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**RULES  
OF  
THE GLANBIA PLC  
2018 LONG TERM INCENTIVE PLAN**

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Authorised at the 2018 Annual General Meeting

Adopted by the Board on ● 2018

**ARTHUR COX**

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**RULES OF THE GLANBIA PLC**  
**2018 LONG TERM INCENTIVE PLAN**

**1. INTRODUCTION**

**1.1 Purpose of Plan**

The purpose of the Plan is to provide for the granting of conditional share awards to executive directors and employees of the Company and its Subsidiaries.

**1.2 Interpretation**

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

<b>Accounting Period</b>	any period in respect of which the Company prepares an annual report and audited financial statements;
<b>Acquiring Company</b>	a company which obtains Control of the Company in the circumstances referred to in <b>rule 9.1</b> ;
<b>Acting in Concert</b>	the meaning given to that expression in section 1 of the Irish Takeover Panel Act, 1997 (as amended by Regulation 8 of the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006) in its present form or as amended from time to time;
<b>Agreed Retirement</b>	means an Award Holder ceasing to be an Eligible Employee where notice of such cessation was given by or to the Award Holder prior to the Date of Grant provided however that an Award Holder's employer shall always be deemed to have received notice of such cessation prior to the Date of Grant if the reason for such retirement is because the Award Holder is bound to retire pursuant to his or her contract of employment or because the Award Holder has reached normal retirement age under his employer's pension scheme;
<b>Adoption Date</b>	● 2018;
<b>Award</b>	a conditional share award granted in accordance with these rules;
<b>Award Notification</b>	the certificate or electronic communication issued in respect of the grant of an Award under <b>rule 2.4</b> ;
<b>Award Holder</b>	an individual who holds an Award or, where the context permits, his legal personal representatives;
<b>Base Salary</b>	in relation to an Eligible Employee, his base remuneration (excluding bonuses, pensions contributions, commissions and benefits in kind) from the Group expressed as an annual rate as at the Date of Grant;
<b>Basis Year</b>	the most recent Accounting Period of the Company ended before the Date of Grant of an Award;

<b>Company</b>	Glanbia plc incorporated in Ireland under company number 129933;
<b>Control</b>	the meaning given to that word by section 432 of TCA 1997;
<b>Co-op</b>	Glanbia Co-operative Society Limited, registered under the Industrial and Provident Societies Acts 1893 to 2014;
<b>Date of Grant</b>	the date on which an Award is granted to an Eligible Employee determined in accordance with <b>rule 2.4</b> ;
<b>Eligible Employee</b>	subject to <b>rule 2.2</b> , a director (other than a non-executive director) or a bona fide employee of any company within the Group who, in either case, devotes substantially the whole of his working time to the business of the Group;
<b>electronic communication</b>	has the same meaning given to those words in the Electronic Commerce Act, 2000 and in addition includes in the case of notices or documents issued on behalf of the Company, such document being made available or displayed on a website of the Company or such other website as may be designated by the Remuneration Committee for the purpose of this Plan;
<b>Employee Share Scheme</b>	any employee share scheme of the Company which satisfies an incentive based award or option through the issue of new shares;
<b>Executive Share Plan</b>	any discretionary employee share plan adopted by the Company which is not an all employee share plan in which participation is offered on similar terms to all or substantially all employees of the Company or any of its subsidiaries whose employees are eligible to participate in the arrangement (provided that all or substantially all employees are not directors of the Company);
<b>Existing Shares</b>	Plan Shares which are in issue before the Vesting of an Award and which are to be used to satisfy such Vesting;
<b>Group</b>	the Company and its Subsidiaries from time to time and “ <b>Group Member</b> ” shall mean any of them;
<b>Irish Stock Exchange</b>	the stock exchange operated by The Irish Stock Exchange plc on which the Company has its primary listing or any successor body to such exchange;
<b>Malus or Clawback</b>	means the discretion conferred on the Remuneration Committee to decide that the Vesting of an Award granted under this Plan or any other benefit conferred under this Plan or any other incentive plan is to be reduced or forfeited in the manner provided for in <b>rule 16</b> ;
<b>Market Value</b>	the mean between the highest and lowest sale prices of a Plan Share (as derived from the Irish Stock Exchange Official List) for the dealing day immediately preceding the Date of Grant;

<b>Minimum Shareholding of the Co-op</b>	28% of the fully diluted issued share capital of the Company;
<b>New Award</b>	an award granted by way of exchange under <b>rule 9.1</b> ;
<b>New Plan Shares</b>	the shares subject to a New Award referred to in <b>rule 9</b> ;
<b>Performance Conditions</b>	such performance condition or conditions which may apply to the Vesting of an Award and examples of which are set out in Appendix 2;
<b>Performance Period</b>	<p>(a) the three Accounting Periods commencing immediately after the end of the Basis Year of an Award; or</p> <p>(b) the period or periods determined by the Remuneration Committee over which the Performance Condition are measured;</p>
<b>Plan</b>	the Glanbia plc 2018 Long Term Incentive Plan in its present form or as amended from time to time;
<b>Plan Shares</b>	fully paid ordinary shares in the capital of the Company;
<b>Proscribed Period</b>	any period as determined by the Secretary of the Company after taking account of all legal and regulatory requirements which restrict dealings in the Company's shares provided however that each Award Holder shall be required to assume that such a Proscribed Period is in force at a given time until he has complied with the Company's share dealing rules and has been notified by the Secretary of the Company that he is free to deal;
<b>Remuneration Committee</b>	the remuneration committee or some other duly authorised committee of the Board of Directors of the Company;
<b>Reorganisation</b>	any variation in the share capital of the Company, including but without limitation a capitalisation issue, rights issue and a sub division, consolidation or reduction in the capital of the Company;
<b>Restricted Period</b>	means such period (as notified to an Award Holder in respect of his Award) of at least twelve months, or two years in the case of an executive director, during which period the relevant Shares shall not be capable of being assigned, charged, pledged as security for a loan or other debt, transferred or otherwise disposed of by or on behalf of such Award Holder until after the end of such period, except in the circumstances permitted in Section 128D of the TCA 1997;
<b>Subsidiary</b>	the meaning given to that word in section 7 of the Companies Act 2014;
<b>TCA 1997</b>	Taxes Consolidation Act, 1997;
<b>Trustee</b>	the trustee or trustees of the Glanbia plc Employee Benefit Trust or such other employee benefit trust as the Company or

any other member of the Group may establish to act in substitution or in addition therefore;

**Vest**

an Award Holder becoming absolutely entitled to Plan Shares the subject of an Award in consequence of the applicable Performance Conditions either having been satisfied, or having been deemed to be satisfied and the terms “Vesting”, “Vested” and “Vests” shall be construed accordingly; and

**Vesting Period**

the period from the Date of Grant to the relevant date specified in the Award Notification under **rule 2.5(a)(iii)** which shall not be earlier than the third anniversary of the Date of Grant.

**1.3** In the Plan, unless otherwise specified,

- (a) the contents and rule headings are inserted for ease of reference only and do not affect their interpretation;
- (b) a reference to a rule is a reference to a rule of the Plan;
- (c) a reference to writing includes any mode of reproducing words in a legible form and reduced to paper;
- (d) the singular includes the plural and vice-versa and the masculine includes the feminine;
- (e) a reference to a statutory provision of an Act of the Oireachtas includes any statutory modification, amendment or re-enactment thereof;
- (f) the Interpretation Act, 2005 applies to the Plan in the same way as it applies to an enactment;
- (g) references to writing shall be construed, unless the contrary intention appears, as including references to printing, lithography, photography and any other modes or representing or reproducing words in a visible form except as provided in these Rules and/or, where it constitutes writing in electronic form sent to the Company, the Company has agreed to its receipt in such form. Expressions in these Rules referring to execution of any document shall include any mode of execution whether under seal or under hand or any mode of electronic signature as shall be approved by the Remuneration Committee. Expressions in these Rules referring to receipt of any electronic communications shall, unless the contrary intention appears, be limited to receipt in such manner as the Remuneration Committee has approved; and
- (h) unless the contrary intention appears, the use of the word “address” in these Rules in relation to electronic communications includes any number or address used for the purpose of such communications.

**2. GRANT OF AWARDS**

**2.1 Grant of Awards to Eligible Employees**

From time to time Awards may be granted to Eligible Employees in accordance with the rules set out herein. No person will be entitled, as of right, to participate in the Plan.

## **2.2 Post Employment Restrictive Covenants**

The Remuneration Committee may resolve that a person shall not be an Eligible Employee unless he is bound by a post employment non-compete restrictive covenant in such form as his employer shall have approved.

## **2.3 Role of the Remuneration Committee and the Trustee**

In establishing this Plan and providing for its administration, the Board of the Company has delegated:-

- (a) the Remuneration Committee with the responsibility for the administration of the Plan;
- (b) the Remuneration Committee with the responsibility for making recommendations to the Trustee in regard to the grant of Awards in respect of Existing Shares; and
- (c) the Trustee with the responsibility for making Awards in respect of Existing Shares.

Any of these delegations may be revoked and reassigned at any time in the discretion of the Board. The Board and/or Remuneration Committee may from time to time make or amend regulations for the administration of the Plan provided that such regulations shall not be inconsistent with the rules of the Plan.

## **2.4 Procedure for grant of Awards and Date of Grant**

- (a) No one shall be entitled to an Award until it has been granted in accordance with the rules.
- (b) Unless the Board shall resolve otherwise, the terms of any Award shall be recommended to the Trustee by the Remuneration Committee in its absolute discretion and the Remuneration Committee shall communicate such recommendation to the Trustee following the exercise of such discretion.
- (c) An Award shall be granted by the issue of an Award Notification. The date of grant ("Date of Grant") of the Award shall be either the date specified on the Award Notification (in which case such date may not be earlier than the date the Remuneration Committee shall have resolved to recommend the grant the Award) or, if not specified, the date on which the Award Notification is issued.
- (d) Except where the Trustee informs the Company that it already holds sufficient Shares which it may use to satisfy the Vesting of any Award which is to be granted in respect of Existing Shares, the Company shall on or before the granting of an Award:-
  - (i) lend or pay (or undertake to lend or pay) cash to the Trustee so that such trust may acquire (by purchase on or off market or, subject to (ii) below, by subscription for new Plan Shares) the relevant number of Plan Shares which are the subject of the Award; and/or
  - (ii) undertake to issue the Trustee the relevant number of Plan Shares which are the subject of the Award PROVIDED HOWEVER that no such undertaking shall be given if it would have the consequence of

committing the Company to issue such number of new Plan Shares as would have the effect of diluting the shareholding of the Co-op below the Minimum Shareholding of the Co-op;

so that the Trustee shall hold and make available such Plan Shares in accordance with these rules. For the avoidance of doubt, an Award Holder shall have no beneficial interest in any cash payable to the Trustee under this rule or any shares held by the Trustee prior to the Vesting of the relevant Award.

## **2.5 Contents of Award Notification**

- (a) An Award Notification shall state:
  - (i) the Date of Grant;
  - (ii) the number of Plan Shares subject to the Award;
  - (iii) each date on which the Award may ordinarily Vest, which shall not be earlier than the third anniversary of the Date of Grant and which shall not be later than the fourth anniversary of the Date of Grant;
  - (iv) the Performance Conditions and the number of Plan Shares which may Vest under the Award depending on the extent to which such Performance Conditions are achieved;
  - (v) the transfer restriction required by **rule 2.11**;
  - (vi) that it is a condition of the grant that the Award Holder shall sign or acknowledge the Award Notification or such other notification as may be required by the Company in order to bind himself contractually to any such arrangement as is referred to in this Plan (including the application of Malus or Clawback and the consent referred to in **rule 18**) by such date as may be specified by the Remuneration Committee; and
  - (vii) any other conditions which the Remuneration Committee shall have recommended in respect of the grant of the Award.
- (b) Subject thereto, an Award Notification shall be in such form as the Trustee or the Remuneration Committee, as applicable, may determine from time to time.

## **2.6 Period allowed for grant of Awards**

Subject to **rules 2.7** and **2.8**, an Award may be granted only during the period of forty two days beginning on the dealing day following:

- (a) the Adoption Date; or
- (b) the preliminary announcement of the Company's final results, or the announcement of the Company's half-yearly results, to the Company Announcements Office of the Irish Stock Exchange.



## **2.7 Exceptions**

Notwithstanding **rule** 2.6 but subject to **rule** 2.8, an Award may be granted outside the periods specified in **rule** 2.6 in circumstances which the Remuneration Committee considers sufficiently exceptional to justify the grant of the Award at that time.

## **2.8 Awards may not be granted during Proscribed Period**

An Award may not be granted during a Proscribed Period.

## **2.9 Duration of Plan**

An Award may not be granted:

- (a) earlier than the Adoption Date; nor
- (b) later than the tenth anniversary of the Adoption Date.

## **2.10 Persons to whom Awards may be granted**

An Award may not be granted to an individual who is not an Eligible Employee at the Date of Grant.

## **2.11 Right to renounce Awards**

An Eligible Employee to whom an Award is granted may by notice in writing to the Company renounce in whole or in part his rights under the Award. In such a case, the Award shall to that extent be treated, for the purpose of the Plan as never having been granted. No consideration shall be due from the Company or the Trustee for any such renunciation.

## **2.12 Awards non-transferable**

An Award shall be personal to the Eligible Employee to whom it is granted and shall not be capable of being transferred, charged or otherwise alienated except to the personal representative of a deceased Award Holder in accordance with **rule** 7.1.

# **3. LIMITS ON NUMBER OF PLAN SHARES PLACED UNDER AWARD**

## **3.1 General**

The number of Plan Shares which may be the subject of an Award under the Plan shall be limited as set out in this **rule** 3. In applying the limits, the computational provisions in **rule** 3.3 shall apply.

## **3.2 Percentage Limits**

No Plan Shares may be made the subject of an Award on a particular day if it would result in any of the following limits being exceeded:-

- (a) **10% in ten years limit**

No Award may be granted if it would have the effect of increasing the total number of new Plan Shares that have been, or may be issued, pursuant to awards and options granted under the Plan and any other Employee Share Schemes of the Company in

the ten year period preceding the proposed Date of Grant so as to exceed 10% of the Company's issued share capital at the Date of Grant.

(b) **5% in ten years limit**

No Award may be granted if it would have the effect of increasing the total number of new Plan Shares that have been, or may be issued, pursuant to this Plan and all other Executive Share Plan of the Company in the ten year period immediately preceding the proposed Date of Grant so as to exceed 5% of the Company's issued share capital at the Date of Grant.

3.3 **Computation**

For the purpose of the limits contained in this **rule 3**:

- (a) treasury shares held by the Company or any Subsidiary which are used to settle the Vesting of an Award shall count as newly issued Shares until such time as guidelines published by institutional investor representative bodies recommend otherwise;
- (b) the limits shall count and apply to any Awards and Shares committed for issue under any sub plan or schedule created under **rule 17.5**;
- (c) no account shall be taken of any Plan Shares where the right to receive such Plan Shares has been or is to be satisfied other than by the issue or allotment of any part of the share capital of the Company (including, without limitation, by the transfer of Existing Shares)
- (d) there shall be disregarded any shares subject to an option or Award which has lapsed or otherwise become incapable of Vesting; and
- (e) any shares committed for issue under an option or an award shall be taken into account by reference to the date when the grant is made so that such shares shall fall out of account on the tenth anniversary of the date of grant.

3.4 **Scaling down**

If the grant of an Award would cause any of the limits in this **rule 3** to be exceeded, such Award shall take effect as an award over the maximum number of Plan Shares which does not cause the limit to be exceeded. If more than one Award is granted on the same Date of Grant, the number of Plan Shares which would otherwise be subject to each Award shall be reduced pro rata.

4. **LIMIT FOR EACH ELIGIBLE EMPLOYEE**

Unless otherwise resolved by the Company in general meeting the Plan shall be subject to the following limitations:

4.1 **Individual Limit**

Except in exceptional circumstances or where the Remuneration Committee determines that it is necessary for the recruitment or retention of key employees, the Market Value (as at the respective Dates of Grant) of any Plan Shares which are to be the subject of an Award to be granted to an Eligible Employee in any Accounting Period may not be in excess of 250% of the amount of Base Salary.

#### 4.2 **Scaling down**

If the grant of an Award would cause the limit in **rule 4.1** to be exceeded, such Award, as applicable, shall take effect as an Award, as applicable, over the maximum number of Plan Shares which does not cause the limit to be exceeded.

### 5. **PERFORMANCE CONDITIONS**

#### 5.1 **Imposition of Performance Conditions**

- (a) When granting any Award, the Remuneration Committee shall specify Performance Conditions which shall apply to the Vesting of such Award. Each year, the Remuneration Committee shall have the discretion to adopt new Performance Conditions where it deems appropriate. Any changes to these Performance Conditions for executive directors of the Company will be disclosed in the annual Remuneration Report of Remuneration Committee.
- (b) Except as permitted by **rule 7** or **8** the Award Holder shall acquire all or part of the Plan Shares which are the subject of the Award depending on the extent to which the Remuneration Committee determines that the Performance Conditions have been satisfied in respect of such Award.

#### 5.2 **Split, substitution, variation or waiver of Performance Conditions**

If the Remuneration Committee considers that any of the Performance Conditions or any other conditions which have been stated in an Award Notification in accordance with **rule 2.5(a)(vi)** or **rule 2.5(a)(vii)** or which have been imposed under **rule 5.1** subject to which an outstanding Award has been granted is no longer appropriate, the Remuneration Committee may split, substitute, vary or waive such Performance Condition or other conditions in such manner (and make such consequential amendments to the rules):

- (a) as the Remuneration Committee considers to be reasonable in the circumstances in respect of all or part of an Award; and
- (b) which the Remuneration Committee considers to be a fairer measure of performance and is neither materially more nor less difficult to satisfy.

The outstanding Award shall then take effect subject to the Performance Conditions or other conditions as so split, substituted, varied or waived.

#### 5.3 **Notification of Award Holders**

The Remuneration Committee shall, as soon as reasonably practicable, notify each Award Holder concerned of any determination made by it under **rule 5.1** or any split, substitution, variation or waiver of any of Performance Conditions or other conditions made by it under **rule 5.2**.

### 6. **VESTING OF AWARDS**

#### 6.1 **Earliest date for the Vesting of Awards**

Subject to **rules 6.2, 6.3, 7 and 8**, an Award may not Vest earlier than the latest of:-

- (a) the end of the Performance Period;
- (b) the end of the Vesting Period of such Awards; and

- (c) the date on which the Remuneration Committee determines that the Performance Conditions imposed under **rule 5.1**, in their original form or as split, substituted or varied from time to time, have been satisfied.

## **6.2 Determination of Satisfaction of Performance Conditions**

- (a) For the avoidance of doubt, no Award Holder shall have any right to receive any Plan Shares in respect of his Award until after the Remuneration Committee has met and has determined that the Performance Conditions have been satisfied. Subject to **rule 11**, an Award may not Vest after the Remuneration Committee has determined that the applicable Performance Conditions have not been satisfied and the Remuneration Committee shall make such determination no later than the fourth anniversary of the Date of Grant and any Award in respect of which such determination has not been made by that time shall lapse immediately.
- (b) When determining the extent to which the Performance Conditions have been achieved, the Remuneration Committee may determine that any financial metric by which Vesting is to occur shall differ from that referred to in the relevant Award Notification in order to take into account anything that may emerge from any quality of earnings review or exceptional circumstances affecting the Company.
- (c) An Award:
  - (i) shall not Vest unless the Remuneration Committee is satisfied that the Company's underlying financial performance has shown a sustained improvement in the period since the Date of Grant; and
  - (ii) may be subject to reduction as provided in **rule 16**.

## **6.3 Award Holder to be employed by a Group Member on Vesting of Award**

Subject to **rule 7**, an Award may Vest only while the Award Holder is employed by a Group Member and if an Award Holder ceases to be employed by a Group Member, any Award granted to him shall lapse immediately.

## **6.4 Vesting during Proscribed Period**

If an Award Vests during a Proscribed Period, the Award Holder shall not acquire the Plan Shares which are the subject of the Award until after the Proscribed Period and in such cases, the Plan Shares shall be transferred to the Award Holder within 30 days of the end of the Proscribed Period.

## **6.5 Transfer of Plan Shares on Vesting of Awards**

Subject to **rules 6.4 and 6.6** and compliance with these rules, the Company or the Trustee, as applicable, shall, as soon as reasonably practicable and in any event not later than thirty days after the Vesting of an Award, procure the transfer to or for the benefit of the Award Holder of the number of Plan Shares which the Remuneration Committee has determined to have Vested under the Award by the delivery to the Award Holder or his nominee of such Plan Shares in certificated or uncertificated form, as appropriate.

## **6.6 Requirement for a Restricted Period**

Before an Award Vests, the Remuneration Committee may require an Award Holder to irrevocably agree and undertake in writing with the Company and/or Trustee that a specified number of the Plan Shares which are the subject of an Award shall be required to be held on behalf of the relevant Award Holder for a Restricted Period so that such Shares shall not be capable of being assigned, charged, pledged as security for a loan or other debt, transferred or otherwise disposed of by or on behalf of such Award Holder until after the end of the Restricted Period, except in the circumstances permitted in Section 128D of the Taxes Consolidation Act 1997. Where an Award Vests on this basis, neither the Award Holder nor the Company may subsequently agree to reduce the Restricted Period.

**6.7 No payment unless specified**

No price shall be payable by an Award Holder upon the grant or Vesting of an Award.

**6.8 Cash equivalent in exceptional circumstances**

Except where the Remuneration Committee has already determined that this **rule 6.8** will not apply to an Award, or any part of it, the Remuneration Committee may, at any time prior to the date on which an Award has Vested determine that, where the circumstances are exceptional, in substitution for his right to acquire some or all of the Plan Shares to which his Award relates, the Award Holder will instead receive a cash sum. The cash sum will be equal to the market value (as determined by the Remuneration Committee) of that number of the Plan Shares which would otherwise have been issued or transferred and for these purposes:

- (a) the market value will be determined on the date of Vesting; and
- (b) the cash sum will be paid to the Award Holder within 30 days after the Vesting of the Award, net of any deductions (including but not limited to any Tax Liability or similar liabilities) as may be required by law.

**7. VESTING OF AWARDS IN SPECIAL CIRCUMSTANCES**

**7.1 Death**

Notwithstanding **rules 5.1, 6.1 and 6.3**, if an Award Holder dies before the vesting of his Awards, all of his Award shall lapse and shall not be capable of Vesting. Notwithstanding the foregoing, the Remuneration Committee may, in its absolute discretion allow all or part of the Plan Shares which are the subject of his Awards to Vest for the benefit of his personal representative, with such decision being made at any time during a period of up to twelve months following his death regardless of whether the Performance Conditions have then been satisfied in whole or in part.

**7.2 Injury, disability, redundancy, retirement etc**

Notwithstanding the provisions of **rules 6.1 and 6.3**, if an Award Holder is to cease or ceases to be employed by a Group Member before his Award is capable of Vesting by reason of:-

- (a) ill health, injury or disability evidenced to the satisfaction of the Remuneration Committee;
- (b) redundancy (within the meaning of the Redundancy Payments Acts 1967 to 2012 or any overseas equivalent) if the Remuneration Committee so decides;

- (c) Agreed Retirement; or
- (d) for any other reason, if the Remuneration Committee so decides;

all of his Awards shall lapse and shall not be capable of Vesting. Notwithstanding the foregoing, some or all of his Award may Vest but only to the extent determined by the Remuneration Committee in accordance with **rule 7.3** either on:

- (i) the end of the Vesting Period of such Awards, or
- (ii) such other date as shall be determined by the Remuneration Committee in its absolute discretion (including, but not limited to, the date on which any post employment restrictive covenants entered into by the Award Holder expire).

### **7.3 Extent of Vesting under Rule 7.2**

- (a) Subject to rule 7.4 (and unless the Remuneration Committee determines otherwise in its absolute discretion because the circumstances are exceptional), the Remuneration Committee shall in its absolute discretion decide what percentage of Plan Shares, which are the subject of an Award Vesting under rule 7.2, is to be taken into account when determining what will be capable of Vesting under that Award at the end of the Performance Period (the “Fixed Percentage”). If the Remuneration Committee does not exercise such discretions within six months of the date of cessation of the Award Holder’s employment, all of his Awards shall lapse immediately. For the avoidance of doubt, the Fixed Percentage need not be the same for all Awards which are to Vest.
- (b) Where the Remuneration Committee determines that the Performance Conditions for that Award have been satisfied in whole or in part, the number of Plan Shares which shall Vest shall be the Fixed Percentage as reduce on a pro-rata basis to reflect the fact that less than three years has expired since the Date of Grant and as further reduced to the extent that Performance Conditions are not satisfied in full. In each case, such reductions shall be determined by the Remuneration Committee.

### **7.4 Consequence of breach of covenant or agreement**

The Remuneration Committee may, at any time prior to the date of eventual Vesting, and in its absolute discretion, revoke any determination under **rule 7.2** to permit an Award to continue for any reason, including (without limitation) where the Remuneration Committee determines that there has been a breach by the Award Holder of any restrictive covenants contained within his or her employment contract or any settlement agreement in respect of termination of his employment or in such form required pursuant to **rule 2.2** or otherwise, in which case the Award shall lapse immediately from the date of such revocation.

### **7.5 Award Holder Relocating Abroad**

Notwithstanding any other provision of these Rules, if it is proposed that an Award Holder, while continuing to be an Eligible Employee, shall work in a country other than the country in which he is currently working and, by reason of such change he:

- (a) suffers less favourable tax treatment in respect of his Awards; or

- (b) becomes subject to a restriction that impedes or limits the issuance or transfer of the Plan Shares subject to an Award or limits or impedes his ability to hold or deal with such Shares,

his Award, at the discretion of the Remuneration Committee, may (i) (where the Award Holder is not an executive director of the Company) be adjusted in a manner designed to overcome in whole or in part such tax treatment; or (i) be adjusted in a manner designed to overcome in whole or in part, such restriction; or (iii) Vest in whole or in part, at such time or times as the Remuneration Committee shall determine.

#### **7.6 Meaning of ceasing to be employed within Group**

- (a) For the purpose of **rule** 6.3 or 7.3, an Award Holder shall not be treated as ceasing to be employed by a Group Member until he no longer holds any office or employment in the Company or any Subsidiary or, being a female employee who is absent from work by reason of pregnancy or confinement, she ceases to be entitled to exercise her right to return to work under the Maternity Protection Acts 1994 to 2004.
- (b) Where an Award Holder's contract of employment with the Group is terminated without notice, such employment shall be deemed to cease on the date on which the termination takes effect, and where the said contract is terminated by notice given by a Group Member or by an Award Holder, such employment shall be deemed to cease on the date on which that notice expires.

#### **7.7 Interaction of rules**

If an Award has become capable of Vesting under **rule** 7 and, during the period allowed for the Vesting of the Award under **rule** 7, the Award becomes capable of Vesting under **rule** 8 also (or vice versa), the period allowed for the Vesting of the Award shall be whichever of the two periods allowed by **rule** 7 and **rule** 8 shall be the first to expire.

### **8. TAKEOVER, RECONSTRUCTION, AMALGAMATION, MERGER, DEMERGER, WINDING UP OF COMPANY, EMPLOYER LEAVING THE GROUP OR OTHER EXCEPTIONAL EVENT**

#### **8.1 General offer for Company**

Notwithstanding **rules** 5 and 6.1 but subject to **rules** 8.2, 8.6, 8.7 and 9,

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

(in either case, other than any shares already held by him or a person Acting in Concert with him); or

- (b) if a person becomes entitled or bound to acquire shares in the Company under Chapter 2 of Part 9 of the Companies Act 2014 or Regulation 23 or 24 of the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006;

Awards shall Vest and the Vesting shall take effect on such day as the Remuneration Committee shall determine provided that it shall be before the expiry of the period of two months beginning with the happening of the occurrence of the circumstance referred to in (a) or (b) as applicable.

## **8.2 Reconstruction or amalgamation of Company**

Notwithstanding **rules** 5 and 6.1 but subject to **rules** 8.6, 8.7 and 9, if a person proposes to obtain Control of the Company in pursuance of a compromise or arrangement sanctioned by the court under Chapter 1 of Part 9 of the Companies Act 2014 or any in pursuance of any similar statutory procedure, Awards shall Vest subject to the compromise or arrangement becoming effective and shall take effect on the day the court sanctions the compromise or arrangement; and if the compromise or arrangement does not become effective, any conditional Vesting of an Award shall be of no effect and the Award shall continue to exist.

## **8.3 Merger and Demerger**

Notwithstanding **rules** 5 and 6.1 but subject to **rules** 8.6, 8.7 and 9, if notice is given to shareholders of the Company of a merger of the Company with another company, or of a proposed demerger of a substantial part of the Group (whether such merger or demerger is effected by way of sale, distribution or in any other manner) the Remuneration Committee shall have the discretion to determine that:

- (a) Awards shall Vest subject to the happening of the merger or demerger and shall be deemed to take effect on a day preceding the merger or demerger as the Remuneration Committee shall determine;
- (b) the Company shall procure that the relevant proportion of the Plan Shares which are the subject of such Awards as determined by the Remuneration Committee shall be issued or transferred to Award Holders immediately prior to the happening of the merger or demerger; and
- (c) if the merger or demerger is not completed, any conditional Vesting of an Award shall be of no effect and the Award shall continue to exist.

## **8.4 Winding up of Company**

Notwithstanding **rules** 5 and 6.1, if notice is given of a resolution for the voluntary winding-up of the Company Awards shall Vest subject to the passing of the resolution and shall take effect on the day the resolution is passed; and if the resolution is not passed, any conditional Vesting of an Award shall be of no effect and the Award shall continue to exist.

## **8.5 Other Exceptional Event**

Notwithstanding **rules** 5 and 6.1 but subject to **rule** 8.7, if any other event of a similar nature to those described in **rules** 8.1 to 8.4 occurs which affects the Company's shares to a material extent, but which does not necessarily result in a person obtaining Control of the Company, the Remuneration Committee shall have the discretion to determine whether;



- (a) Awards shall Vest subject to the completion of the event shall take effect on the day the date of such completion; and
- (b) if the event does not complete, any conditional Vesting of an Award shall be of no effect and the Award shall continue to exist; or
- (c) all subsisting Awards shall continue to exist without any Vesting or any adjustment to their terms.

#### **8.6 Employer leaving the Group and/or TUPE**

Notwithstanding, the provisions of rules 6.1 and 6.3, if an Award Holder is to cease or ceases to be employed by a Group Member before his Award is capable of Vesting by reason of his office or employment being with either a company which is to cease to be a Group Member or relating to a business or part of a business which is to be transferred to a person who is not a Group Member the Remuneration Committee shall have the discretion to determine that:

- (a) his Awards or a proportion of his Awards shall Vest subject to the happening of the transfer and shall be deemed to take effect on a day preceding the transfer as the Remuneration Committee shall determine;
- (b) the Company shall procure that the relevant proportion of the Plan Shares which are the subject of such Awards as determined by the Remuneration Committee shall be issued or transferred to Award Holders immediately prior to the happening of the transfer; and
- (c) if the transfer is not completed, any conditional Vesting of an Award shall be of no effect and the Award shall continue to exist.

#### **8.7 The number of Plan Shares which may Vest**

The number of Plan Shares which may Vest pursuant to **rules** 8.1 to 8.5 above shall be reduced on a pro rata basis (by reference to the number of days elapsed in the Performance Period) as determined by the Remuneration Committee to reflect the fact that the full term of the Performance Period has not expired although the Remuneration Committee can decide not to pro-rate an Award if it regards it as inappropriate to do so in the particular circumstances.

#### **8.8 Meaning of “obtains Control of the Company”**

For the purpose of this **rule** 8, a person shall be deemed to have obtained Control of the Company if he and others Acting in Concert with him have together obtained Control of it.

#### **8.9 Notification of Award Holders**

The Remuneration Committee shall, as soon as reasonably practicable, notify each Award Holder of the occurrence of any of the events referred to in this **rule** 8.

#### **8.10 Early Vesting**

If the Remuneration Committee determines that there would be any adverse tax consequence if an Award were to Vest on or after an event described in this rule 8, then the Remuneration Committee may resolve that Awards will Vest on an earlier date.

## 9. EXCHANGE OF AWARDS ON TAKEOVER OF COMPANY

### 9.1 Exchange of Awards

If the person referred to in **rule** 8.1 or 8.2 (reading the reference in **rule** 8.2 to “proposes to obtain” as “obtains”), or any person Controlling such person, is a company (“Acquiring Company”), an Award Holder may by agreement with the Acquiring Company, release his Award in whole or in part in consideration of the grant to him of a new award or option (“New Award”) which is equivalent to the Award but which relates to shares (“New Plan Shares”) in:

- (a) the Acquiring Company; or
- (b) a company which has Control of the Acquiring Company; or
- (c) a company which either is, or has Control of, a company which is a member of a consortium within the meaning of section of 410 TCA 1997 which owns either the Acquiring Company or a company having Control of the Acquiring Company.

### 9.2 Meaning of “equivalent”

The New Award shall not be regarded for the purpose of this **rule** 9 as equivalent to the Award unless it shall be on such terms as shall have been approved in advance by the Remuneration Committee.

## 10. ADJUSTMENT OF AWARDS ON REORGANISATION

### 10.1 Power to adjust Awards

In the event of a Reorganisation, the number of Plan Shares subject to an Award may be adjusted in such manner as the Remuneration Committee determine to be, in their opinion, fair and reasonable.

### 10.2 Notification of Award Holders

The Remuneration Committee shall, as soon as reasonably practicable, notify each Award Holder of any adjustment made under this **rule** 10. The Remuneration Committee may call in for endorsement or cancellation and re-issue any Award Notification in order to take account of such adjustment.

## 11. LAPSE OF AWARDS

An Award shall lapse on the earliest of:-

- 11.1 subject to **rule** 7, the date specified in **rule** 6.2;
- 11.2 the Remuneration Committee determining that the Performance Conditions have been satisfied neither in whole nor in part in relation to the Award and can no longer be satisfied either in whole or in part;
- 11.3 the Award Holder ceasing to be employed by a Group Member and the Remuneration Committee making no determination in accordance with **rule** 7 within six months of the date of cessation of employment;
- 11.4 the date on which it is provided that the Award shall lapse under **rules** 7 and 8;

- 11.5 the date on which a resolution is passed or an order is made by the court for the compulsory winding up of the Company; and
- 11.6 the date on which the Award Holder becomes bankrupt, enters into a compromise with his creditors generally or purports to transfer, charge or otherwise alienate the Award.

## **12. RIGHTS ATTACHING TO PLAN SHARES**

### **12.1 Ranking**

Prior to Vesting an Award Holder shall have no rights over or in respect of any Plan Shares which are capable of being acquired under the relevant Award. On the Vesting of an Award, the relevant Plan Shares shall, as to voting, dividend and other rights, including those arising on a liquidation of the Company, rank equally in all respects and as one class with the Plan Shares in issue at the date of such Vesting save that the Award Holder shall have no entitlement in respect of any right attaching to such Plan Shares arising by reference to a record date prior to the date of such Vesting.

## **13. WITHHOLDING TAX AND SOCIAL SECURITY CONTRIBUTIONS**

### **13.1 Deductions otherwise required to be made by Company on behalf of Award Holder**

Where, in relation to an Award granted under the Plan, the Company or any member of the Group (as the case may be) is liable, or is in accordance with current practice believed by the Remuneration Committee to be liable, to account to any revenue or other authority for any sum in respect of any tax or social security liability of the Award Holder:-

- (a) the Award may not Vest unless the Award Holder has beforehand paid to the Company or the member of the Group (as the case may be) an amount sufficient to discharge such liability; or
- (b) the Remuneration Committee may resolve that the Award shall Vest on the basis that some or all of the Plan Shares shall be transferred so as to be held by a nominee appointed by the Remuneration Committee and thereafter sold by such nominee so that there shall be enough proceeds from such sale which can then be paid to the Company or the member of the Group (as the case may be) so as to reimburse it for the withholding required in respect of the tax or social security liability of the Award Holder.

Alternatively, the Award Holder may, by agreement with the Company or the member of the Group (as the case may be) enter into some other arrangement to ensure that such amount is available to them or it to discharge such liability (whether by authorising the sale of some or all of the Plan Shares subject to his Award and the payment to the Company or the member of the Group (as the case may be) of the requisite amount out of the proceeds of sale or otherwise).

### **13.2 Tax liability payable by Award Holder**

Where, in relation to an Award granted under the Plan, an Award Holder is liable, or is in accordance with current practice believed by the Remuneration Committee to be liable, to account to any revenue or other authority for any sum in respect of any tax or social security liability in respect of the Vesting of an Award, the Award Holder

shall be required to sell enough of the shares which he shall receive on the Vesting of such Award unless the Award Holder has satisfied the Company that he already has sufficient funds to discharge the liability. Where the Award Holder shall be required under this **rule** 13.2 to sell some of the shares which he shall receive on the Vesting of such Award, the Award Holder may, by agreement with the Company or the member of the Group (as the case may be) enter into some other arrangement to ensure that they or it are authorised to arrange for the sale of the relevant number of the Plan Shares which are subject to his Award so as to raise the requisite amount out of the proceeds of sale or otherwise to discharge such liability.

**13.3 Execution of Award Certificate by Award Holder**

The Company may require an Award Holder to execute or acknowledge electronically the Award Notification or some other notification in order to bind himself contractually to any such arrangements as are referred to in **rules** 13.1 and 13.2 and return the executed document to the Company by a specified date. Failure to return the executed document by the specified date shall cause the Award to lapse.

**13.4 Provision of relevant information**

An Award Holder shall provide to the Company as soon as reasonably practicable such information as the Company reasonably requests for the purpose of complying with its obligations under sections 897 and 897B of the TCA 1997.

**14. RELATIONSHIP OF PLAN TO CONTRACT OF EMPLOYMENT**

**14.1 Notwithstanding any other provision of the Plan:**

- (a) the Plan shall not form part of any contract of employment between the Company or any Subsidiary and an Eligible Employee;
- (b) unless expressly so provided in his contract of employment, an Eligible Employee has no right or entitlement to be granted an Award or any expectation that an Award might be made to him, whether subject to any conditions or at all;
- (c) the benefit to an Eligible Employee of participation in the Plan (including, in particular but not by way of limitation, any Awards held by him) shall not form any part of his remuneration or count as his remuneration for any purpose and shall not be pensionable; and
- (d) the rights or opportunity granted to an Award Holder on the making of an Award shall not give the Award Holder any rights or additional rights and if an Award Holder ceases to be employed by a Group Member, he shall not be entitled to compensation for the loss of any right or benefit or prospective right or benefit under the Plan (including, in particular but not by way of limitation, any Awards held by him which lapse by reason of his ceasing to be employed by a Group Member) whether by way of damages for unfair dismissal, wrongful dismissal, breach of contract or otherwise;
- (e) an Award Holder 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 or retain Shares, or any interest in Shares pursuant to an Award in consequence of the loss or termination of his office or employment with the Company or any present or past Subsidiary for any reason whatsoever

(whether or not the termination is ultimately held to be wrongful or unfair);  
and

- (f) by accepting the grant of an Award and not renouncing it, an Award Holder is deemed to have agreed to the provisions of this **rule 14**.

## **15. ADMINISTRATION OF PLAN**

### **15.1 Remuneration Committee's decision final and binding**

The decision of the Remuneration Committee shall be final and binding in all matters relating to the application or interpretation of the rules of the Plan or the administration of the Plan, including but not limited to:-

- (a) the exercise of any discretion conferred on the Remuneration Committee by the rules of the Plan; or
- (b) the resolution of any ambiguity in the rules of the Plan.

### **15.2 Suspension or termination of grant of Awards**

The Remuneration Committee may terminate or from time to time suspend the grant of Awards.

### **15.3 Shareholder communications**

The Company may send to Award Holders copies of any notice or other document sent by the Company to its shareholders generally.

### **15.4 Cost of Plan**

The cost of introducing and administering the Plan shall be met by the Company or Subsidiaries whose employees are participating in the Plan. To the extent that the Company meets these costs, the Company shall be entitled, if it wishes, to charge an appropriate part of such cost to a Subsidiary whose employees are participating in the Plan. The Company shall also be entitled, if it wishes, to charge to a Subsidiary the opportunity cost of Plan Shares transferred to an Award Holder employed by the Subsidiary following the Vesting of his Award.

## **16. MALUS OR CLAWBACK**

- 16.1 The Remuneration Committee may decide at any time prior to the later of the date on which an Award Vests or the end of the Restricted Period for such Award, that the Award Holder to whom the Award was issued (the "relevant Award Holder") shall be subject to Malus or Clawback if:

- (a) there is a material restatement of the financial statements of the Company or any of its Subsidiaries, joint venture or associated companies for any of the financial years ending after the grant of such Award. The Remuneration Committee will in its sole discretion determine what constitutes a material restatement; or
- (b) the financial statements of the Company used in assessing the number of Shares over which the Award was granted were misstated, or that any other information relied on in making such assessment proves to have been incorrect and, in any case, the Award was granted in respect of a greater number of Shares than would have been the case had there not been such a

misstatement or reliance on incorrect information or had such error not been made or had such event not occurred; or

- (c) the Remuneration Committee forms the view that in assessing the extent to which any Performance Condition and/or any other condition imposed on the Award was satisfied such assessment was based on an error, or on inaccurate or misleading information or assumptions and that such error, information or assumptions resulted either directly or indirectly in that Award Vesting to a greater degree than would have been the case had that error not been made; or
- (d) an Award Holder is found guilty of or pleads guilty to a crime that is related to or damages the business or reputation of the Company or any of its Subsidiaries; or
- (e) an Award Holder is guilty of serious misconduct or gross negligence, which causes loss or reputational damage to the Company or any of its Subsidiaries.

16.2 Where the Remuneration Committee decides that an Award is subject to Malus or Clawback:

- (a) the Remuneration Committee may require the Award Holder to forfeit the right to all or part of the Plan Shares which would, but for the operation of this **rule** 16.2, be transferable to the relevant individual at the end of the Restricted Period for such Award; and/or
- (b) the Remuneration Committee may reduce (including, if appropriate, reducing to zero):
  - (i) the extent to which any other subsisting Awards held by the relevant Award Holder are to Vest notwithstanding the extent to which any Performance Condition and/or any other condition imposed on such other Awards have been satisfied; and/or
  - (ii) the extent to which any rights to acquire Shares (including annual incentive deferred into Shares) granted to the relevant Award Holder under any share incentive plan (other than the Plan) operated by any Company in the Group Vest or become exercisable notwithstanding the extent to which any conditions imposed on such rights to acquire Shares have been satisfied; and/or
  - (iii) the number of Shares subject to any Vested but unexercised option; and/or
  - (iv) the number of Shares subject to any Vested but unexercised right to acquire Shares granted to the relevant Award Holder under any share incentive plan (other than the Plan) operated by any Company in the Group.

16.3 Any reduction made pursuant to **rule** 16.2(b)(i) and/or **rule** 16.2(b)(ii) shall take effect immediately prior to the Award Vesting (or at such other time as the Remuneration Committee decides) and any reduction made pursuant to **rule** 16.2(b)(iii) and/or **rule** 16.2(b)(iv) shall take effect at such time as the Remuneration Committee decides.

16.4 The Remuneration Committee may decide at any time to reduce the number of Shares subject to an Award (including, if appropriate, reducing to zero) to give effect to a

malus or clawback provision of any form contained in any incentive plan (other than the Plan) or bonus plan operated by any Company in the Group. The value of the reduction shall be in accordance with the terms of the malus or clawback provision in the relevant plan or, in the absence of any such term, on such basis as the Remuneration Committee decides is appropriate.

- 16.5 Nothing in this **rule 16** shall apply to any award, option or other incentive granted prior to the date of adoption of this **rule 16**.

## 17. **AMENDMENT OF PLAN**

### 17.1 **Power to amend Plan**

Subject to **rules 17.2 and 17.3** the Remuneration Committee may from time to time amend (including the adoption of any addendum or sub-plan) the rules of the Plan. Without prejudice to the generality of the forgoing, the Remuneration Committee may make an amendment (including the adoption of any addendum or sub plan) which is necessary or desirable in order to take account of a change of legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for Award Holders, the Company or some other member of the Group whether in Ireland or abroad.

### 17.2 **Amendments to Plan**

Without the prior approval of the Company in general meeting, an amendment may not be made to:

- (a) the definition of “Eligible Employee”;
- (b) the limit on the number of Plan Shares which may be placed under award under the Plan as set out in **rule 3** and the definition of “Minimum Shareholding of the Co-op ” except that the Remuneration Committee may amend the definition of “Minimum Shareholding of the Co-op ” without the prior approval of the Company in general meeting where the shareholders of the Co-op have approved a lower percentage shareholding for the Co-op in the Company.

### 17.3 **Rights of existing Award Holders**

- (a) An amendment may not adversely affect the rights of an existing Award Holder except where the amendment has been approved by the existing Award Holders in such manner as would be required by the Company’s articles of association (with appropriate changes) if the Plan Shares subject to their Awards had been issued or transferred to them (so that they had become shareholders in the Company) and constituted a separate class of shares.
- (b) Subject to such requirements and restrictions as the Remuneration Committee may specify, the Company may permit Award Holders who are not physically present at a meeting to vote by electronic means at a meeting of Award Holders convened for the purpose of adopting a resolution to approve an amendment under this **rule 17.3**.

### 17.4 **Notification of Award Holders**

The Remuneration Committee shall, as soon as reasonably practicable, notify each Award Holder of any amendment to the rules of the Plan under this **rule 17**.

### **17.5 Changes to take account of foreign jurisdiction**

The Remuneration Committee may incorporate additional appendices to the Rules in any jurisdiction in which employees are based. These appendices may vary the Rules or establish country specific sub plans where such amendments are intended to benefit the administration of the plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants in the plan or for the Company or Group Member operating the plan. The Shares issued pursuant to any Award granted under any additional schedule will count towards the overall limits on the number of Plan Shares that may be issued under the Plan.

## **18. DATA PROTECTION**

18.1 By accepting the grant of an Award, an Award Holder acknowledges that his or her personal data will be processed and disclosed as follows:

- (a) by the Company, the Trustee or any Group Member employing the Award Holder as they are required to collect, process and utilise the personal information or other relevant information pertaining to the Award Holder for purposes directly relevant to the Award granted to the Award Holder, and to disclose or transfer such information to other Group Members and, if necessary, a third party (including any broker, registrar or administrator) for the purpose of administering the Plan;
- (b) by the Company, the Trustee, any Group Member employing the Award Holder and any such third party so that they may utilise such information for the purpose of administering the Plan, provided that such information shall be kept confidential and shall not be used by any of them for any purposes not related to the administration of the Plan;
- (c) by the Company, the Trustee, any Group Member employing the Award Holder and any such third party (any of which may be located in the EU or outside of the EU) so that they may transfer the personal information or other relevant information pertaining to the Award Holder in the EU or outside of the EU for the purpose of administering the Plan (in which case the transfer shall be governed by “model contract clauses” or equivalent measures required under EU data protection laws); and
- (d) by and to any future purchaser of the Company or Subsidiary employing the Award Holder, or any future purchaser of their respective undertakings or any parts thereof, for the purpose of administering the Plan and/or confirming the Award Holder’s entitlement to an Award and/or any Plan Shares where such entitlement is relevant to such purchase.

18.2 The Award Holder acknowledges that the purposes described in Clause 18.1 are necessary for the performance of the Plan or are otherwise necessary for the legitimate interests of the Company, the Trustee or any Group Member employing the Award Holder in connection with the administration of the Plan. Should the Award Holder exercise any data subject rights in relation to his or her personal data, such as the right of objection or erasure, the Award Holder acknowledges that it may no longer be possible to administer the Plan in respect of the Award Holder. In that case the Awards may lapse and shall not be capable of Vesting and the Award Holder shall be deemed to have waived (without any right to compensation) any right to Plan Shares which are being held on his behalf by the Trustee.



- 18.3 Each Award Holder shall be provided with the information regarding the following by the Company, the Trustees or any Group Member employing the Award Holder to the extent that they are acting as controllers of the Award Holder's personal data (save where the Award Holder already has the information):
- (a) the purpose of the collection and use of the personal information or other relevant information pertaining to the Award Holder;
  - (b) the information to be collected and used;
  - (c) the period and method of retention and use of the personal information or other relevant information pertaining to the Award Holder;
  - (d) details of any third parties to whom their information is disclosed or transferred including the purpose of such disclosure or transfer and, where applicable, the safeguards applied to any transfers of data outside of the EU;
  - (e) the rights of the Award Holder in respect of access to, rectification and deletion of their information and any related disadvantages;
  - (f) where applicable, the contact details of the Data Protection Officer of the relevant controller; and
  - (g) the right to complain to the relevant data protection supervisory authority.

## 19. NOTICES

### 19.1 Notice by Company or Remuneration Committee

Any notice, document or other communication given by, or on behalf of, the Company or the Remuneration Committee to any person in connection with the Plan shall be deemed to have been duly given if delivered to him at his place of work, if he is employed with the Group, or sent through the post in a pre-paid envelope to the address last known to the Company to be his address and, if so sent, shall be deemed to have been duly given on the date of posting.

### 19.2 Electronic Communications

Any notice, document or other communication given by, or on behalf of, the Company or the Remuneration Committee to any person in connection with the Plan shall be deemed to have been duly given if:-

- (a) sent by means of electronic mail or other means of electronic communication approved by the Remuneration Committee to the address of the person notified to the Company by the person for such purpose (or if not so notified, then to the address of the person last known to the Company); or
- (b) made available or displayed on a website of the Company such other website as may be designated by the Remuneration Committee for the purpose of this Plan from time to time.

### 19.3 Deceased Award Holders

Any notice, document or other communication so sent to an Award Holder shall be deemed to have been duly given notwithstanding that such Award Holder is then deceased (and whether or not the Company has notice of his death) except where his personal representatives have established their title to the satisfaction of the Company

and supplied to the Company an address to which notices, documents and other communications are to be sent.

**19.4 Notice to Company or Remuneration Committee**

Any notice, document or other communication given to the Company or the Remuneration Committee in connection with the Plan shall be delivered or sent by post to the Company Secretary at the Company's registered office or such other address as may from time to time be notified to Award Holders but shall not in any event be duly given unless it is actually received at such address.

**19.5 Alternative Form or Manner of Notice**

Where the giving of any notice of document by or to the Company or the Remuneration Committee in connection with the Plan would otherwise render this Plan or the Company subject to any securities laws which the Company in its absolute discretion considers onerous, the Remuneration Committee may resolve that the requirement to give such notice or document shall be dispensed with or communicated in some other form or manner.

**20. GOVERNING LAW**

The formation, existence, construction, performance, validity and all aspects whatsoever of the Plan, any term of the Plan and any Award granted under the Plan shall be governed by Irish law. The Irish courts shall have jurisdiction to settle any dispute which may arise out of, or in connection with, the Plan. The jurisdiction agreement contained in this **rule 20** is made for the benefit of the Company only, which accordingly retains the right to bring proceedings in any other court of competent jurisdiction. By accepting the grant of an Award and not renouncing it, an Award Holder is deemed to have agreed to submit to such jurisdiction.

**21. ARBITRATION**

Any dispute, controversy, or claim arising out of, or in relation to, this Plan or any Award, including the validity, invalidity, breach, or termination thereof may be referred by the Company to arbitration pursuant to the provisions of the Arbitration Act 2010 and any Award Holder so affected shall submit to such arbitration. The number of arbitrators shall be one. The seat of the arbitration shall be city in which the Award Holder is employed. The arbitral proceedings shall be conducted in English. The jurisdiction agreement contained in this **rule 21** is made for the benefit of the Company only, which accordingly retains the right to bring proceedings in any other court of competent jurisdiction. By accepting the grant of an Award and not renouncing it, an Award Holder is deemed to have agreed to submit to such jurisdiction

**GLANBIA PLC**  
**2018 LONG TERM INCENTIVE PLAN**

**APPENDIX 1**

**USA**

This Appendix 1 shall apply to all Awards granted under the Plan to US Taxpayers. Except as amended or overridden by this Appendix 1, the Rules of the Plan shall apply to Awards granted under the Plan to US Taxpayers. In the event of any inconsistency between the Rules of the Plan and this Appendix 1, the terms of this Appendix 1 shall prevail in relation to all Awards granted under the Plan to US Taxpayers. In the event that an Award Holder becomes a US Taxpayer subsequent to the Date of Grant of an Award to such Award Holder under the Plan, such Award shall immediately be amended in a manner consistent with this Appendix 1.

**1. DEFINITIONS**

In this Appendix 1, the following terms shall have the following meanings:

**California Award Holder** means an Award Holder who is a resident of the State of California;

**California Securities Law** means, collectively, Section 25102(o) of the California Corporate Securities Law of 1968, as amended, and the regulations issued thereunder by the California Commissioner of Corporations, including Section 260.140.42 relating to compensatory purchase plans;

**Code** means the US Internal Revenue Code of 1986, as it may be amended from time to time;

**Rule 701** means Rule 701 of the US Securities Act of 1933, as it may be amended from time to time;

**Section 409A** means Section 409A of the Code and the treasury regulations, interpretations and administrative guidance issued thereunder;

**Separation from Service** means a cessation of employment that meets the requirements described in Section 1.409A-1(h) of the treasury regulations issued under the Code;

**Short-Term Deferral Exemption** means the short-term deferral exemption from Section 409A described in Section 1.409A-1(b)(4) of the treasury regulations issued under the Code;

**Short-Term Deferral Period** means the period commencing on the date that an Award first is no longer subject to a substantial risk of forfeiture for US federal income tax purposes and ending upon the fifteenth day of the third month following the end of the calendar year in which such Award first is no longer subject to such substantial risk of forfeiture, or if later, the fifteenth day of the third month following the end of the taxable year of the Group Member employing the US Taxpayer in which the Award first is no longer subject to such substantial risk of forfeiture, which shall be determined and administered consistent with the Short-Term Deferral Exemption;

**US** means the United States of America;

**US Taxes** mean applicable US federal, state and local income taxes and employment taxes; and

**US Taxpayer** means an Eligible Employee or an Award Holder who is subject to US Taxes

on the Date of Grant of an Award to such individual under the Plan, is expected to become subject to US Taxes following such date or does become subject to US Taxes following such date but while the Award remains outstanding. Notwithstanding the foregoing, for these purposes, US Taxpayer does not include an individual who is a nonresident alien throughout the period of participation in this Plan and who has no US workdays during such participation.

References to “a Rule or Rules” in this Appendix 1 shall be to the Rules of the Plan, except as otherwise expressly provided herein.

## 2. **AMENDMENTS TO PLAN RULES**

**Rules 6 and 7** shall be amended in their entirety as follows:

### 6. **VESTING OF AWARDS**

#### 6.1 **Earliest date for the Vesting of Awards**

Subject to **rules 6.2, 6.3, 7 and 8**, an Award may not Vest earlier than the latest of:-

- (a) the end of the Performance Period;
- (b) the end of the Vesting Period of such Awards; and
- (c) the date on which the Remuneration Committee determines that the Performance Conditions imposed under **rule 5.1**, in their original form or as split, substituted or varied from time to time, have been satisfied.

#### 6.2 **Determination of Satisfaction of Performance Conditions**

- (a) For the avoidance of doubt, no Award Holder shall have any right to receive any Plan Shares in respect of his Award until after the Remuneration Committee has met and has determined that the Performance Conditions have been satisfied. Subject to **rule 11**, an Award may not Vest after the Remuneration Committee has determined that the applicable Performance Conditions have not been satisfied and the Remuneration Committee shall make such determination no later than the fourth anniversary of the Date of Grant and any Award in respect of which such determination has not been made by that time shall lapse immediately.
- (b) When determining the extent to which the Performance Conditions have been achieved, the Remuneration Committee may determine that any financial metric by which Vesting is to occur shall differ from that referred to in the relevant Award Notification in order to take into account anything that may emerge from any quality of earnings review or exceptional circumstances affecting the Company.
- (c) An Award:-
  - (i) shall not Vest unless the Remuneration Committee is satisfied that the Company’s underlying financial performance has shown a sustained improvement in the period since the Date of Grant; and

(ii) may be subject to reduction as provided in rule 16.

**6.3 Award Holder to be employed by a Group Member on Vesting of Award**

Subject to **rule 7**, an Award may Vest only while the Award Holder is employed by a Group Member and if an Award Holder ceases to be employed by a Group Member, any Award granted to him shall lapse immediately.

**6.4 Vesting during Proscribed Period**

If an Award Vests during a Proscribed Period, the Award Holder shall not acquire the Plan Shares which are the subject of the Award until after the Proscribed Period and in such cases, the Plan Shares shall be transferred to the Award Holder within 30 days of the end of the Proscribed Period. However, if the operation of the preceding sentence will postpone the acquisition of Plan Shares following Vesting of the Award which has been granted to a US Taxpayer to a date outside the Short-Term Deferral Period as described in US Treas. Reg. sec. 1.409A-1(b)(1)(4), the transfer of the Plan Shares will be postponed until the first day that the Remuneration Committee anticipates or reasonably should anticipate that transferring the Plan Shares would be outside of a Proscribed Period.

**6.5 Transfer of Plan Shares on Vesting of Awards**

Subject to **rules 6.4 and 6.6** and compliance with these rules, the Company or the Trustee, as applicable, shall, as soon as reasonably practicable and in any event not later than thirty days after the Vesting of an Award, procure the transfer to or for the benefit of the Award Holder of the number of Plan Shares which the Remuneration Committee has determined to have Vested under the Award by the delivery to the Award Holder or his nominee of such Plan Shares in certificated or uncertificated form, as appropriate.

**6.6 Requirement for a Restricted Period**

Before an Award Vests, the Remuneration Committee may require an Award Holder to irrevocably agree and undertake in writing with the Company and/or Trustee that a specified number of the Plan Shares which are the subject of an Award shall be required to be held on behalf of the relevant Award Holder for a Restricted Period so that such Shares shall not be capable of being assigned, charged, pledged as security for a loan or other debt, transferred or otherwise disposed of by or on behalf of such Award Holder until after the end of the Restricted Period, except in the circumstances permitted in Section 128D of the Taxes Consolidation Act 1997. Where an Award Vests on this basis, neither the Award Holder nor the Company may subsequently agree to reduce the Restricted Period.

**6.7 No payment unless specified**

No price shall be payable by an Award Holder upon the grant or Vesting of an Award.

**6.8 Cash equivalent in exceptional circumstances**

Except where the Remuneration Committee has already determined that this **rule 6.8** will not apply to an Award, or any part of it, the Remuneration

Committee may, at any time prior to the date on which an Award has Vested determine that, where the circumstances are exceptional, in substitution for his right to acquire some or all of the Plan Shares to which his Award relates, the Award Holder will instead receive a cash sum. The cash sum will be equal to the market value (as determined by the Remuneration Committee) of that number of the Plan Shares which would otherwise have been issued or transferred and for these purposes:

- (a) the market value will be determined on the date of Vesting; and
- (b) the cash sum will be paid to the Award Holder within 30 days after the Vesting of the Award, net of any deductions (including but not limited to any Tax Liability or similar liabilities) as may be required by law.

## **7. VESTING OF AWARDS IN SPECIAL CIRCUMSTANCES**

### **7.1 Death**

Notwithstanding **rules** 5.1, 6.1 and 6.3, if an Award Holder dies before the vesting of his Awards, all of his Award shall lapse and shall not be capable of Vesting. Notwithstanding the foregoing, the Remuneration Committee may, in its absolute discretion allow all or part of the Plan Shares which are the subject of his Awards to Vest for the benefit of his personal representative, with such decision being made at any time during a period of up to twelve months following his death regardless of whether the Performance Conditions have then been satisfied in whole or in part.

### **7.2 Injury, disability, redundancy, retirement etc**

Notwithstanding the provisions of **rules** 6.1 and 6.3, if an Award Holder has a Separation of Service before his Award is capable of Vesting by reason of:-

- (a) ill health, injury or disability evidenced to the satisfaction of the Remuneration Committee;
- (b) redundancy (within the meaning of the Redundancy Payments Acts 1967 to 2012 or any overseas equivalent) if the Remuneration Committee so decides; or
- (c) Agreed Retirement;

all his Awards shall lapse and shall not be capable of Vesting. Notwithstanding the foregoing, some or all of his Awards may Vest, but only to the extent determined by the Remuneration Committee in accordance with **rule** 7.3 on:

- (i) the end of the later of the original Vesting Period or the Performance Period; or
- (ii) such earlier date determined by the Remuneration Committee,

PROVIDED THAT neither (i) nor (ii) shall be later than the end of the Short-Term Deferral Period applicable to such Awards.

### **7.3 Extent of Vesting under Rule 7.2**

- (d) Subject to rule 7.4, the Remuneration Committee may in its absolute discretion decide that a percentage of Plan Shares, which are the subject of an Award Vesting under rule 7.2, will be taken into account when determining what will be capable of Vesting under that Award (the “Fixed Percentage”), with such decision being made at any time during a period of up to six months following the date of the Award Holder’s Separation from Service. For the avoidance of doubt, the Remuneration Committee has the total and absolute discretion to determine that the Fixed Percentage shall be zero. For the avoidance of doubt, the Fixed Percentage need not be the same for all Awards which are to Vest.
- (e) Where the Remuneration Committee determines that the Performance Conditions for that Award have been satisfied in whole or in part, the number of Plan Shares which shall Vest shall be the Fixed Percentage as reduced on a pro-rata basis to reflect the fact that less than three years has expired since the Date of Grant and as further reduced to the extent that Performance Conditions are not satisfied in full. In each case, such reductions shall be determined by the Remuneration Committee.

#### **7.4 Consequence of breach of covenant or agreement**

The Remuneration Committee may, at any time prior to the date of eventual Vesting, and in its absolute discretion, revoke any determination under **rule 7.2** to permit an Award to continue for any reason, including (without limitation) where the Remuneration Committee determines that there has been a breach by the Award Holder of any restrictive covenants contained within his or her employment contract or any settlement agreement in respect of termination of his employment or in such form required pursuant to **rule 2.2** or otherwise, in which case the Award shall lapse immediately from the date of such revocation.

#### **7.5 Award Holder Relocating Abroad**

Notwithstanding any other provision of these Rules, if it is proposed that an Award Holder, while continuing to be an Eligible Employee, shall work in a country other than the country in which he is currently working and, by reason of such change he:

- (a) suffers less favourable tax treatment in respect of his Awards; or
- (b) becomes subject to a restriction that impedes or limits the issuance or transfer of the Plan Shares subject to an Award or limits or impedes his ability to hold or deal with such Shares,
- (c) his Award, at the discretion of the Remuneration Committee, may (i) (where the Award Holder is not an executive director of the Company) be adjusted in a manner designed to overcome in whole or in part such tax treatment; or (i) be adjusted in a manner designed to overcome in whole or in part, such restriction; or (iii) Vest in whole or in part, at such time or times as the Remuneration Committee shall determine. Any such action under this rule 7.5 will be taken in such a manner that the Award shall continue to satisfy the Short-Term Deferral Exception.

## 7.6 Meaning of ceasing to be employed within Group

- (a) For the purpose of **rule** 6.3 or 7.3, an Award Holder shall not be treated as ceasing to be employed by a Group Member until he no longer holds any office or employment in the Company or any Subsidiary or, being a female employee who is absent from work by reason of pregnancy or confinement, she ceases to be entitled to exercise her right to return to work under the Maternity Protection Acts 1994 to 2004. In any event, any cessation of employment must also constitute a Separation from Service for it to have effect under this Appendix 1.
- (b) Where an Award Holder's contract of employment with the Group is terminated without notice, such employment shall be deemed to cease on the date of the Award Holder's Separation from Service and where the said contract is terminated by notice given by a Group Member or by an Award Holder, such employment shall be deemed to cease on the earlier of the date of the Separation from Service and the date on which that notice expires.

## 7.7 Interaction of rules

If an Award has become capable of Vesting under **rule** 7 and, during the period allowed for the Vesting of the Award under **rule** 7, the Award becomes capable of Vesting under **rule** 8 also (or vice versa), the period allowed for the Vesting of the Award shall be whichever of the two periods allowed by **rule** 7 and **rule** 8 shall be the first to expire.

## 3. ADDITIONAL RULES

- (a) With respect to Awards granted to US Taxpayers, the Plan is intended to be exempt from the requirements of Section 409A as being eligible for the Short-Term Deferral Exception and shall be limited, construed and interpreted in accordance with such intent. To the extent that any Award granted to a US Taxpayer is subject to Section 409A (as opposed to being exempt from Section 409A), it shall be documented and paid in a manner that will comply with Section 409A and, for this purpose, it is a condition of all such Awards that the acquisition of any interest in Plan Shares, or any entitlement to receive any payment, as a consequence of the Vesting of an Award shall take place before the end of the Short-Term Deferral Period in respect of such Award.
- (b) Notwithstanding anything herein to the contrary, any provision in the Rules applicable to Awards granted to a US Taxpayer that is inconsistent with an exemption from Section 409A shall be deemed to be amended to comply with Section 409A and to the extent such provision cannot be amended to comply therewith, such provision shall be null and void. The Remuneration Committee may amend the Rules or any Award Notification at any time without a US Taxpayer's consent to comply with applicable law including Section 409A. The Company shall have no liability to a US Taxpayer, or any other party, if an Award that is intended to be exempt from, or compliant with, Section 409A is not so exempt or compliant or for any action taken by the Remuneration Committee, the Board or the Company and, in the event that any amount or benefit under the Plan becomes subject to penalties under Section 409A, responsibility for payment of such penalties shall rest solely with the affected US Taxpayers and not with the Company. Notwithstanding any contrary provision in the Rules or any Award Notification issued to a US Taxpayer, any payment of



“nonqualified deferred compensation” (within the meaning of Section 409A) that is otherwise required to be made under the Plan to a US Taxpayer that is a “specified employee” (as defined under Section 409A) as a result of such US Taxpayer’s separation from service (other than a payment that is not subject to Section 409A) shall be delayed for the first six (6) months following such separation from service (or, if earlier, the date of death of such US Taxpayer) and shall instead be paid (in a manner set forth in the Award Notification) upon expiration of such delay period.

- (c) The Remuneration Committee may adopt, amend and terminate such arrangements and grant such Awards to US Taxpayers, not inconsistent with the intent of the Plan, as it may deem necessary or desirable to comply with Section 409A. The terms and conditions of such Awards may vary from the terms and conditions that would otherwise be required by the Rules solely to the extent the Remuneration Committee deems necessary for such purpose.
- (d) Notwithstanding this Appendix, the Remuneration Committee at the time of grant may designate an Award as intended to comply with the requirements of Section 409A and require payment or the release of Plan Shares upon the occurrence of a permissible payment event under Section 409A so that such payment or release of Plan Shares will comply with the payment timing requirements under Section 409A. In such event, the grant documentation shall contain such terms and conditions as may be needed that would allow the Award to comply with the requirements of Section 409A.
- (e) The amount of any setoffs or deductions against any amounts owed to a US Taxpayer by a Group Member to satisfy the Malus or Clawback provision contemplated by **rule** 16 shall, if applicable, be reduced to take account of any adverse tax consequences to the US Taxpayer under Section 409A so that such US Taxpayer shall not be at a net loss as a consequence of the tax arising on the Vesting of the Award and the application of Malus or Clawback.
- (f) To the extent that any split, substitution, variation or waiver of Performance Conditions occurs under Rule 5 or any exchange or adjustment of an Award occurs under Rule 9 or 10, respectively, the terms and conditions of any new Performance Conditions, New Award (or any adjusted Award as applicable) shall not modify the timing and schedule of payments applicable to the corresponding original Award prior to such action or otherwise result in any change to the terms and conditions applicable under the corresponding original Award prior to such exchange or adjustment if such modification or change would result in adverse tax consequences to a US Taxpayer under Section 409A.
- (g) Awards granted under the Plan to a US Taxpayer constitute unsecured promises by the Company or other Group Member to pay benefits in the future. US Taxpayers holding such Awards shall have the status of general unsecured creditors of the Company or such other Group Member. Each Group Member shall be solely responsible for payment of the benefits of its employees and their beneficiaries. Benefits covered under this Appendix 1 are unfunded for US federal tax purposes. Any amounts set aside to defray the liabilities assumed by the Company or other Group Member shall remain the general assets of the Company or such Group Member, and shall remain subject to the claims of the Company’s or such Group Member’s creditors until such amounts are distributed to Award Holders.

#### 4. SECURITIES LAW COMPLIANCE

- (a) Notwithstanding any provision of the Plan or any Award Notification to the contrary,
  - (i) no Award shall be granted and no Share shall be delivered or sold to a US

Taxpayer unless such grant, delivery and sale is in compliance with US federal securities laws and any applicable US state securities laws, and (ii) Plan Shares acquired by a US Taxpayer pursuant to the settlement of Awards may only be resold in compliance with the registration requirements or an applicable exemption from the registration requirements of the US Securities Act of 1933, as it may be amended from time to time.

- (b) Notwithstanding any provision of the Plan or any Award Notification to the contrary, Awards granted to an Award Holder who is a California Award Holder on the Date of Grant shall be subject to the following additional limitations, terms, and conditions, which for purposes of compliance with California Securities Law only shall be deemed to be a separate plan maintained solely for California Award Holders:
  - (i) except to the extent otherwise provided under paragraph 3.3 of this Appendix 1, each Award shall be granted in accordance with Rule 701;
  - (ii) Awards may not be granted more than ten (10) years after the date on which the Plan is adopted or the date on which the Plan is approved by the issuer's security holders, whichever is earlier;
  - (iii) the rights of a California Award Holder to acquire Plan Shares under the Plan shall be non-transferable except to the extent of a transfer by will, laws of descent and distribution, to a revocable trust, or as permitted by Rule 701;
  - (iv) the number of Plan Shares issuable under an Award shall be proportionately adjusted in the event of a stock split, reverse stock split, stock dividend, recapitalization, combination, reclassification or other distribution of the Company's equity securities without the receipt of consideration by the Company of or on the Plan Shares; and
  - (v) the number of California Award Holders may not exceed 35 unless the Plan is approved by holders of a majority of the outstanding securities of the Company entitled to vote within twelve (12) months of the issuance of Plan Shares under the Plan in California.
- (c) Notwithstanding paragraph 3.2 of this Appendix 1, Awards may be granted under the Plan to any California Award Holder in accordance with any other registration exemption permitted under California Securities Law or by qualification under such law, subject to such conditions as required by such law.

## **5. AMENDMENT AND ADMINISTRATION**

For the avoidance of doubt, the Remuneration Committee and/or the Board have the full authority, consistent with the Rules, to administer this Appendix 1, including authority to interpret and construe any provision of this Appendix 1, to identify Eligible Employees and Award Holders with respect to whom the provisions of this Appendix 1 may apply, and to adopt any regulations for administering this Appendix 1 and any documents it thinks necessary or appropriate. The decision of the Remuneration Committee or Board, as applicable, on any matter concerning this Appendix 1 will be final and binding on all parties, notwithstanding any delegation of authority to a sub-committee.

**GLANBIA PLC**  
**2018 LONG TERM INCENTIVE PLAN**

**APPENDIX 2**

When granting an Award, the Remuneration Committee shall specify the extent (as a percentage of the total number of Plan Shares which are the subject of the Award) to which any part of the Award shall Vest by reference to any one or more of the following Performance Conditions or such other Performance Conditions as may be determined by the Remuneration Committee pursuant to the discretion conferred upon it by **rule 5.1**:

An Award shall not Vest unless the Remuneration Committee is satisfied that the Company's underlying financial performance has shown a sustained improvement in the period since the Date of Grant.

**Performance Conditions which may apply to the grant of an Award to the extent specified by the Remuneration Committee**

**Group Adjusted Earnings per Share ("Group Adjusted EPS") Performance Condition**

A percentage (as specified in the Award Notification) of the Plan Shares which are the subject of an Award (the "EPS Shares") may vest as follows:-

- (a) the increase in the Group Adjusted EPS on a constant currency basis for the third Accounting Period after the end of the Basis Year over the Group Adjusted EPS for the Basis Year shall be calculated (the "Group Adjusted EPS Increase");
- (b) none of the EPS Shares shall vest if the Group Adjusted EPS Increase is less than [Threshold]% CAGR over the Performance Period;
- (c) [Maximum]% of the EPS Shares shall vest if the Group Adjusted EPS Increase is equal to [Threshold]% CAGR over the Performance Period;
- (d) 100% of the EPS Shares shall vest if the Group Adjusted EPS Increase is equal to or greater than [Threshold 2]% CAGR over the Performance Period; and
- (e) if the Group Adjusted EPS Increase referred to in (a) is between [Threshold]% CAGR and [Threshold 2]% CAGR there shall be a corresponding pro rata vesting on a straight line basis between [Maximum]% and 100% of the EPS Shares.

To determine the Group Adjusted EPS Increase on a constant currency basis, the Group Adjusted EPS of the Basis Year is retranslated using the average exchange rates of the third Accounting Period after the Basis Year to create a "Revised Basis Year Group Adjusted EPS" The Group Adjusted EPS Increase shall be the difference between the "Revised Basis Year Group Adjusted EPS" and the reported Group Adjusted EPS for the third Accounting Period after the Basis Year.

**Group Return on Capital Employed ("Group ROCE") Performance Condition**

A percentage (as specified in the Award Notification) of the Plan Shares which are the subject of an Award (the "ROCE Shares") may vest as follows:

- (a) the percentage figure for the return on capital employed of the Group ("ROCE") shall be calculated for each of the Accounting Periods in the Performance Period and averaged to calculate the average ROCE over the Performance Period (the "Average ROCE") ;
- (b) none of the ROCE Shares shall vest if the Average ROCE is less than [Threshold]%;
- (c) [Maximum]% of the ROCE Shares shall vest if the Average ROCE is equal to [Threshold]%;
- (d) 100% of the ROCE Shares shall vest if the Average ROCE is equal to or greater than [Threshold 2]%;
- (e) if the Average ROCE referred to in (a) is between [Threshold ]% and [Threshold 2]% there shall be a corresponding pro rata vesting of the ROCE Shares on a straight line basis between [Maximum]% and 100% of the ROCE Shares.

ROCE shall be calculated as the sum of the Group's earnings before Interest and amortisation (net of related tax) plus the Group's share of the results of Joint Ventures & Associates after interest and tax, divided by capital employed. Capital employed comprises the sum of the Group's total assets plus cumulative Intangible asset amortisation less current liabilities less deferred tax liability, excluding all financial liabilities, retirement benefit assets and cash. It is calculated by taking the average of the relevant opening and closing balance sheet amounts for the relevant accounting period.

The ROCE calculation will not be amended under normal circumstances for a subsequent acquisition or disposal.

#### **Total Shareholder Return (“TSR”) Performance Condition**

A percentage (as specified in the Award Notification) of the Plan Shares which are the subject of an Award (the “TSR Shares”) may vest as follows:

- a) the TSR of the Company and each company in the Peer Group shall be calculated for the Performance Period;
- b) none of the TSR Shares shall vest if the Company’s TSR for the period referred to in a) is below the median position compared to the TSR of the other companies in the Peer Group (the “Median Position”);
- c) [Maximum]% of the TSR Shares shall vest if the Company’s TSR for the period referred to in a) is at the Median Position;
- d) 100% of the TSR Shares will vest if the Company’s TSR for the period referred to in a) is at or above the top quartile position compared to the TRS of the other companies in the Peer Group (the “Top Quartile Position”);
- e) if the Company’s TSR for the period referred to in a) is between the Median Position and the Top Quartile Position there shall be a corresponding pro rata vesting of the TSR Shares on a straight line basis between [Maximum]% and 100% of the TSR Shares.

Peer Group: The comparator group for the Company’s TSR performance is the STOXX Europe 600 Food and Beverage Index.

#### **Restricted Stock for Eligible Employees other than Executive Directors**

Vesting of restricted stock is based on service and, if applicable, individual performance over the Performance Period. Restricted stock is not available to any executive directors of the Company.

[ ] denotes that the percentage will be specified by the Remuneration Committee each year.