

Agreed Form

DATED 2 JULY 2017

**GLANBIA CO-OPERATIVE SOCIETY LIMITED**

**AND**

**GLANBIA PLC**

**AMENDED AND RESTATED**

**RELATIONSHIP AGREEMENT**

**relating to**

**GLANBIA PLC**

**ARTHUR COX**

## TABLE OF CONTENTS

1	DEFINITIONS.....	3
2	AMENDMENT OF 2015 AGREEMENT.....	4
2	BOARD OF DIRECTORS.....	4
3	MAINTENANCE OF INDEPENDENCE.....	5
4	TERMINATION.....	5
5	NO PARTNERSHIP AND NO AGENCY.....	6
6	COSTS.....	6
7	ANNOUNCEMENTS AND DISCLOSURE.....	6
8	ASSIGNMENT.....	6
9	WAIVER AND VARIATION.....	6
10	GOVERNING LAW/ JURISDICTION.....	7
11	NOTICES.....	7
12	GENERAL MATTERS.....	7
 <b>SCHEDULE 1</b>		
	INDEPENDENCE REQUIREMENTS.....	9
 <b>SCHEDULE 2</b>		
	DEED OF ADHERENCE.....	10

THIS AGREEMENT is made on 2 JULY 2017

**BETWEEN:**

- (1) **GLANBIA CO-OPERATIVE SOCIETY LIMITED**, an industrial and provident society formed under the laws of Ireland with registration number 4928R and having its registered office at Glanbia House, Kilkenny (the "**Society**"); and
- (2) **GLANBIA PLC**, a public limited company incorporated in Ireland under registration number 129933 and having its registered office at Glanbia House, Kilkenny (the "**plc**").

**BACKGROUND:**

- (A) The Parties first entered into this Agreement in 2014 (the "**Original Agreement**") so that the plc may comply with Listing Rule 6.1.4B of the Listing Rules of the UKLA.
- (B) The Parties amended the Original Agreement by an Amended and Restated Relationship Agreement dated 25 June 2015. The Original Agreement and the Amended and Restated Relationship Agreement dated 25 June 2015 are referred to in this Agreement as the "2015 Agreement".
- (C) The Listing Rules of the Irish Stock Exchange have since been amended so as to incorporate an equivalent rule to LR6.1.4 and LR9.2.2E of the Listing Rules of the UKLA.
- (D) The Parties have executed this Agreement for the purpose of amending the 2015 Agreement.

**THE PARTIES AGREE** as follows:

**1. DEFINITIONS**

- 1.1 In this Agreement, unless the contrary intention appears, the following definitions apply:

"**Associate**" shall have the same meaning as in the Listing Rules;

"**Board**" means the board of directors for the time being of the plc;

"**Controlling Shareholder**" shall have the same meaning as in LR 3.3.2A of the Listing Rules of the Irish Stock Exchange and LR 6.1.2A of the Listing Rules of the UKLA;

"**Director**" means any director for the time being of the plc including, where applicable, any alternate director (who shall be, for the avoidance of doubt, individual persons);

"**Independence Requirements**" means the requirements regarding independence set out in Schedule 1 hereto;

"**Independent Shareholders**" means any person entitled to vote on the election of Directors that is not a Controlling Shareholder of the plc;

"**Irish Stock Exchange**" means The Irish Stock Exchange plc;

"**Listing Rules**" means the Listing Rules of the Irish Stock Exchange and the UKLA;

"**Parties**" means the parties to this Agreement;

“**Shares**” means ordinary shares in the plc;

“**UK**” means the United Kingdom of Great Britain and Northern Ireland;

“**UK Corporate Governance Code**” means the UK Corporate Governance Code published from time to time by the Financial Reporting Council; and

“**UKLA**” means the UK Listing Authority.

1.2 In this Agreement:

- (a) references to the Listing Rules of the Irish Stock Exchange or the Listing Rules of the UKLA shall only apply so long as the plc has a listing on a stock market where compliance with the rules is a condition of the listing on that stock market.
- (b) references to Clauses and Schedules are to Clauses of and Schedules to this Agreement.
- (c) references to a “company” shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established;
- (d) references to a “person” shall be construed so as to include any individual, firm, company, government, state or agency of a state, local authority or government body or any joint venture, association or partnership (whether or not having separate legal personality);
- (e) a reference to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or re-enacted;
- (f) a reference to any other document referred to in this Agreement is a reference to that other document as amended, varied, novated or supplemented at any time;
- (g) any phrase introduced by the terms “including”, “include”, “in particular” or other similar expression shall be construed as illustrative and shall not limit the sense or meaning of the words preceding those terms;
- (h) references to the singular include the plural and vice versa; and
- (i) references to the masculine include the feminine and vice versa.

1.3 All headings and titles are inserted for convenience only. They are to be ignored in the interpretation of this Agreement.

2. **AMENDMENT OF 2015 AGREEMENT**

The 2015 Agreement is amended and restated by this Agreement with effect from such time as the Society’s shareholding in plc falls below 33 per cent.

3. **BOARD OF DIRECTORS**

3.1 Subject to clause 3.2, the following governance arrangements will apply with respect to the composition of the Board:



- (a) For 2017, the number of Directors on the Board of plc, who are also directors of the Society ("Society Nominees"), will continue at 10.
- (b) In 2018, the number of Society Nominees will reduce to 8 which number of Society Nominees will also apply in 2019.
- (c) In 2020 the number of Society Nominees will reduce to 7 which number of Society Nominees will also apply in 2021.
- (d) In 2022 the number of Society Nominees will reduce to 6 which number of Society Nominees will also apply to each subsequent year thereafter.
- (e) It is the intention of the parties that the Society would continue to nominate a Society Nominee as Chairman of the Board until no later than 30 June 2020.
- (f) Up to 8 of the Directors on the Board will be made up of executives and independent (of the Society) nonexecutive Directors. The Parties will co-operate to ensure (as far as practicable) that the independent nonexecutive Directors will be appointed on the recommendation of the nomination committee of the Board, the majority of whose members will be independent non-executive Directors. If the number of non-Society Nominees on the Board changes, the number of Society Nominees set out above will change pro rata.
- (g) If the Society's shareholding in plc falls below 28 per cent., discussions are to take place regarding a further reduction in the size of its representation on the Board.

3.2 Where a reduction is required to take effect in the number of Society Nominees in respect of a particular year under Clauses 3.1(b) to 3.1(d), it shall take effect on the earlier of:

- (a) such date as the Parties shall agree;
- (b) 30 June in that year; and
- (c) the conclusion of the first board meeting of the Society immediately following the annual general meeting of the Society which takes place in that year.

3.3 Notwithstanding that a Society Nominee has been determined to be independent under the UK Corporate Governance Code, the Parties agree that the election or re-election of such Society Nominee shall not require the approval by the Independent Shareholders as required by LR 6.2.2E of the Listing Rules of the Irish Stock Exchange and LR 9.2.2E of the Listing Rules of the UKLA.

#### 4. MAINTENANCE OF INDEPENDENCE

The Society shall exercise all voting rights and other powers of control available to its in relation to the plc so as to procure (insofar as it is able to do so by the exercise of those rights and powers) and the plc shall do everything necessary to procure that at all times during the term of this Agreement the Independence Requirements are satisfied.

#### 5. TERMINATION

5.1 This Agreement shall terminate with respect to the Society if both Listing Rules 6.2.2A of the Irish Stock Exchange and Listing Rule 6.1.4B of the UKLA are

repealed without being replaced by a substantially equivalent rule or if the Society ceases to be a Controlling Shareholder of the plc; provided, however, that where the Society transfers sufficient Shares to another person so that such transferee becomes a Controlling Shareholder of the plc, this Agreement shall remain effective between the plc and such transferee.

5.2 This Agreement shall terminate immediately if;

- (a) the plc is no longer listed on either the Premium Listed Main Market of the London Stock Exchange or the Main Market of the Irish Stock Exchange;
- (b) an effective resolution is passed to wind up the plc; or
- (c) a liquidator is otherwise appointed (but without prejudice to any rights any Party may have against any other Party arising prior to such termination).

5.3 Notwithstanding the foregoing provisions of this Clause 5, the provisions of Clause 3 of this Agreement shall survive termination of this Agreement.

#### **6. NO PARTNERSHIP AND NO AGENCY**

6.1 Nothing in this Agreement and no action taken by the Parties pursuant to this Agreement shall constitute, or be deemed to constitute a partnership between any of the Parties.

6.2 Nothing in this Agreement and no action taken by the Parties pursuant to this Agreement shall constitute, or be deemed to constitute, any Party the agent of any other Party for any purpose. No Party has, pursuant to this Agreement, any authority or power to bind or to contract in the name any of the other Parties to this Agreement.

#### **7. COSTS**

Each Party shall bear its own costs, legal fees and other expenses incurred in the negotiation and execution of this Agreement.

#### **8. ANNOUNCEMENTS AND DISCLOSURE**

This Agreement may be the subject of such announcements, and may be placed on public display, to the extent required by the Listing Rules.

#### **9. ASSIGNMENT**

The Society undertakes that if it seeks to assign or transfer or purport to assign or transfer any rights or Shares to another person with the consequence that such other person shall become a Controlling Shareholder, it shall require such person to execute the Deed of Adherence substantially in the form set out in Schedule 2 hereto.

#### **10. WAIVER AND VARIATION**

10.1 No delay or omission by any Party to this Agreement in exercising any right, power or remedy provided by law or under this Agreement shall:

- (a) affect that right, power or remedy; or
- (b) operate as a waiver of it.



- 10.2 The exercise or partial exercise of any right, power or remedy provided by law or under this Agreement shall not preclude any other or further exercise of it or the exercise of any other right, power or remedy.
- 10.3 The rights, powers and remedies provided in this Agreement are cumulative and not exclusive of any rights, powers and remedies provided by law.
- 10.4 This Agreement may only be varied in writing (excluding electronic methods by writing) signed by each of the Parties.

#### 11. **GOVERNING LAW/ JURISDICTION**

The construction, validity and performance of this Agreement shall be governed in all respects by Irish law and the Parties hereby irrevocably submit to the exclusive jurisdiction of the Irish courts.

#### 12. **NOTICES**

- 12.1 Any notice to be given under this Agreement may be delivered personally (followed by a hard copy of such notice by post or by a copy by facsimile transmission) or sent by facsimile transmission (followed by a hard copy of such notice by post). The address and facsimile numbers for service:

- (a) The plc: Address: Glanbia House, Co. Kilkenny, marked for the attention of the Chief Executive Officer (Fax No. 056 7750835);
- (b) The Society: Address: Glanbia House, Co. Kilkenny, marked for the attention of the plc Secretary (Fax No. 056 7750835);

or any other address for service, or other substituted facsimile number previously notified to all the other Parties to this Agreement pursuant to the provisions of this Clause 122.

- 12.2 A notice shall be deemed to have been served:

- (a) if personally delivered, at the time of delivery; or
- (b) if sent by facsimile transmission, at the time of transmission.

- 12.3 In proving service it shall be sufficient to prove that personal delivery was made, or that the envelope containing the notice was properly addressed and delivered into the custody office of the postal authority as a prepaid first class or that the facsimile transmission was transmitted to the specified number.

#### 13. **GENERAL MATTERS**

- 13.1 In the event of any ambiguity or conflict arising between the terms of this Agreement and those of the Memorandum and Articles of Association of the plc or of any subsidiary, the terms of this Agreement shall prevail and the Society shall promptly take all such steps as are necessary to enable this Agreement to be given full force and effect.
- 13.2 The Society's obligations under this Agreement are owed exclusively to the plc and no rights, duties, entitlements or obligations shall be owed to, or accrue in favour of, any third party.

- 13.3 This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same document.

IN WITNESS of which this agreement has been entered into on the date which first appears on page 1 above.



## **SCHEDULE 1**

### **INDEPENDENCE REQUIREMENTS**

The independence provisions referred to in LR 3.3.7A of the Listing Rules of the Irish Stock Exchange and LR 6.1.4BR (1) of the Listing Rules of the UKLA are as follows:

1. Transactions and arrangements with a Controlling Shareholder of the plc (and/or any of its Associates) will be conducted at arm's length and on normal commercial terms;
2. Neither a Controlling Shareholder of the plc nor any of its Associates will take any action that would have the effect of preventing the plc from complying with its obligations under the Listing Rules; and
3. Neither a Controlling Shareholder of the plc nor any of its Associates will propose or procure the proposal of a shareholder resolution which is intended or appears to be intended to circumvent the proper application of the Listing Rules.

## SCHEDULE 2

### DEED OF ADHERENCE

**THIS DEED OF ADHERENCE** is made on [ ● ]

**BY:**

[*Insert name of Transferee/Allottee*] of [*insert address of Transferee/Allottee*] (the “**New Shareholder**”) in favour of the plc and is supplemental to the Amended and Restated Relationship Agreement dated [ ● ] 2017 between (1) Glanbia Co-operative Society Limited; and (2) Glanbia plc (the “**Agreement**”).

#### **THE NEW SHAREHOLDER UNDERTAKES AS FOLLOWS:**

1. The New Shareholder confirms that it has read a copy of the Agreement and covenants with the plc to perform and be bound by all terms of the Agreement as if all references to the Society in the Agreement shall be deemed to be the New Shareholder.
2. The New Shareholder’s notice details for the purposes of the Agreement are as follows:  
  
Address:  
Attention:  
Facsimile number:
3. This deed is governed by Irish law.

**IN WITNESS** whereof this deed has been executed by the New Shareholder and is intended to be and is hereby delivered on the date first above written.

[ ● ]

**EXECUTION PAGE – RELATIONSHIP AGREEMENT**

**SIGNED** by  
for and on behalf of  
**GLANBIA CO-OPERATIVE SOCIETY LIMITED**  
in the presence of:



*Julianne Ellis*  
Name: JULIANNE ELLIS  
Address: 2 Grand Canal Square,  
Dublin 2

**SIGNED** by  
for and on behalf of  
**GLANBIA PLC**  
in the presence of:



*Maire Neary*  
Name: MAIRE NEARY  
Address: Ten Earlsfort Terrace