

# Latitude Group Holdings Limited

## Employee Share Acquisition Plan Rules

Adopted by the Board on 29 March 2021

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## **1. Purpose**

1.1.1 The Plan is designed to allow the Board to provide Employees with the opportunity to acquire Shares to assist with:

- (a) providing Employees the opportunity to become Shareholders;
- (b) allowing Employees to share in the success of the Company; and
- (c) aligning the interests of Employees with those of Shareholders.

## **2. Operation of the Plan**

### **2.1 Grant of Shares**

2.1.1 The Board may, from time to time, in its absolute discretion, operate the Plan and:

- (a) invite an Employee to apply for a grant of; or
- (b) grant to an Employee,

Shares in accordance with the terms of the Plan, and on such additional terms and conditions as the Board determines.

2.1.2 Unless the Board determines otherwise, the Plan will operate in a manner which complies with the requirements of the relevant Tax Act to allow qualifying employees to utilise the applicable tax concessions available.

### **2.2 Eligibility**

2.2.1 Without limiting the powers of the Board, the Board may determine that an Employee will only be eligible to receive an invitation if the Employee has satisfied the Board of such eligibility criteria as the Board may, in its absolute discretion, determine from time to time, subject to the requirements of the relevant Tax Act (as applicable).

### **2.3 Information to be provided**

2.3.1 At the time of the invitation under Rule 2.1.1(a) or grant under Rule 2.1.1(b), the Board will provide each Employee with an Offer Booklet which contains the following minimum information regarding the Shares (to the extent it is relevant):

- (a) the number or value of Shares being granted, or the method or formula for determining the number or value of Shares;
- (b) the grant date applicable to the Shares;
- (c) the amount payable upon the grant of Shares (if any);
- (d) the method and form of applying for, agreeing to, or rejecting a grant of Shares as applicable;
- (e) details of any applicable Trading Restriction, including the relevant Restriction Period, following the grant of Shares;
- (f) the treatment of Shares in the event that a Participant ceases to be an Employee; and
- (g) any other relevant terms and conditions to be attached to the Shares allocated under the Plan.

### **2.4 Terms of the grant of Shares**

2.4.1 An Employee who is granted Shares is deemed to have agreed to be bound by:

- (a) the Rules and the terms and conditions set out in the Offer Booklet;
- (b) following the allocation of Shares, the Constitution (and the Employee agrees to become a Shareholder); and
- (c) the Share Trading Policy and any other relevant Group policies or internal codes of conduct, including any modifications applicable from time to time.

- 2.4.2 If an Offer Booklet requires the Employee to apply for Shares, then upon the Company accepting the application, the Board will grant Shares to the Employee by allocating (or procuring the allocation or transfer of) the relevant number of Shares to the Participant, as set out in the Offer Booklet.
- 2.4.3 The Board reserves the right to reject an application from an Employee for a grant of Shares.
- 2.4.4 Nothing in these Rules limits the Board's ability to treat the conduct of an Employee (including not rejecting a grant through failure to return a form or other election not to participate within the specified time) as valid application and agreement to participate in the relevant grant.
- 2.4.5 To the extent of any inconsistency, the terms and conditions of a grant contained within the Offer Booklet will prevail over any other provision of these Rules.

## **2.5 Title to Shares**

- 2.5.1 Unless the Board determines otherwise:
- (a) a grant of Shares is personal to the Participant and cannot be transferred to other persons or entities (subject to Rule 4.1.1); and
  - (b) Shares may only be registered in the name of the Participant.

## **2.6 Entitlements and benefits**

- 2.6.1 Each Participant will be advised of the number of Shares that have been allocated to him or her as soon as reasonably practicable following the date of allocation of the Shares.
- 2.6.2 The Participant will, from the date of allocation, be entitled to vote, receive notices issued by the Company to Shareholders, and receive dividends in respect of the Shares. Whilst Shares are subject to Trading Restrictions, the rights and entitlements attaching to them must be exercised in accordance with the Rules.
- 2.6.3 Unless otherwise stated in the Offer Booklet, Shares allocated under the Plan cannot be forfeited by a Participant for any reason.

# **3. Allocation and funding**

## **3.1 Allocation of Shares**

- 3.1.1 A number of Shares will be allocated to, or for the benefit of, the relevant Participant equal in value (as determined by the Board) to the amount set out in the Offer Booklet (rounded down to the nearest whole number) for no consideration, unless the Board exercises its discretion under Rule 3.2 to determine otherwise.
- 3.1.2 All Shares allocated to Employees under the Plan will rank equally in all respects with other Shares for the time being on issue by the Company (except as regards to rights attaching to such other Shares by reference to a record date prior to the date of allocation or transfer to Employees).
- 3.1.3 If the Company issues Shares in connection with the Plan, the Company will allow for quotation on the ASX of the Shares issued under the Plan within the period required by the ASX.
- 3.1.4 The Company is authorised, but not required, to bear all brokerage, commission, stamp duty and other transaction costs payable in relation to the acquisition of Shares by a Participant under the Plan.

## **3.2 Board discretion**

- 3.2.1 The Board may at any time decide that a grant of Shares should be made under the Plan, and that:
- (a) a Group Company should pay a specified amount under the Plan in respect of that grant, and that the relevant Group Company will pay that amount as directed by the Board for this purpose; or
  - (b) Participants should pay or contribute a specified amount under the Plan in respect of that grant, as directed by the Board.
- 3.2.2 Where a Share Trust is used to facilitate operation of the Plan, the specified amounts referred to in Rule 3.2.1 (as relevant) should be paid to the Trustee and are to be applied in acquiring Shares for allocation to Participants, whether:

- (a) by subscribing for new Shares to be issued by the Company; or
- (b) by purchasing existing Shares on the ASX or via an off-market transfer,  
as determined by the Board.

3.2.3 A determination to subscribe for or purchase Shares by a Trustee will only be effective if the funds referred to in Rule 3.2.1 are provided to the Trustee, and are sufficient to meet the costs of the issue or acquisition.

## 4. Restrictions

### 4.1 Restrictions on sale of Shares

4.1.1 Unless otherwise set out in the terms of the Offer Booklet, a Share allocated to a Participant under the Plan will be subject to Trading Restrictions until the end of three years after the date of allocation.

4.1.2 As soon as the relevant Trading Restrictions have lifted, pursuant to Rule 4.1.1, any Shares held by the Participant pursuant to the Plan may be sold or otherwise dealt with by the Participant, subject to complying with the Company's Share Trading Policy.

### 4.2 Enforcement

4.2.1 The Company may implement any procedure it considers appropriate to restrict a Participant from Dealing, or acting in breach of the Trading Restrictions, including but not limited to imposing a holding lock on the Shares, or requiring the Shares to be held by a Trustee on behalf of a Participant for such time as the Shares are subject to Trading Restrictions under the Plan.

## 5. Ceasing employment

### 5.1 Trading Restrictions

5.1.1 Unless otherwise set out in the terms of the Offer Booklet, where a Participant ceases to be an Employee of the Group any Trading Restrictions on Shares allocated to the Participant under the Plan will cease to apply.

### 5.2 When employment ceases

5.2.1 For the purposes of this Plan, a Participant will not be treated as ceasing employment until such time as the Participant is no longer an Employee of the Group.

5.2.2 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, will not be treated for those purposes as ceasing employment.

## 6. Variations of capital

### 6.1 Capital reorganisations, bonus issues and rights issues

6.1.1 If one of the following corporate actions or events occurs:

- (a) any reorganisation (including consolidation, subdivision, reduction or return) of the equity capital of the Company; or
- (b) Shares are issued to the Shareholders by way of a bonus issue; or
- (c) Shares are offered to the Shareholders by way of a rights issue,

then subject to the Listing Rules, Shares acquired under the Plan will be affected in the same way as other Shares, having regard to the requirements of the Tax Act.

## 7. Divestment of a material business or subsidiary

- 7.1.1 Where the Company divests, or disposes of, a business or asset designated by the Board for this purpose as 'material', the Board may make special rules that apply to Participants in relation to the Shares held pursuant to the Plan (and any other entitlements or shares that may arise in relation to those Shares). Without limiting the Board's discretion, such rules may include:
- (a) varying conditions applying to the Participant's Shares to take into account the divestment of the business or asset (if applicable); and
  - (b) deeming the Participant to remain an Employee of the Group for a specific period.
- 7.1.2 In order to bind a Participant, any special rules made under this Rule 7 must be notified to a Participant pursuant to Rule 9.1.2.

## 8. Change of Control

### 8.1 Board discretion upon a Trigger Event or Change of Control

- 8.1.1 If a Change of Control occurs, the Board may, in its absolute discretion and having regard to the requirements of the Tax Act, determine that any Trading Restrictions applying to Shares, in accordance with Rule 4.1, will cease at a time to be determined by the Board.
- 8.1.2 If the Board does not make a determination under Rule 8.1.1 or exercises its discretion to determine that only some of the Trading Restrictions cease, the remaining Trading Restrictions will continue to apply, subject to the Tax Act.

### 8.2 Acquisition of Shares by another group or company

- 8.2.1 If a company (**Acquiring Company**) obtains control of the Company or Group and the Acquiring Company, the Company or Group and the Participant agree, a Participant may be provided with shares in the Acquiring Company (or its parent or its subsidiary) in substitution for the Shares, on substantially the same terms as the Shares, but with appropriate adjustments as to the number and type of shares, subject to the Tax Act.

## 9. Amendments to the Plan and terms

### 9.1 Amendments by the Board

- 9.1.1 Subject to this Rule 9, the Board may at any time and from time to time in its sole discretion amend, supplement or revoke, including by way of schedule, all or any of these Rules or all or any of the rights or obligations of the Participants or any of them.
- 9.1.2 The Board must provide written notification to Participants affected by any amendment made pursuant to Rule 9.1.1 as soon as reasonably practicable after any such amendment has been made.
- 9.1.3 Despite this Rule 9.1, no amendment to these Rules may materially reduce the rights of any Participant attaching to Shares granted under the Plan prior to the date of the amendment or formulation, unless the amendment is made primarily for the purpose of complying with present or future Laws applicable to the Plan or a member of the Group, to correct any manifest error or mistake, or with the consent of the relevant Participants.
- 9.1.4 Any amendment made pursuant to this Rule 9.1 may be given such retrospective effect, if so determined by the Board.

### 9.2 Listing Rules

- 9.2.1 The exercise of any powers under these Rules by the Board is subject to any restrictions or procedural requirements relating to the amendment of the rules of an employee incentive scheme or of issued options imposed by any Law or by the Listing Rules as applicable to the Plan or Shares, as the case may be, unless those restrictions, conditions or requirements are relaxed or waived by the ASX or any of its delegates either generally or in a particular case or class of cases and either expressly or by implication.

## **10. General terms and conditions**

### **10.1 Obligations of Participants**

- 10.1.1 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 Plan.
- 10.1.2 Except where expressly contemplated, these Rules will not form part of and are not incorporated into any contract between any Participant (whether or not they are an Employee) and the Company. The grant of Shares on a particular basis in any year does not create any right or expectation of the grant of Shares on the same basis, or at all, in any future year.
- 10.1.3 No Participant has any right to compensation for any loss in relation to the Plan.
- 10.1.4 Each Participant appoints the company secretary of the Company (or any other officer of the Group authorised by the Board for this purpose) as his or her agent to do anything necessary to:
- (a) allocate Shares to the Participant in accordance with these Rules; and
  - (b) execute transfers of Shares in accordance with these Rules.

### **10.2 Power of the Board**

- 10.2.1 The Board administers the Plan and has absolute and unfettered discretion in exercising any power or discretion concerning the Plan and may:
- (a) delegate to any person for the period and on the terms it decides the exercise of any of its powers or discretions under the Plan;
  - (b) decide on appropriate procedures for administering the Plan consistent with these Rules;
  - (c) establish, implement and operate a Share Trust, and delegate authority to a Trustee, for the purposes of delivering and holding Shares on behalf of Participants;
  - (d) resolve conclusively all questions of fact or interpretation concerning the Plan and these Rules and any dispute of any kind that arises under the Plan;
  - (e) subject to Rule 9, amend, add to or waive any provision of the Plan (including this Rule 10.2) or any term or condition relating to the Shares;
  - (f) determine to suspend or cease operation of the Plan at any time and take any actions required to effect the winding up of the Plan;
  - (g) act or refrain from acting at its discretion under these Rules or concerning the Plan or the Shares held under the Plan; and
  - (h) waive any breach of a provision of the Plan.
- 10.2.2 Except as otherwise expressly provided in the Plan, the Board has absolute and unfettered discretion to act or refrain from acting under or in connection with the Plan and in the exercise of any power or discretion under the Plan.
- 10.2.3 In administering the Plan in accordance with these Rules, and in exercising the discretion in Rule 10.2.1, the Board shall be regarded at all times to be acting genuinely, honestly, in good faith and in a manner that is not arbitrary, capricious, perverse or irrational.

### **10.3 Waiver of terms and conditions**

- 10.3.1 Notwithstanding any other provisions of the Plan, the Board may at any time waive in whole or in part any terms or conditions in relation to any Shares granted to a Participant under the Plan and the Rules, but only to the extent such waiver does not negate the application of the Tax Act, as relevant.

### **10.4 Suspension and termination of the Plan**

- 10.4.1 The Board may at any time by resolution and by notice to the Participant suspend or terminate the Plan. The Rules will continue to operate with respect to any Shares allocated and held subject to the Plan prior to the date determined by the Board for the suspension or termination of the Plan.

## **10.5 Dispute or disagreement**

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

## **10.6 Personal information**

- 10.6.1 Subject to compliance with the Privacy Policy, the Privacy Act and all applicable Law, each Participant consents to the Company, Group Company or its agents (and each of their related parties) collecting, holding and using personal information that the Participant provides in the application to participate in the Plan or otherwise provides to the Company or its agents (and each of their related parties) as part of their employment, in order to carry out the administration and operation of the Plan in accordance with these Rules, including providing relevant information to:

- (a) the Plan manager or another entity that manages or administers the Plan on behalf of the Company;
- (b) any broker or external service provider, including a tax or financial adviser;
- (c) the trustee of any Share Trust;
- (d) any government department or body; and
- (e) any other person or body as required or authorised by law.

## **10.7 Notices**

- 10.7.1 A notice or other communication under or concerning the Offer Booklet or the Rules is validly given to a Participant if:

- (a) delivered personally to the Participant;
- (b) sent by prepaid post to the Participant's last known residential address;
- (c) sent to the Participant by facsimile, email or other electronic means at the Participant's place of work; or
- (d) posted on an electronic notice board maintained by or on behalf of any member of the Group and accessible by the Participant,

and will in the case of (a), (c) and (d) above, be treated as being received immediately following the time it was sent, posted, or delivered, and where it is sent by regular post it will be treated as received 48 hours after it was posted.

## **10.8 Laws governing Plan**

- 10.8.1 The Plan and any Shares granted and allocated under it are governed by the laws of Victoria and the Commonwealth of Australia. Any agreement made under the Plan is entered into in the State of Victoria and each Participant submits to the exclusive jurisdiction of the courts of that state to herein determine matters arising under the Plan.

## **10.9 Tax**

- 10.9.1 Unless otherwise required by Law, no member of the Group is responsible for any Taxes which may become payable by a Participant as a consequence of or in connection with the grant of any Shares, the allocation or transfer of any Shares or any Dealing with any Shares.
- 10.9.2 Where the Company must account for any tax, social security contributions, or amounts of a similar nature (in any jurisdiction) for which a Participant may be liable because of the issue or transfer of Shares, the Participant is obliged to reimburse the Company for any part of the amount which the Company has paid or is liable to pay.
- 10.9.3 The Company or the Trustee will have the right to withhold or collect from a Participant such Taxes as any member of the Company or the Trustee is obliged, or reasonably believes it is obliged, to account for to any taxation authority. In exercising this right, the Company or the Trustee may:
- (a) require the Participant to provide sufficient funds (by way of salary deduction or otherwise); or
  - (b) sell Shares to be issued or transferred to the Participant, including the sale of sufficient Shares to cover any costs of such sale.



## 11. Interpretation and definitions

### 11.1 Interpretation

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

- (a) capitalised terms have the meanings provided in Rule 11.2;
- (b) headings are for convenience only and do not affect the interpretation of the Plan unless the context requires otherwise;
- (c) any reference in the Plan to any statute or statutory instrument includes a reference to that statute or statutory instrument as amended;
- (d) any words denoting the singular include the plural and words denoting the plural include the singular;
- (e) any words denoting the masculine apply equally to the feminine equivalent; and
- (f) where any word or phrase is given a definite meaning in this Plan, any part of speech or other grammatical form of that word or phrase has a corresponding meaning.

### 11.2 Definitions

ASX	Australian Securities Exchange
Board	The board of directors of the Company, or any committee, person or body to which the board duly delegates its powers and authorities to under this Plan
Change of Control	Occurs where, as a result of any event or transaction, a person becomes entitled to more than 50% of the Shares, or any transaction or event is proposed that, in the opinion of the Board, may result in a person becoming entitled to exercise control over the Company
Company	Latitude Group Holdings Limited (ACN 604 747 391)
Constitution	The constitution of the Company operating as a contract between the Company and its members and officers, as amended from time to time
Corporations Act	Means the <i>Corporations Act 2001</i> (Cth)
Dealing	Means any dealing in relation to Shares including, but not limited to: <ul style="list-style-type: none"><li>(a) the sale, disposal, transfer, assignment, trust, encumbrance, option, swap, alienation of the rights or obligations attaching to a Share; or</li><li>(b) any attempt to do any of these things set out in paragraph (a).</li></ul>
Employee	Any employee of the Company or Group Company, or any other person so designated by the Board
Group	The Company, its subsidiaries and any other entity declared by the Board to be a member of the Group for the purposes of the Plan, and Group Company means any member of the Group
Law	The laws applicable to the operation of the Plan from time to time, including any applicable securities laws of the jurisdiction in which an Employee receiving an Offer Booklet under the Plan is located

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 Booklet	A letter or document, in any form, provided by the Company (or member of the Group) to an Employee setting out the terms and conditions of a grant of Shares under the Plan, including the information set out in Rule 2.3.1
Participant	An Employee who has been granted Shares under the Plan
Plan	This Latitude Group Holdings Limited Employee Share Acquisition Plan
Privacy Act	The <i>Privacy Act 1988</i> (Cth)
Privacy Policy	The privacy policy that applies to the Company from time to time
Restriction Period	The period of time during which any applicable Trading Restrictions apply in respect of Shares allocated under the Plan
Rules	The rules of the Plan, as amended from time to time
Share	A fully paid ordinary share in the capital of the Company
Shareholder	A registered holder of a Share
Share Trading Policy	The trading policy that applies to the Company (or a member of the Group) from time to time in respect of Shares
Share Trust	A trust established by the Company to hold Shares on behalf of Employees
Takeover Bid	As defined in section 9 of the Corporations Act
Tax Act	The <i>Income Tax Assessment Act 1997</i> (Cth), applicable to Australian Employees, or the <i>Income Tax Act 2007</i> , applicable to New Zealand Employees
Taxes	Any tax, levy, contribution or duty (including any associated penalty or interest amount), social security liability or other liability imposed by any Law, governmental, semi-governmental, judicial or other authority
Trading Restriction	Restriction on transfer imposed on Shares allocated under the Plan
Trustee	The trustee from time to time of the Share Trust