



RULES OF INCENTIVE PLAN

RULES OF THE LIGHTHOUSE PROPERTIES PLC INCENTIVE PLAN

adopted by

LIGHTHOUSE PROPERTIES p.l.c.

(Registered in Malta)

(Registration number: **C100848**)

("Lighthouse" or the "Company")

Approved by an ordinary resolution passed by a 75% majority of the votes of shareholders present or represented by proxy at the general meeting of the Company on 20 May 2022



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1 INTRODUCTION

- 1.1 The purpose of the Plan is to attract, retain, motivate and reward Employees and ultimately to incentivise Employees by providing selected Employees with the opportunity to receive Awards, each of which Awards shall comprise a cash Bonus and an Award of Forfeitable Shares in the Company.
- 1.2 Making Awards under the Plan will provide Participants with the opportunity to share in the success of the Company and thereby:
- 1.2.1 incentivise Participants to increase the performance of the Company;
 - 1.2.2 provide Participants with the opportunity to share in the benefits of the increased performance of the Company;
 - 1.2.3 motivate Participants to remain in the employ of the Company; and
 - 1.2.4 align and create a synergy between the Participants and the Company's shareholders.

2 INTERPRETATION

- 2.1 Unless otherwise provided for in the Rules or inconsistent with the context, the following words and expressions will have the following meanings –
- 2.1.1 "**Accept**" means the delivery by an Employee, having received an Award Letter, of a completed Notice of Acceptance in respect of such Award;
 - 2.1.2 "**Act**" or the "**Companies Act**" means the Companies Act (Chapter 386 of the Laws of Malta);
 - 2.1.3 "**Applicable Laws**" means, in relation to any person or entity, all and any statutes, subordinate legislation and common law, regulations, ordinances and by-laws; accounting standards directives, codes of practice, circulars, guidance notices, judgments and decisions of any competent authority, compliance with which is mandatory for that person or entity;
 - 2.1.4 "**Applicable Listings Requirements**" means the rules and requirements of the Applicable Securities Exchanges, being, as at the date of adoption of these Rules, the JSE Listings Requirements;
 - 2.1.5 "**Applicable Securities Exchanges**" means all securities exchanges on which the Company is listed, being as at the date of adoption of these Rules, the JSE;
 - 2.1.6 "**Auditors**" means the auditors of the Company from time to time;
 - 2.1.7 "**Award**" means an award made in terms of the Plan, which Award shall comprise –

- 2.1.7.1 the award of a Bonus; and
- 2.1.7.2 the award of Forfeitable Shares,
- each representing 50% of the value of the Award;
- 2.1.8 "**Award Cap**" means the maximum value of any Award to any Participant, being 250% of the TGP in respect of a Financial Year, determined in accordance with the provisions of rule 5;
- 2.1.9 "**Award Date**" means the date of the Award Letter, irrespective of the date of Acceptance thereof;
- 2.1.10 "**Award Formula**" means, in relation to a Participant, the applicable formula set out in rule 5 used to determine the aggregate quantum of the Award that such Participant is eligible for;
- 2.1.11 "**Award Letter**" means a letter containing the information specified in rule 4.3.1;
- 2.1.12 "**Board**" means the board of directors of the Company, as constituted from time to time;
- 2.1.13 "**Bonus**" means the cash bonus forming part of an Award, which Bonus is to be paid to each recipient Participant in the manner regulated by these Rules;
- 2.1.14 "**Business Day**" means any day on which all the Applicable Securities Exchanges is/are open for the transaction of business;
- 2.1.15 "**Business Performance Weightings**" means, in respect of an Award, the weightings applied to each of the Performance Factors to determine the Business Score as shall be specified in the relevant Award Letter, which weightings are as at the date of adoption of these Rules as per the table contained in Annexure C, provided that such weightings may be amended from time to time by the Remuneration Committee;
- 2.1.16 "**Business Score**" has the meaning given thereto in rule 7.1.1;
- 2.1.17 "**Capitalisation Issue**" means the issue of shares on a capitalisation of the Company's profits and/or reserves;
- 2.1.18 "**Change of Control**" means all circumstances where a party (or parties acting in concert), who did not previously do so, directly or indirectly, acquires —
- 2.1.18.1 beneficial ownership of more than 50% of the Company's issued Shares; or
- 2.1.18.2 control of more than 50% of the voting rights at meetings of the Company; or
- 2.1.18.3 the right to control the management of the Company or the composition of the Board;
or

- 2.1.18.4 the right to appoint or remove directors holding more than 50% of voting rights at Board meetings; or
- 2.1.18.5 the right to control the business or undertaking of the Company through a merger or consolidation with any other business or entity, or upon a sale of the whole or a major part of the Company's assets or undertaking;
- 2.1.19 "**Change of Control Date**" means the date on which the Change of Control of the Company becomes effective;
- 2.1.20 "**Company Official**" means the relevant appointed company official responsible for incentive matters from time to time, or his approved nominee;
- 2.1.21 "**Country Schedule**" means, to the extent required, a schedule to these Rules to be adopted as directed by the Remuneration Committee, governing participation in the Plan by Employees employed by the Group in jurisdictions other than South Africa;
- 2.1.22 "**Date of Termination of Employment**" means the date on which the cessation of permanent employment or office of a Participant with any Employer Company takes effect;
- 2.1.23 "**Directors**" means the directors of the Company from time to time;
- 2.1.24 "**Early Retirement**" means Retirement prior to the normal retirement age;
- 2.1.25 "**Elected Person**" means, in relation to an Employee, a Family Company or a Family Trust of such Employee nominated in writing by the Employee for purposes of rule 12.2;
- 2.1.26 "**Eligible Employee**" has the meaning given thereto in rule 3.1;
- 2.1.27 "**Employee**" means any person holding permanent salaried employment or office with any Employer Company, or acting as a consultant for any Employer Company, but excluding any non-executive Director of the Group;
- 2.1.28 "**Employer Company**" means a Group Entity which employs an Employee;
- 2.1.29 "**Employment Condition**" means the condition of continued employment with any Employer Company for the duration of the Employment Period;
- 2.1.30 "**Employment Period**" means the period commencing on the Award Date and ending on the Vesting Date, during which period the Participant is required, in relation to the Forfeitable Share Award, to fulfil the Employment Condition;

- 2.1.31 **“Fault Termination”** means the termination of a Participant’s employment with any Employer Company during the Performance Period or Employment Period (as applicable) by virtue of the occurrence of any of the following events –
- 2.1.31.1 resignation;
 - 2.1.31.2 dismissal;
 - 2.1.31.3 abscondment;
 - 2.1.31.4 Early Retirement (other than as contemplated in rule 2.1.47.5);
 - 2.1.31.5 any reason other than stated in rule 2.1.47;
- 2.1.32 **“Family Company”** means a company in relation to which the Remuneration Committee is satisfied, in its discretion, that the only registered shareholders as well as direct and indirect beneficial shareholders of such a company are a –
- 2.1.32.1 Participant;
 - 2.1.32.2 a Participant’s spouse;
 - 2.1.32.3 a relative of a Participant or a Participant’s spouse separated by no more than two degrees of natural or adopted consanguinity or affinity;
 - 2.1.32.4 a Family Trust; and/or
 - 2.1.32.5 another Family Company.
- 2.1.33 **“Family Trust”** means a trust which the Remuneration Committee is satisfied, in its discretion, has no direct or indirect beneficiaries or in respect of which no other persons are entitled to any form of benefit, whether directly or indirectly other than a –
- 2.1.33.1 Participant;
 - 2.1.33.2 Participant’s spouse;
 - 2.1.33.3 a relative of a Participant or a Participant’s spouse separated by no more than two degrees of natural or adopted consanguinity or affinity;
 - 2.1.33.4 a Family Company; and/or
 - 2.1.33.5 another Family Trust.
- 2.1.34 **“Financial Year”** means the financial year of the Company, which, as at the date of adoption of these Rules, runs from 1 January of each year, as amended from time to time;

- 2.1.35 "**Financial Year End**" means the last day of each Financial Year;
- 2.1.36 "**Forfeitable Share Award**" means, in respect of an Award, the portion of the Award which is an Award of Forfeitable Shares;
- 2.1.37 "**Forfeitable Shares**" means an Award of Shares as specified in the Award Letter, which Shares shall subsequent to the Award be registered in the name of a Participant and for such Participant's benefit but, pending Vesting of such Shares, subject to the Pledge in accordance with rule 12;
- 2.1.38 "**Group**" means, collectively, the Company and all its direct and indirect subsidiaries, and "Group Entity" shall be construed as referring to any entity forming part of the Group;
- 2.1.39 "**Individual Score**" has the meaning given thereto in rule 7.2.1;
- 2.1.40 "**Individual Performance Assessment**" means the assessment of Non-Tier 1 Participants' performance for the relevant Financial Year for purposes of determining the Individual Score, based on a methodology to be determined by the Remuneration Committee from time to time;
- 2.1.41 "**Individual Performance Weighting**" means the weighting applied to the Individual Score in determining the Performance Score Percentage of a Non-Tier 1 Participant, which weightings are as at the date of adoption of these Rules the weightings set out in Annexure C as may be amended by the Remuneration Committee from time to time;
- 2.1.42 "**JSE**" means the securities exchange of that name operated by the JSE Limited in terms of a licence issued under the South African Financial Markets Act, No 19 of 2012, as amended;
- 2.1.43 "**JSE Listings Requirements**" means the Listings Requirements of the JSE, applicable from time to time;
- 2.1.44 "**JSE Prohibited Period**" means –
- 2.1.44.1 a "*closed period*" as defined in the JSE Listings Requirements; or
- 2.1.44.2 any period when there exists any matter which constitutes price sensitive information in relation to the Shares;
- 2.1.45 "**Liquidation Date**" means the date on which application for the final liquidation of the Company is successful;
- 2.1.46 "**Malta**" means the Republic of Malta;

- 2.1.47 **"No Fault Termination"** means where a Participant's employment with any Employer Company terminates prior to the Vesting Date by virtue of the occurrence of any of the following events –
- 2.1.47.1 death;
 - 2.1.47.2 Retirement;
 - 2.1.47.3 mutual separation;
 - 2.1.47.4 retrenchment;
 - 2.1.47.5 ill health, injury, disability or Early Retirement by reason of any of these, in each case as certified by a qualified medical practitioner nominated by the Employer Company and determined to the satisfaction of the Remuneration Committee; or
 - 2.1.47.6 the Participant's Employer Company ceasing to be a member of the Group or the division in which he is employed being transferred to a transferee which is not a member of the Group;
- 2.1.48 **"Non-Tier 1 Participant"** means a Tier 2 Participant or a Tier 3 Participant;
- 2.1.49 **"Notice of Acceptance"** means a written or electronic notice completed by an Employee in respect of the Acceptance of an Award, substantially in the form of the pro forma Notice of Acceptance annexed to these Rules as Annexure A;
- 2.1.50 **"Participant"** means an Employee or Elected Person who has Accepted an Award, including the appointed executor, representative or curator of such Employee's or Elected Person's estate where appropriate;
- 2.1.51 **"Payment Date"** means the date, in the next payroll cycle following the Award Date, on which payment of the Bonus forming part of the relevant Award shall occur;
- 2.1.52 **"Performance Factors"** means the shareholder return, financial, qualitative and operational metrics, applicable to the determination of the Business Score, each with its own Business Performance Weighting, as determined or approved by the Remuneration Committee for the relevant Financial Year, as specified in Annexure D;
- 2.1.53 **"Performance Score Percentage"** means the product of the Individual Score and the Business Score as set out in rule 5;
- 2.1.54 **"Performance Target"** means the performance levels for each Performance Factor, against which achievement of that Performance Factor will be measured;
- 2.1.55 **"Plan"** means the Lighthouse Properties plc Incentive Plan constituted by these Rules, as amended from time to time;

- 2.1.56 "**Pledge**" means the pledge of Forfeitable Shares by the Participant to and in favour of the Company on the basis that such Forfeitable Shares shall be released from the pledge against Vesting in the manner contemplated in rule 12;
- 2.1.57 "**Prohibited Period**" means, to the extent that the Company retains its listing on the JSE a JSE Prohibited Period; and any other period during which the trading of or dealing in securities is prohibited in terms of any other Applicable Securities Exchange;
- 2.1.58 "**Purchase Programme**" means a purchase programme wherein the dates and quantities of securities to be traded during a Prohibited Period are fixed (not subject to any variation) and which has been submitted to each Applicable Securities Exchange (if required in terms of the Applicable Listings Requirements of such exchange/s) in writing prior to the commencement of a Prohibited Period, and in terms of which full details have been disclosed in an announcement prior to the commencement of a Prohibited Period, which Purchase Programme is in accordance with the provisions of the Applicable Listings Requirements;
- 2.1.59 "**Recharge Policy**" means a policy or agreement in force from time to time between the Company and an Employer Company regulating the funding of the Settlement of Forfeitable Share Awards;
- 2.1.60 "**Remuneration Committee**" means the remuneration committee of the board of Directors from time to time, the members of which do not hold any executive office within any Group Entity and who are charged with the administration of the Plan;
- 2.1.61 "**Responsibility Factor**" has the meaning given thereto in rule 6.1;
- 2.1.62 "**Responsibility Level**" means the level of responsibility attributed to a Participant by virtue of the Participant's role within the Group, as specified in the Award Letter delivered to that Participant, provided that where the Group has a formal grading system in place from time to time, the Responsibility Level will refer to the job grade of a Participant as determined by that grading system (which shall be reflected in the Award Letter);
- 2.1.63 "**Retirement**" means normal retirement age as determined by the Company, or with the approval of the Remuneration Committee, prior to the normal retirement age;
- 2.1.64 "**Rights Issue**" means the offer of any securities of the Company to all ordinary shareholders of the Company *pro rata* to their holdings at the record date;
- 2.1.65 "**Rules**" means these Rules of the Plan, as amended from time to time;

- 2.1.66 "**Settlement**" means, in respect of an Award, delivery to a Participant of the required number of Forfeitable Shares in accordance with the Settlement methods stipulated in rule 11.2;
- 2.1.67 "**Settlement Date**" the date on which Settlement will occur;
- 2.1.68 "**Share**" means an ordinary share in the capital of the Company;
- 2.1.69 "**Subsidiary**" means a company which is a subsidiary of the Company;
- 2.1.70 "**STT**" means securities transfer tax and has the meaning given thereto in rule 4.7.1;
- 2.1.71 "**TGP**" means the total guaranteed annual salary package of a Participant (being the cash package of that Participant), as at Financial Year End;
- 2.1.72 "**Tier 1 Participant**" means an Employee employed at a senior executive or management level within the Group and who is denoted "*Tier 1*" Participant status in respect of an Award by the Remuneration Committee, in its discretion;
- 2.1.73 "**Tier 2 Participant**" means an Employee employed at a senior executive or management level within the Group and who is denoted "*Tier 2*" Participant status in respect of an Award by the Remuneration Committee, in its discretion;
- 2.1.74 "**Tier 3 Participant**" means a Participant who is not a Tier 1 Participant or a Tier 2 Participant who is denoted "*Tier 3*" Participant status in respect of an Award by the Remuneration Committee, in its discretion;
- 2.1.75 "**Trading Day**" means, in respect of an Applicable Securities Exchange, a day on which trading takes place through the usual trading systems of the exchange;
- 2.1.76 "**Unvested Forfeitable Share**" means, at an applicable time, a Forfeitable Share which has not at such time Vested and "**Unvested**" shall have the corresponding meaning; and
- 2.1.77 "**Vest**" means the event which causes Forfeitable Shares of a Participant to no longer be subject to any restrictions or potential forfeiture under this Plan, and "**Vesting**" and "**Vested**" shall have the corresponding meanings;
- 2.1.78 "**Vesting Date**" means, in respect of each Forfeitable Share Award, the date on which certain of the Forfeitable Shares being the subject of that Award shall Vest, being the date falling on the 3rd anniversary of the Award Date;
- 2.1.79 "**VWAP**" means the volume weighted average trading price per Share listed on the JSE (or, if the Company's Shares are no longer listed on the JSE such other Applicable Securities Exchange) for the applicable number of Trading Days immediately preceding the date on which such VWAP is to be determined.

- 2.2 In these Rules –
- 2.2.1 the headings are inserted for reference purposes only and will in no way govern or affect the interpretation hereof.
- 2.2.2 if any provision in a definition is a substantive provision conferring rights or imposing obligations on any party, effect will be given to it as if it were a substantive provision.
- 2.2.3 unless the context indicates otherwise:
- 2.2.3.1 derivatives of defined terms will be construed accordingly;
- 2.2.3.2 an expression that denotes any gender includes the others;
- 2.2.3.3 a natural person includes a created entity (corporate or unincorporated); and
- 2.2.3.4 the singular includes the plural, and vice versa in each case.
- 2.2.4 references to any statutory provisions include a reference to those provisions as amended or replaced from time to time and include any regulations made under them.
- 2.2.5 any annexures or other documentation to be applied in conjunction with these Rules will be incorporated in these Rules as if they had been executed as part of the implementation of the Plan.

PARTICIPATION

3 ELIGIBILITY TO PARTICIPATE

- 3.1 An Employee shall be eligible for Participation in the Plan ("**Eligible Employee**") if –
- 3.1.1 that Employee is identified as a Tier 1 Participant, Tier 2 Participant or Tier 3 Participant by the Remuneration Committee. For the avoidance of doubt, non-executive directors shall not be entitled to participate in the Plan; and
- 3.1.2 the Employee has been in the employ of the Group for at least 6 full months of the relevant Financial Year ("**Eligibility Period**"), provided that in the case of Employees that have not been in the employ of the Company for 12 months at Financial Year, the Award shall be determined on a pro-rata basis.
- 3.2 The participation of an Eligible Employee in the Plan is subject to the approval of the Remuneration Committee, which shall have full and unfettered discretion in relation to the participation by Eligible Employees in the Plan.
- 3.3 Prior to or as soon as possible after the commencement of each Financial Year, the Remuneration Committee will select or approve the selection of Eligible Employees in the

Plan for that Financial Year. Eligible Employees selected for participation will be notified of their selection by way of an Award Letter, issued to them in accordance with rule 4.3.

- 3.4 For clarity, participation in the Plan in any given Financial Year does not in any way imply or confer a right to participate in the Plan in any subsequent Financial Year.
- 3.5 A Participant must be in the employ of the Group upon the date on which Awards are made and Bonuses are paid to Participants in accordance with rule 9.4 in order to receive his or her Bonus.
- 3.6 For the avoidance of doubt, the determination of Awards, Settlement of Forfeitable Shares and payment of Bonuses are regulated in terms of these Rules.

4 MAKING OF AWARDS

- 4.1 Subject to rule 16, the Remuneration Committee may, on the recommendation of any Employer Company, make an Award to an Eligible Employee.
- 4.2 Awards shall comprise the Award of (1) a Bonus; and (2) Forfeitable Shares, each of which shall represent 50% of the aggregate value of the Award.

4.3 Award Letter

- 4.3.1 Awards will be made by delivering an Award Letter to the prospective Participant, provided that the Award Letter will be in writing and will specify the terms of the Award, including –
- 4.3.1.1 the name of the Employee or Elected Person;
- 4.3.1.2 the Responsibility Level of the Employee, as determined by the Remuneration Committee;
- 4.3.1.3 the inputs that will be used to calculate the quantum of the Award (i.e. the Award Formula applicable to that Participant), as set out in rule 5;
- 4.3.1.4 a summary of the payment process in respect of the Bonus and any other relevant terms and conditions applicable to the Bonus portion of the Award;
- 4.3.1.5 the number of Forfeitable Shares comprising the Award;
- 4.3.1.6 the Award Date;
- 4.3.1.7 the Employment Period during which the Employment Condition to the Forfeitable Share Award shall apply;
- 4.3.1.8 if applicable, any further conditions;
- 4.3.1.9 that the Employee must Accept the Award in writing; and

4.3.1.10 any other relevant terms and conditions to the Award.

4.4 Awards are non-transferable

An Award is personal to the Employee or Elected Person to whom it is addressed and may only be Accepted by such Employee or Elected Person (such Elected Person having been nominated in accordance with rule 12.2).

4.5 Acceptance of Awards

4.5.1 An Employee or his Elected Person, having received an Award Letter, must Accept such Award by completing a Notice of Acceptance and delivering such notice to the Company within the period and in the format specified in the Award Letter.

4.5.2 In the event that an Award is not timeously Accepted in the prescribed manner, the Award will be deemed to have been rejected and shall immediately lapse.

4.5.3 By the Acceptance of an Award, the Participant pledges the Forfeitable Shares comprising the Forfeitable Share Award to and in favour of the Company on the basis contemplated in rule 12.

4.6 Conditions attaching to the Forfeitable Share Awards

4.6.1 The Vesting of a Forfeitable Share Award will be subject to the satisfaction of certain conditions, which conditions will be set out in the applicable Award Letter. These conditions shall be –

4.6.1.1 the Employment Condition applicable during the Employment Period; and

4.6.1.2 if applicable, any further conditions determined by the Remuneration Committee.

4.7 Awards are free

4.7.1 Save for securities transfer tax or similar tax, charge, duty or levy imposed on the transfer of the Forfeitable Shares to a Participant pursuant to the Settlement of a Forfeitable Share Award (if any) ("**STT**"), which an Employer Company may recover from a Participant, a Participant will not be required to give any consideration for the receipt or Settlement of an Award.

4.7.2 The method of recovering the STT, will be agreed between an Employer Company and a Participant prior to the Settlement Date. Failing such agreement being reached, an Employer Company may withhold the required amount from a Participant's salary or any other payments due to the Participant.

CALCULATION OF THE QUANTUM OF AWARDS

5 AWARD FORMULA

- 5.1 The calculation of the quantum of Awards shall differ based on whether the relevant Participant is a Tier 1 Participant, Tier 2 Participant or Tier 3 Participant, with the applicable Award Formulas in respect of these three baskets of Participants set out in rules 5.4 and 5.5 below, respectively.
- 5.2 At the Tier 1 Participant level, the key driver in determining whether a Participant qualifies for an Award is the performance of the Group, as captured in the Business Score. Accordingly, no Tier 1 Participant shall receive an Award where none of the Performance Factors meet the applicable threshold level.
- 5.3 At the Non-Tier 1 Participant level, in determining whether a Non-Tier 1 Participant qualifies for an Award, both the performance of the Group (as captured in the Business Score) and the individual Participant's performance (as captured in his Individual Score) shall contribute as drivers. The weighting of these two drivers shall vary depending on whether the Non-Tier 1 Participant is a Tier 2 Participant or a Tier 3 Participant.

5.4 Tier 1 Participants

The formula for determining the quantum of an Award that a Tier 1 Participant qualifies for is:

| FORMULA ITEM | FORMULA | SOURCE |
|--|-------------------------------------|----------------|
| On-target Award: | $TGP \times Responsibility\ Factor$ | See Annexure B |
| Business Score: | $Business\ Score^*$ | See Annexure D |
| Award** = On-target Award x Business Score | | |

* The Business Score comprises an aggregate score based on a combination of financial, qualitative and operational Performance Factors, each of which is attributed a specific weighting. These Performance Factors and the applicable weighting attached to each of *them vis-à-vis* the others is set out in Annexure D. The Business Score is thus computed as one or the other or a combination of the following: (financial metrics x Weighting) + (qualitative metrics x Weighting) + (operational metrics x Weighting).

** The Award is subject to the Award Cap.

5.5 Non-Tier 1 Participants

Executive management will recommend Awards for Non-Tier 1 Participants to the Remuneration Committee for approval. The quantum of the recommended Award will be determined based on the following formula:

| FORMULA ITEM | FORMULA | SOURCE |
|--|---|-------------------------------|
| On-target Award: | $TGP \times Responsibility\ Factor^{**}$ | See Annexure B |
| Performance Score Percentage: | $(Individual\ Score \times Individual\ Performance\ Weighting^{***}) + (Business\ Score^* \times Business\ Performance\ Weighting^{***})$ | See Annexure C and Annexure D |
| Award**** = On-target Award x Performance Score Percentage | | |

* The Business Score comprises an aggregate score based on a combination of shareholder return, financial, qualitative and operational Performance Factors, each of which is attributed a specific weighting. These Performance Factors and the applicable weighting attached to each of *them vis-à-vis* the others is set out in Annexure C. The Business Score is thus computed as one or the other or a combination of the following: (shareholder return x Weighting) + (financial metrics x Weighting) + (qualitative metrics x Weighting) + (operational metrics x Weighting).

** The Responsibility Factor varies depending on whether the Non-Tier 1 Participant is a Tier 2 Participant or a Tier 3 Participant.

*** The weighting attributed to each of the Individual Score and the Business Score varies depending on whether the Non-Tier 1 Participant is a Tier 2 Participant or a Tier 3 Participant.

**** The Award is subject to the Award Cap.

5.6 Refer to Annexure E for an example of how the Awards in respect of Tier 1 Participant, Tier 2 Participants and Tier 3 Participants, respectively, are to be calculated.

6 RESPONSIBILITY FACTOR

6.1 The "Responsibility Factor", being a fixed variable in all Award Formulas, is a percentage ascribed to each Responsibility Level by the Remuneration Committee from time to time, which percentage is as at the date of adoption of these Rules the percentage set out in Annexure B. The Responsibility Factor is expressed as a percentage of an Employee's TGP ("**Responsibility Factor**"). The percentage ascribed as the Responsibility Factor in relation to each Responsibility Level has been, and shall continue to be, determined by the Remuneration Committee and amended by the Remuneration Committee, based on the

remuneration levels in the market from time to time of persons at the various job levels and positions of seniority comprising the different Responsibility Levels.

- 6.2 As aforesaid, the Responsibility Factor will be determined and approved by the Remuneration Committee from time to time. The Responsibility Factor as at the date of adoption of these Rules is set out in Annexure B.

7 DETERMINATION OF SCORES, WEIGHTINGS AND SETTING OF PERFORMANCE TARGETS AND CONDITIONS

7.1 Business Score – all Participants

- 7.1.1 The "Business Score" variable in the applicable Bonus Formula is a rating, expressed as a percentage between 0% and 125%, ascribed to the performance of the Group during the applicable Financial Year based on the achievement by the Group relative to the approved financial, qualitative and operational Performance Targets set for each of the Performance Factors applicable to the Financial Year, as set out in Annexure D and the Award Letter, which rating shall be determined by the Remuneration Committee on an annual basis in respect that Financial Year, in accordance with the provisions of Annexure D ("**Business Score**").

- 7.1.2 Each Performance Factor will have its own Business Performance Weighting, based on the Responsibility Level of the Participant.

- 7.1.3 The Business Performance Weightings applicable to each Participant's Responsibility Level are set out in Annexure C.

- 7.1.4 The Business Performance Weightings may be amended from time to time by the Remuneration Committee.

7.2 Individual Score – Non-Tier 1 Participants

- 7.2.1 The "Individual Score" variable in the applicable Bonus Formula is a rating, expressed as a percentage between 0% and 125%, determined in relation to each Non-Tier 1 Participant based on the outcome of his Individual Performance Assessment for the relevant year, in accordance with Annexure D ("**Individual Score**").

- 7.2.2 The components of the Individual Performance Assessment and translation into the Individual Score are set out in Annexure D, as will be included in each applicable Participant's Award Letter.

- 7.2.3 The Individual Performance Weighting will be applied to the Individual Score. The Individual Performance Weightings may be amended from time to time by the Remuneration Committee.

8 TGP DETERMINATION

- 8.1 Subject to the remaining provisions of this rule 8, the TGP for Participants will be determined by their Responsibility Level as at the end of the relevant Financial Year.
- 8.2 Participants who are acting at a higher Responsibility Level will qualify for Awards based on the annual TGP of their officially appointed Responsibility Level (as specified in the Award Letter delivered to them), not the acting Responsibility Level.
- 8.3 The Award for Participants who were on maternity leave during the Financial Year will be based on their actual TGP earned for the Financial Year, which includes a reduced TGP as a result of the maternity leave.
- 8.4 If sick and unpaid leave of a Participant exceeds 30 working days, the Award will be calculated on a pro-rata basis.

9 CALCULATION OF AWARD AND APPROVAL PROCESS

- 9.1 The calculation of the quantum of Awards will be performed by the finance department.
- 9.2 Subsequent to the calculation of the quantum of Awards, the proposals for the Awards will be submitted to the Remuneration Committee for approval and the Remuneration Committee shall specify the Awards to be made to each Eligible Employee selected to participate in the Plan.
- 9.3 The Remuneration Committee is able to reduce, adjust or remove the Award, including adjusting the Award in the event where such Bonuses would subject the Company to undue financial hardship. The Remuneration Committee shall apply the principles contemplated in rule 3.1.2 when pro-rating the quantum of Awards made to Participants having been employed in the Group for less than 12 months as at the applicable Award Dates.
- 9.4 The relevant Employer Company will, subsequent to the approval by the Remuneration Committee, make payment of the Bonus by no later than three months following the Financial Year end.

10 COMPOSITION OF AWARDS

- 10.1 Each Award made in terms of the Plan shall comprise, in respect of –
- 10.1.1 50% of the aggregate quantum of the Award, a cash Bonus; and
- 10.1.2 50% of the aggregate quantum of the Award, Forfeitable Shares,

provided that the Remuneration Committee may from time to time determine that an alternative ratio of Bonus to Forfeitable Shares shall apply in respect of prospective Awards.

- 10.2 The number of Forfeitable Shares that comprise the Forfeitable Share Award contemplated in rule 10.1.2 shall be determined in accordance with the following formula:

$$A = \frac{B \times C}{D}$$

Where:

- 10.2.1 A is the number of Forfeitable Shares that comprise a Forfeitable Share Award;
- 10.2.2 B is the quantum of the applicable Award;
- 10.2.3 C is 50%, or such other percentage as may be determined by the Remuneration Committee from time to time in accordance with rule 10.1; and
- 10.2.4 D is the 5-day VWAP or prior day spot as determined by the Remuneration Committee, rounded down to the nearest whole number of Shares if the above equation results in a fraction of a Share.

MAKING, SETTLEMENT AND VESTING OF FORFEITABLE SHARE AWARDS

11 SETTLEMENT OF FORFEITABLE SHARE AWARDS

- 11.1 Following the making of an Award of Forfeitable Shares, the Company or relevant Employer Company will within 30 days of the Award Date procure the Settlement of that number of Forfeitable Shares to the Participant in accordance with the Settlement methods described in rule 11.2.
- 11.2 Any one of the following Settlement methods may be used, as directed by the Remuneration Committee –
- 11.2.1 the Company or relevant Employer Company will, if so instructed by the Remuneration Committee, incur an expense by making a cash contribution to any third party equal in value to the quantum of the Forfeitable Share Award in Settlement of the Award on the basis that the third party will acquire the required number of Shares on the market and effect Settlement to the Participants;
- 11.2.2 the relevant Employer Company by which that Participant is employed will use Shares held in treasury account and effect Settlement to that Participant;
- 11.2.3 the Company or relevant Employer Company by which that Participant is employed will, if so instructed by the Remuneration Committee, incur an expense by paying the purchase consideration to any Subsidiary, other than an Employer Company, which holds Shares in treasury account for Settlement to that Participant, on the basis that the Subsidiary will deliver the Shares to a Participant for the purpose of discharging the Company's or relevant Employer Company's obligation to effect Settlement to that

Participant. The purchase consideration which the Company or relevant Employer Company will pay to the Subsidiary will be the 5-day VWAP or spot of the Shares (as applicable) as at the Award Date; and/or

- 11.2.4 the Company will issue Shares to the Participants.
- 11.3 Where the Company issues the Shares or incurs costs in the Settlement of an Award, whether in the form of the cash contribution or otherwise, the Company will recharge such costs to the relevant Employer Company in terms of the Recharge Policy.
- 11.4 Shares intended for use in the Settlement of the Plan may not be purchased during a Prohibited Period unless permitted to do so in accordance with all Applicable Laws and the Applicable Listings Requirements (including pursuant to a Purchase Programme which is in place).
- 11.5 In the event that Shares are purchased during a Prohibited Period having complied with the provisions of rule 11.4, the Company shall comply with all relevant provisions of the Applicable Listings Requirements in relation to such purchase, including making all requisite announcements.
- 11.6 Where Settlement is due to occur during a Prohibited Period, unless Settlement is permitted having complied with the provisions of rule 11.4, the Settlement of that Award will be delayed until the expiry of the Prohibited Period, whereafter Settlement will take place as soon as reasonably practicable.

12 OWNERSHIP IN RESPECT OF FORFEITABLE SHARES AND PARTICIPANT'S RIGHTS BEFORE THE VESTING DATE

- 12.1 With effect from the Settlement of a Forfeitable Share Award, the Participant pledges the Forfeitable Shares to the Company to be released from such Pledge against Vesting of such Forfeitable Shares. Notwithstanding the Pledge of Unvested Forfeitable Shares, such Unvested Forfeitable Shares shall from Settlement be registered in the name of, owned by and for the absolute benefit of the Participants as owners of the Forfeitable Shares, but subject to the provisions of rule 14.
- 12.2 Other than nomination by the Participant of his Elected Person to Accept the Award of Forfeitable Shares, while the Unvested Forfeitable Shares remain subject to the Pledge, such Forfeitable Shares may not be disposed of or otherwise encumbered at any time from the date of their Settlement, up to and including the Vesting Date, except on that Participant's death his Forfeitable Shares may be transferred to the executor or representative of his deceased estate.

- 12.3 Following the Vesting of Pledged Forfeitable Shares, subject to rule 14, the Company, will procure the release of the Forfeitable Shares from the Pledge and such Shares shall forthwith be owned by the Participant free from any further restrictions.
- 12.4 Except for the restrictions envisaged in rule 12.1 while Unvested Forfeitable Shares are subject to the Pledge, the Participant shall be entitled to all shareholder rights, including the right to vote and the right to participate in distributions by the Company, in respect of Forfeitable Shares and from the Settlement Date the Shares will rank *pari passu* with existing Shares. To the extent that the Participant does not exercise his rights as shareholder, they may not be exercised by the Escrow Agent.
- 12.5 The Participant will provide his Employer Company with, and the Participant will consent to his Employer Company furnishing the requisite agents and/or service providers with any information relating to the Participant's identification that such agent or service provider may require in order to ensure compliance with the South African Financial Intelligence Centre Act, 2001 (to the extent applicable), or any other applicable legislation and ensure that the Pledge is effective in terms of all applicable laws, including in terms of section 39 of the South African Financial Markets Act, No 19 of 2012 (to the extent applicable).
- 12.6 The Participant will, where required, enter into, execute and otherwise complete all such documents as may be required in order to give legal effect to the Pledge of such Participant's Forfeitable Shares .
- 12.7 The Employer Company will not be liable for any loss or damage arising from any act or omission of the Company, an Employer Company, any agent or service provider or any central securities depository participant ("CSDP") engaged by the Company, any employee, director, or representative of the Company or such CSDP in connection with or arising out of the holding of, or transacting in, the Forfeitable Shares subject to the Pledge.

13 VESTING OF FORFEITABLE SHARE AWARDS

13.1 Forfeitable Shares

On the Vesting Date in respect of an Award of Forfeitable Shares, subject to rules 14 and 17, and subject to the Employment Condition being fulfilled on such Vesting Date, all Forfeitable Shares comprising such Forfeitable Share Award shall Vest.

13.2 The effect of Vesting of a Forfeitable Share Award

- 13.2.1 The effect of a Forfeitable Share Award Vesting will be that the restrictions imposed on the Forfeitable Shares will cease to apply, the Forfeitable Shares shall be released from the Pledge and the risk of forfeiture will lift.
- 13.2.2 Within 30-business days of the later of (1) the Vesting Date applicable to an Award of Forfeitable Shares; and (2) the date of demand by the Participant, the Company shall

procure that the Vested Forfeitable Shares are released from the Pledge and shall transfer the Forfeitable Shares which Vested on such Vesting Date to the CSDP account nominated in writing by the Participant.

13.3 Vesting of Awards are free

No amount will be payable by a Participant in respect of the Vesting of an Award or the Settlement of the Shares pursuant thereto.

14 TERMINATION OF EMPLOYMENT

14.1 Fault Terminations

14.1.1 In the event of a Fault Termination occurring in respect of an Employee, all Awards having been made to such Employee (or the Elected Person of such Employee) will lapse immediately on the Date of Termination of Employment.

14.1.2 An Employee will not be treated as ceasing to be an Employee of an Employer Company if, on the same date on which he ceases to be an Employee of an Employer Company, he is employed by another Employer Company.

14.1.3 For the avoidance of doubt, any Awards of Forfeitable Shares which have already Vested on the Date of Termination of Employment will be unaffected by such termination of employment.

14.2 No Fault Terminations

In the event of an Employee's employment being terminated by way of No Fault Termination, Unvested Awards having been made to such Employee (or Elected Person) will, in their entirety, remain capable of Vesting following the termination of employment of the Participant, pursuant where to the Vesting Date specified in the Award Letter shall continue to apply and such Forfeitable Shares shall Vest on such forthcoming Vesting Date.

15 LAPSE OF AWARDS

Awards will lapse on the earliest of any of the dates relating to the lapse of Awards as provided for in these Rules.

COMPANY OBLIGATIONS AND CAPITAL EVENTS

16 IMPLEMENTATION OF THE PLAN

16.1 Making of Awards

16.1.1 The Remuneration Committee may, on the recommendation of any Employer Company, make Awards to Employees:

- 16.1.1.1 after the Plan has been approved by the shareholders of the Company; and
- 16.1.1.2 on any day on which there are no restrictions on the making of Awards, being restrictions imposed by a Prohibited Period, statute, order, regulation or directive, or by any code adopted by the Company relating to dealings in Shares by Directors or the Applicable Listings Requirements, as the case may be.

16.2 Basis of Awards

- 16.2.1 The Remuneration Committee may from time to time call upon Employer Companies to nominate Employees for participation in the Plan.
- 16.2.2 The Remuneration Committee will have final authority to decide –
 - 16.2.2.1 which Employees will participate in the Plan in respect of each Award;
 - 16.2.2.2 the "Tier" status to be denoted to any Participant;
 - 16.2.2.3 subject to rule 20, the aggregate quantum of Awards to all Employees in terms of rules 5 to 10;
 - 16.2.2.4 subject to rule 20, the number of Forfeitable Shares that may comprise a Forfeitable Share Award to an Employee by taking into account the mechanics contemplated in rules 5 to 10;
 - 16.2.2.5 the Employment Condition;
 - 16.2.2.6 Employment Periods; and
 - 16.2.2.7 all other issues relating to the governance and administration of the Plan.

16.3 Procedure for making Awards

- 16.3.1 When the Remuneration Committee approves Awards, the Company and the Employer Company of each Employee who has been approved for participation in the Plan will be notified.
- 16.3.2 The Company Official will issue an Award Letter to every Employee who has been approved for participation in the Plan as soon as is practically possible after receiving the Remuneration Committee's notification in terms of Rule 16.3.1.

17 CHANGE OF CONTROL

17.1 Early Vesting of Awards

- 17.1.1 Subject to Rule 17.4, where there is a Change of Control of the Company before the expiry of the Employment Period, all Unvested Forfeitable Share Awards will Vest as

soon as reasonably practicable after the Change of Control becomes effective, as set out below.

17.1.2 The proportion of a Forfeitable Share Award which will Vest will be determined by the Remuneration Committee in its absolute discretion taking into account such factors as it may consider relevant including, but not limited to, the time the Forfeitable Share Award has been held by the Participant.

17.1.3 If the extent of Vesting of a Forfeitable Share Award which Vests in terms of this rule 17 has been reduced by the Remuneration Committee to reflect the period of time that the Forfeitable Share Award has been held by the Participant, the Remuneration Committee may determine that rule 17.4 will apply to the proportion of the Forfeitable Share Award reflecting such reduction which has not Vested.

17.2 Winding-up of the Company

17.2.1 If notice is given of a resolution for the voluntary winding-up of the Company as a result of a Change of Control, all Unvested Forfeitable Share Awards will Vest on the date notice is given.

17.2.2 The proportion of a Forfeitable Share Award which will Vest will be determined in accordance with Rule 17.1.2, and the Remuneration Committee will determine in its absolute discretion that either (i) Rule 17.4 will apply to the proportion of the Forfeitable Share Award reflecting such reduction which has not Vested, or (ii) the portion of the Forfeitable Share Award that does not Vest will lapse.

17.3 Notification of Participants

The Remuneration Committee will, as soon as reasonably practicable, notify each Participant of the occurrence of an event giving rise to a Change of Control and explain how this affects his position in terms of the Plan.

17.4 Continuation, exchange or conversion of Awards

The portion of the Forfeitable Share Award that does not Vest on the Change of Control Date will (except on the termination of the Plan as a result of the Change of Control, in which case it will lapse) continue to be subject to the terms of the Award Letter relating thereto, unless the Remuneration Committee determines that the terms of the Award Letter relating thereto are no longer appropriate. In this case, the Remuneration Committee will make such adjustment to the number of Forfeitable Share Awards, or exchange or convert Forfeitable Share Awards into new awards in respect of shares in one or more other companies, provided the Participants are no worse off. Exchanges or conversions of a Forfeitable Share Awards (if any) shall not impact the limitations imposed in terms of rules

20.1.1 and/or 20.2 (subject to adjustments made in respect of such limits in accordance with rule 20.3).

17.5 Other events that do not result in a Change of Control

- 17.5.1 Subject to Rule 18 , if any other event happens which may affect the Forfeitable Share Awards, including the Shares ceasing to be listed on the JSE (unless this is pursuant to a Change of Control) or if there is an internal reconstruction or other event which does not result in a Change of Control, the Unvested Forfeitable Share Award held by a Participant will not Vest as a consequence of that event and will continue to be governed by the Rules of the Plan.
- 17.5.2 However, the Remuneration Committee may take such action as it considers appropriate to protect the interests of Participants following the occurrence of such event, including exchanging or converting Awards into awards in respect of shares in one or more other companies, provided the Participant is no worse off.

18 VARIATION IN SHARE CAPITAL

- 18.1 A "Variation in Share Capital" shall occur pursuant to the occurrence/implementation of any of the following corporate actions –
- 18.1.1 Capitalisation Issue; or
- 18.1.2 a Rights Issue; or
- 18.1.3 a subdivision of Shares; or
- 18.1.4 a consolidation of Shares; or
- 18.1.5 the Company entering into a scheme of arrangement as contemplated in section 114 of the Act; or
- 18.1.6 the Company making distributions, including a reduction of capital, a special dividend and distribution *in specie*, other than a dividend paid in the ordinary course of business.
- 18.2 In the event of a Variation in Share Capital, Participants will continue to participate in the Plan. The Remuneration Committee will make such adjustment to the terms of Unvested Forfeitable Share Awards or take such other action which would result in the Participant's Forfeitable Share Awards maintaining an equivalent value as was the case prior to the Variation in Share Capital. If the Variation in Share Capital occurs by virtue of a corporate action contemplated in rule 18.1.3 or 18.1.4, such adjustment shall cause the Participant, in respect of his Forfeitable Share Awards, to maintain an entitlement to a proportion of the equity capital of the Company which is equivalent to such Participant's entitlement prior to such event.

- 18.3 The issue of Shares as consideration for an acquisition, and the issue of Shares or a vendor consideration placing will not be regarded as a circumstance that requires any adjustment to the terms of Unvested Forfeitable Share Awards.
- 18.4 The Company will notify the Participants of any adjustments which are made under rule 18.2 and will further comply with rules 20.3.1 to 20.3.5. Where necessary, in respect of any such adjustments, the Company's Auditors or independent advisors, acting as experts and not as arbitrators and whose decision will be final and binding on all persons affected thereby, will confirm to the Company in writing that these are calculated on a reasonable and non-prejudicial basis.
- 18.5 Any adjustments made will be reported in the Company's annual financial statements in the year during which the adjustment is made.
- 18.6 If the Company is placed into liquidation for purposes other than a reorganisation or as a result of a Change of Control in accordance with rule 16, any Unvested Forfeitable Share Awards will lapse from the Liquidation Date.

19 AMENDMENTS AND TERMINATION

- 19.1 Subject to Rule 19.3, the Remuneration Committee may at any time, alter, vary or add to these terms and conditions as it thinks fit, including for ease of the administration of the Plan, to comply with or take account of the provisions of any proposed or existing legislation or to obtain or maintain favourable, taxation or regulatory treatment of any Company in any Employer Company or any present or future Participant and the adoption of a Country Schedule for the benefit of Employees of the Group working outside South Africa.
- 19.2 Amendments to these terms and conditions may only affect Awards to Participants that have already been made if they are to the advantage of Participants, subject to the Applicable Listings Requirements.
- 19.3 Except as provided in clause 19.1 the provisions relating to:
- 19.3.1 eligibility to participate in the Plan;
 - 19.3.2 the number of Shares which may be utilised for the purpose of the Plan as envisaged in Rule 20;
 - 19.3.3 the limitations on benefits or maximum entitlements;
 - 19.3.4 the basis upon which Awards are made as stipulated in Rule 16.2;
 - 19.3.5 the amount payable upon the Award, Vesting and Settlement;
 - 19.3.6 the voting, dividend, transfer and other rights attached to the Awards, including those arising on liquidation of the Company;

- 19.3.7 the adjustment of Awards and price in the event of a variation of capital of the Company;
- 19.3.8 the procedure to be adopted in respect of the Vesting of a Forfeitable Share Award in the event of termination of employment as envisaged in Rule 14;
- 19.3.9 the terms of this rule 19.3,

may not be amended without the prior approval by ordinary resolution of 75% of the shareholders of the Company present or by proxy, in a general meeting, excluding all the votes attached to all Shares controlled by persons as a result of the Vesting of the Awards under this Plan who are existing Participants in the Plan and who may be impacted by the changes.

- 19.4 The Remuneration Committee may terminate the Plan at any time, but Awards made before such termination will continue to be valid and as described in the provisions of the Plan.

REGULATORY REQUIREMENTS

20 PLAN LIMITS (FORFEITABLE SHARE AWARDS)

20.1 Overall Plan limit

- 20.1.1 Subject to Rules 20.3.1 to 20.3.5, the aggregate number of Shares at any one time which may be Settled in respect of this Plan will not exceed 32,497,471 Shares, which equates to approximately 2% of the number of issued Shares at the date of adoption of the Plan. In the event of a discrepancy between number of Shares and the percentage it represents, the number will prevail.
- 20.1.2 The limit referred to in Rule 20.1.1 will be calculated to include the following:
 - 20.1.2.1 Shares held by a Subsidiary in treasury account and which have been utilised by the Company in Settlement of this Plan; and
 - 20.1.2.2 the actual number of new Shares allotted and issued by the Company in Settlement of this Plan.
- 20.1.3 The limit referred to in Rule 20.1.1 will exclude the following:
 - 20.1.3.1 Shares purchased in the market as contemplated in rule 11.2 in Settlement of this Plan; and
 - 20.1.3.2 Forfeitable Share Awards under the Plan which do not subsequently Vest to a Participant as a result of the forfeiture thereof.

20.1.4 Forfeitable Share Awards must revert back to the Plan, such that the number of Forfeitable Shares which are forfeited will not be included in the limit referred to in Rule 20.1.

20.2 Individual limit

Subject to the provisions of rules 20.3.1 to 20.3.5, the maximum number of Shares Settled to any single Participant under this Plan will not exceed 6,499,494 Shares, which equates to approximately 0.4% of the number of issued Shares at date of adoption of the Plan.

20.3 Adjustments

20.3.1 The Remuneration Committee must adjust the number of Shares available for the Plan as stated in Rule 20.1.1, without the prior approval of shareholders in the Company, to take account of a sub-division or consolidation of the Shares of the Company. Such adjustment should give a Participant the entitlement to receive the same proportion of Shares in the Company as he was entitled to receive prior to the occurrence of such event.

20.3.2 The Remuneration Committee may adjust the number of Shares which comprise the individual limit stated in Rule 20.2, without the prior approval of shareholders in the Company, to take account of a Capitalisation Issue, a dividend in *specie* (other than a dividend paid in the ordinary course of business out of the current year's retained earnings), a Rights Issue or a scheme of arrangement as contemplated in section 114 of the Act, including a reduction in the capital of the Company.

20.3.3 The Auditors, or other independent advisor acceptable to the JSE, will confirm to the JSE in writing that any such adjustment made in terms of Rule 20.3.1 and 20.3.2 has been properly calculated on a reasonable and equitable basis, in accordance with the Rules.

20.3.4 The issue of Shares as consideration for an acquisition, and the issue of Shares for cash or a vendor consideration placing will not be regarded as a circumstance that requires any adjustment to limit stated in Rule 20.1.1 and 20.2.

20.3.5 Any adjustments made in terms of Rule 20.3.1 and Rule 20.3.2 must be reported on in the Company's financial statements in the year during which the adjustment is made.

20.3.6 In addition, the rolling over of Forfeitable Share Awards (including the arrangement which assumes that Shares which have already Vested and been issued in terms of the Rules, and which then revert back to the limit in Rule 20.1.1) is prohibited.

21 DISCLOSURE IN ANNUAL FINANCIAL STATEMENTS

The Company will disclose in its annual financial statements the number of Shares that may be utilised for purposes of the Plan at the beginning of the accounting period and changes in such number during the accounting period and the balance of securities available for utilisation for purposes of the Plan at the end of the accounting period.

22 DIRECTOR DEALINGS

The Company will ensure that any dealings in the Company's Shares in terms of the Plan shall be effected in compliance with the relevant share dealings provisions of the Applicable Listings Requirements.

23 SHARE ISSUES OUTSIDE PLAN

For so long as the Company's Shares are listed on the JSE, the issue of shares to employees who do not fall under the Rules of this Plan will be treated as a specific issue for cash as contemplated in paragraph 5.51 of the JSE Listings Requirements.

24 SHARE ISSUES AND ACQUISITIONS

Shares will only be issued or purchased once a Participant has been formally identified.

25 VOTING RIGHTS

For so long as the Company's Shares are listed on the JSE, Shares attributable to the Plan will not have their votes at general or annual general meetings taken into account for the purposes of resolutions proposed in terms of the JSE Listings Requirements. Such Shares will also not be taken into account for purposes of determining categorisations as detailed in Section 9 of the JSE Listings Requirements.

ADMINISTRATIVE PROVISIONS

26 FURTHER CONDITIONS

- 26.1 In circumstances where the tax and/or regulatory requirements of a particular jurisdiction where a Participant works makes the delivery of Shares impossible or impractical, the Remuneration Committee shall be entitled to direct that the Participant be paid a cash amount in *lieu* of Shares on the Settlement Date. A separate Country Schedule detailing the provisions in respect of such jurisdiction may be adopted in addition to, or instead of, paying a cash amount in *lieu* of Shares on the Settlement Date.
- 26.2 An Employer Company may withhold any amount required –

- 26.2.1 to meet any costs in respect of the Settlement and/or Vesting of an Award for which the Participant is liable; or
- 26.2.2 for employees' tax,
- from the Participant's remuneration or any other amount due by the Employer Company to the Participant.
- 26.3 The Employer Company will delay the Vesting or Settlement of the Forfeitable Share Award, whichever is appropriate, to the Participant if the acquisition or disposal of the Shares would otherwise:
- 26.3.1 occur during a Prohibited Period; or
- 26.3.2 be in contravention of any code adopted by the Company relating to dealings in securities by Directors; or
- 26.3.3 be prohibited in terms of the Applicable Listings Requirements or in terms of any insider trading legislation or any other legislation or regulations,
- until the first business day following the expiry of such event.
- 26.4 The rights of Participants under this Plan are determined exclusively by these Rules.
- 26.5 Except as otherwise provided in the Rules, the Participant has no right to any compensation, damages or any other sum or benefit by reason of the fact that:
- 26.5.1 he ceased to be a Participant in the Plan; or
- 26.5.2 any of his rights or expectations under this Plan were reduced or lost.
- 26.6 Where a Participant is transferred from one Employer Company to another Employer Company:
- 26.6.1 all Awards made to such Participant by the first Employer Company will remain in force on the same terms and conditions as set out in these Rules; and
- 26.6.2 the second Employer Company will assume a pro-rata portion of the first Employer Company's obligations in respect of the relevant Awards in consideration for obtaining the Participant's services from the first Employer Company.

27 NOTICES

- 27.1 Any notice or other document given to any Employee or Participant pursuant to the Plan may be sent to his work email address or delivered by hand to his home address according to the records of the Company, or to such other email address as may appear to the Remuneration Committee to be appropriate. Notices or other documents sent by email will

be deemed to have been given or received on the day of sending, and those delivered by hand will be deemed to have been given or received on the day of delivery.

- 27.2 Any notice or document given to the Company or Employer Company pursuant to the Plan will be delivered to it or sent by post to its registered office marked for the attention of the Company Secretary, or such other address as may be specified by the Company and the documents will not be deemed to have been received before actual receipt by the Company Secretary.
- 27.3 Notwithstanding anything to the contrary herein contained, a written notice or document which is actually received by a person will be adequate for purposes of this Plan, notwithstanding that such notice or document was not received at that party's stated address for delivery of notices.

28 GOVERNING LAW

- 28.1 The law of Malta governs the Plan. The Company, all Employer Companies, Group Entities and Participants submit to the jurisdiction of the Maltese courts as regards any matter arising in terms of the Plan.
- 28.2 This Plan was adopted at the annual] general meeting of shareholders of Lighthouse Properties plc held at the Company's registered office, on 20 May 2022 and was available for inspection for at least 14 (fourteen) days prior to the annual general meeting at the Company's registered office.

SIGNED at Malta on 8th June 2022



Chairman of the General Meeting

Annexure A

Notice of Acceptance

Lighthouse Properties PLC
Incentive Plan ("Plan")

Notice of acceptance

I, the undersigned, hereby accept the Award of Conditional Shares, subject to the terms and conditions set out in the Rules of the Plan and the Award Letter addressed to me dated **[insert date of award letter]**, with which I declare myself to be fully acquainted.

I hereby further undertake, if and when called upon by any Director or the Company Secretary to do so, to sign any further documents which may be considered necessary or desirable by the Company in order to give effect to the provisions of the award.

SIGNED AT _____ ON THIS ___ DAY OF _____ 2022.

Signature of the Participant
[insert name of the participant]

Responsibility Factor

REVISION DATE: [●]

1. Responsibility Factor

| Responsibility Levels | Responsibility Factor |
|------------------------------|------------------------------|
| Tier 1 Participant | 200% |
| Tier 2 Participant | 120% |
| Tier 3 Participant | 60% |

It being noted that the Responsibility Factor in respect of each Responsibility Level may be amended from time to time in accordance with the provisions of rule 6 of the Rules.

Annexure C

Individual and Business Performance Weightings*Non-Tier 1 Participants*

The Individual and Business Performance Weightings will be determined based on the Participant's Responsibility Level, as follows:

| Responsibility Levels | Individual Performance Weighting %* | Business Performance Weighting % |
|------------------------------|--|---|
| Tier 2 Participant | 60 | 40 |
| Tier 3 Participants | 80 | 20 |

* Individual Performance below the applicable threshold level will result in no Award being made regardless of meeting Business Performance.

It being noted that the weightings may be amended from time to time in accordance with the provisions of rule 7.1.4 and 7.2.3 of the Rules.

Tier 1 Participants

Business Performance Weightings will be determined based in the Participant's Responsibility Level totalling to 100%, as follows:

| Responsibility Levels | Business Performance Weighting % | | | |
|------------------------------|---|------------------|--------------------|--------------------|
| | SH return | Financial | Operational | Qualitative |
| Executive director | 25 | 45 | 20 | 10 |

Individual and Financial Performance Factors and Targets

REVISION DATE: [●]

1. Individual Score – Non-Tier 1 Participants

The outcomes of the Individual Performance Assessment will be as follows:

| Individual Performance Assessment | Rating | Individual Score |
|-----------------------------------|--------|------------------|
| Below expectation | 1 | 0% |
| Threshold | 2 | 75% |
| Target | 3 | 100% |
| Stretch | 4 | 125% |

* Individual performance of rating of lower than 2 will result in no Award being made.

2. Business Performance Factors and Targets – all Participants

In respect of shareholder return, financial, qualitative and operational metrics that make up the Business Score, Vesting applies between Performance Target levels.

REVISION DATE: [●]

| 2022 [Draft for illustrative purposes] | | | | |
|---|------------|------------|--|------------------------|
| | Weighting: | Threshold | Target | Stretch |
| | | 75% | 100% | 125% |
| Shareholder performance | 25% | | | |
| Total shareholder return relative to peer group | 25% | [Median] | [Average of median and upper quartile] | [Upper quartile] |
| Financial Performance | 45% | | | |
| Growing distributable income per share | 15% | [2.5c p/s] | [3.0c p/s] | [3.5c p/s] |
| Growth in like for like property income | 10% | [>2.0%] | [>3.0%] | [>4.0%] |
| Growth in net asset value per share | 10% | [>5.0%] | [>10.0%] | [>15.0%] |
| Loan to value ratio | 10% | [<40.0%] | [<35.0%] | [<30.0%] |
| Operational Performance | 20% | | | |
| Limiting vacancies (% GLA) | 10% | [<6.0%] | [<5.0%] | [<4.0%] |
| Maintaining arrears (provision expense as % of revenue) | 5% | [<2.5%] | [<2.0%] | [<1.5%] |
| Gross property expense ratio | 5% | [<37.5%] | [<35%] | [<32.5%] |
| ESG Performance | 10% | | | |
| Implementation of ESG strategy | 5% | | [Meet expectations] | [Exceeds expectations] |
| Governance / risk and compliance practices | 5% | | [Meet expectations] | [Exceeds expectations] |

Example of calculation of quantum of Award

Non-Tier 1 Participants

Formula: **TGP x Responsibility Factor x ((Individual Score x Individual Performance Weighting) + (Business Score x Business Performance Weighting)*)**

*Subject to Bonus Cap.

| Assumptions | |
|---|---|
| Level | Responsibility Level – Tier 2 Participant |
| TGP | EUR 100 000 TGP earned for the year for the Participant |
| Responsibility Factor | 120% Determined according to Responsibility Level, from Annexure B |
| Individual Score | Assume a rating of 3 (i.e. threshold level met) which results in 100% Individual Score |
| Individual Performance Weighting | 60% (Annexure C) |
| Business Performance Weightings | 25% for shareholder return (Annexure C) 45% for financial metrics (Annexure C) 20% for operational metrics (Annexure C)) 10% for qualitative metrics (Annexure C)) |
| Business Score – SH return | 75% (Annexure D) – Assume Threshold level met |
| Business Score – Financial metrics | 100% (Annexure D) – Assume Target level met |
| Business Score – Operational metrics | 75% (Annexure D) – Assume Threshold level met |
| Business Score – Qualitative metrics | 0% (Annexure D) – Assume threshold level not met |
| | Therefore: Business Score = (75% x 25%) + (100% x 45%) + (75% x 20%) + (0% x 10%) Business Score = 78.75% |

Calculation of Award quantum:

$$\begin{aligned}
 &= 100,000 \times 120\% \times ((100\% \times 60\%) + (78.75\% \times 40\%)) \\
 &= 120,000 \times (60\% + 31.5\%) \\
 &= 120,000 \times (91.5\%) \\
 &= \text{EUR } 109,800
 \end{aligned}$$

Award so calculated shall comprise:

- Bonus: EUR 54,900; and
- Forfeitable Share Award: EUR 54,900.

Tier 1 Participants

Formula: **TGP x Responsibility Factor x Business Score***

*Subject to Bonus Cap.

| Assumptions | |
|---|---|
| TGP | EUR 100 000 TGP earned for the year for the Participant |
| Responsibility Factor | 200% Determined according to Responsibility Level, from Annexure B |
| Business Performance Weightings | 25% for shareholder return (Annexure C) 45% for financial metrics (Annexure C) 10% for qualitative metrics (Annexure C) 20% for operational metrics (Annexure C) |
| Business Score – SH return | 75% (Annexure D) – Assume Threshold level met |
| Business Score – Financial metrics | 100% (Annexure D) – Assume Target level met |
| Business Score - Operational metrics | 75% (Annexure D) – Assume Threshold level met) |
| Business Score – Qualitative metrics | 0% (Annexure D) – Assume threshold level not met Therefore: Business Score = (75% x 25%) + (100% x 45%) + (75% x 20%) + (0% x 10%) Business Score = 75.75% |

Calculation of Award quantum:

$$\begin{aligned}
 &= 100,000 \times 200\% \times 75.75\% \\
 &= 200,000 \times 75.75\% \\
 &= \text{EUR } 157,500
 \end{aligned}$$

Award so calculated shall comprise:

- Bonus: EUR 78,750; and
- Forfeitable Share Award: EUR 78,750