

HARGREAVES
LANSDOWN

HARGREAVES LANSDOWN PLC NOTICE OF ANNUAL GENERAL MEETING

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take you should immediately consult your accountant, solicitor, bank manager, stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000 or, if you are not in the United Kingdom, another appropriately authorised independent adviser. If you have sold or transferred all of your ordinary shares in Hargreaves Lansdown plc, please send this document and the accompanying enclosures to the purchaser or transferee or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

NON-EXECUTIVE CHAIR'S INTRODUCTION

Dear Shareholder,

The Board of Hargreaves Lansdown plc is pleased to serve notice of the Annual General Meeting of Hargreaves Lansdown plc, which will take place at The Bristol Hotel, Prince Street, Bristol, BS1 4QF on Friday 8 December 2023 at 11.00am.

The formal notice of the Annual General Meeting is set out set out on pages 4 to 6 of this document and contains the proposed resolutions on which you are invited to vote. Explanatory notes to the resolutions are set out on pages 7 to 12 of this document.

We ask any shareholders who wish to attend in person to notify us by completing and returning the enclosed attendance card to the Company's registrars, Equiniti, Aspect House, Spencer Road, Lancing, BN99 6DA by 11.00am on Wednesday 6 December 2023 so as to be received not less than 48 hours before the time appointed for holding the AGM.

DIRECTIONS TO THE VENUE

Directions to The Bristol Hotel can be found here: www.doylecollection.com/hotels/the-bristol-hotel/contact-us/directions

SHAREHOLDER ENGAGEMENT AND QUESTIONS

If you would like to ask a question of the Board relating to the business of the Annual General Meeting we invite you to send it to our company secretarial team by email to CoSec@hl.co.uk. We will endeavour to respond to all questions asked via email. Answers to common questions asked will also be published on the Company's website. For further information about the process for asking questions please see 'Raising Questions' on page 10.

If you would like to listen to the Annual General Meeting proceedings, you will find details of how to join remotely on Our website at www.hl.co.uk/investor-relations/agm. Please note that attending via the online or telephone facility does not constitute attendance in law and shareholders will not have the ability to speak, ask questions or vote through that facility.

VOTING AT THE ANNUAL GENERAL MEETING

Shareholders wishing to vote by proxy are able to do so in accordance with the instructions set out on pages 10 to 12 of this document. A form of proxy is enclosed with this document. All votes at the meeting will be on a poll, based on the proxy instructions received.

You may alternatively submit your votes electronically at www.sharevote.co.uk details of which can be found in the form of proxy.

BOARD CHANGES

The Board welcomed a new Director during the period under review. Michael Morley joined on 1 August 2023 as a new independent Non-Executive Director. You can find more information about Michael's appointment and the skills and experience he brings on pages on page 15.

As announced in October 2022, Chris Hill stepped down from the Board, and as Chief Executive Officer on 7 August 2023. I would like to reiterate, on behalf of the Board, our gratitude to Chris for his dedication and contribution to the Group during his tenure with us. On the same day, Dan Olley took up the role of Chief Executive Officer and, accordingly remained on the Board but as an Executive Director rather than a Non-Executive Director.

DIRECTORS' REMUNERATION POLICY

The directors' remuneration policy was last approved by a shareholder vote at the AGM in 2020. It is mandatory for all listed companies to seek binding shareholder approval to their directors' remuneration policy at least once every three years. As such shareholder approval is sought this year on a revised directors' remuneration policy.

RECOMMENDATION

Your Directors consider that the resolutions set out in the Notice of Annual General Meeting are in the best interests of shareholders as a whole and, accordingly, unanimously recommend that shareholders vote in favour of the resolutions, as they intend to do in respect of their own shareholdings.



Deanna Oppenheimer
Non-Executive Chair

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (“AGM”) of Hargreaves Lansdown plc (the “Company”) will be held at The Bristol Hotel, Prince Street, Bristol BS1 4QF on Friday 8 December 2023 at 11.00am. You will be asked to consider and vote on the resolutions below. Resolutions one to seventeen, nineteen and twenty-two will be proposed as Ordinary resolutions and resolutions eighteen, twenty and twenty-one will be proposed as Special resolutions.

ORDINARY BUSINESS

RESOLUTION ONE

Receive the Directors’ Report and Audited Accounts

To receive the audited financial statements of the Company for the year ended 30 June 2023, together with the directors’ reports and auditors’ report on those financial statements.

RESOLUTION TWO

Approve the final dividend

To declare and pay a final dividend of 28.80 pence per ordinary share, payable on 15 December 2023 to ordinary shareholders whose names appear on the register of members at the close of business on 17 November 2023.

RESOLUTION THREE

Approve Directors’ Remuneration Report

To approve the directors’ remuneration report as set out on pages 100 to 119 of the annual report for the year ended 30 June 2023 including the Remuneration Committee Chair’s annual statement as set out on pages 85 to 88 of the same document.

RESOLUTION FOUR

Approve Directors’ Remuneration Policy

To approve the directors’ remuneration policy as set out on pages 89 to 99 of the annual report for the year end 30 June 2023. The main changes from the policy approved in 2020 are summarised in **Appendix 1** to this notice.

RESOLUTION FIVE

Re-appointment of Auditors

To re-appoint PricewaterhouseCoopers LLP as auditors to the Company to hold office from this AGM until the conclusion of the next general meeting at which financial statements are laid before the Company.

RESOLUTION SIX

Auditors’ remuneration

To authorise the directors to determine the remuneration of the auditors.

RESOLUTION SEVEN

Re-election of Deanna Oppenheimer – Independent Non-Executive Chair

To re-elect Deanna Oppenheimer as a director, who retires in accordance with Article 86 of the Company’s Articles of Association and who, being eligible, offers herself for re-election as Non-Executive Chair of the Company.

RESOLUTION EIGHT

Re-election of Dan Olley – Executive Director

To re-elect Dan Olley as a director, who retires in accordance with Article 86 of the Company’s Articles of Association and who, being eligible, offers himself for re-election as Chief Executive Officer of the Company.

RESOLUTION NINE

Re-election of Amy Stirling – Executive Director

To re-elect Amy Stirling as a director, who retires in accordance with Article 86 of the Company’s Articles of Association and who, being eligible, offers herself for re-election as Chief Financial Officer of the Company.

RESOLUTION TEN

Re-election of Roger Perkin – Independent Non-Executive Director

To re-elect Roger Perkin as a director, who retires in accordance with Article 86 of the Company’s Articles of Association, and who, being eligible, offers himself for re-election as a Non- Executive Director of the Company.

RESOLUTION ELEVEN

Re-election of John Troiano – Independent Non-Executive Director

To re- elect John Troiano as a director who retires in accordance with Article 86 of the Company’s Articles of Association, and who, being eligible, offers himself for re-election as a Non-Executive Director of the Company.

RESOLUTION TWELVE

Re-election of Andrea Blance – Independent Non-Executive Director

To re-elect Andrea Blance as a director, who retires in accordance with Article 86 of the Company’s Articles of Association, and who, being eligible, offers herself for re-election as a Non-Executive Director of the Company.

RESOLUTION THIRTEEN

Re-election of Moni Mannings – Independent Non-Executive Director

To re-elect Moni Mannings as a director, who retires in accordance with Article 86 of the Company’s Articles of Association, and who, being eligible, offers herself for re-election as a Non-Executive Director of the Company.

RESOLUTION FOURTEEN

Re-election of Adrian Collins – Non-Independent Non-Executive Director

To re-elect Adrian Collins as a director, who retires in accordance with Article 86 of the Company’s Articles of Association and who, being eligible, offers himself for re-election as a Non-Executive Director of the Company.

RESOLUTION FIFTEEN

Re-election of Penny James – Independent Non-Executive Director

To re-elect Penny James as a director, who retires in accordance with Article 86 of the Company’s Articles of Association and who, being eligible, offers herself for re-election as a Non-Executive Director of the Company.

RESOLUTION SIXTEEN

Re-election of Darren Pope – Independent Non-Executive Director

To re-elect Darren Pope as a director, who retires in accordance with Article 86 of the Company’s Articles of Association and who, being eligible, offers himself for re-election as a Non-Executive Director of the Company.

RESOLUTION SEVENTEEN

Election of Michael Morley - Independent Non-Executive Director

To elect Michael Morley as a director, who having been appointed since the last AGM retires in accordance with Article 82 of the Company’s Articles of Association and who, being eligible, offers himself for election as Non-Executive Director of the Company.



SPECIAL BUSINESS

RESOLUTION EIGHTEEN

Authority to Purchase Own Shares

To consider and, if thought fit, to pass the following resolution, as a **special resolution**:

THAT the Company be and is hereby generally and unconditionally authorised for the purposes of Section 701 of the Companies Act 2006 (the “**Act**”) to make one or more market purchases (within the meaning of Section 693(4) of the Act) of fully paid ordinary shares of 0.4 pence each in the capital of the Company provided that:

- a. the maximum aggregate number of ordinary shares hereby authorised to be purchased is 47,431,862.
- b. the minimum price which may be paid for any such ordinary share is 0.4 pence per share (exclusive of expenses);
- c. the maximum price which may be paid for an ordinary share shall be an amount equal to the higher of (1) 105 % of the average of the market values for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which the ordinary share is contracted to be purchased; and (2) the higher of the price of the last independent trade and the highest current independent bid for an ordinary share on the trading venue where the purchase is carried out; and
- d. unless previously renewed, varied or revoked, the authority hereby conferred shall expire on the earlier of the date falling 15 months after the date of the passing of

this resolution and the conclusion of the next AGM of the Company, but the Company may enter into a contract or contracts to purchase ordinary shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of ordinary shares in pursuance of any such contract or contracts.

RESOLUTION NINETEEN

Authority to Allot Shares

To consider and, if thought fit, to pass the following resolution, as an **ordinary resolution**:

THAT, in substitution for all existing authorities, to the extent unused, the directors be and are generally and unconditionally authorised pursuant to Section 551 of the Act to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company (such shares, and rights to subscribe for or to convert any security into shares in the Company being “**relevant securities**”) up to an aggregate nominal amount of £632,424.83, provided that this authority, unless previously renewed, revoked, varied or extended, shall expire at the conclusion of the next AGM of the Company save that the Company may make an offer or agreement at any time before such expiry which would or might require relevant securities to be allotted after this authority has expired and the directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

RESOLUTION TWENTY

Authority to Dis-apply Statutory Pre-emption Rights

To consider and, if thought fit, to pass the following resolution, as a **special resolution**:

THAT, subject to the passing of resolution 19, the directors be and are hereby empowered pursuant to Section 570 of the Act to allot equity securities (as defined in Section 560 of the Act) of the Company wholly for cash pursuant to the authority conferred by resolution 19 above, and/or by way of a sale of treasury shares (in accordance with Section 573 of the Act), in each case as if Section 561(1) of the Act did not apply to the allotment provided that this power shall be limited to:

- a. the allotment of equity securities in connection with or pursuant to an offer of, or invitation to apply for, equity securities in favour of holders of ordinary shares in the capital of the Company in proportion (as nearly as practicable) to the respective number of ordinary shares held by them at the record date for such allotment but, subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with fractional entitlements, legal, regulatory or practical problems arising under the laws or requirements of any overseas territory or by virtue of shares being represented by depository receipts or the requirements of any regulatory body or stock exchange or any other matter whatsoever; and
- b. the allotment, otherwise, than pursuant to sub-paragraph a. of this resolution, of equity securities up to an aggregate nominal amount of £94,863.72, provided that, unless previously renewed, revoked, varied or extended, this power shall expire at the conclusion of the next AGM of the Company after the passing of this resolution, save that the Company may make an offer or agreement before this authority has expired which would or might require equity securities to be allotted after this authority has expired and the directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

RESOLUTION TWENTY-ONE

To approve short notice for general meetings

To consider and, if thought fit, to pass the following resolution, as a **special resolution**:

THAT a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

RESOLUTION TWENTY-TWO

To approve the Hargreaves Lansdown plc Performance Share Plan

To consider and, if thought fit, to pass the following resolution, as an **ordinary resolution**:

THAT the rules of the Hargreaves Lansdown plc Performance Share Plan (the "Plan") in the form produced to the Meeting and initialled by the Chairman of the Meeting for the purposes of identification and the principal terms of which are summarised in **Appendix 2** to this document, be and are hereby approved and the Directors be and are generally authorised to do all acts and things that they consider necessary or expedient to give effect to the Plan; and that the Directors be and are hereby authorised to adopt further plans based on the Plan but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any cash or shares made available under such further plans are treated as counting against any limits on individual or overall participation in the Plan.

By order of the Board



Claire Chapman

Company Secretary
Hargreaves Lansdown plc, One College Square
South, Anchor Road, Bristol, BS1 5HL
18 October 2023
Registered in England and Wales No. 2122142

NOTES TO RESOLUTIONS

NOTE TO RESOLUTION ONE

Report and Accounts

The directors are required by law to present copies of the Company's annual report and accounts to shareholders at a general meeting of the Company, together with the directors' reports and auditors' report on the accounts.

The annual report is available on the Company's website at www.hl.co.uk/investor-relations/results-and-presentations. Printed copies have been sent to shareholders who have previously registered a preference for paper communications. Printed copies can also be obtained from the Company's registrar.

NOTE TO RESOLUTION TWO

Dividend

Shareholders are being asked to approve a final ordinary dividend of 28.80 pence per ordinary share in respect of the financial year ended 30 June 2023. An interim ordinary dividend of 12.70 pence per ordinary share was paid on 31 March 2023, making a total ordinary dividend of 41.50 pence per ordinary share in respect of the financial year ended 30 June 2023. If the recommended final ordinary dividend is approved, it will be paid on 15 December 2023 to all ordinary shareholders whose names appear in the register of members at the close of business on 17 November 2023.

NOTE TO RESOLUTION THREE

Directors' Report on Remuneration

It is mandatory for all quoted companies to produce for each financial year a directors' remuneration report which sets out the Remuneration Committee's policy in relation to directors' remuneration, together with details of the remuneration and benefits paid to directors during the year. The Company is also required to put the directors' remuneration report to an advisory shareholder vote at the meeting at which the Company's report and accounts for that year are laid (excluding the section of the report comprising the directors' remuneration policy). This vote is advisory and does not affect the actual remuneration paid to any individual director. The Remuneration Committee Chair's annual statement is set out on pages 85 to 88 and the report on directors' remuneration is set out in full on pages 100 to 119 of the annual report for the year ended 30 June 2023.

NOTE TO RESOLUTION FOUR

Directors' Remuneration Policy

Resolution 4 proposes the approval of the directors' remuneration policy, which is set out in full on pages 89 to 99 of the annual report for the year ended 30 June 2023. It is mandatory for all listed companies to seek binding shareholder approval to their directors' remuneration policy at least once every three years. The directors' remuneration policy was last approved by a shareholder vote at the AGM in 2020. Once the directors' remuneration policy is approved the Company will not be able to make a remuneration payment to a current or prospective director or a payment for loss of office to a current or past director, unless that payment is consistent with the policy or has been approved by a resolution of the members of the Company. Subject to approval by shareholders, the directors' remuneration policy set out in the annual report for the year ended 30 June 2023 will take effect from the conclusion of the AGM.

NOTE TO RESOLUTION FIVE

Re-appointment of Auditors

This resolution concerns the appointment of PricewaterhouseCoopers LLP, who have expressed their willingness to accept re-appointment as auditors to the Company, until the next general meeting at which accounts are laid, that is the next AGM.

The Audit Committee considered the performance, effectiveness, independence and objectivity of the external auditors and recommends the re-appointment of the Company's Auditors.

NOTE TO RESOLUTION SIX

Auditors' remuneration

This resolution authorises the directors to determine the auditors' remuneration.

NOTE TO RESOLUTIONS SEVEN TO SEVENTEEN

Election and Re-Election of Directors

In accordance with the UK Corporate Governance Code (the "Code") and the Company's Articles of Association, all directors are subject to election or re-election at each AGM. Resolutions 7 to 17 deal with each of these elections and re-elections.



The Board spends time promoting a culture that encourages good governance, effective decision making and appropriate risk management.

Based on its assessment of each director's performance and ability to continue to contribute to the Board in light of the knowledge, skill and experience they possess, the Board has confirmed that all directors standing for election or re-election continue to be effective in their roles and demonstrate their commitment to the Board. Each is therefore recommended for election or re-election as appropriate. Biographies of the directors offering themselves for election or re-election are set out on pages 12 to 15 of this document, as well as on pages 66 to 69 of the Annual Report. The structure, size and composition of the Board is regularly reviewed to ensure that the balance between executive and non-executive directors allows it to exercise objectivity and that no individual or small group of individuals dominates decision making. Each of the non-executive directors is considered to be of sufficient calibre and experience to bring significant influence to decision making.

The size, structure and composition of the Board and its Committees is also regularly reviewed to ensure an appropriate and diverse mix of skills, experience, knowledge, backgrounds and personal strengths. The non-executive directors have strong and relevant experience across all aspects of financial services and the board as a whole is

considered to have an appropriate balance of skills and experience for the requirements of the Group's business.

On her appointment as Chair, Deanna Oppenheimer satisfied the independence criteria as set out in the Code.

The Board considers that, of the directors seeking election or re-election, each of, Roger Perkin, John Troiano, Andrea Blance, Moni Mannings, Penny James and Darren Pope are independent, in each case when assessed against the criteria set out in the Code. Michael Morley has recently been appointed as an independent Non-Executive Director and is also considered to satisfy the independence criteria set out in the Code. Adrian Collins has been appointed to the Board as a shareholder representative and as such is not deemed to be independent.

The Board therefore continues to satisfy the Code requirement that at least half of the Board, excluding the Chair, comprises non-executive directors determined to be independent.

Non-executive directors are currently expected to commit a minimum of 30 days per annum to their roles. This expectation is calculated based on attendance at and preparing for Board meetings, meeting with senior management and the Company's shareholders, and attending strategy days, Board dinners and training. Additional time commitments may apply where a non-executive director takes on an additional role such as chairing a Committee.

NOTE TO RESOLUTION EIGHTEEN

Authority to Purchase Own Shares

This resolution gives the directors authority to make market purchases of up to 47,431,862 ordinary shares, representing approximately 10 % of the Company's issued ordinary share capital as at 18 October 2023, being the latest practicable date prior to the publication of this Notice of AGM. The maximum price to be paid on any exercise of the authority would not exceed the higher of: (a) 105 % of the average of the middle market quotations for the ordinary shares for the five business days immediately preceding the date on which the Company agrees to purchase the shares concerned; or (b) the higher of the price of the last independent trade and the highest current independent bid for an ordinary share on the trading venue where the purchase is carried out. The authority sought will expire at the earlier of the end of the next AGM and the date falling 15 months from the date of the 2023 AGM.

The directors are seeking this authority, permitting the Company to purchase its own shares, to provide a certain amount of flexibility. The directors have no present intention to use the authority.

Any purchase of shares would only be made if the directors were satisfied that such a purchase would be in the best interests of the Company and shareholders generally (having taken into account all relevant factors, including the effect on future earnings per share, other investment opportunities, the level of borrowing and the Company's overall financial position). Any ordinary shares so purchased would either be held as treasury shares or cancelled.

Were such shares to be cancelled, there may be a corresponding reduction in the issued share capital of the Company.

As at 18 October 2023, being the latest practicable date prior to the publication of this Notice of AGM, the total number of ordinary shares that may be acquired pursuant to the issue of outstanding options is 3,848,346 which represents approximately 0.81% of the Company's issued share capital as at that date. If the Company was to purchase shares up to the maximum permitted by this resolution and cancel those shares, the proportion of ordinary shares subject to outstanding options which would represent approximately 0.90% of the Company's issued share capital as at 18 October 2023.

It is currently intended that all outstanding options will, on exercise, be satisfied by the transfer to the option holder of shares which are already in issue from an employee benefit trust, in which case no new ordinary shares would be issued in connection with the exercise of such options.

NOTE TO RESOLUTION NINETEEN

Authority to Allot Shares

This resolution renews the directors' general authority to allot shares in the capital of the Company and other relevant securities up to an aggregate nominal value of £632,424.83, representing 158,106,208 ordinary shares. This amount represents approximately 33.3 % of the Company's total share capital in issue as at 18 October 2023, being the latest practicable date prior to the publication of this Notice of AGM.

No ordinary shares were held in treasury at that date. The authority being sought is in accordance with the guidelines issued by the Investment Association (previously the Association of British Insurers). The directors do not have any present intention of exercising such authority and the authority, unless revoked, varied or extended, will expire at the conclusion of the next AGM.

NOTE TO RESOLUTION TWENTY

Authority to Dis-apply Statutory Pre-emption Rights

This resolution renews the directors' general authority to issue new shares for cash other than in accordance with statutory pre-emption rights (which require a company to offer all allotments for cash first to existing shareholders in proportion to their holdings) so long as: (a) the issue is a rights issue, open offer or other pre-emptive offer, or pursuant to a scrip dividend alternative; or (b) the aggregate nominal amount of such issue does not exceed £94,863.72 (which represents approximately 5% of the issued share capital of the Company as at 18 October 2023, being the latest practicable date prior to publication of this Notice of AGM). The directors do not have any present intention of exercising such authority and this authority will, unless revoked, varied or extended, expire at the end of the next AGM. The Company intends to have regard to the Pre-Emption Group Principles in relation to any exercise of this authority.

NOTE TO RESOLUTION TWENTY-ONE

To approve short notice for general meetings

Under the Act, the notice period for general meetings (other than an AGM) is 21 clear days' notice unless the Company:

- a. has passed a special resolution in a general meeting approving the holding of a general meeting on 14 clear days' notice; and
- b. offers the facility for all shareholders to vote by electronic means.

The directors are seeking authority to call general meetings (other than AGMs) on 14 clear days' notice. The shorter notice period would not be used as a matter of routine, but only where the flexibility is merited by the business of the meeting and is thought to be in the interests of shareholders as a whole. The approval will be effective until the end of next year's AGM. It is intended that a similar resolution will be proposed at the Company's AGM in 2024.

RESOLUTION TWENTY-TWO

Approval of the Hargreaves Lansdown plc Performance Share Plan (PSP)

The Remuneration Committee of the Company (the "Committee") has, following consultation with major shareholders, completed a full review of the Company's remuneration policy. As a result of that review, the Committee is proposing the adoption of a new long term incentive plan, the Hargreaves Lansdown plc Performance Share Plan (the "Plan").

The Plan enables the Committee to grant nil cost options over ordinary shares to selected executives and employees which vest only if the performance conditions are met over a performance period of 3 years with a two year holding period. The Committee has developed the Plan to ensure that it complies with best practice, in particular around the clawback of awards and believes that the Plan ensures that there continues to be a strong alignment between the executives and shareholders of the Company. Awards may also be granted in conjunction with a tax-advantaged Company Share Ownership Plan ('CSOP') up to the HMRC limits with the vesting of any award scaled back to take account of any gain made on exercise of the associated CSOP option. An award in this form may enable the Director and the Company to benefit from tax advantaged treatment on part of their PSP award without increasing the pre-tax value delivered to the Director or cost to the Company.

A more detailed summary of the principal terms of the Plan can be found in **Appendix 2** to this Notice of Annual General Meeting. The rules of the Plan are available for inspection on the National Storage Mechanism from the date of this notice and will also be available for inspection at the place of the Annual General Meeting for at least 15 minutes before and during the Annual General Meeting.



ADDITIONAL NOTES

NOTES

The following notes explain your rights as a shareholder and your right to attend and vote at the AGM or to appoint someone else to vote on your behalf. Each resolution will be decided on a poll determined in accordance with the provisions of the Articles of Association of the Company. Save for resolutions 18, 20 and 21, which are proposed as special resolutions and which will be decided by a majority of at least three-quarters of the votes cast, each proposal will be decided by a simple majority of the votes cast.

RAISING QUESTIONS

Any member attending the AGM has the right to ask questions. Alternatively, members may submit questions in advance by email to CoSec@hl.co.uk addressed to the Company Secretary. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the AGM that the question be answered.

RIGHT TO ATTEND AND VOTE

Pursuant to Part 13 of the Act and to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), the Company has decided that only shareholders registered in the Company's shareholder register at 6:30pm on Wednesday 6 December 2023 (or if the AGM is adjourned, at 6:30pm on the date which is two working days prior to the adjourned meeting) shall be entitled to attend and vote at the AGM, and only in respect of the number of shares registered in their name at that time. Changes to the shareholder register after that time shall be disregarded in determining the rights of any person to attend and vote at the AGM.

We ask any shareholders who wish to attend in person to notify us by completing and returning the enclosed attendance card to the Company's registrars, Equiniti, Aspect House, Spencer Road, Lancing, BN99 6DA by 11.00am on Wednesday 6 December 2023 so as to be received not less than 48 hours before the time appointed for holding the AGM.

DOCUMENTS AVAILABLE FOR INSPECTION

The documents listed below will be available for inspection at an agreed time at the registered office of the Company, One College Square South, Anchor Road, Bristol, BS1 5HL. Please e-mail CoSec@hl.co.uk during normal business hours on any weekday (excluding public holidays) to book an appointment to view the following documents:

- a. copies of the service contracts of the executive directors of the Company and the letters of appointment of the non-executive directors of the Company; and
- b. a copy of this Notice of AGM, and other information required by section 311(A) of the Act, can be found at the Company's website at www.hl.co.uk

APPOINTMENT OF PROXIES

Any shareholder entitled to listen, ask questions and vote at the AGM may appoint one or more proxies to exercise any or all of his/ her rights instead of him/her. A proxy need not be a shareholder of the Company but must attend the AGM in order to represent a shareholder. A shareholder may appoint more than one proxy, provided each proxy is appointed to exercise rights attached to different shares held by the shareholder (so a shareholder must hold more than one share to be able to appoint more than one proxy). We recommend however that shareholders appoint the Chair for the reasons specified above.

To be effective, a Form of Proxy, and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated, must be deposited at the office of the Company's registrars, Equiniti, Aspect House, Spencer Road, Lancing, BN99 6DA by 11.00am on Wednesday 6 December 2023 so as to be received not less than 48 hours before the time appointed for holding the AGM.

Shareholders who would prefer to register the appointment of their proxy electronically via the internet can do so through the Sharevote website, www.sharevote.co.uk, using their personal Authentication Reference Number (this is the series of numbers printed under the headings Voting ID, Task ID and Shareholder Reference Number on the Form of Proxy). Alternatively, shareholders who have already registered with Equiniti Registrars' online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at www.shareview.co.uk by using their usual user ID and password. Once logged in, simply click 'view' on the 'My Investments' page, click on the link to vote and then follow the on-screen instructions. Full details and instructions on these electronic proxy facilities are given on the respective websites.

APPOINTMENT OF PROXIES (VIA CREST)

EUROCLEAR MEMBERS: CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the AGM (and any adjournment thereof) by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST Sponsored Members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

For a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual (available at www.euroclear.com). The message (regardless of whether it constitutes the appointment of a proxy or an amendment to an instruction given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by the Company's agent, Equiniti (ID RA19) by

the latest time for receipt of proxy appointments, specified in this Notice of AGM. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by CREST Applications Host) from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST Personal Member or Sponsored Member or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such an action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST systems and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

CORPORATE SHAREHOLDERS: Pursuant to the Company's Articles of Association, a shareholder which is a corporation or other organisation not having a physical presence and which wishes to be represented at the AGM by a person with authority to speak and vote (a "corporate representative") must appoint one or more corporate representatives by resolution of its directors, who may exercise on its behalf all of its powers as a member provided they do not do so in relation to the same shares.

A corporate representative has the same powers on behalf of the corporation he/she represents as that corporation could exercise if it were an individual member of the Company. Shareholders considering the appointment of a corporate representative should check their own legal position, the Company's Articles of Association and the relevant provision of the Act.

JOINT SHAREHOLDERS

In the case of joint shareholders the vote of the senior shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members.

NOMINATED PERSONS

Any person to whom this Notice is sent who is a person nominated under Section 146 of the Act to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statement of the rights of shareholders in relation to the appointment of proxies in the paragraph headed "Appointment of Proxies", above, does not apply to Nominated Persons. The rights described in that paragraph can only be exercised by shareholders of the Company.

VOTING RIGHTS

As at 5:00pm on 18 October 2023 (being the latest practicable date prior to publication of this Notice of AGM), the Company's issued share capital comprised 474,318,625 ordinary shares of 0.4 pence each carrying one vote each. No ordinary shares were held in treasury. Therefore, the total number of voting rights in the Company as at 18 October 2023 is 474,318,625.

WEBSITE PUBLICATION OF AUDIT CONCERNS

Shareholders should note that it is possible that under Section 527 of the Act, pursuant to requests made by members of the Company meeting the threshold requirements under that Section, the Company may be required to publish on its website a statement setting out any matter relating to: (a) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (b) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Act. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under Section 527 of the Act, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under Section 527 of the Act to publish on a website.

ELECTRONIC COMMUNICATIONS

Any website or electronic address (within the meaning of Section 333(4) of the Act) provided either in this Notice of AGM or in the related documents (including the Chair's letter and the Form of Proxy) may not be used to communicate with the Company for any purposes other than those expressly stated.

In accordance with Section 311A of the Act, the contents of this Notice of AGM, details of the total number and class of shares in respect of which members are entitled to exercise voting rights at the AGM and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this Notice of AGM will be available on the Company's website www.hl.co.uk/investor-relations.

CIRCULATION OF RESOLUTION

In accordance with Section 338 of the Act, a member or members of the Company may (provided that the criteria set out in Section 338(3) of the Act are met) require the Company to give to members notice of a resolution which may properly be moved and is intended to be moved at the AGM, provided that: (a) the resolution must not be, if passed, ineffective

(whether by reason of inconsistency with any enactment or the Company's constitution or otherwise); and (b) the resolution must not be defamatory of any person, frivolous or vexatious.

BUSINESS TO BE DEALT WITH

In accordance with Section 338A of the Act, a member or members of the Company may (provided that the criteria set out in Section 338A(3) of the Act are met) require the Company to include in the business to be dealt with at the AGM a matter (other than a proposed resolution) which may properly be included in the business of the AGM, provided that the matter is not defamatory of any person, frivolous or vexatious. A request may be made in hard copy or electronic form, must identify the matter to be included in the business, must be authenticated by the person or persons making it and must be received by the Company not later than 6 weeks before the AGM, or, if later, the time at which notice is given of the AGM. In the foregoing sentence, the terms "hard copy form", "electronic form" and "authenticated" bear the respective meanings set out in the Act in relation to a communication, or a document or information sent or supplied, to a company.

DIRECTORS' BIOGRAPHIES



DEANNA OPPENHEIMER
Chair and Non-Executive Director

Appointed to the Board

February 2018

Skills and experience

Deanna has extensive Board level governance and leadership experience in both public and private financial services businesses having worked in the industry for over 35 years at executive and non-executive level.

Her rich executive experience includes, amongst other things, the transformation of the retail banking division at Barclays. As a non-executive director, Deanna formerly served as director for Tesco plc, Worldpay plc, Whitbread plc, AXA Group, Tesco Bank and NCR Corporation. Deanna is a member of the 30% Club.

Committee Membership

Chair of the Nomination & Governance Committee
Member of the Remuneration Committee

Other current appointments

Director of Thomson Reuters Corporation Chair of IHG plc



DAN OLLEY
Chief Executive Officer

Appointed to the Board

Chief Executive Officer since August 2023
Independent Non-Executive Director from June 2019
– August 2023

Skills and experience

Prior to his appointment as Chief Executive Officer, Dan was CEO of dunhumby Ltd from January 2022. Dan joined HL as a seasoned and experienced senior technology leader and has a track record of driving digital transformations in established businesses, including financial services, insurance, business information solutions, research, and healthcare. Dan brings a problem solving and analytical skill set, along with experience of successfully implementing advanced technologies to drive both revenue growth and operational process efficiency and optimisation. During his tenure as an Independent Non-Executive Director of HL, Dan was a Member of the Risk and Remuneration Committees.

Committee membership

None

Other current appointments

None



AMY STIRLING
Chief Financial Officer

Appointed to the Board

February 2022

Skills and experience

Amy has significant financial and strategic leadership experience in client facing businesses across the telecommunications and financial services sectors. She has considerable transformation and M&A experience at both executive and non-executive level and is a qualified chartered accountant. Amy was previously Chief Financial Officer of the Virgin Group and other previous appointments include non-executive director and chair of the Audit Committee at RIT Capital Partners plc, non-executive director at Virgin Money UK plc, Chief Financial Officer of The Princes Trust and Chief Financial Officer at TalkTalk Telecom Group plc.

Committee membership

None

Other current appointments

Trustee of HL Foundation



ROGER PERKIN
Independent Non-Executive Director

Appointed to the Board

September 2017

Skills and experience

Roger is a qualified accountant with recent and relevant financial experience and competence in accounting and audit, as well as extensive financial services experience. He is a former partner of Ernst & Young and has previously been a Non-Executive Director at Evolution Group plc, Friends Life Ltd, Nationwide Building Society, Electra Private Equity plc, AIB Group (UK) plc and TPICAP plc. Roger chaired or served on the Audit and Risk Committees of each of these and additionally was Senior Independent Director of Nationwide Building Society.

Committee membership

Member of the Audit Committee
Member of the Nomination & Governance Committee
Member of the Remuneration Committee
Member of the Risk Committee

Other current appointments

None



JOHN TROIANO
Independent Non-Executive Director

Appointed to the Board

January 2020

Skills and experience

John has significant investment and asset management experience. John has spent 38 years at Schroders in a wide range of roles including investment research and analysis, fund management, and has worked across both the retail and institutional channels. Most recently, as Head of Distribution, he was responsible for the design and implementation of business strategy globally and the oversight of sales and client service activities.

Committee membership

Member of the Audit Committee
Member of the Remuneration Committee
Member of the Risk Committee

Other current appointments

Independent Non-Executive Director of Hargreaves Lansdown Fund Managers Ltd



ANDREA BLANCE
Independent Non-Executive Director

Appointed to the Board

September 2020

Skills and experience

Andrea is a qualified accountant and brings extensive Board and financial services experience having spent her executive career at Legal & General Group plc where she was a member of the Group Executive Committee and held a diverse range of senior leadership roles including finance, risk and regulation, marketing and strategy. Andrea's past non-executive roles include Risk Committee Chair at Scottish Widows plc and Lloyds Banking Group Insurance Division, Senior Independent Director and Audit Committee Chair at ReAssure Group plc and a member of William & Glyn's pre-IPO Board.

Committee membership

Chair of the Risk Committee
Member of the Audit Committee
Member of the Nomination & Governance Committee

Other current appointments

Non-Executive Director and Chair of the Board Risk Committee at Aviva plc
Senior Independent Director of Vanquis Banking Group plc (formerly Provident Financial Group plc)



MONI MANNINGS
Independent Non-Executive Director

Appointed to the Board
September 2020

Skills and experience
Moni is a qualified solicitor with a strong background in international banking and finance and was a Senior Partner and Board member of law firm Olswang LLP. She has held a number of non-executive positions including as a Board member of Dairy Crest Group plc, Polypipe Group plc, the Solicitors Regulation Authority (chairing its Equality, Diversity and Inclusion Committee), Cranfield University, Deputy Chair of Barnardo's and Senior Independent Director of Investec Bank plc.

Committee membership
Chair of the Remuneration Committee
Member of the Nomination & Governance Committee
Member of the Risk Committee

Other current appointments
Non-Executive Director of easyJet plc
Non-Executive Director and Remuneration Committee
Chair of Cazoo Group



ADRIAN COLLINS
Non Independent Non-Executive Director

Appointed to the Board
November 2020

Skills and experience
Adrian has worked in the fund management business for over 50 years, most recently at Liontrust Asset Management where he served as Executive Chairman from 2009 to 2019. During this period, Adrian oversaw a transformation in the business, broadening its investment and distribution capabilities and undertaking numerous acquisitions. Adrian has extensive experience across fund management and adjacent sectors having held senior roles at Gartmore, where he was Managing Director, Trustnet (which he co-founded), Jupiter, Bestinvest and Lazard Investors, and as Chairman of CIP Merchant Capital Ltd. He is an experienced non-executive director. Adrian has been appointed to the Board as a shareholder representative and as such is not deemed to be independent.

Committee membership
None

Other current appointments
Chairman of Logistics Development Group plc (formerly Eddie Stobart Logistics plc)





PENNY JAMES

Independent Non-Executive Director and Senior Independent Director

Appointed to the Board

September 2021

Skills and experience

Penny brings extensive financial services experience with strong leadership skills, financial and risk expertise, strategic thinking and cultural alignment. Penny was previously Chief Financial Officer then Chief Executive Officer of Direct Line Insurance Group plc. Prior to this she has held a number of roles including Group Chief Risk Officer and Director of Group Finance at Prudential plc; Group CFO at Omega Insurance Holdings Limited; and CFO UK General Insurance, at Zurich Financial Services. Penny was previously a non-executive director of Admiral Group plc from 2015 to 2017.

Committee membership

Member of the Nomination & Governance Committee
Member of the Risk Committee

Other current appointments

Co-Chair of FTSE Women Leaders Review



DARREN POPE

Non-Executive Director

Appointed to the Board

September 2022

Skills and experience

Darren has considerable and extensive experience within the retail banking and financial services sectors where he held senior executive and Board level positions. Darren is Chair of the Remuneration Committee at Virgin Money plc, SID and Chair of Audit Committee at Network International Holdings plc and the Non-Executive Chairman of HSBC Innovation Bank (formerly Silicon Valley Bank UK Ltd). Until December 2019 he served as SID and Chair of Audit Committee with Equiniti plc.

Committee membership

Chair of the Audit Committee (subject to regulatory approval)
Member of the Nomination & Governance Committee
Member of the Risk Committee

Other current appointments

Non-Executive Director and Remuneration Committee Chair of Virgin Money plc
Senior Independent Director and Chair of Audit Committee of Network International plc
Non-Executive Chairman HSBC Innovation Bank (formerly of Silicon Valley Bank UK Ltd)



MICHAEL MORLEY

Independent Non-Executive Director

Appointed to the Board

August 2023

Skills and experience

Michael has over 30 years of executive and Board experience in international financial services with in-depth knowledge of private banking and wealth management markets around the world. He was previously CEO of Coutts and of Deutsche Bank's UK wealth management arm, and Chair of RBS International.

Committee membership

Member of the Remuneration Committee
Member of the Risk Committee

Other current appointments

Non-Executive Director of Deutsche Bank SAEU (Spain)
Non-Executive Director of Deutsche Bank SA (Switzerland)
Senior Independent Director of Personal Investment Management and Financial Advice Association
Deputy Chair of Centre for Mental Health

Appendix 1 – main changes to Remuneration Policy

ANNUAL PERFORMANCE BONUS

Current Policy

Maximum bonus opportunity of 400% of base salary for the CEO and 350% for the CFO.

On-target bonus of 50% of maximum opportunity for all Executive Directors.

A proportion of the bonus is deferred over three years, with a further post-vesting holding period applicable as required under regulation.

Deferral is higher of 40% of annual bonus awarded and 60% of total variable pay in line with the Investment Firm Prudential Regime (IFPR) regulatory requirements.

Awards will be delivered in an appropriate combination of cash and shares, in line with regulatory requirements, with a minimum of 50% of total variable pay delivered over HL plc shares. The combination of cash and shares will be determined each year by the Committee.

Proposed Policy

Reduction of the annual bonus maximum opportunity to 250% and 220% of salary for the CEO and CFO respectively.

On-target bonus will remain at 50% of maximum opportunity.

Awards will continue to be delivered in a combination of cash and shares, with a minimum of 50% of total variable remuneration delivered over HL plc shares and subject to any further post-vesting holding period applicable in line with regulatory requirements.

A proportion of total variable remuneration (normally 60%) will be subject to deferral to meet regulatory requirements, taking into account all variable pay awarded for the year, including any Performance Share Plan (PSP) and Sustained Performance Plan (SPP) awards.

PERFORMANCE SHARE PLAN (PSP)

Current Policy

There is currently no PSP in place.

Proposed Policy

Proposal to introduce a PSP, with awards over HL plc shares subject to performance measured over three years followed by a two-year holding period.

The maximum PSP opportunity under the policy will be 150% and 130% of salary for the CEO and CFO respectively.

Vesting for threshold performance will be set at 25% of maximum and for stretch performance at 100%, with straight line vesting in between.

The PSP performance metrics will reflect the key performance indicators of long term performance under HL's strategy.

Dividend alternatives will accrue up to the vesting date.

SUSTAINED PERFORMANCE PLAN

Current Policy

Maximum award of 50% base salary.

Awards vest over a five year period, subject to the achievement of underpinning performance conditions over a three-year performance period.

Awards are subject to any post-retention vesting holding period required under regulations.

Proposed Policy

No change to quantum of awards under the SPP.

Awards will continue to vest subject to the achievement of underpinning performance conditions measured over three years followed by a two year holding period.

MALUS AND CLAWBACK

Current Policy

Malus and clawback provisions are in place for variable pay awards.

For all variable pay awards, malus provisions will apply until vesting occurs. Clawback will apply to all awards until the later of three years following grant of an award and the end of any relevant vesting and holding period.

Proposed Policy

No changes proposed to structure or time horizons of malus and clawback. PSP and SPP awards will be subject to malus over the relevant vesting period and clawback over the two-year post-vesting holding period.

Additional malus and clawback triggers going forward include evidence of misconduct, material error, fraud, negligence, conduct resulting in significant losses, and failure to meet standards of fitness and propriety.

The table below summarise the elements of the remuneration package for Directors and will be effective from the date approved by shareholders at the Company's AGM in 2023 and will apply until shareholders next consider and vote on a subsequent policy (intended to be three years from the date of approval).

Element, purpose and link to strategy	Maximum opportunity
<p>Base salary Reflects the individual's responsibilities, experience and contribution.</p> <p>Supports the recruitment and retention of the calibre of individuals required to lead the Company.</p>	<p>No absolute maximum increase.</p> <p>However, the Remuneration Committee will consider the operational principles as set out in the directors' remuneration policy on pages 89 to 99 of the annual report</p>
<p>Benefits An 'across the board' benefits package is available both to employees and Executive Directors alike.</p> <p>Supports the recruitment and retention of the calibre of individuals required to lead the Company.</p>	<p>While no absolute maximum level of benefits has been set, the level of benefits provided is determined taking into account individual circumstances, overall costs to the business and market practice.</p>
<p>Pension Provides adequate pension saving arrangements for Directors and employees.</p> <p>Supports the recruitment and retention of the calibre of individuals required to lead the Company.</p>	<p>The Group provides a matched employer contribution of 5% of base salary.</p> <p>Where employees make additional contributions of over 5% of salary, these will be double matched by the Company, up to a maximum of 11% of salary.</p> <p>The maximum contribution available to the Directors is 11% of salary, in line with the wider workforce rate. The maximum cash alternative is 5%.</p> <p>Any contribution paid as a result of waiver of the cash element of an Annual Performance Bonus will not be counted towards these maxima and will not attract matched funding.</p>
<p>Annual performance bonus Rewards achievement of the Group's business plan, key performance indicators and the personal contribution of Directors.</p> <p>Aligns the interests of Directors with those of shareholders.</p>	<p>The maximum bonus opportunity for Directors under the policy is as follows:</p> <ul style="list-style-type: none"> • CEO: 250% of base salary in respect of the relevant financial year; and • CFO: 220% of base salary in respect of the relevant financial year.
<p>Performance Share Plan (PSP) Rewards achievement of the Group's business plan and key performance indicators over the long term in line with shareholder and wider stakeholder experience.</p>	<p>The maximum PSP award each year under the Policy will be 150% for the CEO and 130% for the CFO.</p>
<p>Sustained Performance Plan (SPP) Aligns the interests of Directors with those of shareholders and rewards long-term stewardship of the Company.</p>	<p>The maximum award each year under the Policy is 50% of base salary.</p>
<p>Shareholding guideline Aligns the interests of management and shareholders to the success of the Group.</p>	<p>Not applicable</p>

Appendix 2 – summary of the principal terms of the Hargreaves Lansdown plc Performance Share Plan (the “Plan”)

Operation

The Plan will be administered by the Board of directors of the Company or by any duly authorised committee of it (the “Board”). Decisions in relation to any participation in the Plan by the Company’s executive directors and other persons in respect of whom the Company’s Remuneration Committee is required to determine remuneration will always be taken by that Committee.

Eligibility

Any employee of the Company’s group (“Group”) is eligible to participate at the Board’s discretion.

Form of awards

Awards may be granted by the Board as:

- (a) conditional awards of ordinary shares in the Company (“Shares”);
- (b) options to acquire Shares for nil cost or for a per Share exercise price equal to the nominal value of a Share;
- (c) options to acquire Shares for a per Share exercise price equal to the market value of a Share at the date of grant of the option on the basis set out below (“**tax-qualifying options**”); or
- (d) cash-based awards relating to a number of “notional” Shares, although it is intended that awards will be granted in relation to Shares wherever practicable.

In this summary, the term “option” refers to nil-cost options, nominal cost options and tax-qualifying options.

Awards are not transferable except on death and will not form part of pensionable earnings.

Tax-qualifying options

As described above, awards may be granted under the Plan as options with an exercise price per Share equal to the market value of a Share at the date of grant of the option. It is intended that any such option would satisfy the requirements of Schedule 4 to the Income Tax (Earnings and Pensions) Act 2003 such that the option would benefit from the tax advantages available for such options.

Such options would only be granted in combination with a nil-cost or a nominal cost option and on terms that the extent to which the nil-cost or nominal cost option may be exercised is reduced to take account of any gain made on exercise of the tax-qualifying option. As a result, the Shares subject to the tax-qualifying option are not taken into account for the purposes of assessing the individual limit on participation in the Plan so as to avoid double counting.

The provisions of the Plan as summarised in this Appendix apply to such tax-qualifying options other than as required by the applicable tax legislation.

Grant of awards

Awards can ordinarily only be granted in the 42 days (six weeks) beginning on:

- (a) the date on which the Plan is approved by shareholders;
- (b) the first dealing day after the Company makes an announcement of its results for any period; or
- (c) the day on which a Directors’ Remuneration Policy is approved by shareholders.

The Board will have discretion to grant awards at other times if it determines that exceptional circumstances exist which justify the grant of awards. The Board will also have discretion to grant at other times if there were restrictions on grants being made during any other permitted period.

Performance conditions

Unless the Board determines otherwise, the vesting of awards

to executive directors must be subject to the satisfaction of a performance condition. The application of performance conditions to awards granted to the Company’s executive directors will be consistent with the Company’s Directors’ Remuneration Policy as approved by shareholders from time to time. Performance conditions will usually be assessed over a period of at least three years.

Any performance condition may be amended or substituted if the Board considers that an amended or substituted performance condition would be reasonable, appropriate and would not be materially less difficult to satisfy than when it was originally set.

Individual limit

Awards will not be granted to a participant under the Plan in respect of any financial year of the Company over Shares with a market value (as determined by the Board) in excess of the limit set out in the Company’s Directors’ Remuneration Policy as most recently approved by shareholders. Recruitment awards will not be subject to this limit.

Overall limits

The Plan may operate over new issue Shares, treasury Shares or Shares purchased in the market (other than into treasury).

In any ten-year period, the number of Shares which may be issued under the Plan and any other employee share plan adopted by the Company may not exceed 10% of the issued ordinary share capital of the Company in issue at that time.

In addition, in any ten-year period, the number of Shares which may be issued under the Plan and any other discretionary employee share plan adopted by the Company may not exceed 5% of the issued ordinary share capital of the Company in issue at that time.

Treasury Shares will be treated as newly issued for the purpose of these limits until such time as guidelines published by institutional investor representative bodies determine otherwise.

Vesting, exercise, release and settlement of awards

Awards subject to performance conditions will normally vest as soon as reasonably practicable after the end of the performance period (or on such later date as the Board determines at grant) to the extent that the performance conditions have been satisfied. Awards not subject to performance conditions will normally vest on the third anniversary of grant (or such other date as the Board determines at grant).

The Board may adjust (including by reducing to nil) the extent to which an award would vest, if it considers that either the vesting level does not reflect the underlying financial or non-financial performance of the participant or the Group over the vesting period, or the vesting level is not appropriate in the context or circumstances that were unexpected or unforeseen when the award was granted, or there exists any other reason why an adjustment is appropriate.

In addition, the Board may determine that a vested award is also subject to a holding period (a “Holding Period”) during which Shares subject to an award will not be delivered to participants and at the end of which awards will be “released” (i.e. participants will be entitled to receive their Shares under their awards). The Board will determine the length of the Holding Period (which will start on the date an award vests). The Holding Period for awards granted to the Company’s executive directors will be consistent with the Company’s Directors’ Remuneration Policy as approved by shareholders from time to time.

Awards will vest on the vesting date or be released on their release date, as the case may be, unless the action of any participant, group member or relevant business unit is under investigation and such investigation has not yet been concluded by that date, in which case an award will be suspended and subject to the outcome of the investigation, will vest or be released, as the case may be, as soon as practicable after its conclusion.

Options will normally be exercisable from the point of vesting (or, where relevant, release) until the tenth anniversary of the grant date.

At any time before the point at which Shares are issued or transferred in satisfaction of an award, the Board may decide to pay a participant a cash amount equal to the value of the Shares they would have otherwise received.

Dividend equivalent payments

The Board may decide to award dividend equivalent payments in respect of the Shares that vest under awards in respect of dividends paid in the period between grant and vesting (or, where relevant, release). Dividend equivalents may be paid in Shares or cash and may assume the reinvestment of the dividends in Shares.

Leavers

Unvested awards will usually lapse on the individual's cessation of office or employment with the Group except where cessation is as a result of the individual's death, ill health, injury or disability, where the participant's employer is no longer a member of the Group, or for any other reason that the Board determines, except where a participant is summarily dismissed ("Good Leavers").

If a participant dies, an unvested award will, unless the Board determines otherwise, vest and be released at the time of the participant's death to the extent that the Board determines. The Board will take into account the satisfaction of any performance condition, and unless it determines otherwise, the proportion of the performance or vesting period that has elapsed. A participant's personal representatives will have twelve months from the participant's death to exercise any vested and released options.

Unvested awards held by other Good Leavers will usually continue until the normal vesting date at which point the extent of vesting will be determined taking into account the satisfaction of any performance condition. The Board retains discretion to vest the award as soon as reasonably practicable following the date of cessation and to assess any performance condition accordingly. In either case, unless the Board decides otherwise, the level of vesting will also take into account the proportion of the performance or vesting period that has elapsed. If the award is subject to a Holding Period, that will ordinarily continue, although the Board retains discretion to release the award earlier than originally anticipated. Options will normally be exercisable for six months after vesting (or, where relevant, release), or for such longer period as the Board permits.

Leavers – Holding Period

If a participant ceases to be an officer or employee in the Group during a Holding Period, their award will normally be released at the end of the Holding Period, unless the Board determines that it should be released as soon as reasonably practicable following their cessation of office or employment. However, if a participant is dismissed for misconduct during a Holding Period, their award will lapse immediately. Options will normally be exercisable for six months after release or for such longer period as the Board permits.

If a participant ceases to be an officer or employee of the Company whilst holding a vested option which is not (or is no longer) subject to a Holding Period, they will normally have six months, or such longer period as the Board permits, from their cessation of office or employment to exercise that option, unless they are dismissed for misconduct, in which case their option will lapse immediately.

Malus and clawback

Where one of the events listed below occurs at any time between the first day of the vesting period of an award and such date as the Board may decide on or before grant (the 'recovery period'), the Committee may apply malus or clawback. Malus permits the Board to reduce, cancel or impose additional conditions on an unvested award and clawback permits the Committee to require the participant to repay the value of the award, whether as a cash payment or by transfer of Shares to the Company.

Malus and/or clawback may apply where there has been:

- reasonable evidence of staff member misconduct or material error;
- a material misstatement of the financial results of any Group Member or its funds;
- a material failure of risk management in any Group Member or a relevant business unit;
- serious reputational damage to any Group Member or a relevant business unit attributable to the conduct of, or an act or omission by, the Participant or any employee for which the participant is or was responsible;
- a failure by the participant to identify any serious risks relating to any relevant business unit in which the participant works or works or for which the participant is responsible;
- a failure by the participant to implement appropriate controls for any serious risk relating to any relevant business unit in which the participant works or worked or for which the participant is responsible;
- a case of fraud or other conduct with intent or severe negligence which led to significant losses;
- corporate failure or significant downturn in financial performance suffered by any Group Member or relevant business unit;
- an error in calculating any participant's award;
- conduct by a participant or responsibility for conduct which resulted in significant losses in any Group Member or relevant business unit; or a failure by the participant to meet the standard of fitness and propriety

Corporate events

In the event of a change of control of the Company, unvested awards will vest to the extent determined by the Board, taking into account the extent to which any performance condition has been satisfied and, unless the Board determines otherwise, the proportion of the performance period or vesting period that has elapsed at the date of the relevant event. Awards to the extent vested will then be released.

Alternatively, the Board may permit awards to be exchanged for shares in the acquiring company. If the change of control is an internal reorganisation of the Company or if the Board so decides, participants will be required to exchange their awards (rather than awards vesting/ being released as part of the transaction).

If other corporate events occur such as a winding-up of the Company, demerger, delisting, special dividend or other event which, in the opinion of the Board, may affect the current or future value of Shares, the Board may determine that awards will vest taking into account the satisfaction of any performance condition and, unless the Board determines otherwise, the proportion of the performance period or vesting period that has elapsed at the date of the relevant event.

Adjustment of awards

The Board may adjust the number of Shares under an award or any performance condition applicable to an award in the event of a variation of the Company's share capital or any demerger, delisting, special dividend or other event which, in the opinion of the Board, may affect the current or future value of Shares.

Amendments

The Board may amend the Plan at any time, provided that prior approval of the Company's shareholders will be required for amendments to the advantage of eligible employees or participants relating to eligibility, limits, the basis for determining a participant's entitlement to, and the terms of, the Shares comprised in an award and the impact of any variation of capital.

However, any minor amendment to benefit the administration of the Plan, to take account of legislative changes, or to obtain or maintain favourable tax, exchange control or regulatory treatment may be made by the Board without shareholder approval.

Termination of Plan

No awards may be granted under the Plan after the tenth anniversary of its approval by shareholders.

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