

IPH Limited Equity Incentive Plan Rules

ACN 169 015 838



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Equity Incentive Plan Rules

1. Definitions and Interpretation

1.1. Definitions

Allocate means:

- (a) the issue of a Share for the benefit of; or
- (b) procuring the transfer of a Share (pursuant to a purchase on-market or an off-market transfer) to or for the benefit of,

a Participant (or his or her Personal Representative).

Applicable Law means any one or more or all, as the context requires of:

- (a) the Corporations Act;
- (b) the Listing Rules;
- (c) the Constitution;
- (d) the *Income Tax Assessment Act 1936* (Cth);
- (e) the *Income Tax Assessment Act 1997* (Cth);
- (f) any regulation, legislative instrument, declaration, practice note, policy statement, regulatory guide, guideline, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend (a), (b), (c), (d) or (e) above; and
- (g) any other legal requirement (whether in Australia or elsewhere) that applies to the Plan.

ASIC means Australian Securities and Investment Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.

Award means an Option or Performance Right.

Board means the board of directors of the Company, any committee of that board or a duly authorised person or body to which that board has delegated its powers under this Plan.

Business Day means any day on which the ASX is open for trading.

Cashless Exercise has the meaning given in Clause 7.3.

Cessation Date means the date on which a Participant ceases to be employed or engaged by a Group Entity.

Cessation Period means the period which starts on the Cessation Date and ends 60 days after the Cessation Date or any other period determined by the Board in respect of a particular Award.



Change of Control Event occurs where:

- (a) an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional;
- (b) the Court sanctions under Part 5.1 of the Corporations Act a compromise or arrangement relating to the Company or a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies;
- (c) approval has been given by a resolution duly passed at a general meeting of the Company for an acquisition that would result in a person having voting power in the Company of more than 50 per cent;
- (d) any other merger, consolidation or amalgamation involving the Company occurs or is proposed where the merger, consolidation or arrangement results in the holders of Shares immediately prior to the merger, consolidation or amalgamation, having relevant interests, in aggregate, in 50 per cent or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation;
- (e) a resolution is proposed to be put to shareholders proposing a voluntary winding up;
- (f) an order is sought for the compulsory winding up of the Company; or
- (g) any other similar event (including a merger of the Company with another company) that the Board determines, in its discretion, to be a Change of Control Event.

Company means IPH Limited (ACN 169 015 838).

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Current Market Price means, as at any particular date, the VWAP of Shares over the 5 Business Days immediately preceding that date, or if no Shares were sold on ASX during that period, the price per Share as determined by the Board.

Dealing means in relation to an Award or a Share (as the case may be), any dealing, including but not limited to:

- (a) a sale, transfer, assignment, trust, encumbrance, option, swap, any alienation of all or any part of the rights attaching to the Award or Share;
- (b) any attempt to do any of the actions set out in paragraph (a); and
- (c) any hedging or dealing with a derivative instrument intended to limit the economic risk associated with holding a Share or Award.

Eligible Executive means:

- (a) an employee or director of, or an individual who provides services to, the Company; or
- (b) an employee or director of, or an individual who provides services to, an associated entity of the Company, where that associated entity is a body corporate; or
- (c) an employee of or individual who provides services to, a Qualifying Partnership; or
- (d) a prospective person to whom paragraphs (a), (b) or (c) may apply; or



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- (e) any other person who is declared by the Board to be eligible to receive a grant of an Award under the Plan.

ESS Provisions has the meaning given in Clause 4.1(b).

Exercisable Award means an Award which is required to be exercised for a Participant to be entitled to be Allocated a Share or receive a payment under Clause 7.1(b).

Exercise Condition means one or more conditions which must be satisfied or circumstances which must exist before an Exercisable Award is exercisable.

Exercise Price means the price payable per Share (if any) on exercise of an Award.

Group means the Company and each Group Entity.

Group Entity means the Company and each of its Subsidiaries.

Invitation means an invitation to an Eligible Executive made by the Board under Clause 4.1 to apply for, or participate in a grant of, Awards.

Issue Cap means the issue cap for offers involving monetary consideration under section 1100V of the Corporations Act, as adjusted or increased as permitted by Applicable Law, including as a result of any applicable issue cap percentage stated in the Constitution.

Listing Rules means the official Listing Rules of the ASX as they apply to the Company from time to time.

Option means an option to acquire one Share in the capital of the Company in accordance with these Rules and an Invitation.

Participant means a person who holds an Award or Share under the terms of this Plan from time to time.

Performance Right means a right to acquire one Share in the capital of the Company in accordance with these Rules and an Invitation.

Personal Representative means the legal personal representative, executor or administrator of the estate of a deceased person.

Plan means the IPH Limited Equity Incentive Plan as set out in these Rules.

Qualifying Partnership has the meaning given in *ASIC Corporations (IPH Limited Employee Share Scheme Disclosure) Instrument 2024/293*.

Relevant Interest has the meaning given in the Corporations Act and a person will be deemed to have acquired a Relevant Interest in securities for the purposes of these Rules if that person would be taken to have acquired a Relevant Interest in those securities under the Corporations Act.

Rules means the terms and conditions set out in this document as amended from time to time.

Share means a fully paid ordinary share in the capital of the Company.

Subsidiary means:

- (a) a body corporate which is a subsidiary of the Company within the meaning of section 9 of the Corporations Act; and
- (b) each Qualifying Partnership.



Takeover Bid has the meaning given in section 9 of the Corporations Act.

Tax means any tax, levy, excise, duty, charge, surcharge, contribution, withholding tax, impost or withholding obligation of whatever nature, whether direct or indirect, by whatever method collected or recovered, together with any fees, penalties, fines, interest or statutory charge.

Terms means the terms and conditions of an Award specified in an Invitation.

Trust means any share ownership plan trust established by the Company for the purposes of the Plan to hold Shares, the beneficiaries of which include Participants.

Vesting Award means an Award which is not required to be exercised for a Participant to be entitled to be Allocated a Share or receive a payment under Clause 7.1(b).

Vesting Condition means one or more conditions which must be satisfied or circumstances which must exist before an Award vests under these Rules.

Vesting Notice means a written notice issued by the Company to the Participant confirming that the Vesting Conditions and any applicable additional terms specified in the Invitation in relation to the Awards held by the Participant have been satisfied or waived by the Company.

VWAP means the volume weighted average price of the Shares (calculated to 2 decimal places of one cent) traded on ASX "On-market" (as that term is defined in the ASX Operating Rules) excluding special crossings, overseas trades, trades pursuant to the exercise of options or overnight trades, as determined by ASX in accordance with its customary practice.

1.2. Interpretation

In these Rules unless there is something in the subject or context inconsistent:

- (a) a reference to any legislation or to any provision of any legislation will include any modification or re-enactment of, or any legislative provision substituted for, and all legislation and statutory instruments issued under, such legislation or such provision;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) words importing natural persons will (where appropriate) include corporations, firms, unincorporated associations, partnerships, companies and any other entities recognised by law and vice versa;
- (d) words denoting any gender will include all genders;
- (e) references to Clauses are references to the clauses of these Rules;
- (f) a reference to any document or agreement will be deemed to include references to such document or agreement as novated, supplemented, varied or replaced from time to time;
- (g) the headings in these Rules are for the purpose of more convenient reference only and will not form part of these Rules or affect its construction or interpretation;
- (h) references to a partner of a partnership includes the limited partners of that partnership; and
- (i) terms and expressions given a meaning in the Corporations Act have the same meaning when used in these Rules.



1.3. Business Days

Except where otherwise expressly provided, where under or pursuant to these Rules the day on or by which any act, matter or thing is to be done is a day other than a Business Day, such act, matter or thing must be done on the immediately following Business Day.

1.4. Successors and assigns

The obligations and liabilities imposed and the rights and benefits conferred on persons under these Rules will be binding upon and inure in favour of the respective persons and each of their respective successors in title, legal personal representatives and permitted assigns.

1.5. Rounding

Where any calculation or adjustment is to be made under these Rules results in a fraction of a Share, the fraction must be eliminated by rounding down to the nearest whole number.

2. Introduction

2.1. Purpose

The purpose of the Plan is to:

- (a) assist in attracting, motivating and retaining Participants;
- (b) link the reward of Participants to performance and the creation of shareholder value;
- (c) give Participants the opportunity to participate in the growth and profits of the Company; and
- (d) align the interests of Participants more closely with the interests of shareholders by providing an opportunity for Participants to receive an equity interest in the form of Awards.

2.2. Tax treatment of the Plan

This Plan is a plan to which Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies (subject to the conditions of that Act).

3. Commencement of the Plan

The Plan commences on the date of its adoption by the Board.

4. Grants of Awards

4.1. Board may make Invitations

- (a) The Board may, from time to time, in its discretion invite Eligible Executives to participate in a grant of Awards upon the terms set out in the Plan and upon such additional terms, including Vesting Conditions (if any), as the Board determines.
- (b) This Plan allows the Board (in its discretion) to make Awards pursuant to the employee share schemes provisions contained in Division 1A of Part 7.12 of the Corporations Act (**ESS Provisions**). However, the Board also has the discretion to grant Awards without utilising the



ESS Provisions, and in doing so, the Board will not be taken to have breached any of the specific provisions contained within this Plan that reflect the ESS Provisions, subject to complying with all relevant Applicable Laws.

4.2. Form of Invitation

- (a) An Invitation may take any form and be upon the terms and subject to any restrictions, determined by the Board.
- (b) An Invitation must include the following information:
 - (i) the number of Awards being offered or the method by which the number of Awards being offered will be calculated;
 - (ii) whether the Awards are in the form of Options or Performance Rights or a combination of both;
 - (iii) whether an Award is a Vesting Award or an Exercisable Award;
 - (iv) the amount (if any) that will be payable by the Participant upon the grant of an Award;
 - (v) the period or periods during which Awards may vest;
 - (vi) any applicable Vesting Conditions;
 - (vii) the dates or circumstances in which Awards may lapse, beyond those set out in these Rules (if any);
 - (viii) in the case of an Exercisable Award:
 - (A) any applicable Exercise Conditions;
 - (B) the Exercise Price for an Exercisable Award (if any) or the method by which that Exercise Price will be calculated;
 - (C) the period or periods in which an Exercisable Award may be exercised;
 - (ix) the circumstances in which Shares Allocated to the Participant may be forfeited, beyond those set out in these Rules (if any);
 - (x) any restrictions (including the period of restriction) on Dealing in a Share Allocated to the Participant upon vesting or exercise of an Award;
 - (xi) the closing date for acceptance of the Invitation which may be described either as a specified date or generally as the closing date under a disclosure or application document (as the case may be);
 - (xii) where the ESS Provisions or any other Applicable Law require additional information to be included in respect of the Award being granted, that additional information; and
 - (xiii) any other terms or conditions to be attached to either or both the Award and Shares Allocated to the Participant (including if cash payments under Clause 7.2 or Cashless Exercise under Clause 7.3 are prohibited).

4.3. Acceptance of an Invitation

- (a) Acceptance of an Invitation must be made in accordance with the instructions that accompany the Invitation, or in any other way the Board determines.



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- (b) An Invitation is personal and can only be accepted by the Eligible Executive to whom the Invitation is addressed.
 - (c) The Board may only allow the participation of an Eligible Executive in the Plan where that Eligible Executive continues to satisfy any relevant conditions imposed by the Board, which may include that the Eligible Executive continues to be employed or engaged by a Group Entity (as relevant) at the time of grant.
 - (d) Despite anything else in these Rules, the Board has the discretion not to accept an Eligible Executive's acceptance of an Invitation, or not to grant any Awards to an Eligible Executive, even if the Board has previously determined that an Invitation is to be made to that Eligible Executive.
 - (e) Nothing limits the Board's ability to treat the conduct of an Eligible Executive in respect of an Invitation as valid acceptance of that Invitation under these Rules.
 - (f) By accepting an Invitation, the Eligible Executive is deemed to have:
 - (i) agreed to become a Participant bound by these Rules and the Terms;
 - (ii) irrevocably offered to acquire Shares under, and subject to, these Rules and on and subject to the Terms; and
 - (iii) agreed to become a member of the Company and be bound by the Constitution, upon Allocation of Shares to the Participant.

4.4. Board to grant Awards

- (a) Subject to the Terms and upon acceptance of an Invitation under Clause 4.3, the Board will grant Awards in the name of the Eligible Executive.
- (b) Unless the Board determines otherwise, Awards may not be registered in any name other than that of the Eligible Executive.

4.5. Limits on grant of Awards

- (a) The Company will not make an Invitation under the Plan where the grant of the Awards contemplated by the Invitation would result in the Company exceeding the maximum permitted under the Corporations Act or any instrument of relief issued by ASIC or any exemption under Applicable Law from time to time relating to employee incentive schemes which the Company is relying on in regards to the Invitation.
- (b) Without limiting Clause 4.5(a), where an Invitation under the Plan involves an offer of Awards for monetary consideration and the Issue Cap applies, the Company must, at the time of making the Invitation, have reasonable grounds to believe that the offer of Awards under the Invitation complies with the Issue Cap.

4.6. No interest or right until Award, vesting or exercise

- (a) An Eligible Executive has no entitlement under these Rules to be granted any Award unless and until such Award is granted under Clause 4.4.
- (b) Unless and until Shares are Allocated to a Participant following vesting of a Vesting Award or exercise of an Exercisable Award, the Participant has no interest in those Shares.



5. Dealing with Awards

5.1. Transfer of Awards

An Award granted under the Plan is only transferable:

- (a) with the prior consent of the Board; or
- (b) by force of law upon death to the Participant's Personal Representative or upon bankruptcy to the Participant's trustee in bankruptcy.

5.2. Unvested Awards

- (a) Any Dealing in respect of an unvested Award is prohibited, unless the Board determines otherwise.
- (b) Without limiting Clause 5.2, if a Participant is a member of the Company's key management personnel (as defined in the Corporations Act), then the Participant must also observe any additional restrictions imposed by the Corporations Act and any other Applicable Laws in respect of unvested Awards, including any restriction on entering into any arrangement that would have the effect of limiting the Participant's exposure to risk relating to unvested Award.

5.3. Purported Dealings

Where a Participant purports to Deal with an Award other than in accordance with Clause 5.1, the Award will immediately lapse, unless the Board determines otherwise.

6. Vesting, Exercise, Lapse and Forfeiture

6.1. Vesting of Awards

- (a) Subject to Clauses 6.1(b), 6.4, 9 and 16.2, an Award will only vest:
 - (i) where and to the extent that the Vesting Conditions and any applicable additional terms specified in the Invitation have been satisfied or waived by the Board; and
 - (ii) when a Vesting Notice is given by or on behalf of the Company to the Participant, with the Company required to provide a Vesting Notice to the Participant as soon as practicable following the date on which the Board has determined that the Participant's Vesting Conditions and any applicable additional terms specified in the Invitation have been satisfied or otherwise waived by the Board.
- (b) If the vesting of an Award would arise in a period where dealings by the Company or a Participant would be prohibited, vesting will be delayed until such time as dealings are permitted. For the avoidance of doubt, the Board may determine that vesting will be delayed only in relation to the affected Participant or in relation to some or all Participants who hold Awards under the Plan.



6.2. Lapse of Awards

- (a) An unvested Award will lapse upon the earliest to occur of:
 - (i) the date or the circumstance specified in the Invitation for the purposes of Clause 4.2(b)(vii);
 - (ii) the Award lapsing in accordance with Clause 5.3;
 - (iii) the Award lapsing in accordance with a provision of this Clause 6;
 - (iv) failure to meet the Vesting Conditions applicable to the Award within the specified period; or
 - (v) forfeiture in accordance with their Terms.
- (b) A vested Exercisable Award will lapse upon the earliest to occur of:
 - (i) the date or the circumstance specified in the Invitation for the purposes of Clause 4.2(b)(vii);
 - (ii) the Award lapsing in accordance with Clause 5.3;
 - (iii) the Award lapsing in accordance with a provision of this Clause 6;
 - (iv) failure to meet the Exercise Conditions applicable to the Award within the specified period;
 - (v) the expiry of the period or periods specified for the purposes of Clause 4.2(b)(viii)(C). Unless the Terms provide otherwise, if more than one such period applies, then the provision which results in earliest date of lapsing will prevail; or
 - (vi) forfeiture in accordance with their Terms.

6.3. Exercise of Exercisable Awards

- (a) Subject to Clauses 6.3(c), 6.4, 9 and 16.2, an Exercisable Award may only be exercised if, at the time of exercise:
 - (i) the Award has vested in accordance with Clause 6.1;
 - (ii) the Award has not lapsed in accordance with Clause 6.2;
 - (iii) all Exercise Conditions are satisfied; and
 - (iv) the Exercise Price of the Award (if any) specified in the Invitation has been paid to the Company in cleared funds, unless either the Company is authorised by the Participant to deduct that Exercise Price from any cash payment made by the Company under Clause 7.1(b) or the Participant validly elects for, and the Board exercises its discretion to permit, Cashless Exercise.
- (b) The exercise of an Exercisable Award may only be effected in a form and manner specified in the Invitation or as otherwise determined by the Board. An Invitation may specify, and the Board may otherwise determine, that a minimum number or multiple of Exercisable Awards can be exercised at any given time of exercise.



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- (c) Notwithstanding any other provision of these Rules, no Exercisable Award will be exercisable for a period which is greater than 15 years from the date of the grant of the Award.

6.4. Cessation of employment or engagement

- (a) Subject to Clause 6.4(e) and subject to the Board discretion pursuant to Clause 6.4(b), if a Participant ceases to be employed or engaged by a Group Entity:
 - (i) the Participant's unvested Awards lapse; and
 - (ii) any Award which has vested (and in the case of an Exercisable Award has not been exercised at the time of resignation or termination for cause (including unlawful or serious misconduct)) will not lapse because of that resignation or termination (and in the case of an Exercisable Award will remain exercisable for the Cessation Period, after which any Exercisable Award that has not been exercised during the Cessation Period will then lapse).
- (b) At any time prior to or within the Cessation Period the Board may determine in its discretion that any of the Awards granted to a Participant who ceases to be employed or engaged by a Group Entity will be dealt with otherwise than in accordance with Clause 6.4(a) or the different treatment determined by the Board at the time of an Invitation in accordance with Clause 6.4(e).
- (c) Where the Board exercises its discretion under Clause 6.4(b), it will give written notice to the Participant of the Awards that have vested or lapsed (as applicable).
- (d) Any Awards held by a Participant who ceases to be employed or engaged by a Group Entity that would otherwise become eligible for vesting under Clause 6.1 or would otherwise be subject to an Allocation of Shares under Clause 7.1 will be suspended until the earlier of:
 - (i) the Board notifying the Participant that it has either exercised, or decided not to exercise, its discretion under Clause 6.4(b); or
 - (ii) the expiry of the Cessation Period.
- (e) The Board may at the time of an Invitation, provide for a different treatment on a Participant ceasing to be employed or engaged by a Group Entity than that contemplated by Clause 6.4(a) in which case the Terms shall prevail over Clause 6.4(a) to the extent of any inconsistency. This different treatment determined at the time of an Invitation remains subject to the Board discretion pursuant to Clause 6.4(b).
- (f) Subject to all applicable laws, at the discretion of the Board, a Participant who is granted an approved leave of absence and who exercises their right to return to work under any applicable award, enterprise agreement, other agreement, statute or regulation before the vesting of an Award under the Plan will be treated for those purposes as not having ceased to be such an employee, director or contractor (as relevant).
- (g) In all cases, the treatment of Awards on a Participant ceasing to be employed or engaged by a Group Entity is subject to all applicable laws, including those in relation to the provision of termination benefits under Part 2D.2 Division 2 of the Corporations Act. The Company is not bound to exercise any discretion in connection with an Award or the Plan or provide any associated benefit in connection with a Participant's cessation of employment or



engagement to the extent that the amount of the benefit (together with all other relevant termination benefits) exceeds the amount that is permitted to be paid or given under the Corporations Act without shareholder approval, if that shareholder approval has not been obtained. Nothing in the Plan requires the Company or any Group Entity to seek the approval of their respective shareholders to enable them to perform an action in connection with an Award.

6.5. Inappropriate benefits

(a) If, in the opinion of the Board, a Participant:

- (i) has been dismissed or removed from office for a reason which entitles a Group Entity to dismiss the Participant (or Eligible Employee) without notice;
- (ii) has been convicted on indictment of an offence in connection with the affairs of a Group Entity;
- (iii) has had a judgement entered against him or her in civil proceedings in respect of the contravention by the Participant of his or her duties at law, in equity or under statute in his or her capacity as an employee, director, contractor or partner of a Group Entity;
- (iv) has committed an act of fraud, defalcation, dishonesty or gross misconduct in respect of the affairs of a Group Entity; or
- (v) is in material breach of his or her obligations to any Group Entity;
- (vi) has exhibited significant under-performance which has had an adverse impact on a Group Entity; or
- (vii) has done an act which brings a Group Entity into disrepute,

then the Board may in its discretion:

- (viii) where they have not lapsed automatically under Clause 6.2(a)(v), deem any unvested Award held by the Participant to have lapsed;
- (ix) deem all or any Shares already Allocated to the Participant following vesting or exercise of Awards to be forfeited;
- (x) appoint an officer of the Company as his or her agent and attorney to either or both sell Shares already Allocated to the Participant on the ASX or transfer them into the name of the Company's nominee; and
- (xi) where any Shares already Allocated to the Participant have been sold by the Participant, require the Participant to pay to the Company all or part of the proceeds realised on that sale;
- (xii) where the Company has paid a cash amount to the Participant under Clause 7.1(b), withhold, deduct or offset that amount (or part of that amount) from any other amount owing by any Group Entity to the Participant, or require the Participant to repay that amount (or part of that amount) as a debt immediately due and payable to the Company; and



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- (xiii) require the Participant to pay a cash amount equal to any dividends or other rights or benefits (in each case, calculated as set out in a notice from the Company to the Participant but excluding any imputed or associated tax credits or rebates, such as Australian franking credits, in relation to those dividends, rights or benefits) paid on or attributed to Shares which are forfeited under Clause 6.5(a)(iv).
- (b) Where, in the opinion of the Board, a material misstatement of the financial statements of the Group or some other event occurred which, as a result means in the opinion of the Board that some of a Participant's Awards would not or should not have been determined to have vested, the Board may determine that the Awards have not vested and may, subject to applicable laws, determine:
- (i) where Awards have not vested or Shares have not been Allocated or a cash amount has not been paid upon vesting or exercise of Awards, that the Awards have not vested and reset the Vesting Conditions applicable to the Awards;
 - (ii) where Shares have been Allocated upon vesting of Awards, that the Shares are forfeited by the Participant and may, at the discretion of the Board, reissue any number of Awards to the Participant subject to new Vesting Conditions in place of the forfeited Shares;
 - (iii) where the Company has paid a cash amount to the Participant under Clause 7.1(b), that the amount is withheld, deducted from or offset against other amounts payable to the Participant or the amount is required to be repaid by the Participant (as described in Clause 6.5(a)(vii) and may, at the discretion of the Board, reissue any number of Awards to the Participant subject to new Vesting Conditions in place of the cash amount withheld, deducted, offset or repaid; or
 - (iv) any other treatment in relation to Awards or Shares Allocated under the Plan or cash payments to ensure no unfair benefit is obtained by a Participant as a result of such actions of another person.
- (c) Without limiting Clause 6.5(a) or 6.5(b), where a Participant has received or may receive remuneration (whether under the Plan or otherwise) and the Board determines in good faith that, in order to ensure that no inappropriate benefit is obtained by the Participant:
- (i) the remuneration should be reduced by an amount; or
 - (ii) an amount of the remuneration should be repaid,
- the Board may, subject to applicable laws, determine any treatment in relation to one or more of:
- (iii) the Participant's Awards;
 - (iv) Shares Allocated to the Participant under the Plan; or
 - (v) cash received by the Participant in connection with the Plan (including the proceeds of sale of a Share Allocated under the Plan),
- in order to offset the relevant amount.
- (d) Nothing in this Clause 6.5 limits the ability of the Board and a Participant to agree to different or additional forfeiture, repayment or offset arrangements.



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- (e) The Board's decision under this Clause 6.5 will be final and binding.

6.6. Forfeiture

- (a) Where Shares are forfeited in accordance with these Rules or the applicable Terms and the Shares are held by the Participant, the Participant is deemed to have agreed to dispose of his or her legal and/or beneficial interest (as appropriate) in such Shares for no consideration and the Shares will be transferred into the name of the Company's nominee.
- (b) Where Shares are forfeited in accordance with these Rules or the applicable Terms and the Shares are held by a trustee, the Participant's rights in the Shares will be extinguished for no consideration and the Board may, at any time in the future, request the trustee to hold the Shares for the benefit of a different or new Participant (and, pending implementation of such request, the Shares shall comprise general trust property).
- (c) Where Shares are forfeited pursuant to these Rules, the Company will repay to the Participant any Exercise Price paid in relation to those Shares by the Participant.

7. Satisfaction of Awards

7.1. Allocation of Shares or cash payment

On vesting of a Vesting Award or the exercise of an Exercisable Award, the Company must, at the discretion of the Board either:

- (a) subject to Clause 7.3, Allocate a Share to the Participant (or his Personal Representative); or
- (b) unless prohibited by the Terms, make a cash payment to the Participant (or his Personal Representative) in lieu of an Allocation of a Share.

7.2. Cash payments

- (a) Where it is not prohibited by the Terms and the Board exercises its discretion under Clause 7.1 to make a cash payment to a Participant in lieu of an Allocation of Shares, the Company must pay to the Participant an amount (in any currency determined by the Board in its discretion) equivalent to the value of the Vesting Awards that have vested or the Exercisable Awards that have been exercised (as applicable) calculated in accordance with Clause 7.2(b).
- (b) The amount of the cash payment referred in Clause 7.2(a) will be calculated by multiplying the number of Vesting Awards that have vested or the number of Exercisable Awards that have been exercised (as applicable) by the Current Market Price less, in the case of Exercisable Awards, any Exercise Price of those Exercisable Awards which has not been paid by the Participant to the Company.

7.3. Cashless Exercise

Where it is not prohibited by the Terms, instead of paying the aggregate Exercise Price to acquire Shares on exercise of Exercisable Awards and if the Current Market Price on the date of exercise of the Exercisable Awards is greater than the Exercise Price of the Exercisable Awards, the Board may, in its discretion, permit a Participant to elect to receive, without payment of cash or other



consideration, upon surrender of the applicable portion of Exercisable Awards to the Company, a number of Shares determined in accordance with the following formula (a **Cashless Exercise**):

$$NS = \frac{NO(MV - EP)}{MV}$$

where:

NS = the number of Shares to be Allocated on the exercise of the Exercisable Awards;

NO = the number of Exercisable Awards exercised by the Participant;

MV = the Current Market Price of Shares on the date of exercise of the Exercisable Awards; and

EP = the Exercise Price of the Exercisable Awards.

Worked example: A Participant holds 50 Options that can be exercised, with an Exercise Price of \$1.00 each. If the Participant exercises all Options by paying the Exercise Price, the Participant would pay \$50 and receive 50 Shares. If the Participant elects for, and the Board exercises its discretion to allow, Cashless Exercise at a Current Market Value of \$1.50, the Participant would pay no cash and receive 16 Shares (being $50 \times (1.50 - 1.00) / 1.50 = 16.667$, rounded down in accordance with Clause 1.5).

7.4. Share ranking

Any Shares issued under the Plan upon vesting or exercise of an Award will rank equally in all respects with other Shares for the time being on issue by the Company except as regards any rights attaching to such Shares by reference to a record date prior to the date of their issue.

7.5. Listing of Shares on ASX

If Shares of the same class as those issued on the vesting or exercise of an Award are quoted on ASX, the Company will apply for quotation of Shares issued under the Plan within the period required by ASX.

7.6. Notification of Share allocation

The Company must ensure that, as soon as reasonably practicable after the Company has Allocated Shares to a Participant in accordance with Clause 7.1, the Participant is given written notice specifying the number of Shares Allocated to the Participant.

8. Restriction on Dealing with Shares

8.1. Imposition of restriction

- (a) The Board may, at its discretion, impose a restriction on Dealing with Shares Allocated on vesting or exercise of an Award.
- (b) The Board must provide the Participant with details of any such restrictions in accordance with Clause 4.2(b)(x).



8.2. Procedures to restrict Dealings

The Company may implement any procedure it considers appropriate to restrict a Participant from Dealing in Shares in accordance with a determination made under Clause 8.1(a), including through the imposition of a holding lock or requiring that the Shares be held in trust on behalf of a Participant.

8.3. Undertakings

By accepting an Invitation, each Participant undertakes not to take any action or permit another person to take any action to remove any restriction procedure imposed by the Company under Clause 8.1(a).

8.4. Restrictions for key management personnel

Without limiting this Clause 8, if a Participant is a member of the Company's key management personnel (as defined in the Corporations Act), then the Participant must also observe any additional restrictions imposed by the Corporations Act and any other Applicable Laws, including any restriction on entering into any arrangement that would have the effect of limiting the Participant's exposure to risk relating to Awards that have vested but that remain subject to a holding lock.

9. Change of Control Event

If a Change of Control Event occurs, or the Board determines that a Change of Control Event is likely to occur, the Board may in its discretion, subject to the Listing Rules and all other Applicable Laws, determine how unvested Awards held by a Participant will be treated, including:

- (a) determining that unvested Awards (or a portion of those unvested Awards) will vest, and in respect of Exercisable Awards become immediately exercisable) with such vesting deemed to have taken place immediately prior to the effective date of the Change of Control Event (or such other time determined by the Board), regardless of whether or not the employment, engagement or office of the Participant is terminated or ceases in connection with the Change of Control Event; and/or
- (b) reducing or waiving any of the Vesting Conditions or Exercise Conditions attaching to those Awards in accordance with Clause 16.2.

10. Adjustments to Awards

10.1. No participation

An Award does not confer on a Participant the right to participate in new issues of Shares by the Company, including by way of bonus issue, rights issue or otherwise, until the Award has vested and in the case of an Exercisable Award been exercised.

10.2. Reorganisation

- (a) If, prior to the exercise of an Award, the Company undergoes a reorganisation of capital the Board will, subject to all applicable laws and the Listing Rules, make adjustments to the



rights of a Participant and the terms of the Awards to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital as they apply at the relevant time.

- (b) If the Company makes a bonus issue of Shares to existing holders of Shares (other than an issue of Shares in lieu of dividends or by way of dividend reinvestment pursuant to any shareholder election), the number of Shares that may be Allocated to a Participant in respect of an Award will include the number of bonus Shares that would have been allotted to the Participant if the Shares that were subject to the Award prior to the application of this Rule in respect of that bonus issue had been Allocated to the Participant before the record date for the bonus issue, and the number of Shares to which the Participant is entitled to be Allocated in respect of those Awards will be deemed to be increased on a pro rata basis accordingly.
- (c) Subject to Clauses 10.2(a) and 10.2(b) and all Applicable Laws, the Board may also make such adjustments as it considers appropriate, if any, to one or more of the following:
 - (i) the number of Awards;
 - (ii) the Exercise Price of an Exercisable Award;
 - (iii) where an Exercisable Award has been exercised but no Shares have been Allocated following the exercise, the number of Shares which may be Allocated; or
 - (iv) the terms of a Vesting Condition,in the event of any of the circumstances set out in Clause 10.2(d).
- (d) The circumstances in which the Board may make the adjustments under Clause 10.2(c) are:
 - (i) if there are variations in the share capital of the Company, including a capitalisation of reserves or distributable profits, rights issue, sub division, consolidation or reduction of share capital, a demerger (in whatever form) or other distribution in specie; or
 - (ii) in relation to a Vesting Condition, other events not in the ordinary course (and not related solely to the performance of the Group) which cause the Board to consider that the original terms of the Vesting Condition are no longer measurable, meaningful and/or likely to incentivise Participants appropriately, provided that the Vesting Condition is in the opinion of the Board no less difficult to satisfy than the original Vesting Condition as at the time the Award was made.
- (e) Where additional Awards are granted to the Participant under this Clause 10.2, such Awards will be subject to the same terms and conditions as the original Awards granted to the Participant (including any Vesting Conditions) unless the Board determines otherwise.
- (f) The Board must as soon as reasonably practicable after making any adjustments under this Clause 10.2, give notice in writing of the adjustment to any affected Participant.

11. Withholding

11.1. Withholding and Tax Liability

If a Group Entity is obliged, or reasonably believes it may have an obligation, as a result of or in connection with:



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- (a) the grant of an Award to a Participant, or the vesting or exercise of any Award;
 - (b) the payment of any cash amount to a Participant (including pursuant to Clause 7.1); or
 - (c) the Allocation of Shares to, or on behalf of, a Participant (including pursuant to Clause 7.1), to account for income tax or employment taxes under any wage, withholding or other arrangements or for any other tax, social security contributions or levy or charge of a similar nature (**Tax Liability**), then the Group Entity is entitled to, at their election:
 - (d) withhold such amounts and make such arrangements as it considers necessary; or
 - (e) be reimbursed by the Participant for the amount or amounts so paid or payable.

11.2. Additional arrangements around withholding and reimbursement

Where Clause 11.1 applies, the Group Entity is not obliged to grant the Awards, pay the relevant amount or Allocate the relevant Shares to the Participant unless the Group Entity is satisfied that arrangements have been made for withholding, payment or reimbursement of the Tax Liability. Those arrangements may include, at the Group Entity's election:

- (a) the Participant forgoing their entitlement to an equivalent number of Shares that would otherwise be Allocated to the Participant;
- (b) a reduction in any amount that is otherwise payable to the Participant; or
- (c) the sale, on behalf of the Participant, of Shares Allocated or otherwise to be Allocated to the Participant and where this happens, the Participant will also reimburse the costs of any such sale, including any stamp duty or brokerage, in addition to the Tax Liability.

12. Participants Based Overseas

12.1. Non-Australian residents

When an Award is granted under the Plan to a person who is not a resident of Australia, the provisions of the Plan apply subject to such alterations or additions as the Board determines having regard to any applicable or relevant laws, matters of convenience and desirability and similar factors which may have application to the Participant or to the Company in relation to the Award.

Without limiting the generality of the foregoing, and notwithstanding any other terms in the Plan, for Participants in Canada, an Award granted under the Plan will provide for treatment on a Participant ceasing to be employed or engaged by a Group Entity that complies with the minimum requirements of applicable employment standards legislation.

12.2. Transfers outside Australia

If a Participant is transferred to work for a Group Entity outside Australia and, as a result of that transfer, the Participant would:

- (a) suffer a tax disadvantage in relation to their Awards which is demonstrated to the satisfaction of the Board; or
- (b) become subject to restrictions on their ability to Deal with the Awards, or to hold or Deal in the Shares or the proceeds of the Shares acquired on vesting or exercise, because of the



laws (including securities or exchange control laws) of the country to which he or she is transferred,

then, if the Participant continues to hold an office with a Group Entity or continues to be employed or engaged by, or a partner of, a Group Entity, the Board may decide that the Awards will vest or in the case of Exercisable Awards may be exercised on a date the Board determines before or after the transfer takes effect. The Awards will vest to, or on behalf of, the Participant to the extent permitted by the Board and will not lapse as to the balance. The Exercisable Awards may be exercised to the extent permitted by the Board.

13. Applicable Law

13.1. No contraventions

- (a) Notwithstanding any other provision of these Rules, no Award or Share may be offered under the Plan if to do so would contravene the Corporations Act, the Listing Rules or instruments of relief issued by ASIC from time to time relating to employee incentive schemes which the Company is relying on.
- (b) Notwithstanding any other provision of these Rules, Awards and Shares must not be issued, assigned, transferred, sold, purchased or otherwise dealt with under the Plan if to do so would contravene the Applicable Law.

13.2. Subject to Applicable Law

These Rules and the entitlements of Participants under these Rules are subject to the Applicable Law.

13.3. ASIC relief

- (a) Notwithstanding any other provision of these Rules, every provision set out in an exemption from, or modification to, the provisions of the Corporations Act granted from time to time by ASIC in respect of the Plan that is required to be included in these Rules in order for the exemption or modification to have effect is deemed to be contained in these Rules.
- (b) To the extent that any provision deemed by Clause 13.3(a) to be contained in these Rules is inconsistent with any other provision in these Rules, the deemed provision will prevail.

14. Amendments to the Plan

14.1. Power to make amendments

- (a) Subject to Clause 14.2 and all Applicable Laws, the Board may at any time by resolution:
 - (i) amend all or any of the provisions of the Plan; or
 - (ii) amend the terms or conditions of any Award granted under the Plan.
- (b) For the avoidance of doubt, any exercise by the Board of a discretion contemplated by these Rules (including under Clause 10.2(c)) or the Terms of an Award will not constitute an amendment pursuant to this Clause 14.



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- (c) To the extent permitted by law, the Board may determine that any amendments made by the Board in accordance with its powers under Clause 14.1(a) will have retrospective effect.

14.2. Restrictions on amendments

Subject to Clause 14.3, the Board may not exercise its powers under Clause 14.1(a) in a manner which adversely affects the existing rights of the Participant in respect of any granted Award or Share already Allocated except with the consent of the Participant.

14.3. Permitted amendments

Clause 14.2 does not apply to an amendment which the Board considers necessary or desirable to:

- (a) comply with or to take account of a change in Applicable Law, or any other legislation, exchange control, or other regulatory requirement governing or regulating the maintenance or operation of the Plan or similar plans, in any jurisdiction in which invitations under the Plan have been made;
- (b) correct any manifest error or mistake; or
- (c) take into consideration possible adverse tax implications in respect of the Plan arising from, amongst others, adverse rulings, changes to tax legislation or changes in the interpretation of tax legislation by a court of competent jurisdiction.

14.4. Termination or suspension of the Plan

- (a) The Board may, at any time, terminate or suspend the Plan.
- (b) The termination or suspension of the Plan will not affect any existing Awards granted under the Plan and the terms of the Plan will continue to apply to such Awards provided that, in the case of termination, all Shares Allocated under the Plan then subject to a Dealing restriction under Clause 8 may at the discretion of the Board be released from the restriction on the date of termination or on such other date specified by the Board.
- (c) A Participant may not claim any compensation as a result of termination or suspension of the Plan.

15. Rights and Obligations of Eligible Executives and Participants

15.1. No effect on contracts

Unless the subject of an express provision in an employment or engagement contract, the rights and obligations of any Eligible Executive under the terms of their office, employment or engagement or contract with the Group are not affected by their participation in the Plan.

15.2. Not part of contracts

These Rules do not form part of, and are not incorporated into, any contract of any Eligible Executive (whether or not they are an employee, director, partner or contractor of a Group Entity).



15.3. No conferral or effect on other rights

Nothing in these Rules:

- (a) confers on any Eligible Executive the right to become or remain an Eligible Executive or Participant, or to otherwise participate in the Plan;
- (b) confers on any Eligible Executive or Participant the right to continue to be employed or engaged by, or a partner of, a Group Entity;
- (c) affects any rights which a Group Entity may have to terminate the employment, engagement or other role of an Eligible Executive or will be taken into account in determining an Eligible Executives or Participant's termination or severance pay (if relevant);
- (d) may be used to increase damages in any action brought against a Group Entity in respect of such termination of employment or engagement; or
- (e) confers any responsibility or liability on any Group Entity or its directors, partners, officers, employees, representatives or agents in respect of any taxation liabilities of the Eligible Executive or Participant.

15.4. Future participation

The grant of Awards on a particular basis in any year does not create any right or expectation of the grant of Awards on the same basis, or at all, in any future year.

15.5. No right to compensation

No Participant has any right to compensation for any loss in relation to the Plan, including:

- (a) any loss or reduction of any rights or expectations under the Plan in any circumstances or for any reason (including lawful or unlawful termination of employment or engagement or the employment or engagement relationship);
- (b) any exercise of a discretion or a decision taken in relation to a grant of Awards or in relation to the Plan, or any failure to exercise a discretion under these Rules; or
- (c) the operation, suspension, termination or amendments of the Plan.

16. Administration of the Plan

16.1. Power of the Board

- (a) The Plan will be administered by the Board.
- (b) The Board has power to:
 - (i) determine appropriate procedures for administration of the Plan consistent with these Rules;
 - (ii) appoint or engage service providers for the operation and administration of the Plan; and
 - (iii) delegate to any one or more persons for such period and on such conditions as it may determine the exercise of any of its powers or discretions arising under the Plan.



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- (c) Except as otherwise expressly provided in the Plan, the Board has absolute and unfettered discretion to act or refrain from acting under or in connection with the Plan and in the exercise of any power or discretion under the Plan, and any power or discretion may be exercised on any conditions determined by the Board.

16.2. Waiver of terms and conditions

Notwithstanding any other provisions of the Plan, the Board may at any time waive in whole or in part any terms or conditions (including any Vesting Condition or Exercise Condition) in relation to any Awards granted to any Participant.

16.3. Dispute or disagreement

In the event of any dispute or disagreement as to the interpretation of the Plan, or as to any question or right arising from or related to the Plan or to any Awards granted under it, the decision of the Board is final and binding.

16.4. Liability

To the extent permitted by law, the Group Entities and their respective directors and officers are not liable for anything done or omitted to be done by such person or any other person with respect to:

- (a) the price, time, quantity or other conditions and circumstances of the acquisition, custody or sale of Shares;
- (b) any fluctuations in the market price of Shares; and
- (c) anything done in connection with the Plan,

except for the dishonesty, fraud or wilful default of such person.

16.5. Appointment of agent and attorney

Each Participant, in consideration of the issue of the Awards:

- (a) irrevocably appoints the company secretary of the Company and any other person of the Company authorised by the Board for this purpose (each an Attorney) as the Participant's agent or attorney to do all acts and things and to complete and execute any documents in the name of the Participant and on the Participant's behalf which may be necessary or convenient for the purpose of giving effect to these Rules or the terms of an Award, including to:
 - (i) Allocate Shares to the Participant in accordance with these Rules;
 - (ii) effect a forfeiture of Shares in accordance with these Rules; and
 - (iii) execute transfers of Shares in accordance with these Rules.
- (b) covenants that the Participant will ratify and confirm any act or thing done pursuant to this power;
- (c) to the extent permitted by law, releases each Attorney from any liability whatsoever arising from the exercise of this power; and
- (d) to the extent permitted by law, indemnifies and holds harmless each Attorney in respect of all costs, damages or losses of whatever nature arising from so acting.



16.6. Protection of Personal Information

Subject to compliance with applicable law, including the *Privacy Act 1988* (Cth) and the Company's [Privacy Policy](#), by participating in the Plan, each Participant acknowledges that the Company will collect, hold use and disclose personal information provided by the Participant to the Company for all purposes relating to the administration and operation of the Plan. These purposes include:

- (a) administering and maintaining Participants' records;
- (b) providing information to trustees of any employee benefit trust, registrars, brokers, third party administrators of the Plan, or external service providers (including legal, accounting and tax advisers, and security registries); and
- (c) providing information to prospective purchasers of the Company or the business in which the Participant works.

The Company may transfer personal information to recipients outside Australia where necessary for the administration of the Plan. The Company will ensure that such transfers are made in accordance with applicable law.

16.7. Connection with other plans

- (a) A Group Entity is not restricted to using the Plan as the only method of providing incentive rewards to employees, directors or contractors and may approve and introduce other incentive plans.
- (b) Participation in the Plan does not affect, and is not affected by, participation in any other incentive or other plan operated by the Group Entities unless the terms of that other plan provide otherwise or unless otherwise stated in the Invitation.

16.8. Amounts owing by a Participant

Where a Participant owes any amount or amounts to a Group Entity, including the outstanding balance of any loan account, any overpayment of leave or wages or salary, or any loss suffered by a Group Entity as a result of any breach of contract, statutory duty or tort committed by the Participant, the Board may, in respect of any Awards granted to the Participant:

- (a) prevent the exercise of some or all of the Awards;
- (b) determine that some or all of the Awards lapse; or
- (c) reduce the number of Awards which vest,

to take into account of and in settlement of any such amounts.

16.9. Establishment of a Trust

- (a) The Board may at any time determine how Shares are to be held under the Plan prior to satisfaction of Vesting Conditions or Exercise Conditions.
- (b) Without limiting the Board's discretion, the Board may establish the Trust at any time on terms and conditions which it considers appropriate without requiring the approval of shareholders or Participants, for the purposes of the Plan to acquire and hold Shares.
- (c) Without limiting the Board's discretion, the Board may, at any time:



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- (i) appoint a person or persons as the trustee (**Trustee**) of the Trust; or
 - (ii) replace the Trustee,
- without requiring the approval of shareholders or Participants.
- (d) Subject to the terms of any trust deed that governs the Trust and the Plan Rules, the Trustee may transfer any Shares it holds under the Trust to a Participant in satisfaction of their entitlement to be Allocated Shares.
 - (e) The Company may, if so resolved by the Board, settle funds on the Trustee for the purposes of enabling the Trustee to either:
 - (i) acquire Shares on-market or off-market; or
 - (ii) subscribe for new Shares to be issued by the Company,to satisfy the Company's obligation to Allocate Shares for the benefit of a Participant.

17. Notices

17.1. Giving of Notices to Eligible Executive or Participant

Any notice, consent or other communication under or in connection with the Plan (**Notice**) may be given by a Group Entity to an Eligible Executive or Participant if:

- (a) delivered personally to the addressee or sent by prepaid post to the addressee's last known residential address;
- (b) sent to the addressee by email to the last notified email address or to the email address allocated to the addressee by the Group; or
- (c) posted on any intranet or website maintained by the Group or an administrator of the Plan and accessible by that Eligible Executive or Participant.

17.2. Giving of Notices to Group Entity

Any Notice may be given by an Eligible Executive or Participant to a Group Entity if delivered or by sending it by post to its registered office, or any other address (including an email address) notified by that Group Entity from time to time for that purpose.

17.3. Receipt of Notices

A Notice is deemed to have been received:

- (a) in the case of delivery in person, when delivered;
- (b) in the case of delivery by express post to an address in the same country, two Business Days after the date it was posted;
- (c) in the case of delivery by any other method of post, six Business Days after the date it was posted;



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- (d) in the case of delivery by email, the earlier of:
- (i) the time that the sender receives an automated message from the intended recipient's information system confirming delivery of the email;
 - (ii) the time that the email is first opened or read by the intended recipient, or an employee or officer of the intended recipient;
 - (iii) two hours after the time the email is sent (as recorded on the device from which the sender sent the email) unless the sender receives, within that two hour period, an automated message that the email has not been delivered; and
- (e) in the case of posting on an intranet or website, upon posting,

but if the result is that a Notice would be taken to be given or made on a day that is not a business day in the place to which the Notice is sent or at a time that is later than 5pm in the place to which the Notice is sent, it will be conclusively taken to have been duly given or made at the start of business on the next business day in that place.

18. Governing Law

18.1. Governing law

The Rules and the rights of Eligible Executives and Participants under the Plan are governed by and must be construed according to the law applying in New South Wales, Australia. The Company and each Eligible Executive and Participant submit s to the non-exclusive jurisdiction of the courts exercising jurisdiction there in connection with matters concerning these Rules.





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