Directors’ Remuneration Policy

This section of the report sets out the Remuneration Policy for Executive Directors and Non-Executive Directors, which Shareholders will be asked to approve at the 2019 AGM on 9 May 2019. Until this time, the Policy approved by Shareholders on 5 May 2016 will continue to apply.

Key changes to the remuneration framework

1. LTIP performance measures

The Committee considered a broad range of performance measures and concluded that for 2019 LTIP awards onwards, there will be three measures used in order to strengthen strategic alignment: EPS growth; Net Revenue growth; and ROCE. This retains a focus on profitability, but with a proportion now based on top-line growth and how efficient profit generation has been, in line with RB’s strategic priorities.

EPS growth will be split, with half measured on a constant currency basis and half measured on an actual currency basis. This retains exposure to currency movements and the introduction of EPS growth measured on a constant currency basis balances this with incentivising management over performance under its direct control.

Current

100% EPS

Proposed

50% EPS
25% LFL NR growth
25% ROCE

25% constant currency
25% actual currency

2. Reduction in CEO award levels

No LTIP award is being made to Rakesh Kapoor in 2019. Had he not been retiring, the Committee had determined to reduce the LTIP awards for the CEO to 160,000 options and 80,000 shares going forward. This is a significant reduction when compared to the last Remuneration Policy levels of 400,000 options and 240,000 shares. The graphic below shows the change in the LTIP awarded to the CEO since 2016.

Awards

Year of award

<table>
<thead>
<tr>
<th>Year</th>
<th>Options</th>
<th>Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>400,000</td>
<td>240,000</td>
</tr>
<tr>
<td>2017</td>
<td>150,000</td>
<td>150,000</td>
</tr>
<tr>
<td>2018</td>
<td>100,000</td>
<td>100,000</td>
</tr>
</tbody>
</table>

3. LTIP adjustment

In line with our historically embedded practice, LTIP award sizes are expressed as a fixed number of shares and options to provide full alignment with investors. The award size is determined by the Committee taking into account performance, the prevailing share price, market data and our pay positioning philosophy. In the event of a material increase or decrease in the share price prior to grant, the Committee will consider whether the prevailing award size remains appropriate and adjust it appropriately. Notwithstanding the above, the number granted will at no point be greater than 300,000 options and 150,000 share awards (reduced from 500,000 options and 275,000 share awards in the previous Remuneration Policy).

4. Pension reduction

Taking into account the new UK Corporate Governance Code, the Committee is proposing to commit to reducing the pension level for any new hires to the Board. The pension contribution level for any new hire will be in line with the wider workforce in the UK, 10% of pensionable salary, representing a significant decrease on current levels.

5. Reinforcing significant Shareholder alignment

Introduction of annual bonus deferral – one third of the annual bonus will be deferred into awards over RB shares for three years.

Extension of LTIP holding period – a two-year holding period following the end of the three-year performance period will apply for LTIP awards going forward.

Shareholding requirements – the current CEO shareholding requirement has been in place since 2006. The Committee has reviewed these requirements in light of the significant share price increase since then, and the subsequent reductions in LTIP awards. The Committee has determined that for new hires the shareholding requirements will be reduced to 200,000 shares for the CEO and 100,000 for the CFO. These new requirements remain the most demanding in the market.

In addition, for new hires to the Board we are introducing a formal post-employment shareholding requirement for two years after departure. Reflecting our market-leading shareholding requirements whilst in employment, the post-employment requirement will be the lower of 50% of the shareholding requirement or actual shareholding on leaving.

6. MJN adjustment

Adjustments were made in respect of the MJN acquisition to ensure that it is a like-for-like comparison for remuneration purposes, in line with previous commitments:

- For the purpose of LTIP vesting the 2016 to 2017 EPS growth excludes MJN and related transactions.
- In calculating EPS growth from 2017 to 2018, the 2017 EPS figure has been adjusted on a pro-forma basis to include MJN results for the full year, adjusting for notional interest and tax, and related transactions.

For LTIPs outstanding at the time of acquisition, the MJN performance post-completion is reviewed at the time of vesting compared to the acquisition plan, and the Committee will use downwards discretion if the return on capital in respect of MJN does not meet the expectations agreed by the Board.
### Executive Director Remuneration Policy Table

#### Fixed pay policy for Executive Directors

<table>
<thead>
<tr>
<th>Component purpose and link to strategy</th>
<th>Operation</th>
<th>Opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Base salary</strong> To enable the total package to support recruitment and retention</td>
<td>Base salaries are reviewed annually, typically with effect from 1 January. Salary levels/increases take account of: • salary increases awarded across the Group as a whole; and • individual performance. The Committee also reviews market data for the Company's remuneration peer group, comprising international companies of a similar size and scope of operations.</td>
<td>Salary increases for Executive Directors will normally be aligned with those of the wider workforce, which take into account performance. Increases may be made above this level to take account of individual circumstances, which may include: • Increase in the size or scope of the role or responsibilities. • Increase to reflect the individual's development and performance in the role. For example, where a new incumbent is appointed on a below-market salary. Salaries in respect of the year under review (and for the following year) are disclosed in the Annual Report on Remuneration. To avoid setting expectations of Executive Directors and other employees, no maximum salary is set under the Remuneration Policy. Where increases are awarded in excess of the wider employee population, the Committee will provide the rationale in the relevant year's Annual Report on Remuneration.</td>
</tr>
<tr>
<td><strong>Pension</strong> To provide appropriate levels of retirement benefit</td>
<td>Executive Directors may receive contributions into the RB Executive Pension Scheme, a defined contribution scheme, a cash allowance or a combination thereof. Base salary is the only element of remuneration that is pensionable.</td>
<td>Current CEO: 30% of pensionable salary. Current CFO: 25% of pensionable salary. New hires to the Board: 10% of pensionable salary.</td>
</tr>
<tr>
<td><strong>Benefits</strong> To enable the total package to support recruitment and retention</td>
<td>Executive Directors receive benefits which consist primarily of the provision of a company car allowance and healthcare, although it can include other benefits that the Committee deems appropriate, for example, (but not limited to) the cost of legal fees, preparing tax returns or home leave. This includes the provision of a car and driver for business use, including travel from home to office, and any tax liability that may be due on this benefit. Relocation allowances and international transfer-related benefits may also be paid, where required. Executive Directors are also eligible to participate in the all-employee Sharesave Scheme on the same basis as all employees.</td>
<td>Whilst there is no maximum level of benefits prescribed, they are generally set at an appropriate market-competitive level determined by the Committee. Benefits in respect of the year under review, and participation in the all-employee Sharesave Scheme, are disclosed in the Annual Report on Remuneration.</td>
</tr>
</tbody>
</table>
Variable pay policy for Executive Directors

<table>
<thead>
<tr>
<th>Component purpose and link to strategy</th>
<th>Operation</th>
<th>Opportunity</th>
<th>Performance measures</th>
</tr>
</thead>
</table>
| Annual bonus                            | Targets are set by the Committee at the start of the year. At the end of the year, the Committee determines the extent to which these have been achieved. | **Target opportunity:**  
  - CEO: 120% of salary.  
  - CFO: 100% of salary.  
  **Maximum opportunity:**  
  - 3.57x target.  
  - CEO: 428% of salary.  
  - CFO: 357% of salary.  
  Dividend equivalents accrue on deferred share awards during the deferral period. | Performance measures may be a mix of financial and non-financial measures. For 2019 the bonus is based on 100% financial measures.  
 Financial performance will be assessed against the growth in one or more key metrics of the business determined on an annual basis.  
 The weighting between different metrics will be determined each year according to business priorities.  
 For performance below threshold, the bonus payout will be nil.  
 Further details, including the performance measures for the current financial year, are disclosed in the Annual Report on Remuneration. |
| Use of deferral for longer-term Shareholder alignment | Performance is assessed on an annual basis, using a combination of the payouts for performance against each of the targets. At least one-third of bonus payouts are deferred into share awards (in the form of options or conditional awards) for a period of three years.¹ |  |  |

¹ Due to Rakesh Kapoor’s upcoming retirement, his bonus to be paid in respect of 2019 will have no deferred element.
Variable pay policy for Executive Directors continued

<table>
<thead>
<tr>
<th>Component purpose and link to strategy</th>
<th>Operation</th>
<th>Opportunity</th>
<th>Performance measures</th>
</tr>
</thead>
</table>
| LTIP (share options and performance share awards)  
To incentivise and reward long-term performance, and align the interests of Executive Directors with those of Shareholders  
Two-year holding period for longer-term Shareholder alignment | The LTIP comprises grants of share options and/or performance share awards (based on a fixed number), which vest subject to the achievement of stretching performance targets.  
The LTIP has a performance period of at least three years. Additionally, there is normally a two-year holding period commencing following the end of the performance period.  
The performance condition is reviewed before each award cycle to ensure it remains appropriately stretching.  
The Committee has discretion to adjust the formulaic LTIP outcomes to improve the alignment of pay with value creation for Shareholders to ensure the outcome is a fair reflection of the performance of the Company and the individual.  
Awards granted under the LTIP are also subject to malus and clawback provisions. | The Committee calibrates LTIP share award and option grant sizes as a fixed number, with periodic adjustments to ensure that the value of an Executive Director’s total remuneration is appropriate.  
In line with our historically embedded practice, LTIP award sizes are expressed as a fixed number of shares and/or options to provide full alignment with investors.  
The award size is determined by the Committee taking into account performance, the prevailing share price, market data and our pay positioning philosophy. In the event of a material increase or decrease in the share price prior to grant, the Committee will consider whether the prevailing award size remains appropriate and adjust it appropriately.  
Notwithstanding the above, the number of shares and options granted to an individual will at no point be greater than 300,000 options and 150,000 shares. Details of the LTIP opportunity in respect of each year will be disclosed in the Annual Report on Remuneration.  
Neither dividends nor dividend equivalents accrue on unvested share awards or on shares underlying options before they are exercised. | Vesting of the LTIP is subject to continued employment and the achievement of stretching targets.  
Performance measures may be a mix of financial and non-financial measures. For 2019 the LTIP is based on 100% financial measures.  
Threshold performance will result in 20% of maximum vesting. The vesting level will increase on a sliding scale from this threshold to 100% vesting for stretch levels of performance.  
Further details, including the performance targets attached to the LTIP in respect of each year, are disclosed in the Annual Report on Remuneration. |
Notes to the Policy Table

Performance measure selection and approach to target setting

The measures used under the annual bonus are selected to reflect the Group’s main priorities for any given financial year. With regard to the LTIP, the Committee regularly reviews the performance measures to ensure that they align well with the Company’s strategy and with our Shareholders’ interests. A combination of EPS growth, Net Revenue growth and ROCE are considered the most appropriate 2019 LTIP performance measures for a number of reasons:

- they are aligned to the Company’s strategic priorities;
- they retain a focus on profitability, but with a proportion based on top-line growth and how efficient profit generation has been;
- they provide well-recognised and accepted measures of the Company’s underlying financial performance; and
- they are measures that the plan participants can directly impact and are easily measurable from time to time.

Targets applying to the bonus and LTIP are reviewed annually, based on a number of internal and external reference points. Bonus targets take into account prevailing growth rates in RB’s peer group, and as appropriate across the healthcare and/or FMCG industries more broadly. LTIP targets reflect industry context, expectations of what will constitute performance at the top of the peer group, and factors specific to the Company.

The rules of the LTIP allow the Committee, to waive or change performance conditions (including how performance is measured) in accordance with their terms or if anything happens which causes the Company reasonably to consider it appropriate (including in contemplation of a corporate event), provided that any changed performance conditions will be no more difficult to satisfy.

Malus and clawback

Annual bonuses in respect of 2019 and subsequent years will be subject to malus and clawback provisions, under which any actions or behaviours that are contrary to the Company’s legitimate expectations may result in an adjustment to the amount of bonus payable and potentially clawback of annual bonus for up to three previous years.

For awards granted under the LTIP or the Deferred Bonus Plan in 2019 or subsequent years, the Committee has the discretion to apply malus and/or clawback in the event of the following circumstances:

- a material misstatement of the Company’s financial results;
- gross misconduct by a participant (or serious misconduct in relation to malus);
- an erroneous calculation in assessing the number of shares subject to an award or the extent to which an award has vested; and/or
- corporate failure of the Company.

The clawback period applicable to LTIP awards ends on the earlier of (i) the second anniversary of the vesting date and (ii) the fifth anniversary of the date of grant. Deferred bonus awards are subject to malus and clawback until the third anniversary of grant.

Shareholder alignment

The Committee recognises the importance of aligning Executive Directors’ and Shareholders’ interests through executives building up significant shareholdings in the Company. Executive Directors are expected to acquire a significant number of shares over a period of eight years and retain these until retirement from the Board of Directors.

The shareholding requirement for the current CEO is 600,000 shares and for the current CFO is 200,000 shares. New hires to the Board will have shareholding guidelines of 200,000 shares for a new CEO and 100,000 for other Executive Directors. Details of the Executive Directors’ personal shareholdings will be provided in the Annual Report on Remuneration.

For new hires to the Board, there will be a formal post-employment shareholding requirement. They will be required to hold the lower of 50% of their shareholding requirement or their actual shareholding at departure, for a period of two years. For current incumbents, on departure in ‘good leaver’ circumstances any deferred bonus share awards and LTIP awards (including the holding period) continue on original timescales, ensuring that they maintain sufficient shareholdings post-departure.

Remuneration Policy for other employees

RB’s approach to setting remuneration is consistent across the Group, with consideration given to the level of experience, responsibility, individual performance and remuneration paid for comparable roles in comparable companies.

The principles that apply to Executive Directors are cascaded to other employees. Approximately 14,000 employees are eligible to participate in an annual bonus scheme with similar metrics to those used for the Executive Directors. Opportunities and specific performance conditions vary by organisational level, with business area-specific metrics incorporated where appropriate.

Senior managers who comprise c.500 employees are eligible to participate in the LTIP on broadly similar terms to the Executive Directors, although award sizes vary by organisational level. In addition, the Group Leadership Team who comprise c.30 employees are also required to build up significant shareholdings in RB. The current level is between 24,000 and 50,000 shares averaging 8.9x base salary.
All UK employees are eligible to participate in the Company’s Sharesave plan on identical terms, with similar plans also operated for employees working outside of the UK.

Changes to Policy
This Policy is intended to apply with effect from 9 May 2019, subject to Shareholder approval at the AGM.

Following consultation with our major Shareholders, the Policy has been reviewed to reduce the maximum award that can be made under the LTIP and to include an additional two-year holding period in respect of share options and performance share awards for Executive Directors. Furthermore, the performance conditions of the LTIP have been altered to include Net Revenue growth and ROCE. Annual bonuses have also been modified to introduce deferral.

The Committee reserves the right to make any remuneration payments and payments for loss of office (including exercising any disbursements available to it in connection with such payments) notwithstanding that they are not in line with the Policy set out in this report where the terms of the payment were agreed (i) before the Policy came into effect (provided that the commitment to make the payment complied with any applicable Remuneration Policy of the Company at the time it was agreed) or (ii) at a time when the relevant individual was not a Director of the Company and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company. For these purposes ‘payments’ includes the Committee satisfying awards of variable remuneration, and an award over shares is ‘agreed’ at the time the award is granted.

In the event of a variation of capital in the Company which impacts the value of a share, which may include, but is not limited to, a capitalisation or rights issue, consolidation, subdivision or reduction of capital, stock-split or demerger, then:

- the maximum number of share awards and options which may be granted under the LTIP may be adjusted to ensure that the overall maximum value of awards would be the same immediately before and after any such event; and
- the maximum number of shares subject to an award granted under the LTIP or the Deferred Bonus Plan, the option price (where applicable) and the identity of the company whose shares are subject to the award may be adjusted in accordance with the rules of the plan as the Committee considers appropriate. The Committee can also, subject to the rules of the plan, require that awards are automatically exchanged for awards over shares in another company which are, in the opinion of the Committee, equivalent.

Non-Executive Director remuneration
Non-Executive Directors do not have service agreements, but are engaged on the basis of a letter of appointment. In line with the UK Corporate Governance Code (July 2018) guidelines, all Directors are subject to re-election annually at the AGM.

It is the policy of the Board of Directors that Non-Executive Directors are not eligible to participate in any of the Company’s bonus, share option, long-term incentive or pension schemes. An element of the basic fee is, however, paid in RB shares.

Details of the policy on fees paid to our Non-Executive Directors are set out in the table below:

<table>
<thead>
<tr>
<th>Component and objective</th>
<th>Approach of the Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees (cash and shares)</td>
<td>The fees paid to Non-Executive Directors are determined by the Board of Directors, with recommendations provided by the Chairman and CEO. The fees of the Chairman are determined by the Remuneration Committee.</td>
</tr>
<tr>
<td>To attract and retain Non-Executive Directors of the highest calibre with broad commercial experience relevant to the Company</td>
<td>Additional fees are payable for acting as Senior Independent Non-Executive Director and as Chair of the Committees. Members of the Committee are also eligible to receive an additional fee, which may also be payable for other Board-related services.</td>
</tr>
<tr>
<td>Fee levels may be reviewed annually, with any adjustments normally effective from 1 January. Fees are reviewed by taking into account external advice on best practice and competitive levels, in particular at FTSE 30 and FTSE 100 companies. Time commitment and responsibility are also taken into account when reviewing fees.</td>
<td>Chairman and Non-Executive Director fees are delivered partly in cash and partly in RB shares or equivalent (e.g. ADRs) which must be held until retirement from the Company.</td>
</tr>
<tr>
<td>The fees paid to the Chairman and Non-Executive Directors in respect of the year under review (and for the following year), including the split between cash and shares, are disclosed in the Annual Report on Remuneration.</td>
<td>Aggregate fees are limited by the Company’s Articles of Association.</td>
</tr>
<tr>
<td>Travel and expenses for Non-Executive Directors (including the Chairman) are incurred in the normal course of business, for example, in relation to attendance at Board and Committee meetings. The costs associated with these are all met by the Company.</td>
<td></td>
</tr>
</tbody>
</table>
Scenarios of total remuneration

The charts below provide an estimate of the potential future total remuneration for the Executive Directors. Four scenarios of potential outcomes are provided based on underlying assumptions shown in the notes to the chart. It should be noted that the LTIP awards granted in a year do not normally vest until on or after the date of the AGM which follows the end of the performance period.

External appointments

With the approval of the Board of Directors in each case, and subject to the overriding requirements of the Company, Executive Directors may accept external appointments as a Non-Executive Director of another company and retain any fees received. Details of external appointments and the associated fees received are included in the Annual Report on Remuneration.

Consideration of conditions elsewhere in the Company

Across RB, remuneration is reviewed regularly with the intention that all employees are paid appropriately in the context of their local market and given their role, experience and performance. The Company seeks to promote and maintain good relations with employee representative bodies – including trade unions and works councils – as part of its employee engagement strategy, and consults on matters affecting employees and business performance as required in each case by law and regulation in the jurisdictions in which the Company operates. Although the Committee has not consulted employees on executive remuneration, the Committee is mindful of the salary increases applying across the rest of the business in relevant markets when considering salaries for Executive Directors. The Committee reviews the overall pay framework of the Group including internal relativities, gender pay and participation in all-employee share plans. The Company encourages share ownership amongst employees and those who hold shares will be able to participate in the vote on the Remuneration Policy at the AGM.

Consideration of Shareholder views

The Committee considers Shareholder views received during the year and at the Annual General Meeting each year, as well as guidance from Shareholder representative bodies more broadly, in shaping the Remuneration Policy. The Committee Chair speaks with a number of the Company’s largest Shareholders on the subject of executive remuneration at least on an annual basis and the Committee is grateful for all of the feedback which is provided. The majority of Shareholders are supportive of the Company’s philosophy and policy on remuneration, and the Committee will continue to keep its Remuneration Policy under regular review, to ensure it continues to reinforce the Company’s long-term strategy and aligns closely with Shareholders’ interests. The Committee will continue to consult our major Shareholders before making any significant changes to our Remuneration Policy.
**Approach to recruitment remuneration**

**External appointment**
In cases of hiring or appointing a new Executive Director from outside the Company, the Remuneration Committee may make use of all existing components of remuneration, as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base salary</td>
<td>The base salaries of new appointees will be determined by reference to relevant market data, experience and skills of the individual, internal relativities and their current basic salary. Where new appointees have initial basic salaries set below market, or the previous incumbent’s salary, the shortfall may be managed with phased increases over a period of two or three years subject to their development in the role.</td>
</tr>
<tr>
<td>Pension</td>
<td>New appointees will receive pension contributions and/or an equivalent cash supplement at a maximum of 10% of pensionable salary.</td>
</tr>
<tr>
<td>Benefits</td>
<td>New appointees will be eligible to receive benefits which may include (but are not limited to): the provision of a car allowance, car and driver, healthcare and any necessary relocation expenses in line with the ongoing Remuneration Policy.</td>
</tr>
<tr>
<td>Annual bonus</td>
<td>The structure described in the Policy Table will apply to new appointees with the relevant maximum opportunity.</td>
</tr>
<tr>
<td>LTIP</td>
<td>New appointees will be granted awards under the LTIP on the same terms as other executives, as described in the Policy Table. LTIP grants can take the form of performance share awards, share options or a combination of the two.</td>
</tr>
</tbody>
</table>

The overall limit of variable remuneration will be as set out in the Policy Table taking into account the maximum value of the annual bonus and the maximum awards of options and share awards under the LTIP.

The Committee may make an award in respect of a new appointment to ‘buy out’ incentive arrangements forfeited on leaving a previous employer, including by utilising Listing Rule 9.4.2, i.e. over and above the approach outlined in the table above. In doing so, the Committee will consider relevant factors including any performance conditions attached to these awards and the likelihood of those conditions being met with the intention that the value awarded would be no higher than the expected value of the forfeited arrangements and made on a like-for-like basis.

**Internal promotion**
In cases of appointing a new Executive Director by way of internal promotion, the policy will be consistent with that for external appointees, as detailed above; except that where an individual has contractual commitments made prior to their promotion to Executive Director level, the Company will continue to honour these arrangements even in instances where they would not otherwise be consistent with the prevailing Directors’ Remuneration Policy at the time of appointment.

**Recruitment of a new Non-Executive Director**
In recruiting a new Non-Executive Director, the Remuneration Committee will use the policy as set out in the table on page 103. A base fee in line with the prevailing fee schedule will be payable for membership of the Board of Directors, with additional fees payable for acting as Senior Independent Non-Executive Director and as Chairman or member of a Committee. Fees will be delivered partly in cash and partly in RB shares to be held until retirement from the Company.

The fee for a new Non-Executive Chairman will be set with reference to the time commitment and other requirements of the role and the experience of the candidate. To provide context for this decision, appropriate market data would also be referenced.

**Service contracts and exit payment policy**
Executive Director service contracts, including arrangements for early termination, are carefully considered by the Committee. In accordance with general market practice, each of the Executive Directors has a rolling service contract which is terminable on 12 months’ notice and this practice will also apply for any new Executive Directors. In such an event, the compensation commitments in respect of their contracts could amount to one year’s remuneration based on base salary and benefits in kind and pension rights during the notice period. Termination payments may take the form of payments in lieu of notice. Copies of Executive Director service contracts are available to view at the Company’s registered office.

The Committee may agree exit payments in connection with a Director’s cessation of office or employment where the payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation) or in settlement of any claim arising in connection with the cessation of a Director’s office or employment. This may include the provision of outplacement support. The Group may also pay reasonable fees for a departing Director to obtain independent legal advice in relation to their termination arrangements and nominal consideration for any agreement to any contractual terms protecting the Company’s rights following termination.

The Company’s policy on any termination payments is to consider the circumstances on a case-by-case basis, taking into account the relevant contractual terms in the executive’s service contract and the circumstances of the termination. The table overleaf summarises how awards under the annual bonus and LTIP are typically treated in specific circumstances, with the final treatment remaining subject to the Committee’s discretion as provided under the rules of the plan.
<table>
<thead>
<tr>
<th>Reason for cessation</th>
<th>Timing of vesting/payment</th>
<th>Calculation of vesting/payment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual bonus</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Voluntary resignation or termination with 'cause'</td>
<td>Not applicable</td>
<td>No bonus to be paid for the financial year</td>
</tr>
<tr>
<td>All other circumstances</td>
<td>Following the end of financial year</td>
<td>Bonuses will be paid only to the extent that objectives set at the beginning of the plan year have been met. Any such bonus will be paid on a pro-rata basis up to the termination date and will be subject to deferral requirements where applicable.</td>
</tr>
<tr>
<td><strong>Deferred bonus share awards</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Voluntary resignation or termination with 'cause'</td>
<td>Not applicable</td>
<td>Unvested awards lapse</td>
</tr>
<tr>
<td>All other circumstances</td>
<td>Subject to the original time horizons, unless the Committee, at its discretion, decides these will vest on cessation of employment</td>
<td>Shares vest in full</td>
</tr>
<tr>
<td><strong>LTIP</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Voluntary resignation or termination with 'cause'</td>
<td>Not applicable</td>
<td>Unvested awards lapse. Share awards and options in the holding period after the end of the performance period are retained, with the holding period continuing to apply (unless the Committee decides that they will be released early), save that they will lapse if the holder is summarily dismissed.</td>
</tr>
<tr>
<td>Ill-health, injury, permanent disability, retirement with the agreement of the Company, the participant’s employing entity ceasing to be under the control of the Company, transfer of the undertaking in which the participant works outside the Group, redundancy or any other reason that the Committee determines in its absolute discretion</td>
<td>Awards will vest in line with the original performance, vesting and holding periods.</td>
<td>The Committee determines whether and to what extent outstanding awards vest based on the extent to which performance conditions have been achieved and the proportion of the performance period worked.</td>
</tr>
<tr>
<td>Death</td>
<td>As soon as practicable after date of death (which could be at the end of the relevant financial year)</td>
<td>Performance conditions will be measured early and awards may be reduced to reflect the proportion of the performance period worked.</td>
</tr>
<tr>
<td>Change of control</td>
<td>On change of control</td>
<td>Awards will vest to the extent that any performance conditions have been satisfied (unless the Committee determines that the performance conditions should not apply). Awards will also be reduced pro-rata to take into account the proportion of the performance period not completed, unless the Committee decides otherwise. Awards may alternatively be exchanged for new equivalent awards in the acquirer or another company where appropriate.</td>
</tr>
</tbody>
</table>