



HERBERT
SMITH
FREEHILLS

Equity Incentive Plan Rules

Bank of Queensland Limited

ACN 009 656 740

Adopted by the Board on 13 October 2020

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Equity Incentive Plan Rules

INTRODUCTION

The purpose of this Equity Incentive Plan (**EIP**) is to allow the Board to make offers of Plan Securities to Eligible Employees.

These Rules outline the terms and conditions on which Offers will be made, including:

- the process for making and accepting Offers under the EIP (**Part A**);
- the type of securities that may be offered (being Rights, Options, Restricted Shares and Units) (**Part B**); and
- the general terms and conditions that apply to Plan Securities (**Part C**).

Capitalised terms are defined in Part D of these Rules.

PART A

1 Offers of Plan Securities

1.1 Company to make invitations

- (a) The Company may, from time to time, in its absolute discretion invite Eligible Employees to participate in a grant of Plan Securities, which may comprise any one or more of:
- Rights;
 - Options;
 - Shares;
 - Restricted Shares; and
 - Units
- (**Offer**).
- (b) Offers will be made on the terms set out in these Rules and/or on any additional or alternative terms as the Board determines, as specified in the terms of an Offer.
- (c) Offers of Plan Securities made under these Rules and received in Australia are made under Division 1A of Part 7.12 of the Corporations Act.

1.2 Information to be provided to Participants

Without limiting the Board's discretion, each Eligible Employee should be advised of the following information in connection with an Offer:

- (a) the type and number of Plan Securities being offered, or the method by which the number will be calculated;

- (b) the amount (if any) that will be payable for the grant of Plan Securities, or the method by which the amount (if any) will be calculated;
- (c) any Vesting Conditions or other conditions that apply, including any Vesting Period;
- (d) the terms of exercise for an Option or a Right (where exercisable), including the period(s) during which exercise is permitted;
- (e) where the Board has made a determination pursuant to rules 2.2(h) or 3.2(h) at the time of the Offer, clarification as to whether Rights or Options may be settled through an allocation of Shares or by making a cash payment (as applicable);
- (f) the circumstances in which Rights, Units and/or Options may lapse, Shares (including Restricted Shares) allocated under the EIP may be forfeited or a Participant's entitlement to Plan Securities may be reduced;
- (g) the treatment of Plan Securities if the Eligible Employee ceases employment with a Group company and any discretions retained by the Board under rule 10;
- (h) any restrictions (including the period of restriction) on Dealing in relation to a Restricted Share or Share allocated to the Eligible Employee under the EIP; and
- (i) where all or part of an Offer is made as a salary sacrifice offer under rule 4.2 or as a tax-exempt offer under rule 4.3 of these Rules, the Offer should specify this.

1.3 Acceptance of Offer

- (a) Acceptance of an Offer must be made by the Eligible Employee in accordance with the instructions that accompany the Offer, or in any other way the Board determines.
- (b) The Board may, at its discretion, refuse to allow the participation of an Eligible Employee where that Eligible Employee ceases to be an Eligible Employee, or ceases to satisfy any other conditions imposed by the Board, before the grant is made.
- (c) Nothing limits the Board's ability to treat the conduct of an Eligible Employee in respect of an Offer (including the failure of an Eligible Employee to lodge an election not to participate within the time specified in the instructions accompanying the Offer) as valid acceptance of that Offer under these Rules.
- (d) The Board may revoke an Offer given to an Eligible Employee prior to the date specified for the acceptance of the Offer or the grant being made, whichever is later, and such Offer will be deemed never to have been made.

1.4 Offer terms and conditions take precedence

To the extent of any inconsistency, the terms and conditions advised to an Eligible Employee in an Offer will prevail over any other provision of these Rules.

PART B

2 Rights

2.1 Grant

- (a) Where an Eligible Employee has accepted an Offer to participate in a grant of Rights in accordance with rule 1.3(a), the Board will, subject to its discretion under rule 1.3, grant Rights to the Eligible Employee.
- (b) Unless the Board determines otherwise:
 - (1) no payment is required for the grant of a Right;
 - (2) Rights may not be registered in any name other than that of the Eligible Employee; and
 - (3) where the Offer is made to an Eligible Employee in Australia, subdivision 83A-C of the Tax Act applies to the Rights (subject to the requirements of that Act).

2.2 Vesting and exercise

- (a) Subject to rule 8 and any express rule to the contrary, a Right will only Vest (and if applicable, become exercisable) where each Vesting Condition, and all other relevant conditions advised to the Participant by the Board pursuant to rule 1.2, have been satisfied or otherwise waived by the Board.
- (b) Where the Board notifies a Participant that a Right is exercisable, the exercise of the Right will be effected in the form and manner determined by the Board and notified to the Participant. Without limiting the Board's discretion, the terms of exercise may contemplate the automatic exercise of Rights on the expiry date for such exercise.
- (c) If the Vesting of a Right would arise in a period where Dealings by a Participant would be prohibited or the Board determines that the Vesting of a Right would otherwise be inappropriate in the circumstances, the Board may determine that Vesting will be delayed until such time as Dealings are permitted or appropriate.
- (d) For the avoidance of doubt, the Board may determine that Vesting will be delayed only in relation to some or all Participants (irrespective of whether they are subject to the Dealing restriction).
- (e) Subject to rule 2.2(f), the Vesting of a Right (and, if applicable, exercise) will be satisfied by the Company allocating Shares to the Participant pursuant to rule 2.3.
- (f) The Board may determine that the Vesting (and, if applicable, exercise) of a Right will be satisfied by the Company making a cash payment in lieu of an allocation of Shares pursuant to rule 2.4. For the avoidance of doubt, the Board may make such a determination with respect to some or all of the Rights of some or all of the Participants.
- (g) The Participant has no entitlement to receive a Share under rule 2.2(e) or a cash payment under rule 2.2(f) until the Rights have Vested, and if applicable, been exercised.

- (h) The Board may exercise its discretion to determine whether Rights that Vest will be satisfied by an allocation of Shares or by making a cash payment at any time prior to Vesting or exercise (if applicable) including, for the avoidance of doubt, at the time an Offer is made.
- (i) Vesting occurs on notification from the Company to the Participant that a Right has Vested pursuant to this rule 2.2.

2.3 Allocation

- (a) Subject to rules 2.2(f) and 2.3(b), as soon as practicable following Vesting (and if applicable, exercise) of a Right the Board must issue to, procure the transfer to, or procure the setting aside for, the Participant the number of Shares in respect of which Rights have Vested or have been exercised (as applicable). No further action is required on the part of the Participant.
- (b) In the case of Rights held by or on behalf of a Participant who is a Director, Vested Rights must be satisfied by Shares that have been purchased on market, unless:
 - (1) shareholders have approved the Director's participation in the EIP to the extent required under the Listing Rules; or
 - (2) no shareholder approval is required under the Listing Rules in respect of the Director's participation in the EIP.

2.4 Payment of cash equivalent

- (a) Where the Board exercises its discretion under rule 2.2(f) to make a cash payment to a Participant in lieu of an allocation of Shares, the Company must pay to the Participant an amount equivalent to the value of the Shares underlying the relevant Rights that have Vested (and if applicable, been exercised) and that the Board determines will be settled by a cash payment under rule 2.2(f).
- (b) The amount of the cash payment referred to in rule 2.4(a) will be calculated by multiplying the number of Shares underlying the relevant Rights that the Board determines will be settled by a cash payment by the Current Market Price.
- (c) The Company may determine in its absolute discretion the currency in which amounts will be paid. If the payment under rule 2.4(a) is to be made in a currency other than Australian dollars, unless the Board determines otherwise, the foreign exchange rate applied will be the closing exchange rate of the relevant currency on the day prior to the date of Vesting (or, if applicable, exercise).

2.5 Lapse of Rights

A Right will lapse on the earliest to occur of:

- (a) 15 years after the date on which the Rights were allocated to the Participant, or any other date nominated as the expiry date in the Offer;
- (b) the Right lapsing in accordance with a provision of these Rules (including in accordance with a term of an Offer);
- (c) failure to meet a Vesting Condition or any other condition applicable to the Right within the Vesting Period; or

- (d) the receipt by the Company of a notice in writing from a Participant to the effect that the Participant has elected to surrender the Right.

3 Options

3.1 Grant

- (a) Where an Eligible Employee has accepted an Offer to participate in a grant of Options in accordance with rule 1.3(a), the Board will, subject to its discretion under rule 1.3(b), grant Options to the Eligible Employee.
- (b) Unless the Board determines otherwise:
 - (1) no payment is required for the grant of an Option; and
 - (2) Options may not be registered in any name other than that of the Eligible Employee; and
 - (3) where the Offer is made to an Eligible Employee in Australia, subdivision 83A-C of the Tax Act applies to the Options (subject to the requirements of that Act).

3.2 Vesting

- (a) Subject to rule 8 and any express rule to the contrary, an Option granted under the EIP will only Vest and become exercisable where each Vesting Condition, and all other relevant conditions advised to the Participant by the Board pursuant to rule 1.2, have been satisfied or otherwise waived by the Board.
- (b) The exercise of any Option granted under the EIP will be effected in the form and manner determined by the Board and notified to the Participant. Without limiting the Board's discretion, the terms of exercise may allow for the cashless exercise of some or all of a Participant's Options under rule 3.3 and may also permit the automatic exercise of Options on the expiry date for such exercise.
- (c) If the Vesting of an Option would arise in a period where Dealings by a Participant would be prohibited, or the Board determines that the Vesting of an Option would otherwise be inappropriate in the circumstances, the Board may determine that Vesting will be delayed until such time as Dealings are permitted or appropriate.
- (d) For the avoidance of doubt, the Board may determine that Vesting will be delayed only in relation to some or all Participants (irrespective of whether they are subject to the Dealing restriction).
- (e) Subject to rule 3.2(f), the exercise of an Option will be satisfied by the Company allocating Shares to the Participant pursuant to rule 3.4.
- (f) The Board may determine that the exercise of an Option will be satisfied by the Company making a cash payment in lieu of an allocation of Shares pursuant to rule 3.5. For the avoidance of doubt, the Board may make such a determination with respect to some or all of the Options of some or all of the Participants.
- (g) The Participant has no entitlement to receive a Share under rule 3.2(e) or a cash payment under rule 3.2(f) until the Options have been exercised.
- (h) The Board may exercise its discretion to, determine whether Options that Vest will be satisfied by an allocation of Shares or by making a cash payment at any

time prior to exercise (including, for the avoidance of doubt, at the time an Offer is made).

- (i) Vesting occurs on notification from the Company to the Participant that an Option has Vested pursuant to this rule 3.2.

3.3 Cashless Exercise Mechanism

Where a Participant is permitted and elects to use the Cashless Exercise Mechanism to exercise Options:

- (a) the value of Shares to be allocated to the Participant will be equal to the number of Options exercised multiplied by the Current Market Price of the Shares underlying the Options less the aggregate Exercise Price for those Options;
- (b) Only that number of Options that will result in the Participant being allocated a number of Shares equal to the value calculated in rule 3.3(a) will be allocated to the Participant (rounded down to the nearest whole number), and the balance of the Options that the Participant has requested to exercise will lapse;
- (c) the Participant will not be required to pay the Exercise Price in respect of the exercise of the Options.

3.4 Allocation following exercise

- (a) Subject to rules 3.2(f) and 3.4(b), as soon as practicable following the exercise of an Option, the Board must issue to, procure the transfer to, or procure the setting aside for, the Participant the number of Shares in respect of which Options have been exercised. No further action is required on the part of the Participant.
- (b) In the case of Options held by or on behalf of a Participant who is a Director, Vested Options must be satisfied by Shares that have been purchased on market, unless:
 - (1) shareholders have approved the Director's participation in the EIP to the extent required under the Listing Rules; or
 - (2) no shareholder approval is required under the Listing Rules in respect of the Director's participation in the EIP.

3.5 Payment of cash equivalent

- (a) Where the Board exercises its discretion under rule 3.2(f) to make a cash payment to a Participant in lieu of an allocation of Shares, the Company must:
 - (1) refund any amount paid (if any) by the Participant to exercise those Options; and
 - (2) as soon as reasonably practicable, pay to the Participant an amount determined under rule 3.5(b).
- (b) The amount of the cash payment referred to in rule 3.5(a)(2) will be calculated by multiplying the number of Shares underlying the relevant Options by the Current Market Price, less any Exercise Price that would otherwise have been payable in respect of those Options.
- (c) The Company may determine in its absolute discretion the currency in which amounts will be paid. If the payment under rule 3.5(a)(2) is to be made in a currency other than Australian dollars, unless the Board determines otherwise,

the foreign exchange rate applied will be the closing exchange rate of the relevant currency on the day prior to the date of exercise.

3.6 Lapse of Options

An Option will lapse on the earliest to occur of:

- (a) 15 years after the date on which the Options were allocated to the Participant, or any other date nominated as the expiry date in the Offer;
- (b) the Option lapsing in accordance with a provision of these Rules (including in accordance with a term of an Offer);
- (c) failure to meet a Vesting Condition or any other condition applicable to the Option within the Vesting Period; or
- (d) the receipt by the Company of a notice in writing from a Participant to the effect that the Participant has elected to surrender the Option.

4 Restricted Shares

4.1 Allocation

- (a) Where an Eligible Employee has accepted an Offer to participate in a grant of Restricted Shares in accordance with rule 1.3(a), the Board will, subject to rule 1.3(b) and rule 4.1(b), allocate the Restricted Shares in accordance with any timeframe specified in the Offer by either:
 - (1) issuing Restricted Shares to;
 - (2) procuring the transfer of Restricted Shares to; or
 - (3) procuring the setting aside of Restricted Shares for, the Eligible Employee.
- (b) If the allocation of a Restricted Share would arise in a period where Dealings by a Participant would be prohibited or the Board determines that the allocation of a Restricted Share would otherwise be inappropriate in the circumstances, the Board may determine that allocation will be delayed until such time as Dealings are permitted or appropriate.
- (c) For the avoidance of doubt, the Board may determine that allocation will be delayed only in relation to some or all Participants (irrespective of whether they are subject to the Dealing restriction).
- (d) Unless the Board determines otherwise:
 - (1) no payment is required for the grant of a Restricted Share (other than a Restricted Share purchased pursuant to rule 4.2); and
 - (2) Restricted Shares may not be registered in any name other than that of the Eligible Employee or the Trustee.

4.2 Restricted Shares purchased by salary or fee sacrifice

Notwithstanding anything else in these Rules:

- (a) Offers of Restricted Shares made pursuant to this rule 4.2 constitute Offers made under a separate salary sacrifice provision of these Rules.
- (b) Where the Offer is made to an Eligible Employee in Australia, subdivision 83A-C of the Tax Act applies to Offers made pursuant to this separate salary sacrifice provision of these Rules.
- (c) Offers made pursuant to this separate provision will allow a Participant to agree to acquire Restricted Shares in return for a reduction in the Participant's pre-tax remuneration that would not have happened apart from that Offer of not more than A\$5,000 per year ending 30 June (or such other amount specified by subsection 83A-105(4) of subdivision 83A-C of the Tax Act to be the maximum amount of discount to which that subsection can apply).

4.3 Restricted Shares that are tax-exempt

Notwithstanding anything else in these Rules:

- (a) Offers of Restricted Shares made pursuant to this rule 4.3 constitute Offers made under a separate tax-exempt provision of these Rules.
- (b) Offers of Restricted Shares under this rule 4.3 are made on a non-discriminatory basis in relation to at least 75% of the Australian resident permanent employees of the relevant employer who have completed at least 3 years of service (whether continuous or non-continuous).
- (c) Where the Offer is made to an Eligible Employee in Australia, subdivision 83A-B of the Tax Act applies to Offers made pursuant to this tax exempt provision of these Rules.
- (d) A Restricted Share allocated to a Participant under this rule 4.3 will be subject to a restriction period from the date that the Restricted Shares are allocated until the earlier of:
 - (1) the date that is three years from the date of allocation (or such other period that may be required under Subdivision 83A-B of the Tax Act, including such earlier time as the Commissioner of Taxation allows in accordance with section 83A-45(5) of the Tax Act); and
 - (2) the date on which the Participant ceases to be employed by the Group.
- (e) Restricted Shares allocated to a Participant under this tax-exempt provision of the Rules cannot be forfeited. For the avoidance of doubt, rule 8 does not apply to Restricted Shares granted under this rule 4.3.

4.4 Cessation of restrictions

- (a) Subject to rule 8 and any express rule to the contrary, a Share only ceases to be a Restricted Share (i.e. Vests) where:
 - (1) the Vesting Period and each other relevant condition (including all Vesting Conditions) advised to the Participant by the Board pursuant to rule 1.2 have been satisfied or otherwise waived by the Board; and
 - (2) the Company notifies the Participant that the restrictions in respect of the Restricted Share have ceased or no longer apply.
- (b) Subject to the terms of an Offer and the Securities Trading Policy, when a Share ceases to be a Restricted Share, all restrictions on disposing of, or otherwise Dealing with, that Share, as set out in these Rules or the terms of an Offer, will cease.

- (c) If the Vesting of a Restricted Share would arise in a period where Dealings by a Participant would be prohibited or the Board determines that Vesting of a Restricted Share would otherwise be inappropriate in the circumstances, the Board may determine that Vesting will be delayed until such time as Dealings are permitted or appropriate.
- (d) For the avoidance of doubt, the Board may determine that Vesting will be delayed only in relation to some or all of the Participants who hold Restricted Shares under the EIP (irrespective of whether they are subject to the Dealing restriction).
- (e) Unless provided otherwise in the terms of an Offer, when a Share that is held by the Trustee on behalf of a Participant ceases to be a Restricted Share, the Trustee will continue to hold the Share on trust on behalf of the Participant until such time as the Participant, or the Company on behalf of the Participant, directs the Trustee to:
 - (1) transfer the Share into the Participant's name or another account to be held on the Participant's behalf; or
 - (2) sell the Share and pay the proceeds of sale (net of any applicable brokerage, commission, stamp duty or other transaction costs) to the Participant.

4.5 Forfeiture of Restricted Shares

Subject to rule 4.3(e), a Restricted Share will be forfeited on the earliest to occur of:

- (a) the Restricted Share being forfeited in accordance with a provision of these Rules (including in accordance with a term of an Offer);
- (b) the failure to meet a Vesting Condition or any other condition applicable to the Restricted Share within the Vesting Period; or
- (c) the receipt by the Company of a notice in writing from a Participant to the effect that the Participant has elected to surrender the Restricted Share.

5 Units

5.1 Grant

- (a) Where an Eligible Employee has accepted an Offer to participate in a grant of Units in accordance with rule 1.3(a), the Board will, subject to its discretion under rule 1.3(b), grant Units to the Eligible Employee.
- (b) Unless the Board determines otherwise:
 - (1) no payment is required for the grant of a Unit; and
 - (2) Units may not be recorded in any name other than that of the Eligible Employee.

5.2 Vesting

- (a) Subject to rule 8 and any express rule to the contrary, a Unit granted under the EIP will only Vest where each Vesting Condition, and all other relevant

conditions advised to the Participant by the Board pursuant to rule 1.2, have been satisfied or otherwise waived by the Board.

- (b) If the Vesting of a Unit would arise in a period where Dealings by a Participant would be prohibited, or the Board determines that the Vesting of a Unit would otherwise be inappropriate in the circumstances, the Board may determine that Vesting will be delayed until such time as Dealings are permitted.
- (c) For the avoidance of doubt, the Board may determine that Vesting will be delayed only in relation to some or all Participants (irrespective of whether they are subject to the Dealing restriction).
- (d) The Vesting of a Unit will be satisfied by the Company making a cash payment in accordance with rule 5.3.
- (e) Vesting occurs on notification from the Company to the Participant that a Unit has Vested pursuant to this rule 5.2.

5.3 Payment of cash amount

- (a) As soon as practicable following Vesting of a Unit in accordance with rule 5.2, the Company must make the cash payment referred to in rule 5.3(b) for each Unit that has Vested. No further action is required on the part of the Participant.
- (b) In order to satisfy its obligation under rule 5.3(a), the Company must pay to the Participant an amount equivalent to the cash value of Units that have Vested.
- (c) Unless otherwise specified in the terms of an Offer, the amount of the cash payment referred to in rule 5.3(b) will be calculated by multiplying the number of Units that have Vested by the Current Market Price.
- (d) The Company may determine in its absolute discretion the currency in which amounts will be paid. If the payment under rule 5.3(b) is to be made in a currency other than Australian dollars, unless the Board determines otherwise, the foreign exchange rate applied will be the closing exchange rate of the relevant currency on the day prior to the date of Vesting.

5.4 Lapse of Units

A Unit will lapse on the earliest to occur of:

- (a) the Unit lapsing in accordance with a provision of these Rules (including in accordance with a term of an Offer);
- (b) failure to meet a Vesting Condition or any other condition applicable to the Unit within the Vesting Period; or
- (c) the receipt by the Company of a notice in writing from a Participant to the effect that the Participant has elected to surrender the Unit.

PART C

6 Prohibited Dealings

- (a) Subject to the Securities Trading Policy, any Dealing in respect of a Plan Security prior to Vesting is prohibited unless:
 - (1) the Board determines otherwise; or
 - (2) the Dealing is required by law and the Participant has provided satisfactory evidence to the Company of that fact.
- (b) Where, in the opinion of the Board, a Participant Deals with a Right, Option or Unit in contravention of rule 6(a), the Right, Option or Unit will immediately lapse.
- (c) Where, in the opinion of the Board, the Participant (or the Trustee at the Participant's direction) Deals with a Restricted Share in contravention of rule 6(a), the Restricted Share is deemed to immediately be forfeited.
- (d) The Board may, at its discretion, impose restrictions on Dealing in respect of any Shares allocated under the EIP (including on Vesting or exercise of Rights or Options) and may implement any procedure it considers appropriate to enforce such restrictions.
- (e) If permitted by the terms of an Offer, a Participant may request that the Board impose restrictions on Dealing in respect of any Shares allocated under the EIP (including on Vesting or exercise of Rights or Options). The Board has the discretion to accept or reject such a request and to implement any procedure it considers appropriate to enforce such restrictions.

7 Reduction in benefits

7.1 Reasons for reducing benefits

- (a) The Board may or must (as the case may be) do any of the things in rule 7.2 where, in the opinion of the Board:
 - (1) a Participant:
 - (A) has acted fraudulently or dishonestly;
 - (B) has engaged in gross misconduct;
 - (C) has engaged in an act which may impact negatively on the reputation of the Company, the Group or any Group company;
 - (D) has breached their duties or obligations to the Group (including acting in breach of the terms and conditions of their employment and / or the Group's Code of Conduct or any other Group policy, as amended or replaced from time to time);
 - (E) owes money or a debt to the Company or a Group company and has not otherwise agreed to an alternative arrangement

- with the Company or Group company (as applicable) to settle the debt owed;
- (F) is convicted of an offence or has a judgment entered against them in connection with the affairs of the Group;
- (2) a Participant's Plan Securities Vest or may Vest as a result of the fraud, dishonesty, negligence or breach of duties or obligations of any other person (including, where applicable, a breach by that person of the terms and conditions of their employment and / or the Group's Code of Conduct, as amended or replaced from time to time) and, in the opinion of the Board, the Plan Securities will not or would not have otherwise Vested;
- (3) the Company (or another Group company) is required or entitled to reclaim remuneration from a Participant or reduce a Participant's remuneration outcome under one or more of the following:
- (A) law;
- (B) regulation, standard or guidance, including a direction from a regulator;
- (C) contract; or
- (D) Company or Group policy (as amended from time to time).
- (4) Vesting of some or all of the Participant's unvested Plan Securities (or payment of a dividend equivalent payment or cash amount under these Rules) does not support the Group's remuneration framework, or is not justified or supportable, having regard to any one or more of the following:
- (A) the personal performance and/or conduct of a Participant;
- (B) the performance of the business unit or function in which the Participant is employed or for which they have accountability, or which is relevant in relation to the Participant's role;
- (C) the performance of the Group;
- (D) the Financial Soundness of the Group or a Group company or the effectiveness of risk management of the Group and/or the Participant's business unit or function; and
- (E) any other factor which the Board reasonably determines is appropriate to take into account in relation to the Participant's entitlements under the EIP; or
- (5) a significant unexpected or unintended consequence or outcome has occurred which impacts the Group or a Group company, including where the original expected performance outcomes which the Plan Securities were intended to incentivise have not been realised, or where there is a Financial Misstatement Circumstance
- (6) any of the following have occurred impacting the Group or a Group company:
- (A) misconduct leading to significant adverse outcomes;
- (B) a significant failure of financial or non-financial risk management;
- (C) a significant failure or breach of accountability, fitness and propriety, or compliance obligations;

- (D) a significant error or a significant misstatement of criteria on which the variable remuneration determination was based; or
- (E) significant adverse outcomes for customers, beneficiaries or counterparties.

7.2 Reduction in benefits

- (a) The Board may determine that any or all of the following occur:
 - (1) a Participant's entitlement to Plan Securities, dividend equivalent payment or Shares (including Shares received on Vesting of Plan Securities) may be reduced or extinguished through lapse or forfeiture (as applicable); or
 - (2) a Participant must pay or repay (as the case may be) to the Company as a debt:
 - (A) all or part of the net proceeds of sale where Shares allocated under the EIP have been sold;
 - (B) any cash payment received pursuant to these Rules; and/or
 - (C) any dividends, dividend equivalent payments, or distributions received in respect of Shares allocated under the EIP; or
 - (3) the restrictions on disposing or otherwise Dealing with a Participant's Restricted Shares are extended.
- (b) To the extent required by any Prudential Standards, the Board must take reasonable steps to reduce the incentive outcome (including to nil, where appropriate) as is proportionate to the severity of the relevant risk and conduct outcome, as determined by the Board.

7.3 Delay and suspension

- (a) In circumstances where:
 - (1) the Board is considering the application of this rule 7;
 - (2) a Participant is under investigation by the Group, a Group company or an external third party; or
 - (3) any other circumstances specified in an Offer apply,the Board may determine that any or all of the following will occur:
 - (4) the Vesting, exercise and/or allocation of a Participant's Plan Securities may be delayed or suspended (as appropriate); or
 - (5) the restrictions on disposing or otherwise Dealing with a Participant's Restricted Shares are extended.

7.4 Offer letters

The Board may specify in an Offer additional circumstances in which a Participant's entitlement to Plan Securities or Shares or cash received on vesting of Plan Securities may be reduced or extinguished in order to prevent the Participant from obtaining an inappropriate benefit.

8 Vesting outcomes

- (a) Vesting and/or payment of Plan Securities, Shares and/or any cash payments under these Rules may only occur if Vesting or payment:
 - (1) supports the Group or a Group company's compliance with the Prudential Standards;
 - (2) is justified on the basis of the effectiveness of risk management of the Group or a Group company and the Participant's business unit; and
 - (3) is justified on the basis of the performance of the Participant, the Participant's business unit and the Group or a Group company.
- (b) The Board may in its absolute discretion apply an adjustment (upwards or downwards) to the number of a Participant's Plan Securities that Vest based on application of the Vesting Conditions and any other relevant considerations.
- (c) Where the Board decides to reduce the number of a Participant's Plan Securities that Vest, those Plan Securities that would otherwise have Vested will instead lapse or be forfeited (as applicable).

9 Forfeiture of Shares

- (a) Where Shares (including Restricted Shares) are forfeited in accordance with these Rules and the Shares are held by the Participant, the Participant is deemed to have agreed to dispose of their legal and/or beneficial interest (as appropriate) in such Shares for total aggregate consideration of A\$1.00 for all of their Shares and the Shares will be transferred into the name of the Company's nominee who will then hold full legal and beneficial title to those Shares.
- (b) Where Shares (including Restricted Shares) are forfeited in accordance with these Rules and the Shares are held by the Trustee, the Participant's rights in the Shares will be extinguished for total aggregate consideration of A\$1.00 and the Shares will be held as general trust property in accordance with the terms of the Trust Deed or may be transferred into the name of the Company's nominee who will then hold full legal and beneficial title to those Shares. The Board may, at any time in the future, direct the Trustee to hold the Shares for the benefit of a different Participant.
- (c) Where a Participant forfeits Shares allocated to them on exercise of Options pursuant to these Rules, the Company may, but need not, repay to the Participant any Exercise Price paid by the Participant in respect of the forfeited Shares.

10 Cessation of employment

10.1 Board discretion on cessation

- (a) The Board, in its discretion, may determine that some or all of a Participant's unvested Plan Securities, as applicable:
 - (1) lapse;

- (2) are forfeited;
- (3) Vest (immediately or subject to conditions);
- (4) are only exercisable for a prescribed period and will otherwise lapse;
- (5) are no longer subject to some of the restrictions (including any Vesting Condition) that previously applied; and/or
- (6) are subject to modified Vesting Conditions than those that previously applied,

as a result of the Participant ceasing to be an employee of the Group.

- (b) The Board may specify in the Offer to the Participant (in accordance with rule 1.2) how the Participant's Plan Securities will be treated on cessation of employment. The applicable treatment may vary depending on the circumstances in which the Participant ceases to be an employee of the Group. In specifying a cessation treatment to apply to an Offer, the Board may preserve some or all of its discretion under rule 10.1.
- (c) Notwithstanding anything else in this rule 10, where:
 - (1) a Participant ceases their employment with a Group company; and
 - (2) the reason for the cessation is due to the transfer of the Participant's employment to another Group company or a company in which the Group company has an interest of 51% or more; and
 - (3) prior to the Participant ceasing employment, the CEO of the Company (or their delegate) consented to the transfer,

the Participant will be treated as though their employment did not cease and rules 10.1(a) and 10.2 do not apply, unless the Board determines otherwise.

10.2 Post cessation discretions

- (a) The Board may exercise any of the post cessation discretions in rule 10.2(b) in respect of a Participant who has:
 - (1) ceased to be employed by the Group; and
 - (2) received or may receive remuneration or favourable treatment under the EIP or any other plan or agreement with the Group in connection with their cessation of employment (including where entitlements Vest or remain on foot after cessation of employment in accordance with their terms),

where the Board determines in good faith that:

- (3) the Participant has breached a Post Cessation Covenant; or
- (4) a change in the Participant's circumstances since they ceased to be employed by the Group means that it is no longer appropriate for the Participant to retain the benefits outlined in rule 10.2(a)(2) above. Such circumstances may include, for example, where the Participant commences employment with a Competitor, or where a Participant purported to retire from the workforce and subsequently recommences substantial employment in the workforce.
- (b) For the purposes of rule 10.2(a), the Board may do any one or more of the following:

- (1) deem any unvested Plan Securities of the Participant to have lapsed or be forfeited with effect from the date determined by the Board;
- (2) deem all or any Shares (including Restricted Shares) allocated to a Participant on Vesting of Plan Securities, which are still held by or on behalf of the Participant, to be forfeited;
- (3) where any Shares allocated to a Participant on Vesting of Plan Securities have been sold by or on behalf of the Participant, require the Participant to pay all or part of the net proceeds of that sale to the Company as a debt; and/or
- (4) where cash has been allocated to a Participant on Vesting of Plan Securities, including in the form of a dividend or equivalent payment made under rule 13, require the Participant to repay all or part of the cash to the Company as a debt.

10.3 Approved leave of absence

Subject to 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 may be treated as not having ceased to be an employee for the purposes of this rule 10. Whether a Participant who is granted leave without pay is deemed to have ceased employment will be determined with reference to the Group's policies and any applicable laws.

11 Change of Control

11.1 Change of Control Events

- (a) Where there is a Change of Control Event, the Board may determine that all or a specified number of a Participant's Plan Securities Vest or cease to be subject to restrictions (as applicable). For the avoidance of doubt:
 - (1) a Change of Control Event does not include an internal reorganisation of the structure, business and/or assets of the Group; and
 - (2) subject to rule 11.1(b), if the Board does not make a determination pursuant to this rule 11.1(a), then all of a Participant's Plan Securities will remain on foot subject to the original terms of grant.
- (b) Without limiting rule 11.1(a), where there is an actual change in the Control of the Company then, unless the Board determines otherwise, all unvested Plan Securities will immediately Vest or cease to be subject to restrictions (as applicable) on a pro rata basis having regard to the portion of the Vesting Period that has elapsed.
- (c) Any unvested Plan Securities that do not Vest under rule 11.1(a) or 11.1(b) will lapse, unless the Board determines a different treatment.
- (d) Notwithstanding the default treatment set out in these Rules, the Board may specify in the Offer to the Participant (in accordance with rule 1.2) a particular treatment that will apply to unvested Plan Securities in the context of a Change of Control Event.

11.2 Notification of Vesting

Where some or all of a Participant's Plan Securities Vest pursuant to rule 11.1, the Board will, as soon as reasonably practicable, give written notice to each Participant of the number of Plan Securities that have Vested.

11.3 Treatment of Vested Plan Securities

- (a) The Board has the discretion to determine the treatment of all Vested Plan Securities (including those that Vest in accordance with rule 11.1) where a Change of Control Event occurs.
- (b) Without limiting rule 11.3(a), where there is an actual change in the Control of the Company then, unless the Board determines otherwise:
 - (1) all Vested Options, and where Rights are exercisable, all Vested Rights, will be exercisable for a period of [3] months from the actual change in the Control of the Company and will lapse if not exercised within the specified period; and
 - (2) any restrictions on Dealing imposed by the Board on Vested Plan Securities will cease to have effect.

11.4 Acquisition of shares in Acquiring Company

- (a) If:
 - (1) a company (**Acquiring Company**) obtains Control of the Company as a result of a Change of Control Event; and
 - (2) the Company and the Acquiring Company agree,subject to applicable laws (including the Listing Rules) a Participant may, on:
 - (3) Vesting (and, if applicable, exercise) of Rights; or
 - (4) exercise of Options,be provided with shares of the Acquiring Company or its parent or its subsidiary in lieu of Shares in such manner as the Company and the Acquiring Company may agree (including by a replacement security or exchange of Shares issued on Vesting or exercise) and on substantially the same terms and on substantially the same conditions but with any necessary or appropriate adjustments to the number and kind of shares.
- (b) If rule 11.4(a) applies, the Participant appoints the Company as their agent to do anything necessary to give effect to this arrangement, including agreeing to become a member of the Acquiring Company or its parent, (as applicable).

11.5 Divestment of material business or subsidiary

- (a) Where the Company divests a business designated by the Board for this purpose as "material", the Board may make special rules that apply to some or all of the Plan Securities of some or all of the Participants.
- (b) Without limiting the Board's discretion in rule 11.5(a), such rules may include varying any Vesting Conditions and/or any other relevant conditions advised to a Participant and deeming that a Participant remain an employee of the Group for a specific period for the purposes of the relevant Offers.

- (c) As soon as reasonably practicable after making any special rules under this rule 11.5, the Board will give notice in writing of those special rules to any affected Participant.

12 Power to adjust Rights, Units and/or Options and the Exercise Price

- (a) Options and Rights carry no entitlement to participate in new issues of Shares by the Company prior to the Vesting and exercise (if applicable) of the Right or Option.
- (b) Subject to rule 12(c), prior to the allocation of Shares (or payment of a cash equivalent) to a Participant on Vesting (and, if applicable, exercise) of Rights, Units or exercise of Options, the Board may grant additional Rights, Units or Options or make any adjustments it considers appropriate to the terms of a Right, Unit and/or Option granted to that Participant in order to minimise or eliminate any material advantage or disadvantage to a Participant resulting from a corporate action by, or capital reconstruction in relation to, the Company, including but not limited to any return of capital. Adjustments that may be made include adjustments to:
 - (1) the number of Rights, Units or Options to which the Participant is entitled;
 - (2) the number of Shares to which the Participant is entitled on Vesting (and, if applicable, exercise) of Rights or exercise of Options;
 - (3) any amount payable on Vesting of Rights (and if applicable exercise) or exercise of Options (including the Exercise Price); or
 - (4) a combination of any of paragraphs (1), (2) and (3) above.
- (c) Without limiting rule 12(b), if:
 - (1) Shares are issued pro rata to the Company's shareholders generally by way of a rights issue, Options will be adjusted in accordance with ASX Listing Rule 6.22.2 (or any replacement rule);
 - (2) Shares are issued pro rata to the Company's shareholders generally by way of a bonus issue (other than an issue in lieu of dividends or by way of a dividend reinvestment) involving capitalisation of reserves or distributable profits, Options and Rights will be adjusted in the manner allowed or required by the ASX Listing Rules; or
 - (3) any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company is effected, Options and Rights will be adjusted in the manner required by the ASX Listing Rules.
- (d) Where additional Rights, Units or Options are granted to the Participant under this rule 12, such Rights, Units or Options will be subject to the same terms and conditions as the original Rights, Units or Options granted to the Participant (including without limitation, any Vesting Conditions), unless the Board determines otherwise.
- (e) The Board must, as soon as reasonably practicable after making any additional grants or adjustments under this rule 12, give notice in writing to any affected Participant.

13 Dividends and other rights

13.1 Dividends and other rights associated with Shares

- (a) Subject to the terms of any Trust Deed (if applicable) or Offer, the following rules apply in respect of Shares allocated to, or on behalf of, a Participant under this EIP (including Restricted Shares allocated under rule 4.1):
 - (1) the Participant is entitled to receive all dividends and other distributions or benefits payable to the Participant or to the Trustee in respect of the Shares;
 - (2) the Participant is entitled to exercise, or to direct the Trustee in writing how to exercise, the voting rights attaching to the Shares, either generally or in a particular case;
 - (3) any bonus shares that are issued in respect of the Shares will be issued to the Participant, or to the Trustee on the Participant's behalf, and will be held by the Participant or Trustee as Shares subject to the same terms, conditions and restrictions on Dealing (if any) as the Shares in respect of which they were issued; and
 - (4) if rights arise on a rights issue in respect of the Shares, the Participant may Deal with or exercise those rights, or instruct the Trustee (if applicable) in relation to those rights in accordance with the Trust Deed. If the Shares are held by the Trustee on the Participant's behalf and the Participant does not instruct the Trustee how to Deal with the rights, the rights will be Dealt with in accordance with the Trust Deed.

13.2 Dividend equivalent payments and other rights associated with Rights, Units and Options

- (a) Unless or until Shares are allocated to a Participant following Vesting or exercise of their Rights or Options (as applicable), the Participant has no interest in those Shares in respect of which the Right or Option was granted.
- (b) Notwithstanding rule 13.2(a)13.2(a), the Board may determine at the time an Offer is made that a dividend equivalent payment will be paid to a Participant who becomes entitled to an allocation of Shares (or equivalent cash amount) following the Vesting or exercise of Rights, Units or Options under that Offer (minus any applicable tax).
- (c) A Participant will have no right to receive a dividend equivalent payment made in respect of any Rights, Units or Options that lapse in accordance with the EIP.
- (d) Subject to the terms of any Offer, unless the Board determines otherwise, a dividend equivalent payment:
 - (1) will be an amount determined by the Company that will be approximately equal to the amount of dividends that would have been payable to the Participant had they been the owner of the Shares referred to in rule 13.2(b) during the Vesting Period;
 - (2) will not be grossed up or otherwise adjusted to account for any tax consequences which would have applied if the Participant had actually been paid a dividend; and
 - (3) may be satisfied through the allocation of Shares or payment of cash.

14 Custody Arrangements

- (a) Legal title to any Shares which are due to be transferred to the Participant pursuant to the Plan may (notwithstanding any other Rule) be transferred to a person (the "**Custodian**") appointed by the Company or Trustee from time to time to hold legal title to such Shares on behalf of the Participant.
- (b) The Custodian will receive and hold Shares on behalf of the Participant in accordance with such terms and conditions as are agreed by the Company or Trustee from time to time, and by participating in the Plan the Participant irrevocably agrees to those terms and conditions (which will be made available to the Participant on request to the Company).
- (c) The transfer of any Shares to the Custodian will satisfy any obligation of the Company under the EIP to transfer Shares to the Participant (and references in the Plan to Shares (or legal title thereof) having been transferred to the Participant will be read accordingly).

15 Withholding

- (a) Notwithstanding any other provisions of the EIP, if a Group company, the Trustee or a plan administrator is obliged, or reasonably believes it may have an obligation, as a result of or in connection with any:
 - (1) grant of Plan Securities;
 - (2) allocation of Shares under the EIP;
 - (3) payment of a cash equivalent amount; or
 - (4) payment of a dividend equivalent amount,to account for the following liability of a Participant:
 - (5) income tax or employment taxes under any wage, withholding or other arrangements; or
 - (6) any other tax, social security contributions or levy or charge of a similar nature,then the relevant Group company, Trustee or plan administrator is entitled to withhold or be reimbursed by the Participant for the amount or amounts so paid or payable.
- (b) Where rule 15(a) applies, the relevant Group company, the Trustee or plan administrator is not obliged to grant any Plan Securities, to allocate Shares or to make a cash payment in accordance with these Rules unless the Company is satisfied that arrangements for payment or reimbursement of the amounts referred to in rule 15(a) have been made. Those arrangements may include, without limitation:
 - (1) the provision by the Participant of sufficient funds to reimburse the relevant Group company, Trustee or plan administrator for the amount (by salary deduction, reduction of any amount owed by the Group to the Participant or otherwise);
 - (2) the sale on behalf of the Participant of Shares allocated pursuant to these Rules for payment or reimbursement of these amounts, as well as the costs of any such sale;

- (3) a reduction in any amount payable to the Participant on Vesting of Units or in lieu of an allocation of Shares under these Rules;
 - (4) the Participant forgoing their entitlement to an equivalent number of Shares that would otherwise be allocated to the Participant; or
 - (5) lapse or forfeiture of a sufficient number of Rights, Units, Options and/or Shares to satisfy the debt the Participant owes to the relevant Group company, Trustee or plan administrator. Unless the Group company, Trustee or plan administrator (as applicable) and the Participant agree to use a different valuation, any Rights, Units, Options and/or Shares lapsed or forfeited (as applicable) under this rule will be valued at the Current Market Price on the date of lapse or forfeiture.
- (c) Any amounts which are paid or payable for the purposes of these Rules are inclusive of the Group's compulsory superannuation contribution (if applicable).

16 Amendments

16.1 Power to make amendments

- (a) Subject to rule 16.2, the Board may at any time by resolution:
 - (1) amend or add to (**amend**) all or any of the provisions of the EIP;
 - (2) amend the terms or conditions of any Plan Security granted under the EIP; or
 - (3) suspend or terminate the operation of the EIP.
- (b) Notwithstanding rule 16.2, the Board may waive, amend or replace any Vesting Condition attaching to a Plan Security if the Board determines that the original Vesting Condition is no longer appropriate or applicable.

16.2 Restrictions on amendments

Without the consent of the Participant, the Board may not exercise its powers under rule 16.1(a) in a manner which reduces the rights of the Participant in respect of any Plan Security or Share already granted other than an amendment introduced primarily:

- (a) for the purpose of complying with or addressing present or future laws or regulatory developments that apply to one or more of the following:
 - (1) the remuneration and benefits of Participants (collectively or individually);
 - (2) awards of Plan Securities; and
 - (3) the EIP or equity plans generally;
- (b) to correct any manifest error or mistake; or
- (c) to take into consideration possible adverse tax implications in respect of the EIP arising from, amongst others, adverse rulings, changes to tax legislation and/or changes in the interpretation of tax legislation by a court of competent jurisdiction.

16.3 Notice of amendment

As soon as reasonably practicable after making any amendment under rule 16.1, the Board will give notice in writing of that amendment to any Participant affected by the amendment.

17 Participants based overseas

17.1 Overseas transfers

If a Participant is transferred to work in another country and, as a result of that transfer:

- (a) the Participant or any Group company would suffer a tax disadvantage in relation to their Plan Securities (this being demonstrated to the satisfaction of the Board);
- (b) the Company would be restricted in its ability to Vest Plan Securities and/or allocate Shares to the Participant; or
- (c) the Participant would become subject to restrictions on their ability to Deal with the Plan Securities or any Shares allocated to the Participant in respect of those Plan Securities due to the security laws or exchange control laws of the country to which they are transferred,

then, if the Participant continues to hold an office or employment with the Group, the Board may decide that:

- (d) some or all of the Participant's Restricted Shares, Units or Rights will Vest (and if applicable become exercisable) or will be forfeited and replaced with cash or an entitlement to a future cash amount;
- (e) some or all of the Participant's Options will Vest and become exercisable or will be forfeited and replaced with cash or an entitlement to a future cash amount;
- (f) some or all of the Participant's Options or Rights will be settled in cash in lieu of Shares; or
- (g) any other treatment that the Board determines will apply in relation to some or all of a Participant's Plan Securities,

with the balance (if any) continuing to be held on the original terms.

17.2 Non-Australian residents

The Board may adopt additional rules of the EIP that will apply to a grant made to an Eligible Employee who is a resident in a jurisdiction other than Australia. The remaining provisions of these Rules will apply subject to whatever alterations or additions the Board may determine having regard to any securities, exchange control, taxation or other laws and/or regulations or any other matter that the Board considers directly or indirectly relevant. To the extent of any inconsistency, any additional rules adopted by the Board under this rule will prevail over any other provision of these Rules.

18 Misleading statements and omissions where monetary consideration is provided by Participants

The provisions of this rule 18 apply only where an Offer of Plan Securities is received in Australia and the Participant pays or provides monetary consideration (as the term is defined in the Corporations Act) under the terms of the Offer.

18.1 Additional disclosure

The terms of an Offer, comprising these Rules, the Offer made under rule 1 and any supporting information (collectively in this rule 18 the '**Offer Documents**'), must comply with any applicable disclosure obligations under Division 1A of Part 7.12 of the Corporations Act as amended from time to time.

18.2 Misleading Statements and Omissions

- (a) The Offer Documents must not include a misleading or deceptive statement and must not omit any information that would result in the Offer Documents being misleading or deceptive.
- (b) The Company must provide the Participant with an updated offer document as soon as practicable after becoming aware during the application period stated in the Offer Document that an Offer Document provided to a Participant has become out of date, or is otherwise not correct, in a material respect.
- (c) The Directors or any person named, with their consent, in the Offer Documents (each a '**Relevant Person**') must notify the Company in writing as soon as practicable if, during the application period stated in the Offer Documents, the Relevant Person becomes aware that:
 - (1) a material statement in the Offer Documents is misleading or deceptive;
 - (2) information was omitted from any of the Offer Documents that has resulted in one or more of the Offer Documents being misleading or deceptive; or
 - (3) a new circumstance has arisen during the application period which means the Offer Document is out of date, or otherwise not correct, in a material respect.

18.3 Liability

Subject to rule 18.4, the Company and Directors acknowledge that a participant who suffers loss or damage because of a contravention of rule 18.2, may recover the amount of the loss or damage from:

- (d) the Company;
- (e) each Director;
- (f) each person named in the Offer Documents, with their consent, as a proposed Director;
- (g) in the case of a misleading or deceptive statement or omission — a person named, with their consent, in the Offer Documents as having made the misleading or deceptive statement, or a statement on which the misleading or deceptive statement is based; and

- (h) in the case of a failure by a Relevant Person to notify the Company of a misleading or deceptive statement, omission or new circumstance — the Relevant Person.

18.4 Limitation of Liability

The Company or a Relevant Person is not liable for any loss or damage suffered by a Participant because of a contravention of rule 18.2, if:

- (i) the Company or the Relevant Person made all inquiries (if any) that were reasonable in the circumstances and, after doing so, believed on reasonable grounds that the statement was not misleading or deceptive;
- (j) the Company or the Relevant Person did not know that the statement was misleading or deceptive;
- (k) the Company placed reasonable reliance on information given to the Company by someone other than a director, employee or agent of the Company, or the Relevant Person placed reasonable reliance on information given to the Relevant Person by someone other than an employee or agent of the Relevant Person;
- (l) if the Relevant Person is a person who was named, with their consent, in the Offer Documents, as a proposed Director or otherwise, the person proves that they publicly withdrew their consent to being named in the Offer Documents in that way; or
- (m) the contravention arose because of a new circumstance that arose since the Offer Document was prepared and the Relevant Person proves that they were not aware of the matter.

19 Miscellaneous

19.1 Shares issued under the EIP

- (a) Any Shares issued under the EIP will be quoted on ASX and will rank equally in all respects with other Shares for the time being on issue by the Company (for example, having rights with respect to voting, dividends and other distributions, and in the event of a winding up of the Company), except:
 - (1) in relation to any rights attaching to such Shares by reference to a record date prior to the date of their issue; or
 - (2) as provided for in accordance with rule 13.1.
- (b) If the Company is listed, the Company will apply for quotation of Shares issued under the EIP within the period required by the Listing Rules.

19.2 Rights and obligations of Participants

- (a) An Eligible Employee has no right to receive an Offer under these Rules.
- (b) Unless the subject of an express provision in an employment contract, the rights and obligations of any Participant under the terms of their office, employment or contract with the Group are not affected by their participation in the EIP.

- (c) Participation in the EIP does not confer on any Participant any right to future employment and does not affect any rights which any member of the Group may have to terminate the employment of any Participant.
- (d) These Rules will not form part of and are not incorporated into any contract of any Participant (whether or not they are an employee of the Group).
- (e) The grant of Plan Securities on a particular basis in any year does not create any right or expectation of the grant of Plan Securities on the same basis, or at all, in any future year.
- (f) No Participant has any right to compensation for any loss in relation to the EIP, including:
 - (1) any loss or reduction of any rights or expectations under the EIP in any circumstances or for any reason (including lawful or unlawful termination of employment or the employment relationship);
 - (2) any exercise of a discretion or a decision taken in relation to a grant of Plan Securities or in relation to the EIP, or any failure to exercise a discretion under these Rules;
 - (3) the operation, suspension, termination or amendment of the EIP; or
 - (4) lapse or forfeiture (as applicable) of any Plan Securities.
- (g) The Participant irrevocably appoints each company secretary of the Company (or any other officer of the Company authorised by the Board for this purpose) as their attorney to do anything necessary to:
 - (1) allocate Shares to the Participant in accordance with these Rules;
 - (2) effect a forfeiture of Shares in accordance with these Rules (including rule 8 or the terms of an Offer); and
 - (3) execute transfers of Shares in accordance with these Rules,
 and the Participant acknowledges that this irrevocable attorney is deemed to be given for valuable consideration.
- (h) The invalidity or non-enforceability of any provision or Rule will not affect the validity or enforceability of the remaining provisions and Rules which will continue in full force and effect.
- (i) Notwithstanding any provisions of these Rules, if required by the Company the transfer of Shares on Vesting will be conditional on the Participant entering into (and may be delayed until the Participant has entered into), such documentation as is reasonably required to facilitate the holding of legal title to Shares on behalf of the Participant by any nominee (including a custodian), which may include any documentation in respect of "know-your-client" processes or worldwide common reporting processes.

19.3 Power of the Board to administer the EIP

- (a) The EIP is administered by the Board which has power to:
 - (1) determine procedures for administration of the EIP consistent with these Rules including to implement an employee share trust or to impose a holding lock for the purposes of delivering and holding Shares on behalf of Participants on the grant of Restricted Shares or the Vesting (and, if applicable, exercise) of Rights or exercise of Options; and

- (2) 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 EIP.
- (b) Except as otherwise expressly provided in the EIP, the Board has absolute and unfettered discretion to act or refrain from acting under or in connection with the EIP and in the exercise of any power or discretion under the EIP.

19.4 Overriding Board discretion

Subject to rule 4.3(e), the Listing Rules and any other applicable law, and notwithstanding any other provision of these Rules or the terms of an Offer, the Board may, in its absolute discretion, determine that the number of Rights, Options, Units and/or Restricted Shares that Vest will be greater or lower than the number of Rights, Options, Units and/or Restricted Shares which would otherwise have been eligible to Vest in accordance with the EIP and the terms of the applicable Offer.

19.5 Waiver of terms and conditions

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

19.6 Application of constitution of the Company, Corporations Act, Banking Act, Prudential Standards and Listing Rules

- (a) Offers under these Rules must be operated in accordance with the constitution of the Company, the Corporations Act, the Banking Act, the Prudential Standards, the Listing Rules, other applicable laws and regulations.
- (b) Notwithstanding any other provisions of the EIP, Plan Securities and Shares will not be allocated, issued, acquired, transferred or otherwise dealt with under the EIP, and no other benefit will be deliverable under the EIP, if to do so would:
 - (1) contravene the constitution of the Company, the Corporations Act, the Banking Act, the Prudential Standards, the Listing Rules, or any other applicable laws and regulations (including any applicable foreign law);
 - (2) give rise to unreasonable cost or regulatory requirements for the Company; or
 - (3) require the Company or any Group company to pay, provide, or procure the payment or provision of, any money or benefits to the Participant which would require shareholder approval.
- (c) Neither the Company nor any Group company has any obligation to seek shareholder approval to deliver any benefit under the EIP that cannot be delivered without shareholder approval.
- (d) The EIP must be operated in accordance with the constitution of the Company, the Corporations Act, the Listing Rules and any other applicable laws and regulations (Australian or foreign).

19.7 Error in Allocation

- (a) If any Plan Security is provided under the EIP in error or by mistake to a person (**Mistaken Recipient**) who is not the intended recipient, the Mistaken Recipient will have no right or interest, and will be taken never to have had any right or

interest in, that Plan Security and the Plan Security will immediately lapse or be forfeited (as applicable).

- (b) If any cash payment is paid under the EIP in error or by mistake to a person who is not the intended recipient (**Mistaken Recipient**), the Mistaken Recipient will have no right to retain that cash payment and the Company may take whatever steps it deems reasonably necessary to seek repayment of that cash payment as a debt.

19.8 Dispute or disagreement

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

19.9 Communication

Any notice or other communication provided to a Participant under or in connection with the EIP may be given by personal delivery, by post or email or by posting it on the Company's intranet.

19.10 Data protection

- (a) Subject to any applicable laws, by participating in the EIP, the Participant consents to the holding and processing of personal data provided by the Participant to the Group, the plan administrator or the Trustee, for all purposes with regard to the operation of the EIP. These include, but are not limited to:
 - (1) administering and maintaining Participant records;
 - (2) providing information to the Trustee, registrars, brokers, printers or third party administrators of the EIP;
 - (3) providing information to any regulatory authority (including the Australian Taxation Office) where required under law; and
 - (4) providing information to future purchasers of a Group company or the business in which the Participant works.
- (b) The Participant acknowledges that the Group, the plan administrator and/or the Trustee may be required or authorised to collect the personal data under laws including the Income Tax Assessment Act, the Taxation Administration Act 1953 and the Corporations Act, and that limited details about shareholders are available to members of the public on request. The Participant acknowledges that the Group's Privacy Policy applies to the Group's handling of their personal data, and contains further details about accessing and updating personal data and how to raise queries and concerns. That Policy is available via <https://www.boq.com.au/>.
- (c) Without limiting rule 19.10(a) or rule 19.10(b), by allowing the Company to grant Plan Securities under the EIP, the Participant is deemed to have agreed to:
 - (1) the tax file number (**TFN**) they have provided to the Group as an employee of the Group being provided to any plan administrator, as agent for the Company and also as administrator of the EIP; and
 - (2) their TFN being provided to the Australian Taxation Office and any other regulatory authorities as permitted under law.

19.11 Tax

Unless otherwise required by law, no Group company is responsible for any Tax which may become payable by a Participant as a consequence of or in connection with the grant of any Plan Securities, the allocation of any Shares or any Dealing with any Plan Securities or any Shares.

19.12 Laws governing these Rules and the EIP

These Rules, the EIP, and any Plan Securities granted and Shares allocated under it, are governed by the laws of Queensland.

PART D

20 Definition and Interpretation

20.1 Definitions

Term	Meaning
Acquiring Company	has the meaning given in rule 11.4(a).
ASX	ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.
Banking Act	<i>Banking Act 1959</i> (Cth)
Board	the board of directors of the Company, any committee of the board or a duly authorised person or body to which the board has delegated its powers under these Rules.
Change of Control Event	where there is a: (a) Takeover Bid for Shares; or (b) other transaction, event or state of affairs, that, in the Board's opinion, is likely to result in, or should otherwise be treated as, a change in the Control of the Company.
Code of Conduct	the Company's code of conduct as applicable from time to time.
Company	Bank of Queensland Limited ACN 009 656 740.
Competitor	any business that competes with the Group or a Group company.
Control	has the meaning given in section 50AA of the Corporations Act.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Current Market Price	the arithmetic average of the daily volume weighted average market price (rounded to the nearest cent) of all Shares traded on the ASX during the previous five trading days, or any other calculation as determined by the Board.

Deal or Dealing	<p>in relation to a Plan Security or Share (as the case may be), any dealing, including but not limited to:</p> <p>(a) a sale, transfer, assignment, encumbrance, option, swap, or any other alienation of all or any part of the rights attaching to the Plan Security or Share;</p> <p>(b) any attempt to do any of the actions set out in paragraph (a) above; and</p> <p>(c) any hedging (including any dealing with a derivative instrument) intended to “lock in” a profit relating to a Plan Security, and any other transactions in financial products that operate to limit the economic risk associated with holding a Plan Security.</p>
Director	a director of the Company.
EIP	the Bank of Queensland Limited Equity Incentive Plan as set out in these Rules.
Eligible Employee	an employee of the Group (including a Director employed in an executive capacity) or any other person who is declared by the Board to be eligible to receive a grant of Plan Securities or cash under the EIP.
Exercise Price	the amount payable to exercise an Option following Vesting as set out in an Offer (as adjusted or amended in accordance with these Rules).
Financial Misstatement Circumstance	a material misstatement or omission in the financial statements of a Group company or any other circumstances or events which, in the opinion of the Board, may, or are likely to, affect the Group’s Financial Soundness or require re-statement of the Group’s financial accounts, including, without limitation, as a result of misrepresentations, errors, omissions, or negligence.
Financial Soundness	the current financial health and soundness of the Group and/or a Group company as assessed by the Board in its sole discretion. Without limiting the Board’s discretion, in assessing the financial health and soundness of the Group and/or a Group company the Board may have regard to the Group’s and/or the Group company’s capital adequacy including levels of regulatory capital, asset quality, earnings and profitability, level of liquid assets and exposure to market risk.
Group	the Company and each Related Body Corporate of the Company.

Group company	a member of the Group or any other company designated by the Board to be a Group company for the purposes of these Rules
Listing Rules	the official Listing Rules of the ASX and any other exchange on which the Company is listed as they apply to the Company from time to time.
Offer	an invitation to an Eligible Employee or Eligible Employees, whether by way of a letter, email or internal written communication, made by the Company under rule 1.1 to apply for, participate in, or receive (as applicable), a grant of Plan Securities.
Option	an entitlement to receive a Share or, in certain circumstances, to a cash payment subject to satisfaction of applicable conditions (including any Vesting Condition) and compliance with the applicable exercise procedure (including payment of any applicable Exercise Price or compliance with any cashless exercise arrangement approved by the Board in its discretion).
Participant	a person who has been allocated a Plan Security or Share under the terms of these Rules from time to time.
Plan Security	a Restricted Share, Right, Option and/or Unit (as the case may be).
Post Cessation Covenant	In respect of a Participant means: (a) a restriction or undertaking owed to the Group in connection with the Participant's former employment with the Group; or (b) any compromise or contractual arrangement in relation to the cessation of the Participant's employment with the Group.
Privacy Policy	the Group's privacy policy, as amended from time to time, which can be found via the Group's website on the Policy Hub, or such other Group policy in relation to privacy laws as applicable from time to time.
Prudential Standards	any standards relating to prudential matters determined by the Australian Prudential Regulation Authority under the Banking Act, which apply to the Company.
Related Body Corporate	has the meaning given in section 50 of the Corporations Act.
Restricted Share	a Share allocated in accordance with rule 4.1 that is subject to restrictions on Dealing, Vesting Conditions and/or other restrictions or conditions.

Right	an entitlement to a Share or, in certain circumstances, to a cash payment, subject to satisfaction of applicable conditions (including any Vesting Condition) and compliance with any applicable exercise procedure.
Rules	the terms and conditions of the EIP as set out in this document as amended from time to time.
Securities Trading Policy	the Group policy for trading in securities (as amended or replaced from time to time) or such other Group policy in relation to trading or Dealing in Shares as applicable from time to time.
Share	a fully paid ordinary share in the capital of the Company. A reference to a Share includes a reference to a Restricted Share.
Takeover Bid	has the meaning given in section 9 of the Corporations Act.
Tax	includes any tax, levy, impost, goods and services tax, deduction, charge, rate, contribution, duty or withholding which is assessed (or deemed to be assessed), levied, imposed or made by any government or any governmental, semi-governmental or judicial entity or authority together with any interest, penalty, fine, charge, fee or other amount assessed (or deemed to be assessed), levied, imposed or made on or in respect of any or all of the foregoing.
Tax Act	the <i>Income Tax Assessment Act 1997</i> (Cth).
Trust Deed	in relation to an Offer, any trust deed or custodian deed nominated by the Company as the trust deed for the purposes of the Offer, as amended from time to time.
Trustee	the trustee under the Trust Deed.
Unit	means an entitlement to a cash payment subject to satisfaction of applicable conditions (including any Vesting Condition).
Vest or Vesting	<p>the process by which the holder of a Plan Security becomes entitled to:</p> <p>(a) in the case of a Right, exercise the Right (if applicable) or be allocated a Share (or equivalent cash payment) in accordance with rules 2.2 and 2.3;</p> <p>(b) in the case of an Option, exercise the Option in accordance with rules 3.2 and 3.4;</p> <p>(c) in the case of a Restricted Share, have all restrictions on disposing of or otherwise Dealing with the Restricted Share</p>

	<p>cease in accordance with rule 4.4 (other than any additional restrictions imposed by the Board under rule 6(d));</p> <p>(d) in the case of a Unit, be paid a cash payment in accordance with rule 5.2 and 5.3, following the satisfaction of all Vesting Conditions that apply to that Plan Security.</p>
Vesting Condition	<p>performance, service or other conditions that must be satisfied or circumstances which must exist before a Plan Security Vests under these Rules.</p>
Vesting Period	<p>the prescribed period for satisfaction of a Vesting Condition, advised to a Participant by the Board under rule 1.2.</p>

20.2 Interpretation

In the EIP, the following rules apply unless a contrary intention appears:

- (a) headings are for convenience only and do not affect the interpretation of these Rules unless the context requires otherwise;
- (b) any reference in these Rules to any statute or statutory instrument includes a reference to that statute or statutory instrument as amended, consolidated, re-enacted or replaced from time to time;
- (c) a reference to any agreement or document includes a reference to that agreement or document as amended, novated, supplemented or amended from time to time;
- (d) any words denoting the singular include the plural and words denoting the plural include the singular;
- (e) where any word or phrase is given a definite meaning in these Rules, any part of speech or other grammatical form of that word or phrase has a corresponding meaning;
- (f) the word "includes" in any form is not a word of limitation; and
- (g) any determination, decision or exercise of power, by the Board will be at its absolute discretion.