Committee may determine whether and to what extent any Performance Condition shall then be deemed to be satisfied having regard to the progress towards meeting any applicable Performance Condition.

Determination by the Committee

- 28.7 The questions of:-
- 28.7.1 whether and to what extent a Performance Condition is or is deemed to be satisfied; and
- 28.7.2 the number or proportion of Award Shares which become Vested Award Shares
- shall be for the determination of the Committee whose decision shall be final and binding.
- 28.8 The Company shall, as soon as practicable, notify an Awardholder of the fact that a Performance Condition has been satisfied in whole or in part.

Awardholder moving between members of the Group or business units

- 28.9 Where, after an Award has been granted, an Awardholder's office or employment or duties change such that he is regarded as working primarily for a business unit or member of the Group that is different to the business unit or member of the Group for which he worked at the Award Date, the Committee may if it considers it appropriate:-
- 28.9.1 (in accordance with Rule 28.3 above) amend the Performance Condition applicable to the Awardholder's Award; and/or

- 28.9.2 (if appropriate) provide that different portions of the Award are subject to different Performance Conditions (including having part of the Award subject to a Performance Condition based on the performance of the business unit or member of the Group for which the Awardholder was regarded as working at the Award Date, and part of the Award subject to a Performance Condition based on the performance of the business unit or member of the Group for which the Awardholder is then regarded as working).

PART F: RECOVERY OF AWARD TAX LIABILITY

29. RECOVERY OF AWARD TAX LIABILITY

If, on any occasion, any Award Tax Liability arises in relation to, or in consequence of, anything done pursuant to this Plan, then unless:-

- 29.1 the Awardholder has previously made arrangements, satisfactory to the Company, for payment of his Award Tax Liability; or
- 29.2 the Awardholder has authorised the Grantor to the extent necessary to reimburse the Awardholder's Employer, to sell as agent for the Awardholder (at the best price which can reasonably be expected to be obtained at the time of sale) such number of Vested Award Shares as the Grantor considers appropriate for the purposes of the indemnity mentioned in Rule 12, and to procure payment to the Awardholder's Employer out of the net proceeds of sale of such Shares (after deduction of all fees, commissions and expenses incurred in relation to such sale) of monies sufficient to satisfy the indemnity mentioned in Rule 12

the Grantor shall, to the extent necessary to reimburse the Awardholder's Employer, have the right to sell as agent for the Awardholder (as mentioned in Rule 29.2) such number of the Vested Award Shares as the Grantor considers appropriate for the purposes of the indemnity mentioned in Rule 12, and to procure payment to the Awardholder's Employer, out of the net proceeds of sale of such Shares (after deduction of all fees, commissions and expenses incurred in relation to such sale) of monies sufficient to satisfy the indemnity mentioned in Rule 12 and/or the Awardholder's Employer shall have the right to deduct any amount from the Awardholder's salary and/or reimburse any balance to the Awardholder through payroll or by cheque.

PART G: CORPORATE EVENTS

30. DEEMED VESTING ON A CORPORATE EVENT

- 30.1 If, after the end of the Vesting Period, an event as mentioned in Rules 32 to 34 (inclusive) occurs and this Rule 30 applies, the relevant rule within this Part G shall apply to any Award Shares that have already become Vested Award Shares.
- 30.2 If, before the end of the Vesting Period, an event as mentioned in Rules 32 to 34 (inclusive) occurs and this Rule 30 applies, any unvested Award Shares shall become Vested Award Shares as follows:-
- 30.2.1 the Committee shall determine whether and to what extent any Performance Condition shall then be deemed to be satisfied in accordance with Rule 28.5;
- 30.2.2 for Awards granted on or after 1 January 2010 only, the number of Award Shares calculated pursuant to Rule 30.2.1 will be reduced on a time pro-rata basis on the basis of the ratio that the number of complete months from the commencement of the Vesting Period to the date of such event bears to the length of the Relevant Period; and
- 30.2.3 the Committee shall (if it so determines in its absolute discretion) adjust the number of Award Shares which shall become Vested Award Shares in accordance with this Rule 30.2 if the Committee determines that exceptional circumstances exist.

31. EXCHANGE OF AWARDS ON AN INTERNAL RECONSTRUCTION

- 31.1 The Committee may invite an Awardholder to accept an Exchange of Awards. The invitation shall be open for a period of at least 14 days following its issue. At the end of the invitation period, the Awardholder shall not be entitled to any Award Shares subject to the Award.
- 31.2 Rule 31.1 shall apply only if, immediately after the Company has come under the Control of an Acquiring Company, the Company would nevertheless remain or remains under the Control of the person who, or persons who together, had Control of the Company immediately before the Company comes or came under the Control of the Acquiring Company.
- 31.3 The provisions of this Part G shall have effect subject to this Rule 31.

32. DEMERGER

- 32.1 If:-
- 32.1.1 notice is given to shareholders of the Company of a proposed demerger of the Company or of any Subsidiary; and
- 32.1.2 the Committee is of the opinion that the interests of Awardholders would or might be substantially prejudiced by the proposed demerger
- the Grantor (acting with the consent of the Committee) may, as soon as practicable after the giving of the notice referred to in Rule 32.1.1, determine that Rule 30 shall apply and:-
- 32.1.3 notify Awardholders that Nil-Cost Option Awards may then be exercised, within one month (or such longer period as may be specified in such notice), in respect of any Vested Award Shares; and
- 32.1.4 (subject to Rule 32.3 below) issue or transfer or procure the issue or transfer to Awardholders of Vested Award Shares under Contingent Share Awards.
- 32.2 Any Nil-Cost Option Awards that are subject to this Rule 32 shall lapse and cease to be exercisable upon the expiry of the period mentioned in Rule 32.1.3 above.

32.3 If an Awardholder is subject US Federal Income Tax, Award Shares may not be delivered to the Awardholder pursuant to Rule 32.1.4 more than two months after the end of the Year in which the demerger occurs or, if later, the end of the second month after the end of the Awardholder's taxable year in which the demerger occurs.

33. COMPULSORY ACQUISITION, RECONSTRUCTION AND WINDING-UP

33.1 If:-

33.1.1 any person becomes bound or entitled to acquire Shares in the Company under sections 974 – 991 of the Companies Act 2006; or

33.1.2 the court sanctions a compromise or arrangement in connection with the Company pursuant to Part 26 or Part 27 of the Companies Act 2006; or

33.1.3 notice is given of a resolution for a voluntary winding-up of the Company

the Grantor (acting with the consent of the Committee) may, as soon as practicable after the event mentioned in Rules 33.1.1, 33.1.2 or 33.1.3 above, but subject to Rule 33.2 below, determine that Rule 30 shall apply and:-

(a) notify Awardholders that Nil-Cost Option Awards may then be exercised, within one month (or such longer period as may be specified in such notice), in respect of any Vested Award Shares; and

(b) (subject to Rule 33.4 below) issue or transfer or procure the issue or transfer to Awardholders of Vested Award Shares under Contingent Share Awards.

33.2 If it appears that an event as mentioned in Rule 33.1.2 is likely to occur, the Grantor (acting with the consent of the Committee) may, in addition or as an alternative to the provisions of Rule 33.1, but subject to Rule 33.4 in relation to Contingent Share Awards, determine that Rule 30 shall apply and:-

33.2.1 Rule 33.1(a) and Rule 33.1(b) shall apply following the date on which the compromise or arrangement becomes effective; and/or

33.2.2 notify Awardholders that Nil-Cost Option Awards may be exercised conditionally on the court sanction of the compromise or arrangement. This means that the exercise would take effect on, or as soon as practicable after, the court sanction but before the compromise or arrangement becomes effective. In this case the Grantor will notify Awardholders of the period (of at least 14 days, ending no more than 14 days before the date on which the court is expected to sanction the proposals) during which they may exercise their Nil-Cost Option Awards if they wish the exercise to take effect conditionally.

33.3 Any Nil-Cost Option Awards that are subject to this Rule 33 shall immediately lapse and cease to be exercisable upon the expiry of the period mentioned in Rule 33.1 above (or Rule 33.2.2, as appropriate) or the commencement of a winding-up of the Company.

33.4 If an Awardholder is subject to US Federal Income Tax, Award Shares may not be delivered to the Awardholder pursuant to Rule 33.1(b) (or Rule 33.2, as appropriate) more than two months after the end of the Year in which the relevant event within Rule 33.1 (or Rule 33.2, as appropriate) occurs or, if later, the end of the second month after the end of the Awardholder's taxable year in which the relevant event within Rule 33.1 (or Rule 33.2, as appropriate) occurs.

34. **CHANGE OF CONTROL**

34.1 If any person:-

34.1.1 obtains Control of the Company as a result of making a general offer to acquire Shares in the Company; or

34.1.2 having obtained such Control, makes such an offer

then the Grantor (acting with the consent of the Committee) shall, as soon as practicable after becoming aware of the events mentioned in Rules 34.1.1 or 34.1.2 above determine that Rule 30 shall apply and:-

(a) notify Awardholders that Nil-Cost Option Awards may then be exercised, within one month (or such longer period as may be specified in such notice), in respect of any Vested Award Shares; and

(b) (subject to Rule 34.4 below) issue or transfer or procure the issue or transfer to Awardholders of Vested Award Shares under Contingent Share Awards.

34.2 For the purposes of the preceding provisions of this Rule 34 a person shall be deemed to have Control of the Company if he and others acting in concert with him have together obtained Control of it.

34.3 Any Nil-Cost Option Awards that are subject to this Rule 34 shall lapse and cease to be exercisable upon the expiry of the period mentioned in Rule 34.1 above.

34.4 If an Awardholder is subject to US Federal Income Tax, Award Shares may not be delivered to the Awardholder pursuant to Rule 34.1(b) more than two months after the end of the Year in which the change of Control of the Company occurs or, if later, the end of the second month after the end of the Awardholder's taxable year in which the change of Control of the Company occurs.

PART H: AMENDMENTS

35. VARIATION OF SHARE CAPITAL

35.1 In the event of any alteration of the Ordinary Share Capital by way of capitalisation or rights issue, sub-division, consolidation or reduction, or the payment to shareholders of a special dividend or, subject to Rule 32, a demerger of the Company or of any Subsidiary or any other variation of the share capital of the Company, the Committee may make such adjustment as it considers appropriate:-

35.1.1 to the number of Shares in respect of which an Award subsists;

35.1.2 if an Award has vested or been exercised but the Vested Award Shares have not been issued or transferred, to the number of Shares which may be so issued or transferred;

35.1.3 to the limit provided for in Rule 8.6

PROVIDED THAT:-

(a) the number of Shares as so adjusted has been rounded down to the nearest whole number; and

(b) if the Grantor of an Award is not the Company, no such adjustment shall be made without the consent of the Grantor.

35.2 As soon as reasonably practicable after making any adjustment pursuant to Rule 35.1, the Directors shall (on behalf of the Grantor) give notice to every Awardholder affected thereby and shall, at the written request of any such Awardholder and upon the surrender of any Award Certificates which he holds, deliver, or procure the delivery to him of, revised Award Certificates in respect of his Awards.

36. ALTERATION OF THE PLAN

36.1 The Committee may make any alteration or amendment to this Plan.

36.2 The Committee may thereafter alter or amend any of the provisions of this Plan in any respect
PROVIDED THAT:-

36.2.1 no such alteration or amendment shall be made to the advantage of existing or new Awardholders to the provisions relating to eligibility to participate, the individual and overall limitations on the making of Awards and the basis for determining Awardholders' rights to acquire Shares and the adjustment of such rights in the event of a variation of the Ordinary Share Capital or this Rule 36 without the prior approval by ordinary resolution of the shareholders of the Company **SAVE THAT** the provisions of this Rule 36.2.1 shall not apply to the extent that such alteration or amendment is in the opinion of the Committee:-

(a) a minor amendment which is necessary or appropriate to benefit the administration of this Plan;

(b) to take account of any change in legislation or developments in the law; or

(c) to obtain or maintain favourable tax, exchange control or regulatory treatment for existing or new Awardholders, the Company, any Subsidiary or any Associated Company; and

36.2.2 if, in relation to any Awards, the Grantor is not the Company, no alteration or addition shall be made to the terms of such Awards without the approval of the Grantor.

- 36.3 As soon as reasonably practicable after making any such alteration or addition the Directors shall (on behalf of the Grantor) give notice to every Awardholder (if any) affected thereby.
- 36.4 No alteration shall be made to the terms of any Award without the prior consent of the Awardholder if such alteration would, in the opinion of the Committee, materially prejudice the rights or entitlements of such Awardholder.

PART I: MISCELLANEOUS

37. SERVICE OF DOCUMENTS

- 37.1 Except as otherwise provided in this Plan, any notice or document to be given by, or on behalf of, the Company, the Committee, the Directors, the Grantor, the Trustee or any administrator of this Plan to any Eligible Employee or Awardholder in accordance or in connection with this Plan shall be duly given:-
- 37.1.1 if both the sender and the recipient are located in the UK, by sending it through the post in a pre-paid envelope to the address last known to the Company to be his address and, if so sent, it shall be deemed to have been duly given if sent by first class post, on the day after posting and if sent by second class post, on the second day after posting; or
- 37.1.2 if both the sender and the recipient are located in the US, by sending it through the post in a pre-paid envelope to the address last known to the Company to be his address and, if so sent, it shall be deemed to have been duly given on the third day after posting, or if the sender uses an overnight delivery service (such as FedEx or DHL), on the first business day after the sender has delivered possession of such notice or document to such overnight delivery service; or
- 37.1.3 if the sender and the recipient are located in different countries, by sending it through the post in a pre-paid envelope to the address last known to the Company to be his address and, if so sent, it shall be deemed to have been duly given on the seventh day after posting, or if the sender uses an overnight delivery service (such as FedEx or DHL), on the second business day after the sender has delivered possession of such notice or document to such overnight delivery service; or
- 37.1.4 if he holds office or employment with any member of the Group or any Associated Company, by delivering it to him at his place of work or by sending a facsimile transmission or an email addressed to him at his place of work and, if so sent, it shall be deemed to have been duly given at the time of transmission **SAVE THAT** a notice or document shall not be duly given by e-mail unless that person is known by his employer company to have personal access during his normal business hours to information sent by email.
- 37.2 Any notice or document so sent to an Eligible Employee or Awardholder shall be deemed to have been duly given notwithstanding that such person is then deceased (and whether or not the Company or the Trustee has notice of his death) except where his Personal Representatives have supplied to the Company an alternative address to which documents are to be sent.
- 37.3 Any notice or document to be submitted or given to the Company, the Committee, the Directors, the Grantor, the Trustee or any administrator of this Plan in accordance or in connection with this Plan may be delivered, sent by post, facsimile transmission or e-mail but shall not in any event be duly given unless it is actually received (or, in the case of an e-mail, opened) by the Secretary of the Company or such other person as may from time to time be nominated by the Company and whose name and address is notified to Awardholders.
- 37.4 For the purposes of this Plan, an e-mail shall be treated as not having been duly sent or received if the recipient of such e-mail notifies the sender that it has not been opened because it contains, or is accompanied by a warning or caution that it could contain or be subject to, a virus or other computer programme which could alter, damage or interfere with any computer software or e-mail.

38. STAMP DUTY

Any stamp duty or stamp duty reserve tax payable in respect of a transfer of Shares to, or to the order of, an Awardholder (other than stamp duty or stamp duty reserve tax payable on a sale of Shares by the Grantor at the direction of the Awardholder) shall be paid by the Company or, if different, the Grantor (who shall be reimbursed by the Company).

39. **JURISDICTION**

- 39.1 This Plan and any Award shall be governed by and construed in all respects in accordance with English law.
- 39.2 The courts of England shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning an Award and any matter arising from or in relation to this Plan.

40. **PURCHASES BY TRUSTEE**

Subject to Rule 29, an Awardholder may, subject to the Model Code, direct the Trustee to sell Vested Award Shares on his behalf and, in this event, the Shares may, if the Trustee so determines, be purchased by the Trustee **PROVIDED THAT** the price per Share paid by the Trustee is not less than the Market Value of a Share on the date of purchase.

41. **THIRD PARTY RIGHTS**

Except as otherwise expressly stated to the contrary, neither this Plan nor the making of any Award nor the Contracts (Rights of Third Parties) Act 1999 shall have the effect of giving any third party any rights under this Plan and that Act shall not apply to this Plan or to the terms of any Award under it.

42. **SECTION 409A**

This Plan shall be operated in accordance with the requirements of Section 409A of the United States Internal Revenue Code of 1986, as amended, and the applicable regulations and other guidance of general applicability that are issued thereunder ("**Section 409A**") in order to avoid the negative tax consequences that may apply under Section 409A. It is the intent of the Company that Awards be exempt from the provisions of Section 409A since the Awards do not provide for a "deferral of compensation" within the meaning of US Treasury Regulation section 1.409A-1(b) promulgated under Section 409A, including but not limited to the exemption for short-term deferrals under Treasury Regulation section 1.409A-1(b)(4), and the Plan shall be administered consistently with this intent. Unless the Committee otherwise determines, the Plan shall be administered in all respects as if such provisions were expressly set forth.

SCHEDULE 1

INDIA

This Schedule 1 to the Plan sets out specific terms which shall apply to Eligible Employees and/or Awardholders who are resident in India or who are or may become subject to Indian tax as a result of any Award granted under this Plan ("**Indian Awardholders**").

1. **APPLICABILITY**

1.1 The terms set out in this Schedule 1 shall apply to Indian Awardholders.

2. **TAX INDEMNITY/ LIABILITY**

2.1 "Award Tax Liability" shall be given the following meaning:-

"in relation to an Indian Awardholder, any liability of an Awardholder's Employer or of any other person to account to Her Majesty's Revenue and Customs, the US Internal Revenue Service or any other tax authority for any amount of, or representing, income tax or NICs (which shall, to the extent provided for in Rule 13, include Employer's NICs) or any equivalent charge in the nature of tax or social security contributions (whether under the laws of the UK, the US or of any other jurisdiction) (which, for the avoidance of doubt, will not include employer's payroll taxes in the US), or any fringe benefit tax (which shall, for the avoidance of doubt, include any surcharge and education cess payable in relation to the fringe benefit tax) in India which may arise on the grant, vesting, exercise, assignment or release of an Award or the acquisition of Shares pursuant to an Award."

3. **RELATIONSHIP WITH CONTRACT OF EMPLOYMENT**

3.1 Rule 15.2 shall be extended as follows:-

"and in particular, the existence of such a contract of employment, the existence of this Plan or the grant of an Award shall not give rise to or be considered or be deemed to be a "condition of service" under the Industrial Disputes Act 1947 or other applicable laws in India."

3.2 Rule 15 shall be extended as follows:-

"15.7 any rights granted to an Awardholder pursuant to this Plan shall not be taken into consideration on any occasion when calculating severance indemnity, termination pay, gratuity or any other statutory employee benefits;

15.8 neither the existence of this Plan nor the fact that an individual has on any occasion been granted an Award shall give such individual any right, entitlement or expectation that he has or will in future have any such right, entitlement or expectation to participate in this Plan by being granted an Award on any other occasion; and

15.9 this Plan may be amended or terminated at any time without the consent of and without notice to Awardholders".

4. **TIME OF VESTING/EXERCISE – GENERAL RULES**

4.1 Unless the Committee determines otherwise, Award Shares subject to a Contingent Share Award may not first become Vested Award Shares between 10 March and 31 March in any year.

4.2 Unless the Committee determines otherwise, a Nil-Cost Option Award may not be exercised between 10 March and 31 March in any year.

5. **CONFLICT**

5.1 If there is any conflict between the terms of this Schedule 1 and the other rules of the Plan, the terms set out in this Schedule 1 shall prevail.

SCHEDULE 2

CASH-BASED AWARDS

1. INTRODUCTION

1.1 This Schedule shall be used for the grant of Awards to Eligible Employees in any jurisdiction where the Committee believes that local laws or other circumstances at the Committee's discretion make cash based awards preferable to share based awards.

1.2 Unless stated otherwise below, the terms and conditions in the main body of the rules of the Plan shall apply to Awards granted pursuant to this Schedule including, for the avoidance of doubt, Rule 17A.

2. DEFINITIONS

2.1 In this Schedule "**Cash-Based Award**" means a right to a payment of cash under the Plan granted pursuant to this Schedule.

2.2 References to an Award in the Plan shall include a Cash-Based Award except where stated otherwise in this Schedule.

2.3 The following wording shall be added at the end of the definition of "Award Tax Liability" in Rule 1.1:-

"or the payment of any cash amounts under this Plan".

2.4 References to "rights to acquire shares" in the definition of "Exchange of Awards" in Rule 1.1 shall be read as "rights to receive a cash payment in respect of shares".

2.5 The definition of "Personal Data" shall include:-

2.5.1 "or cash payments" after "other securities" and before "granted to such Awardholder";
and

2.5.2 "or cash payments made" after "issued or transferred" and before "to such Awardholder".

2.6 For the avoidance of doubt, the definition of "Plan" shall be taken to include any schedule(s) to the main body of the rules.

2.7 The following wording shall be added as Rule 2.6.3:-

"in the case of a Cash-Based Award, references to Award Shares in respect of which the Awardholder becomes or has become immediately entitled to a cash payment in consequence of the applicable Performance Condition having been satisfied or the application of paragraphs 10.1.3 or 10.1.4 or Rule 30.2."

2.8 Rule 2.6(a) shall include a reference to paragraph 10.1.3(b) (whether or not adjusted under paragraph 10.1.4).

3. MAKING OF AWARDS

3.1 An Award granted pursuant to this Schedule will take the form of a Cash-Based Award.

3.2 The number of Award Shares to be nominally comprised in an Eligible Employee's Award will be determined at the Award Date.

4. **OVERALL LIMITS ON THE ISSUE OF NEW SHARES TO SATISFY AWARDS**

4.1 References to "an Award" or "Awards" in Rule 8 shall not be taken to include a Cash-Based Award.

4.2 For the avoidance of doubt, any Shares nominally comprised in a Cash-Based Award will not count towards the limit set out in Rules 8.2 or 8.6.

5. **AWARD CERTIFICATE**

5.1 Rule 10.8 shall not apply to Cash-Based Awards.

6. **ACKNOWLEDGEMENT OF AN AWARD**

6.1 The following wording shall be added as Rule 11.2.3:-

"if the Award is a Cash-Based Award, it shall lapse and the Awardholder shall not become entitled to any cash payment pursuant to that Award."

7. **RELATIONSHIP WITH CONTRACT OF EMPLOYMENT AND NON-TRANSFERABILITY OF AWARDS**

7.1 References to acquiring Shares or interests in Shares in Rules 15.5 and 16.2 shall include a reference to receiving a cash payment.

7.2 The reference to "any Award Shares which have not then become Vested Award Shares" at the end of Rule 16.2 shall apply as if it read "any benefits of any kind under this Plan".

8. **STRUCTURE OF A CASH-BASED AWARD**

8.1 Entitlement to a cash payment pursuant to a Cash-Based Award shall be subject to a Performance Condition.

9. **SATISFACTION OF CASH-BASED AWARDS**

9.1 Except as otherwise provided in paragraph 10.1 below, no cash payment shall be made to an Awardholder pursuant to a Cash-Based Award unless the Awardholder then holds office or employment with a member of the Group or an Associated Company.

9.2 As soon as practicable after any Award Shares have become Vested Award Shares, the Grantor shall procure that the Awardholder is paid in cash for each Vested Award Share an amount equal to the Market Value at that time less any Award Tax Liability in relation to such payment.

9.3 For the avoidance of doubt, any cash payment under paragraph 9.2 shall be subject to all such deductions as may be required by law.

9.4 An Awardholder shall have no right or entitlement to a cash payment under paragraph 9.2 above in respect of any Award Shares which do not become Vested Award Shares.

9.5 Payment under paragraph 9.2 above shall be subject to any necessary consents of any governmental or other authorities (whether in the UK or otherwise) under any enactments or regulations from time to time in force and it shall be the responsibility of the Awardholder to ensure that any such consents are obtained or requirements fulfilled.

10. **TREATMENT OF LEAVERS**

10.1 **CASH-BASED AWARDS – LEAVING BY REASON OF DEATH, INJURY, DISABILITY ETC**

10.1.1 The following provisions of this paragraph 10.1 shall apply if an Awardholder to whom a Cash-Based Award has been made Leaves by reason of:-

- (a) death;
- (b) injury or disability (evidenced to the satisfaction of the Committee);
- (c) Retirement with the consent of the Company or the Awardholder's Employer;
- (d) the fact that the office or employment by virtue of which he is eligible to participate in this Plan relates to a business, or part of a business, which is transferred to a person who is neither an Associated Company nor a member of the Group;
- (e) the fact that the company with which he holds the office or employment by virtue of which he is eligible to participate in this Plan is no longer a member of the Group or an Associated Company; or
- (f) any other circumstances at the Committee's discretion.

10.1.2 Subject to paragraph 10.3, if after the end of the Vesting Period an Awardholder Leaves in any of the circumstances set out in paragraph 10.1.1, the Grantor shall as soon as reasonably practicable after the Leaving Date procure that for each Award Share that, immediately before the Leaving Date, was a Vested Award Share, the Awardholder is paid in cash an amount equal to the Market Value at that time less any Award Tax Liability in relation to such payment.

10.1.3 If, before the end of the Vesting Period, an Awardholder Leaves in any of the circumstances set out in paragraph 10.1.1 then, subject to paragraph 10.3, the Committee shall permit the Awardholder to retain his Cash-Based Award in respect of any unvested Award Shares and shall either:-

- (a) as soon as reasonably practicable after the end of the Vesting Period procure that, in respect of a proportion (corresponding to such proportion of the Relevant Period as fell before the Leaving Date) of the Award Shares which would otherwise have become Vested Award Shares in consequence of the Performance Condition being satisfied, the Awardholder is paid in cash an amount equal to the aggregate of the Market Values of each such Award Share at that time less any Award Tax Liability in relation to such payment; or
- (b) if the Committee so determines, as soon as reasonably practicable after the Leaving Date, procure that, in respect of a proportion (corresponding to such proportion of the Relevant Period as fell before the Leaving Date) of such of the Award Shares which would otherwise have become Vested Award Shares in consequence of the Committee making a determination pursuant to Rule 28.6 (Deemed Vesting upon Leaving) the Awardholder is paid in cash an amount equal to the aggregate of the Market Values of each such Award Share at that time less any Award Tax Liability in relation to such payment.

10.1.4 The Committee may (if it so determines in its absolute discretion) procure that, in respect of a proportion of the Award Shares which is different to the proportion of Award Shares determined by the application of either of paragraphs 10.1.3(a) and 10.1.3(b) (as appropriate), the Awardholder is paid in cash an amount equal to the aggregate of the Market Values of each such Award Share at that time less any Award Tax Liability in relation to such payment, if the Committee determines that exceptional circumstances exist.

10.1.5 A Cash-Based Award shall lapse in respect of any remaining Award Shares.

10.2 CASH-BASED AWARD - LEAVING FOR ANY OTHER REASON

10.2.1 If an Awardholder to whom a Cash-Based Award has been made Leaves for any other reason then his Award will immediately lapse and he shall not be entitled to receive any cash payment pursuant to such Award.

10.3 CASH-BASED AWARD - LEAVING FOR MISCONDUCT

10.3.1 If either:-

- (a) an Awardholder Leaves by reason of Misconduct; or
- (b) an Awardholder Leaves and the Company subsequently determines that before the Leaving Date circumstances had arisen in which the Awardholder's Employer was entitled to dismiss the Awardholder summarily,

a Cash-Based Award granted to the Awardholder shall immediately lapse and none of the Grantor, the Company or the Awardholder's Employer shall be under any obligation to procure or make any cash payment to the Awardholder in respect of such Cash-Based Award.

10.3.2 The provisions of paragraph 10.3.1 shall have effect in relation to a Cash-Based Award regardless of whether the Award Shares have already become Vested Award Shares.

11. CORPORATE EVENTS

11.1 Part G shall apply to Awardholders who have been granted Cash-Based Awards, except that:

11.1.1 the reference to "Award Shares subject to the Award" in Rule 31.1 shall be construed as "cash payment in respect of the Award";

11.1.2 the following wording shall be added as Rule 32.1.5, Rule 33.1(c), 34.1(c):-

"procure that the Awardholders are paid in cash an amount equal to the aggregate of the Market Values of each Award Share (if any) which is a Vested Award Share less any Award Tax Liability in relation to such payment";

11.1.3 Rule 33.2.1 shall include reference to Rule 33.1(c); and

11.1.4 Rules 32.3, 33.4 and 34.4 shall not apply to Cash-Based Awards.

12. VARIATION OF SHARE CAPITAL

Rule 35.1.2 shall be read as: "*if an Award has vested but no cash payment has been made, to the number of Vested Award Shares in respect of which the Award subsists*".

13. PURCHASES BY TRUSTEE

13.1 Rule 40 shall not apply to Cash-Based Awards.

14. CONFLICT

If there is any conflict between the terms of this Schedule and the other rules of the Plan, the terms set out in this Schedule shall prevail.

SCHEDULE 3

ISRAEL

1. GENERAL

- 1.1 The terms set out in this Schedule 3 (the “**Israeli Appendix**”) shall apply only to persons who are, or are deemed to be, residents of the State of Israel for Israeli taxation purposes. The provisions specified hereunder shall form an integral part of the Plan, which applies, *inter alia*, to the issuance of Nil-Cost Option Awards and/or Contingent Share Awards (collectively and separately, “**Securities**”) to Eligible Employees (as defined below) who are Israeli residents.
- 1.2 The Israeli Appendix is effective with respect to Securities granted on or after the Award Date.
- 1.3 This Israeli Appendix is to be read as a continuation of the Plan and only refers to Securities granted to Eligible Employees who are Israeli residents so that the Plan complies with the requirements set by the Israeli law in general, and in particular with the provisions of Section 102 of the Israeli Income Tax Ordinance (New Version), 1961 (the “**Ordinance**”), and any regulations, rules, orders or procedures promulgated thereunder, as may be amended or replaced from time to time (hereinafter – “**Section 102**”). For the avoidance of doubt, the Israeli Appendix does not add to or modify the Plan in respect of any other category of Awardholders.
- 1.4 The Plan and this Israeli Appendix are complementary to each other and shall be deemed one. In any case of contradiction, whether explicit or implied, between the provisions of the Israeli Appendix and the Plan, the provisions set out in the Israeli Appendix shall prevail with respect to Securities granted to Israeli resident Awardholders.
- 1.5 Any capitalized terms not specifically defined in the Israeli Appendix shall be construed according to the interpretation given to them in the Plan.
- 1.6 In the event that the ITA (as defined below) shall request an amendment to the Israeli Appendix, the Israeli Appendix shall be amended accordingly.

2. DEFINITIONS

- 2.1 “**Israeli Appendix**”, “**Securities**”, “**Ordinance**”, “**Section 102**” as defined above.
- 2.2 “**Approved 102 Security**” means any Option or Share granted pursuant to the terms and restrictions of Section 102(b)(2) of the Ordinance (the qualified capital gains tax course) and held in trust by the Israeli Trustee (as defined below) during the Restricted Period.
- 2.3 “**Controlling Shareholder**” shall have the meaning ascribed to it in Section 32(9) of the Ordinance.
- 2.4 “**Employee**” means a person who is employed by the Employer, including an individual who is serving as a director or an office holder of the Employer, but excluding any Controlling Shareholder.
- 2.5 “**Employer**” means the Israeli resident subsidiary by which the Israeli Awardholder is employed directly.
- 2.6 “**Israeli Securityholder**” means an Israeli resident Employee who holds a Security.
- 2.7 “**Israeli Trustee**” means any individual or entity appointed by the Company to serve as a trustee for the purposes of the Plan and this Israeli Appendix and approved by the ITA, all in accordance with the provisions of Section 102 of the Ordinance and “Israeli Trust” shall be construed accordingly.
- 2.8 “**ITA**” means the Israeli Tax Authorities.
- 2.9 “**102 Security**” means any Option or Share granted to Employees pursuant to Section 102 as an Approved 102 Option or Unapproved 102 Option.

- 2.10 **“Required Tax Payments”** - as defined in Section 10.1 below.
- 2.11 **“Restricted Period”** means – with respect to Approved 102 Securities - a period of no less than 24 (twenty-four) months commencing from the date on which the Approved 102 Securities were issued and deposited with the Israeli Trustee, or such other period as shall be prescribed from time to time under Section 102 with respect to Approved 102 Securities.
- 2.12 **“Trust Agreement”** means the agreement to be signed between the Company, the Employer and the Israeli Trustee for the purposes of Section 102.
- 2.13 **“Unapproved 102 Security”** means an Option or Share granted pursuant to Section 102(c) of the Ordinance.

3. **ISSUANCE OF SECURITIES; ELIGIBILITY**

- 3.1 The persons eligible for participation in the Plan and this Israeli Appendix shall include, *inter alia*, any Israeli resident Employee; provided, however, that only Israeli resident Employees may be granted 102 Securities.
- 3.2 The Directors may designate Options granted to Eligible Employees pursuant to Section 102 as Unapproved 102 Options or Approved 102 Options.
- 3.3 The grant of an Approved 102 Security shall be made in accordance with the plan and the Israeli Appendix, subject to Section 3.4 below, and shall be conditional upon the approval of the Plan and this Israeli Appendix by the ITA.
- 3.4 No Approved 102 Securities may be granted under the Israeli Appendix to any Employee until thirty (30) days after the requisite filings under Section 102, including the Company's and the Employer's application for the approval of this Plan for Section 102 purposes and the election of the qualified capital gains tax course (the **“Election”**), the Trust Agreement, the Plan, and this Israeli Appendix, have been made with the ITA. Such Election shall become effective commencing on the first grant date of an Approved 102 Security under the Israeli Appendix and shall remain in effect until the end of the year following the year during which the Company first granted Approved 102 Securities. For the avoidance of doubt, such Election shall not prevent the Company from also granting Unapproved 102 Securities.
- 3.5 All Approved 102 Securities must be held in trust by an Israeli Trustee, as provided in Section 4 below.
- 3.6 The Israeli Securityholder shall confirm in writing, as a condition to the grant of the Approved 102 Security, that: (i) he is familiar with the tax provisions and restrictions of Section 102 under which the Approved 102 Securities are issued to him through the Israeli Trustee, and (ii) that he agrees to be bound by the terms and conditions of the Plan, the Israeli Appendix and the restrictions and limitations under the tax provisions of Section 102, and (iii) with respect to the qualified capital gains course only (if applicable) - that he understands that the capital gains rate benefit of 25% is not promised to him, and that under certain circumstances he may be subject to regular working income tax rates in respect to the benefit derived from the Approved 102 Security, if a violation of the capital gains tax course occurs as detailed in Section 4.4 below.

4. **TRUST AND TRUSTEE**

- 4.1 Approved 102 Securities granted under the Plan and this Israeli Appendix, any Award Shares issued or transferred upon exercise of such Approved 102 Securities, and all rights (if any) accruing on such Approved 102 Securities, shall be allocated or issued or transferred to the Israeli Trustee, who shall hold such Approved 102 Securities and all accrued rights thereon (if any) in trust for the benefit of the Israeli Securityholder and/or the Company, as the case may be, during the Restricted Period (as a minimum). All certificates (including Award Certificates) or registrations (as may be required by applicable law or by the relevant governmental body or regulatory authority) representing the Approved 102 Securities, the Award Shares and/or all rights accruing thereon (if any) shall be issued or transferred to the Israeli Trustee, deposited and/or registered in the name of the Israeli Trustee and shall be held by the Israeli Trustee until

such time as the Approved 102 Securities or Award Shares are released from the Israeli Trust as provided herein.

- 4.2 Notwithstanding anything to the contrary and without derogating from the limitation and restrictions provisions of the Plan regarding the transferability of the Awards and/or Award Shares, neither the Approved 102 Securities, nor the Award Shares to be issued or transferred upon exercise of such Approved 102 Securities or all rights accruing thereon (if any) shall: (i) be released from the Israeli Trust, whether to the Israeli Securityholder or to any third party; (ii) whether directly or indirectly, be sold, transferred (except for transfer by will and according to the relevant laws of inheritance and distribution), assigned, pledged, hypothecated, encumbered or otherwise disposed of; or (iii) be subject to execution, attachment or similar process, all the foregoing whether by the Israeli Securityholder or the Israeli Trustee, prior to the end of the Restricted Period and prior to the full payment of the Required Tax Payments arising from Approved 102 Securities and/or any Award Shares or other accrued rights (if any).
- 4.3 At any time after the expiry of the Restricted Period, and pursuant to a written request, the Israeli Trustee may release and transfer the Award Shares held in the Israeli Trust and all rights accruing thereon (if any) to the Israeli Securityholder or to a third party upon the sale of the Award Shares, by executing and delivering to the Company, or to such other person as it may direct, such instrument(s) as the Company may require and by giving due notice of such release to the Israeli Securityholder, provided that all of the following conditions have been fulfilled prior to such transfer: (i) the Israeli Trustee has received a written request from the Israeli Securityholder; (ii) payment has been rendered to the ITA of all the Required Tax Payments (as detailed in Section 10 below), and confirmation of such payment has been received by the Israeli Trustee; and (iii) the Israeli Trustee has received a written confirmation from the Company that all requirements for such release and transfer have been fulfilled according to the terms of the Company's corporate documents, the Plan, this Israeli Appendix, any Award agreement and any applicable law.
- 4.4 Notwithstanding Sections 4.2-4.3 above, if the 102 Approved Securities and/or Award Shares or all rights accruing thereon (if any) shall (i) be released from the Israeli Trust, whether to the Israeli Securityholder or to any third party, whether by a voluntary transfer or a forced transfer upon a merger or any other transaction; or (ii) whether directly or indirectly, be sold, transferred (except for transfer by will and according to the relevant laws of inheritance and distribution), assigned, pledged, hypothecated, encumbered or otherwise disposed of; or (iii) be subject to execution, attachment or similar process, all the foregoing whether by the Israeli Securityholder or the Israeli Trustee, prior to the end of the Restricted Period, then it may be considered a violation of the capital gains tax course conditions of Section 102 which may lead to higher tax rates (regular income tax rates) for the relevant Israeli Securityholder.
- 4.5 The Israeli Securityholder shall undertake in writing, as a condition to the grant of the Award, to release the Israeli Trustee from any liability in respect of any action or decision taken and executed by the Israeli Trustee and/or the Company and/or the Employer in relation to the Plan and this Israeli Appendix, or to any 102 Approved Securities or Award Shares granted to the Israeli Securityholder thereunder.
- 4.6 Unapproved 102 Securities granted under the Plan, any Award Shares issued or transferred upon exercise or vesting of such Unapproved 102 Securities, and all rights (if any) accruing on such Unapproved 102 Securities and Award Shares shall be allocated or issued or transferred to a trustee, who shall hold such Unapproved 102 Securities, Award Shares and all accrued rights thereon (if any) in trust for the benefit of the Israeli Securityholder and/or the Company, as the case may be, until the full payment of the Required Tax Payments arising from Unapproved 102 Securities and/or any Award Shares or other accrued rights (if any).³

³ Please note that the Israeli tax law does not require the appointment of a trustee in the event of a grant of Unapproved 102 options. However, since the tax moment occurs upon the sale of the shares and the withholding duty applies even if the participant is no longer employed by the employer on the date of sale of the shares – the Company (or the Employer) may face a problem of withholding in certain circumstances. Accordingly, it is recommended that the Options and Option Shares issued upon exercise should be held in trust (by the Company or any other trustee) till all of the tax liability is paid by the relevant Optionholder or, alternatively, employees be required to sell the shares upon exercise of the option or receive the net cash value of the shares (and not shares).

5. **FAIR MARKET VALUE FOR TAX PURPOSES**

Without derogating from the provisions of the Plan and solely for the purpose of determining the tax liability with respect to the work income component under the qualified capital gains tax course pursuant to Section 102(b)(3) of the Ordinance for Approved 102 Securities (which is subject to regular income tax and social security duties), if, at the Award Date, the Shares are listed on any established stock exchange or a national market system (including, without limitation, the London Stock Exchange) or if the Award Shares will be registered for trading within ninety (90) days following the Award Date of the Approved 102 Securities, then a portion of the Israeli Securityholder's benefit at the date of tax event which equals to the fair market value of the Award Shares at the Award Date or the date of the deposit of the Approved 102 Securities with the Israeli Trustee (which shall be determined in accordance with the average value of the shares during the thirty (30) trading days preceding such date or during the thirty (30) trading days following the date of registration for trading, as the case may be), minus the exercise price (if relevant) and other expenses, while all the amounts are index-linked to the date of tax event, shall be considered work income and be taxed accordingly, unless otherwise determined by the Ordinance.

6. **EXERCISE OF OPTIONS**

Nil-Cost Options shall be exercised by the Israeli Securityholder as set forth in Paragraph 19 of the Plan and subject to all of the Plan's provisions and the Company's directions. The Israeli Securityholder shall send a copy of the notice of exercise referred to in Paragraph 19.4 of the Plan to the Israeli Trustee's registered office. Notwithstanding anything to the contrary, in the event that an Israeli Securityholder is entitled to receive Shares under the Plan upon exercise or vesting of an Approved 102 Security, the Company and/or the broker and/or the administrator shall issue the certificates of such Shares in the name of the Israeli Trustee and deposit such certificates with the Israeli Trustee.

7. **INTEGRATION OF SECTION 102 AND TAX AUTHORITIES' PERMIT**

Regarding Approved 102 Securities, the provisions of the Plan and/or this Israeli Appendix shall be subject to the provisions of Section 102, the Ordinance, and any terms set forth in approvals issued by the ITA (if any) and such terms or provisions shall be deemed an integral part of the Plan and this Israeli Appendix.

8. **RESTRICTIONS ON VOTING RIGHTS**

Without derogating from the provisions of the Plan, no person shall have any right as a shareholder of the Company with respect to any Award Share, unless and until such person becomes a shareholder of record with respect to such Award Share. Notwithstanding the foregoing or anything to the contrary in the Plan, the Israeli Trustee shall not be required to vote with respect to Award Shares issued, for so long as such Award Shares are held by the Israeli Trustee.

9. **DIVIDEND**

With respect to all Award Shares (but excluding, for avoidance of any doubt, any unexercised options or Shares subject to unvested Awards) allocated or issued or transferred upon the exercise of Nil-Cost Options purchased by the Israeli Securityholder and held by the Israeli Securityholder or by the Israeli Trustee, as the case may be, the Israeli Securityholder shall be entitled to receive dividends in accordance with the quantity of such Award Shares, subject to the provisions of the Company's incorporation documents (and all amendments thereto) and the Plan and subject to any applicable taxation on distribution of dividends and, when applicable, subject to the provisions of Section 102.

10. **TAX CONSEQUENCES**

- 10.1 Any and all taxes, duties, levies and other liabilities and obligations, including, but not limited to, income tax, capital gains tax, national insurance and health care payments (as applicable from time to time) in Israel, or in any other relevant jurisdiction, arising from: (i) the grant, vesting and exercise of any 102 Securities and/or Award Shares; (ii) the release of any 102 Securities or

Award Shares from the Trust; (iii) the sale of the Award Shares; or (v) any other event or act of the Company, the Employer, the Israeli Trustee or the Israeli Securityholder (as applicable) hereunder (the "**Required Tax Payments**") shall be borne by the Israeli Securityholder who shall be solely liable for all such taxes, duties, levies and other liabilities and obligations. The Israeli Securityholder shall not be entitled to receive any 102 Securities, Award Shares, or any payment in respect thereof until the Company, the Employer and the Israeli Trustee (as applicable) are satisfied that all the Required Tax Payments due or payable in respect thereof have been discharged in full (or after an arrangement with respect to such discharge has been reached with the Company, and/or the Employer and the Israeli Trustee, to the satisfaction of the Israeli Trustee).

- 10.2 The Company, the Employer or the Israeli Trustee (as applicable) shall withhold all the Required Tax Payments which may be required to be withheld or paid in connection with any 102 Securities or the Award Shares covered thereby, in accordance with the requirements under applicable laws, rules and regulations and, for such purpose, the Company, the Employer or the Israeli Trustee (as applicable) shall be entitled, at its sole discretion, to approach the ITA at any time and from time to time in order to obtain an approval or a pre-ruling with respect to the Required Tax Payments which are required to be withheld or paid in connection with any 102 Security or the Award Shares covered thereby. As a condition precedent to: (i) the grant, vesting or exercise of any 102 Security and/or Award Shares; (ii) the issuance or delivery of any Award Shares or the payment of any amount in respect thereof; or (iii) the release of any Approved 102 Security or Award Shares from the Israeli Trust (as applicable), the Israeli Securityholder shall pay the Company, the Employer or the Israeli Trustee (as applicable) such amount as the Company, the Employer or the Israeli Trustee (as applicable) may be required, as determined by it at its sole discretion, under all applicable laws, rules and regulations, to withhold and pay over as Required Tax Payments with respect to the relevant 102 Security or the Award Shares covered thereby. The Required Tax Payments shall be paid by the Israeli Securityholder to the Company, the Employer or the Israeli Trustee (as applicable) in cash (or cash equivalent). If the Israeli Securityholder fails to pay the Required Tax Payments, the Company and/or the Employer (as applicable) may, in its sole discretion, deduct any Required Tax Payments from any amount then, or thereafter becoming, payable by the Company or the Employer to the Israeli Securityholder.

For purposes of simplicity and in order to ensure compliance with the Section 102 or any other provisions of the Ordinance, the exercise of the 102 Securities and the purchase and sale of Award Shares issued or transferred thereunder may be executed and delivered by the Company.

- 10.3 The Company and/or the Israeli Trustee shall not be required to effect the registration or transfer of any Award Share or release any related share certificate until all Required Tax Payments have been made in full, to the satisfaction of the Israeli Trustee.

11. **GOVERNING LAW & JURISDICTION**

The Israeli Appendix shall be governed by and construed and enforced in accordance with the laws of the State of Israel applicable to contracts made and to be performed therein, without giving effect to the principles of conflict of laws. The competent courts of Israel shall have sole jurisdiction in any matters pertaining to this Israeli Appendix.