

**PHOENIX GROUP HOLDINGS PLC IRISH SHARES AVE SCHEME**

**Adopted by the Board of Phoenix Group Holdings plc on 31 October 2018**

**[Approved by shareholders at the General Meeting held on 28 November 2018]**

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## PHOENIX GROUP HOLDINGS PLC IRISH SHARES AVE SCHEME

### 1. Definitions

1.1 In this Scheme, unless the context otherwise requires, the following words and expressions shall have the following meanings, namely:

*the Act* means the Taxes Consolidation Act 1997 of Ireland;

*Admission Day* means the day on which the Shares are admitted to the premium listing segment of the Official List of the FCA and to trading on the London Stock Exchange's market for listed securities;

*Associated Company* means an associated company of the Company within the meaning given to those words by paragraph 1 of Schedule 12A;

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

*the Bonus Date* means in relation to an Option:

- (a) where the Option is linked to a three year Savings Contract, the earliest date on which that Savings Contract matures (that is, after making 36 monthly contributions); or
- (b) where the Option is linked to a five year Savings Contract, the earliest date on which that Savings Contract matures (that is, after making 60 monthly contributions);

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

*the Company* means Phoenix Group Holdings plc, a company incorporated in England and Wales under number 11606773 by whatever name known from time to time;

*Constituent Company* means the Company and each company over which it has Control and which has been nominated by the Board as a Constituent Company for the purposes of the Scheme;

*Control* has the meaning given to that word by section 432 of the Act;

*the Date of Grant* means the date on which an Option is granted;

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

*Eligible Employee*, means:

- (a) any individual who, at the Invitation Date;
  - (i) is an employee or Full-time Director of one or more Constituent Companies;

- (ii) has been such an employee or Full-time Director at all times during such qualifying period, which shall apply to all Eligible Employees, as the Board may specify, provided that any period so specified shall not exceed three years prior to the Date of Grant; and
  - (iii) whose earnings from the office or employment referred to in (i) above are chargeable to tax under Schedule E (section 19 of the Act); and
- (b) any other individual who, at the Invitation Date, is an employee, including a director, of one or more Constituent Companies and is nominated by the Board (or falls within a category of individuals nominated by the Board) as eligible to participate in the Scheme in respect of any one or more grants of Options;

provided that no person shall be an Eligible Employee if that person is ineligible to participate in the Scheme by virtue of Paragraph 8 of Schedule 12A;

Para 26

**Exercise Price** means the price per Share payable on the exercise of an Option as determined by the Board (subject to adjustment under rule 12) but which shall not be less than:

- (a) 75 per cent. of (i) the Market Value for a Share on the Dealing Day immediately before the Invitation Date; or (ii) the average of the Market Values for a Share on the three consecutive Dealing Days immediately preceding the Invitation Date (rounded up to the nearest whole penny); or (iii) the Market Value for a Share at such other time or times as may be agreed by the Revenue; and
- (b) in the case of any Option under which Shares may be issued, the nominal value of a Share;

**Full-time Director** means a director who is required to devote substantially the whole of his time to the service of one or more of the Constituent Companies;

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

- (a) the Admission Day;
- (b) the day immediately following the day on which the Company makes an announcement of its results for the last preceding financial year, half year or other period;
- (c) any day on which the Board resolves that exceptional circumstances exist which justify the grant of Options; or
- (d) any day on which any change to the legislation affecting Schedule 12A Approved Savings-Related Share Option Schemes is proposed or made;

**the Group** means the Company and the Subsidiaries and **member of the Group** shall be construed accordingly;

**the Invitation Date** means the date on which an invitation to apply for an Option is issued;

**the London Stock Exchange** means London Stock Exchange plc or any successor body thereto;

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

- (a) if and so long as the Shares are admitted to listing by the UKLA, the lower of the two prices shown in the Daily Official List of the London Stock Exchange as the closing price of the Shares on that day plus one half of the difference between those two figures; or
- (b) subject to (a) above, its market value as determined in accordance with Section 548 of the Act and agreed in advance with Revenue, and,

in either case, if the Shares are subject to any Restriction, as if they were not subject to such Restriction;

Para 25(3)(b)

**Minimum Amount** means the minimum amount of the monthly contribution to be paid under the Savings Contract being not more than €5 or such other minimum amount as may be permitted under paragraph 25 of Schedule 12A from time to time;

**Option** means a right granted under the Scheme to subscribe for or purchase Shares;

**Option Holder** means any individual who holds a subsisting Option (including, where the context permits, the legal personal representatives of a deceased Option Holder);

**Pensionable Age** shall have the meaning given in Section 2 of the Social Welfare Consolidation Act 2005 of Ireland;

**Relevant Event** shall have the meaning given to that term in rule 11.1;

**Restriction** in relation to any Share shall mean a restriction as described in paragraph 14 of Schedule 12A;

**Revenue** means the Revenue Commissioners of Ireland;

**Savings Contract** means a contract under a certified contractual savings scheme within the meaning of Section 519C(4) of the Act;

**Schedule 12A** means Schedule 12A to the Act;

**Schedule 12A Approved Savings Related Share Option Scheme** has the meaning given to that term by paragraph 1 of Schedule 12A;

**the Scheme** means this Scheme as amended from time to time;

**Share Scheme** means any employee share scheme established by the Company or any other company under the Company's Control;

Paras 10 to 15

**Shares** means fully paid and irredeemable ordinary shares in the capital of the Company, which comply with the conditions in paragraphs 10 to 15 of Schedule 12A or shares representing those shares following any Capital Reorganisation;

**Specified Age** means 60 years or any other age at which an employee or director is bound to retire under the terms of his contract of employment provided it is not less than 60 years and not more than Pensionable Age;

**Subsidiary** means any subsidiary of the Company within the meaning of section 1159 of and Schedule 6 to the Companies Act 2006 over which the Company has Control;

**Treasury Share** means a share held by the Company in treasury in accordance with section 724 of the Companies Act 2006;

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

**UKLA** means the United Kingdom Listing Authority.

- 1.2 Where the context permits the singular shall include the plural and vice versa and the masculine shall include the feminine. Headings shall be ignored in construing the Scheme.
- 1.3 References to any enactment shall be construed as a reference to that enactment as for the time being consolidated, amended, re-enacted or replaced and shall include any regulations made thereunder. Any reference to an enactment shall be construed as referring to an enactment of the Parliament of the United Kingdom, unless otherwise stated.
- 1.4 Notwithstanding any other rules, where an Eligible Employee is paid salary other than on a monthly basis:
  - (a) references to "months" and "monthly" in the rules shall be construed as having regard to such other period by reference to which the Eligible Employee is paid; and
  - (b) the Board shall take all such steps as it considers necessary or desirable to ensure that an Eligible Employee who is paid salary other than monthly is no better or worse off under the Scheme than an Eligible Employee who is paid salary monthly.
- 1.5 This Scheme is intended to be a Schedule 12A Approved Savings Related Share Option Scheme for the purposes of the Act and the Scheme and any Option granted under it shall be interpreted, operated and administered in a manner that is consistent with that intention and in the case of any conflict between these rules and the provisions of sections 519A to 519C and Schedule 12A and 12B to the Act (the **legislation**), the legislation shall prevail.

Para 26

## **2. Invitation for Options**

- 2.1 The Board may, during a Grant Period, invite all Eligible Employees to apply for Options at the Exercise Price.
- 2.2 Subject to the specific provisions contained in the Scheme, the form, manner and timing of invitations to apply for Options, the number of Shares in respect of which invitations are made on any date and whether the Options will be three or five year Options (or either of them, at the election of Eligible Employees), shall be at the absolute discretion of the Board. The invitation may either state the Exercise Price or (provided a mechanism exists by which the Exercise Price will be determined by the Date of Grant) invite applications by reference to amounts of monthly savings.

## **3. Application for Options**

- 3.1 If an Eligible Employee wishes to apply for an Option he must, within such period (which shall not be less than 14 days) after the Invitation Date as is stated in the invitation, deliver to the Company (or its appointed agent) a duly completed form of application together with a duly completed application for a Savings Contract in the form prescribed by the Board on which the Eligible Employee must have indicated the Bonus Date on which he intends to apply for repayment thereunder.
- 3.2 The application for an Option shall be deemed to be for an Option over the largest whole number of Shares which can be acquired at the Exercise Price with the expected repayment, including any relevant bonus, under the related Savings Contract at the appropriate Bonus Date.
- 3.3 The Board may, in its absolute discretion, treat all late applications as valid provided they are received no less than two days prior to the Date of Grant.

## **4. Scaling Down**

- 4.1 If valid applications are received for Options over a number of Shares in excess of that which the Board has determined to make available on a particular occasion or in excess of any limitation under rule 7, the Board may scale down applications in accordance with the following successive steps (or such other method as may be permitted by Revenue at any time prior to the Invitation Date) to the extent necessary to eliminate the excess:
  - (a) if the repayment under the Savings Contract would otherwise be taken as including a bonus, it should be taken as not including a bonus;
  - (b) any applications for a five year Savings Contract shall be deemed to be an application for a three year Savings Contract; and
  - (c) the amount of the monthly savings contribution in excess of the Minimum Amount chosen by each applicant shall be taken as reduced pro rata.

- 4.2 If the number of Shares available is insufficient to enable an Option based on monthly savings contributions of the Minimum Amount and the inclusion of no bonus in the repayment under the Savings Contract to be granted to each Eligible Employee making a valid application, the Board may, as an alternative to selecting by lot, determine that no Options shall be granted on that occasion.
- 4.3 If applications are scaled down, the monthly contributions under Savings Contracts which Eligible Employees have chosen shall, where necessary, be scaled down as appropriate.
- 4.4 If, in applying the scaling down provisions contained in rule 4.1, the Board considers that it would be administratively impracticable for Options to be granted within the 30 day period referred to in rule 5.1, the Board may extend that period by not more than 12 days.

## **5. Grant of Options**

- 5.1 The Board may, subject to any scaling down, on a single date which shall not be later than the 30<sup>th</sup> day after the earliest date by reference to which the Exercise Price was calculated, grant all (but not some of) the Options for which valid application has been made by Eligible Employees (provided that they remain Eligible Employees on the Date of Grant).
- 5.2 At the Date of Grant the Board shall procure that each Option Holder is informed of whether any Restrictions apply to the Shares that are subject to an Option and, if any such Restrictions apply, of the details of any such Restrictions.
- 5.3 As soon as practicable after the Date of Grant, the Board shall procure the issue of an Option certificate to each Option Holder.
- 5.4 Options shall be granted in consideration of Eligible Employees agreeing to enter into Savings Contracts. No cash payment shall be made for the grant of an Option.
- 5.5 No Option shall be granted under the Scheme more than ten years after the Admission Day.

Para 29

- 5.6 Every Option granted hereunder shall be personal to the Option Holder and, except to the extent necessary to enable a personal representative to exercise the Option following the death of an Option Holder, neither the Option nor the benefit thereof may be transferred, assigned, charged or otherwise alienated. Any transfer of an Option otherwise than as permitted under this rule 5 shall cause the Option to lapse.

## **6. Individual Limit**

Para 25(2)(a)

- 6.1 No individual shall be granted an Option if the entry into the related Savings Contract would result in the monthly contributions under that Savings Contract, when added to the sum of his monthly contributions under any other subsisting Savings Contracts and if the Board so determines from time to time,

under any cancelled Savings Contracts (whether or not linked to a subsisting Option granted under a Schedule 12A Approved Savings Related Share Option Scheme), exceeding €500 (or such other amount as is for the time being permitted under paragraph 25(2) of Schedule 12A and approved by the Board).

- 6.2 Any Option which is purported to be granted in excess of the limits in this rule 6 shall take effect as an Option which would not exceed those limits.

## **7. Scheme Limits**

- 7.1 No Option to subscribe for Shares shall be granted if the result of that grant would be that the aggregate number of Shares that could be issued on the exercise of that Option and any other Options granted at the same time, when added to the number of Shares that:

- (a) could be issued on the exercise of any other subsisting share options, awards or other rights granted during the preceding ten years under the Scheme or any other Share Scheme; and
- (b) have been issued on the exercise of any share options, awards or other rights granted during the preceding ten years under the Scheme or any other Share Scheme; and
- (c) have been issued during the preceding ten years under any profit sharing scheme, employee share incentive scheme (not being a Share Scheme) or any other employees' share scheme, agreement or arrangement,

would exceed 10 per cent. of the ordinary share capital of the Company for the time being in issue. For the purpose of this rule 7, Shares shall include shares in Phoenix Group Holdings (a company incorporated in the Cayman Islands) issued pursuant to Share Schemes prior to the Admission Day.

- 7.2 Any awards, options or other contractual rights to acquire Shares granted before the shares of Phoenix Group Holdings were admitted to trading on the premium listing segment of the London Stock Exchange on 5 July 2010 shall be ignored for the purpose of calculating the limits in this rule 7.

- 7.3 Reference in this rule 7 to the *issue* of Shares shall, for the avoidance of doubt, mean the issue and allotment (but not transfer) of Shares. Where Shares are or will be allotted or issued to the Trustee for the purpose of satisfying Options by way of a transfer of Shares by the Trustee, such Shares should be treated as issued or capable of being issued for the purpose of this rule 7.

- 7.4 For as long as UK institutional shareholders recommend, Treasury Shares held by the Company should be treated as issued or capable of being issued for the purpose of this rule 7.



## **8. Exercise and Lapse of Options**

8.1 Save as otherwise permitted under these rules, an Option may only be exercised:

Para 30(1)

- (a) during the six months following the Bonus Date relating to it; and
- (b) by an Option Holder who is, at the date of exercise, a director or employee of a Constituent Company,

and, if not exercised, shall lapse at the end of the six month period following the Bonus Date.

Para 34

8.2 Where an Option Holder ceases to be a director or employee of a Constituent Company before the expiry of six months after the Bonus Date:

- (a) on retirement on reaching the Specified Age; or
- (b) by reason of redundancy within the meaning of the Redundancy Payments Acts, 1967 to 2015 of Ireland); or
- (c) by reason of injury or disability; or
- (d) because his office or employment is in a company which ceases to be an Associated Company by reason of a change of Control; or
- (e) by reason of the transfer of a business or part of a business to a person who is neither an Associated Company nor a company of which the Company has Control;

he may exercise any outstanding Options within six months of the date on which his employment ceased, failing which exercise the Options shall lapse automatically provided that the Options may not be exercised more than six months following the relevant Bonus Date. For the avoidance of doubt, an Option exercisable under this rule 8.2 may lapse at an earlier date by virtue of rule 10.

8.3 Where an Option Holder ceases to be a director or employee of a Constituent Company before the expiry of six months after the Bonus Date he may exercise any outstanding Options which were granted more than three years before the date of cessation of employment within six months of the date on which his employment ceased, failing which exercise the Options shall lapse automatically, provided that the Options may not be exercised more than six months following the relevant Bonus Date.

Para 19

8.4 If an Option Holder dies while in service or at any time after leaving service when he holds an Option, such Options may be exercised by his personal representatives at any time within the 12 month period following:

- (a) the date of death, if such death occurred before the relevant Bonus Date; and
- (b) the Bonus Date, in the event of his death within six months after the relevant Bonus Date,

failing which exercise, the Options shall lapse automatically. For the avoidance of doubt, an Option exercisable under this rule 8.4 shall not lapse prior to the expiry of the specified 12 month period by virtue of rules 8.2 and 8.3, notwithstanding that rule 10 may apply to the Option in that period, but may lapse at an earlier date by virtue of rule 10.6.

- 8.5 For the purposes of rules 8.2 and 8.3, an Option Holder shall not be treated as ceasing to be a director or employee of a Constituent Company until:
- (a) he ceases to hold an office or employment in the Company or any company over which the Company has Control or any Associated Company; or
  - (b) being a director or employee who is absent from work wholly or partly because of statutory leave ceases to be entitled to exercise any statutory or contractual right to return to work.
- 8.6 Notwithstanding rule 8.1(b), if, at the Bonus Date, an Option Holder holds an office or employment in a company which is not a Constituent Company but is an Associated Company or a company over which the Company has Control, Options may be exercised within (but no later than) six months following the Bonus Date.
- 8.7 If, before the Option has become exercisable, the Option Holder:
- (a) gives notice, or is deemed to have given notice, under the terms of the related Savings Contract that he intends to stop paying contributions to that Savings Contract; or
  - (b) makes an application for repayment of the related Savings Contract,
- the Option shall automatically lapse.

## **9. Method and Extent of Exercise**

- 9.1 An Option may only be exercised with monies not exceeding the amount repaid under the related Savings Contract, including any bonus or interest as at the date of repayment. No account shall be taken of any repayment of any contribution the due date of which arises after the date of repayment, or any bonus or interest in respect of that contribution.
- 9.2 An Option Holder may exercise his Option on one occasion only, in whole or in part, by giving notice in writing to the Company or to such other person (including, for the avoidance of doubt, the Trustee), as the Company may direct in the prescribed form specifying the number of Shares in respect of which the Option is being exercised and enclosing payment in full of the aggregate Exercise Price of those Shares or authority to the Company to withdraw and apply monies equal to the Exercise Price from the related Savings Contract, or in such other manner including through an online facility as the Board may determine, together with evidence of closure of the related Savings Contract. The date of exercise shall be the date of receipt by the Company (or such other person as the Company may direct) of the notice of

exercise and the corresponding payment of the Exercise Price. If the Option is exercised in respect of some only of the Shares comprised in the Option, the Option in respect of the balance shall thereupon lapse automatically.

Para 22

## **10. Change of Control and Winding up of the Company**

### **General Offer for the Company**

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

- (a) a general offer to acquire the whole of the issued ordinary share capital of the Company (other than those shares already owned by the offeror and/or any person connected with the offeror) which is made on a condition such that if it is satisfied the person making the offer will have Control of the Company; or
- (b) a general offer to acquire all the shares in the Company which are of the same class as the Shares (other than those shares already owned by the offeror and/or any person connected with the offeror),

the Company shall, as soon as reasonably practicable thereafter (and prior to the date on which the offer becomes or is declared unconditional in all respects) give notice to each Option Holder of such general offer and each Option Holder may exercise his Options within the period of six months of the time when the person making the offer has obtained Control of the Company and any condition subject to which the offer is made has been satisfied PROVIDED THAT an Option may not be exercised more than six months after the relevant Bonus Date.

Failing any permitted exercise, the Options shall, subject to rule 10.6 and without prejudice to the operation of rule 11, lapse automatically upon the expiry of such six month period PROVIDED THAT if an event as described in rule 10.2 occurs during such six month period, the period during which the Options may be exercised shall be the shorter of the periods specified under this rule 10.1 and rule 10.2.

For the purposes of rule 10.1 the general offer referred to in rule 10.1(a) and (b) may be made to different shareholders by different means.

### **Compulsory Acquisition**

10.2 If any person becomes bound or entitled to acquire shares in the Company, under section 457 of the Companies Act 2014 of Ireland, or any corresponding provision of English law to which the Company is subject, an Option may be exercised at any time when that person remains so bound or entitled.

### **Scheme of Arrangement**

10.3 If under section 453 of the Companies Act 2014 of Ireland, or any corresponding provision of English law to which the Company is subject, the Court sanctions a compromise or arrangement, including one proposed for the purpose of or in connection with a scheme for the reconstruction of the

Company or its amalgamation with any other company or companies, any outstanding Options may be exercised within six months following the date on which the court sanctions the compromise or arrangement, failing which exercise the Options shall, subject to rule 10.6 and without prejudice to the operation of rule 11, lapse automatically upon the expiry of such six month period PROVIDED THAT an Option may not be exercised more than six months after the relevant Bonus Date.

- 10.4 Without prejudice to the operation of rule 11, Options shall not be exercisable without the consent of the Board under the provisions of rule 10.3 if the purpose and effect of the scheme of arrangement is to create a new holding company for the Company, such company having substantially the same shareholders and proportionate shareholdings as those of the Company immediately prior to the scheme of arrangement.

### **Voluntary Winding-up**

- 10.5 If the Company passes a resolution for voluntary winding up, any Option may be exercised within six months of the passing of the resolution provided that an Option may not be exercised more than six months after the relevant Bonus Date.

### **Death of an Option Holder**

- 10.6 Notwithstanding any provision of rules 10.1 to 10.5 to the contrary, if any Option has become exercisable under rule 8.4 and time is running under one of the 12 month periods specified in rule 8.4, such Option shall lapse only on the expiry of the relevant 12 month period under rule 8.4 and not under any period specified in rules 10.1 to 10.5.

### **Shares not Meeting Requirements of Schedule 12A**

- 10.7 If as a result of an event mentioned in rules 10.1 to 10.5, the Shares that may be acquired on the exercise of an Option no longer meet or are not expected to meet the requirements of paragraphs 10 to 15 of Schedule 12A, each Option Holder may exercise his Options for the period of 20 days following the date on which the relevant event mentioned in rules 10.1, 10.2, 10.3 or 10.4 (as the case may be) occurs, notwithstanding that the Shares no longer meet the relevant requirements PROVIDED THAT an Option may not be exercised more than six months after the relevant Bonus Date.
- 10.8 Failing any permitted exercise, the Options shall, subject to rule 10.6 and without prejudice to the operation of rule 11, lapse automatically upon the expiry of such 20 day period.

## **11. Option Rollover**

- 11.1 If any company (the *acquiring company*):

- (a) obtains Control of the Company as a result of making:
- (i) a general offer (which may be made to different shareholders by different means) to acquire the whole of the issued ordinary

share capital of the Company (other than those shares which are already owned by him and/or any person connected with him) which is made on a condition such that if it is satisfied the acquiring company will have Control of the Company; or

- (ii) a general offer to acquire all the shares of the same class as the Shares (other than those shares which are already owned by him and/or any person connected with him); or
- (b) obtains Control of the Company in pursuance of a compromise or arrangement sanctioned by the Court under section 453 of the Companies Act 2014 of Ireland or any corresponding provision of English law to which the Company is subject; or
- (c) becomes bound or entitled to acquire shares in the Company under section 457 of the Companies Act 2014 of Ireland or any corresponding provision of English law to which the Company is subject;

(each a ***Relevant Event***)

each Option Holder may at any time within:

- (i) in the case of a Relevant Event falling within rule 11.1(a), the period of 6 months beginning with the time when the person making the offer has obtained Control of the Company and any condition subject to which the offer is made is satisfied;
- (ii) in the case of a Relevant Event falling within rule 11.1(b), the period of 6 months beginning with the time when the court sanctions the compromise or arrangement; and
- (iii) in the case of a Relevant Event falling within rule 11.1(c), the period during which the acquiring company remains bound or entitled as mentioned in that rule;

by agreement with the acquiring company release any Option which has not lapsed (***the old option***) in consideration of the grant to him of an option (***the new option***) which (for the purposes of that paragraph) is equivalent to the old option but relates to shares in a different company (whether the acquiring company itself or another company falling within paragraph 11(b) or (c) of Schedule 12A) (***the new grantor***).

Para 16

11.2 The new option shall not be regarded for the purposes of rule 11.1 as equivalent to the old option unless the conditions set out in paragraph 16(3) of Schedule 12A are satisfied and, in relation to the new option, the provisions of the Scheme shall be construed as if:

- (a) the new option were an option granted under the Scheme at the same time as the old option;
- (b) references to the Company in rules 9, 10, 11, 12, 13, 14, 15, 16 and 18 were references to the new grantor provided that references to

Constituent Company shall continue to be construed as if references to the Company within this definition were to Phoenix Group Holdings plc;

- (c) references to the Board in rules 9, 12, 16 and 19 were references to the board of directors of the new grantor;
- (d) references to Shares were references to shares in the new grantor;
- (e) the Savings Contract made in connection with the old option had been made in connection with the new option; and
- (f) the Bonus Date in relation to the new option was the same as that in relation to the old option.

## **12. Adjustment of Options**

12.1 In the event of any Capital Reorganisation, the Exercise Price, the definition of Shares and the number of Shares comprised in an Option may be adjusted in such manner as the Board may determine provided always that:

- (a) no adjustment shall take effect if it would result in the requirements of Schedule 12A not being met in relation to any Option;
- (b) no adjustment shall be made pursuant to this rule unless the total Market Value of the Shares comprised in any Option immediately after the Capital Reorganisation is substantially the same as it was immediately before the Capital Reorganisation and the aggregate Exercise Price of any such Option immediately after the Capital Reorganisation is substantially the same as it was immediately before the Capital Reorganisation; and
- (c) except as provided in this subparagraph (c) (and subject to the requirements of Schedule 12A) no adjustment may have the effect of reducing the Exercise Price to less than the nominal value of a Share. Where an Option subsists over both issued and unissued Shares any such adjustment may only be made if the reduction of the Exercise Price of Options over both issued and unissued Shares can be made to the same extent. Any such adjustment to the Exercise Price of Options over unissued Shares shall only be made if and to the extent that the Board shall be authorised to capitalise from the reserves of the Company a sum equal to the amount by which the nominal value of the Shares in respect of which the Option is exercisable exceeds the adjusted Exercise Price. The Board may apply such sum in paying up such amount on such Shares and so that on exercise of any Option in respect of which such reduction shall have been made the Board shall capitalise such sum (if any) and apply the same in paying up such amount as aforesaid.

### **13. Allotment or Transfer of Shares on Exercise of Options**

- 13.1 All allotments, issues and transfers of Shares will be subject to any necessary consents under any relevant enactments or regulations for the time being in force in the United Kingdom, Ireland or elsewhere. The Option Holder is responsible for complying with any requirements he needs to fulfil in order to obtain or avoid the necessity for any such consent.
- 13.2 Subject to any necessary consents under rule 13.1, to payment being made for the Shares and to compliance by the Option Holder with the terms of the Scheme, not later than 30 days after receipt of any notice of exercise in accordance with rule 9.2, the Company shall either allot and issue or procure the transfer of Shares to the Option Holder (or to his nominee). The Company shall (unless the Shares are to be issued in uncertificated form) as soon as practicable deliver to the Option Holder (or such nominee) a definitive share certificate or other evidence of title in respect of such Shares. Where the Shares are issued or transferred to a nominee of the Option Holder, the Option Holder shall remain the beneficial owner of the Shares.

### **14. Rights Attaching to Shares Allotted or Transferred Pursuant to Options**

- 14.1 All Shares allotted or transferred to satisfy the exercise of an Option shall rank *pari passu* in all respects with the Shares in issue at the date of exercise save as regards any rights attaching to such Shares by reference to a record date prior to the date of exercise.
- 14.2 Any Shares acquired on the exercise of Options shall be subject to the articles of association of the Company from time to time in force.

### **15. Availability of Shares**

- 15.1 The Company shall at all times keep available for issue sufficient authorised but unissued Shares to permit the exercise of all unexercised Options under which Shares may be allotted or shall otherwise procure that Shares are available for transfer in satisfaction of the exercise of Options.
- 15.2 If and so long as the Shares are admitted to listing by the UKLA and admitted to trading by the London Stock Exchange, the Company will, at its expense, make application to the UKLA and the London Stock Exchange for Shares allotted on the exercise of any Option to be admitted to such listing and trading respectively.

### **16. Administration and Amendment**

The decision of the Board shall be final and binding in all matters relating to the Scheme and it may at any time discontinue the grant of further Options or amend any of the provisions of the Scheme in any way it thinks fit PROVIDED THAT:

- (a) no amendment shall have effect at a time when the Scheme is a Schedule 12A Approved Savings-Related Share Option Scheme and such status is intended to be maintained if it would result in the

requirements of Schedule 12A not being met in relation to the Scheme. If such status is not to be maintained, the first sentence of this rule 16(a) shall not apply;

- (b) if an amendment is made after the Scheme has been approved by Revenue under Schedule 12A, any amendments after this time shall not have effect until they have been approved by Revenue;
- (c) except as herein provided, the Board shall not make any amendment (not being an amendment that is necessary or desirable in order to comply with the requirements of Schedule 12A) that would materially prejudice the interests of existing Option Holders except with the prior consent or sanction of Option Holders who, if they exercised their Options in full, would thereby become entitled to not less than three-quarters of all the Shares which would fall to be allotted or transferred upon exercise in full of all outstanding Options;
- (d) no amendment to the advantage of Eligible Employees or Option Holders may be made to:
  - (i) the definition of Eligible Employee in rule 1.1;
  - (ii) the limitations on the number of Shares subject to the Scheme;
  - (iii) the maximum entitlement for any Eligible Employee under the Scheme;
  - (iv) the basis for determining an Eligible Employee's entitlement to Shares under the Scheme; and
  - (v) the basis for the adjustment of Options, under rule 12, in the event of a Capital Reorganisation,

without the prior approval of the Company in general meeting except in the case of minor amendments to benefit the administration of the Scheme, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for Eligible Employees, Option Holders or any member of the Group; and

- (e) without prejudice to any provision of the Scheme which provides for the lapse of an Option, the Board may not cancel an Option unless the Option Holder agrees in writing to such cancellation.

16.2 Notwithstanding any other provision of the Scheme, the Board may establish appendices to the Scheme (but not formally part of the Scheme or being a Schedule 12A Approved Savings Related Share Option Scheme) for the purpose of granting Options (but not Options under a Schedule 12A Approved Savings Related Share Option Scheme) to Eligible Employees who are or may become primarily liable to tax outside Ireland on their remuneration, subject to such modifications as may be necessary or desirable to take account of any applicable tax, exchange control or securities laws.



## **17. Third party rights**

- 17.1 Nothing in this Scheme confers any benefit, right or expectation on a person who is not an Option Holder. This does not affect any other right or remedy of a third party which may exist.

## **18. Data protection**

- 18.1 By participating in the Scheme, Option Holders acknowledge that the Company (as controller) or any member of the Group may hold, process and transfer personal data relating to them to other members of the Group or to any third parties engaged by them for any and all purposes related to the operation and administration of the Scheme and/or in order to meet any legal obligation, in each case in accordance with the Company's data protection policy and applicable law where the processing is necessary for:

- (a) the performance of the contract between any member of Group Company and the Option Holder under which the Option Holder participates in the Scheme;
- (b) the Company or any member of the Group to comply with its legal obligations; or
- (c) the purposes of the legitimate interests pursued by the Company or any member of the Group.

If an Option Holder does not provide his personal data to the Company, he will not be able to join the Scheme. When the Company or any member of the Group processes personal data relating to an Option Holder based its legitimate interests, such Company considers and balances any potential impact on the Option Holder's data protection rights.

An Option Holder also acknowledges that the Company or any member of the Group may, in accordance with the Company's data protection policy and applicable data protection law, transfer or store personal information outside the European Economic Area (*EEA*), and that personal data may also be processed outside the EEA by the Company or any member of the Group or for one or more of its or their service providers. Where such transfers occur, the Company ensures that: a) they do not occur without its prior written authority; and b) that an appropriate transfer agreement is in place such as the Standard Contractual Clauses or other approved transfer mechanisms approved by the European Commission and supervisory authorities (such as the E.U.-U.S. Privacy Shield). For information about any such transfers, Option Holders may refer to the Company's data protection policy.

The Company will retain personal data relating to an Option Holder for a period of time from the date of termination of an Option Holder's Savings Contract as specified in the Company's data protection policy. In certain circumstances, the Company may hold personal data for a longer period, for example, if the Company is processing a claim or believes in good faith that applicable European Union or Irish law or a relevant regulator may reasonably

expect or require the Company to preserve personal data relating to an Option Holder.

An Option Holder may address any questions, comments and requests (including for access, erasure, objection or restriction) regarding the Company's processing of his personal data for purposes related to the operation and administration of the Scheme by referring to the Company's data protection policy.

The Company will provide an Option Holder with information on any action taken upon his request in relation to any of these rights without undue delay and at the latest within one (1) month of receiving a request. This period may be extended up to two (2) months if necessary however, an Option Holder will be informed if this need arises.

## **19. General**

19.1 Any Constituent Company may provide money to the Trustee or any other person to enable it or him to acquire Shares to be held for the purposes of the Scheme, or enter into any guarantee or indemnity for those purposes, to the extent permitted by section 682 of the Companies Act 2006.

19.2 The rights and obligations of an Option Holder under the terms and conditions of his office or employment shall not be affected by his participation in the Scheme or any right he may have to participate in the Scheme. An individual who participates in the Scheme waives all and any rights to compensation or damages in consequence of the termination of his office or employment with any company for any reason whatsoever (whether lawfully or unlawfully) insofar as those rights arise, or may arise, from his ceasing to have rights under or be entitled to exercise any Option under the Scheme as a result of such termination or from the loss or diminution in value of such rights or entitlements. If necessary, the Option Holder's terms of employment shall be varied accordingly.

19.3 The existence of any Option shall not affect in any way the right or power of the Company or its shareholders to make or authorise any or all adjustments, recapitalisations, reorganisations or other changes in the Company's capital structure, or any merger or consolidation of the Company, or any issue of shares, bonds, debentures, preferred or prior preference stocks ahead of or convertible into, or otherwise affecting the Shares or the rights thereof, or the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

19.4 Any notice or other document required to be given under or in connection with the Scheme may be delivered to an Option Holder or sent by post to him at his home address according to the records of his employing company or such other address as may appear to the Company to be appropriate including any electronic address. Notices sent by post shall be deemed to have been given on the day following the date of posting and notices sent by electronic means shall be deemed to have been given 12 hours after the time of despatch or at

such earlier time as receipt is acknowledged. Any notice or other document required to be given to the Company or other duly appointed agent under or in connection with the Scheme may be delivered or sent by post to it at its registered office (or such other place or places as the Board or duly appointed agent may from time to time determine and notify to Option Holders).

- 19.5 The Company is not required to send to Option Holders copies of any documents or notices normally sent to the holders of its Shares.
- 19.6 The Company, or where the Board so directs any Subsidiary, shall pay the appropriate stamp duty on behalf of the Option Holders in respect of any transfer of Shares on the exercise of the Options.
- 19.7 The Company will pay the costs of introducing and administering the Scheme. The Company may ask an Option Holder's employer to bear the costs in respect of an Option granted to that Option Holder.
- 19.8 Benefits under this Scheme shall not be pensionable.
- 19.9 These rules shall be governed by, and construed in accordance with, the laws of Ireland. Each Option Holder, the Company and any other Constituent Company or Associated Company submits to the exclusive jurisdiction of the courts of Ireland in relation to all disputes arising out of or in connection with the Scheme.