

# Performance right plan rules

People Infrastructure Ltd ACN 615 173 076

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# Performance rights plan rules

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## 1. Defined terms and interpretation

### 1.1 Defined terms

In this document:

<b>Term</b>	<b>Definition</b>
<b>ASX</b>	means ASX Limited ACN 008 624 691 or the financial market operated by it (as the context requires).
<b>Board</b>	means the Company's board of Directors, or a committee of the Board appointed for, or the functions of which are determined to include, the purposes of this Plan or these Rules.
<b>Business Day</b>	means a day that is not a Saturday, Sunday or public holiday in Brisbane, Queensland.
<b>Change of Control</b>	means: <ul style="list-style-type: none"><li>(a) a person acquires voting power (within the meaning of section 610 Corporations Act) in more than 50% of the ordinary shares of the Company;</li><li>(b) an order of the Court made for the purpose of section 411(4)(b), in connection with a members' scheme of arrangement to effect a change of Control, is lodged with ASIC under section 411(10) of the Corporations Act; or</li><li>(c) the Company disposes of the whole or a substantial part of its assets or undertaking.</li></ul>
<b>Company</b>	means People Infrastructure Ltd ACN 615 173 076.
<b>Constitution</b>	means the constitution of the Company.
<b>Control</b>	has the meaning given to that term in section 50AA Corporations Act and <b>Controlled</b> has a corresponding meaning.
<b>Corporations Act</b>	means <i>Corporations Act 2001</i> (Cth).
<b>Director</b>	means a director of the Company.
<b>Disposal Restriction</b>	means a restriction on the creation of a Security Interest in, or the transfer, assignment, disposal or other dealing in, a Right or a Share to be delivered upon the exercise of



<b>Term</b>	<b>Definition</b>
	a Right as determined by the Board in its discretion and notified to a Participant in the Offer.
<b>Eligible Participant</b>	means such employees of the Company or a Related Company, including executive Directors, or such other person as the Board, in its discretion, determines.
<b>Entitlements</b>	means any rights to acquire shares, options or other securities granted or issued by the Company or by any other company to shareholders of the Company.
<b>Holding Lock</b>	means a holding lock as defined in the Listing Rules.
<b>Listing Rules</b>	means the official listing rules of ASX as amended or waived from time to time.
<b>Offer</b>	means an offer to an Eligible Participant to participate in the Plan, given under Rule 3.
<b>Participant</b>	means an Eligible Participant to whom a Right has been granted under the Plan.
<b>Plan</b>	means the plan established in accordance with these Rules.
<b>Related Company</b>	means a company which is related body corporate (as defined in the Corporations Act) of the Company.
<b>Right</b>	means a right granted under Rule 3 to acquire a Share.
<b>Rules</b>	means the rules of the Plan.
<b>Security Interest</b>	means a mortgage, charge, pledge, lien or other encumbrance of any nature.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Time of Grant</b>	means the time of grant of a Right under Rule 3.
<b>Unvested Rights</b>	means Rights which have Vesting Conditions attached and in respect of which a Vesting Notice has not been given to a Participant.
<b>Vested Rights</b>	means Rights in respect of which a Vesting Notice has been given to a Participant or Rights which have no Vesting Conditions attached.



<b>Term</b>	<b>Definition</b>
<b>Vesting Conditions</b>	means one or more conditions, including time or performance conditions, as determined by the Board in its discretion and advised to a Participant in the Offer.
<b>Vesting Notice</b>	means a notice to a holder of a Right that, to the extent specified in the Vesting Notice, the Vesting Conditions applicable to the Right have been satisfied, or waived by the Board at its discretion
<b>Vesting Period</b>	means the period referred to in the Offer during which Vesting Conditions must be satisfied, or waived by the Board at its discretion.

## 1.2 Interpretation

In this document:

- (a) a reference to a clause, schedule, annexure or party is a reference to a clause of, and a schedule, annexure or party to, this document and references to this document include any schedules or annexures;
- (b) a reference to a party to this document or any other document or agreement includes the party's successors, permitted substitutes and permitted assigns;
- (c) if a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (d) a reference to a document or agreement (including a reference to this document) is to that document or agreement as amended, supplemented, varied or replaced;
- (e) a reference to this document includes the agreement recorded by this document;
- (f) a reference to legislation or to a provision of legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
- (g) if any day on or by which a person must do something under this document is not a Business Day, then the person must do it on or by the next Business Day;
- (h) a reference to a person includes a corporation, trust, partnership, unincorporated body, government and local authority or agency, or other entity whether or not it comprises a separate legal entity;
- (i) a reference to '\$' or 'dollar' is to Australian currency; and
- (j) the meaning of any general language is not restricted by any accompanying example, and the words 'includes', 'including', 'such as', or 'for example' (or similar phrases) do not limit what else might be included.



## 2. Commencement of Plan

The Plan will commence on a date determined by the Board.

## 3. Rights

### 3.1 Offer of Rights

The Company may offer Rights to an Eligible Participant by giving the Eligible Participant an Offer.

### 3.2 Form of Offer

An Offer shall be in such form and content and with such terms and conditions as the Board determines, including:

- (a) the total number of Rights offered to an Eligible Participant;
- (b) Vesting Conditions (if any);
- (c) Disposal Restrictions (if any);
- (d) any extra terms and conditions attaching to the Rights; and
- (e) any matters required to be specified by the Corporations Act or Listing Rules.

### 3.3 Required documents for Offer

The Company will send the Offer to an Eligible Participant together with:

- (a) a copy of this document or a summary of the rules set out in this document (in which case this document will be made available on request, free of charge);
- (b) any other explanatory material which the Company wishes to distribute; and
- (c) any other documents and information required by the Corporations Act and the Listing Rules (if the Company is listed on the ASX at the relevant time).

### 3.4 Acceptance and grant

- (a) Failure to notify the Company of a Participant's intention to not accept the Offer will result in acceptance of the Offer.
- (b) A Participant will not pay any consideration for the grant of Rights.
- (c) A Participant agrees to be bound by the terms and conditions of the Offer, the Plan and the Rules, as amended from time to time.
- (d) One Right is exercisable into one Share; and
- (e) If the company does not proceed with a listing on the ASX the Rights will be cancelled.



### 3.5 Maximum Options granted

- (a) Unless the Board determines otherwise, the Company will not issue Rights if the total number of Shares that would be issued on exercise of those Rights, when aggregated with:
- (i) the number of Shares in the same class which would be issued if each outstanding Right, or other right or option to acquire unissued Shares under any other employee or non-executive Director share or option scheme or plan, were to be accepted or exercised; and
  - (ii) the number of Shares in the same class issued during the previous five years pursuant to any employee or non-executive Director share or option scheme or plan,
- but disregarding any offer made, or right or option acquired or Share issued by way of or as a result of:
- (iii) an offer to a person situated at the time of receipt of the offer outside of Australia;
  - (iv) an offer that did not need disclosure because of section 708 of the Corporations Act,
- would exceed 5% of the total number of issued Shares in that class of Shares of the Company as at the time.

## 4. Exercise of Rights

### 4.1 Vesting

- (a) The Board shall give a Participant a Vesting Notice upon any Vesting Conditions relating to Rights granted to the Participant having been satisfied or waived by the Board.
- (b) The Board's determination as to whether a Vesting Condition has been satisfied will be binding on the Participant
- (c) Where a Vesting Condition refers to an earnings per share hurdle, the earnings per share shall refer to NPATA on a normalised basis and the base period shall refer to the financial year immediately prior to the issue of the Performance Rights. For eg for Performance Rights issued in 2018 the base year will be 2017 and the calculation is as follows  $6.221m$  (NPATA) /  $64.0422m$  (shares on issue) =  $9.71cps$  Where the Vesting Period does not correspond with the end of a financial year the calculation will be based off the most recent financial year.
- (d) Where a Vesting Condition refers to a total shareholder return hurdle then the share price will be calculated on the day of issue or if the Rights are issued prior to the shares trading on the ASX, the base price will be \$1.

### 4.2 Exercise

- (a) Vested Rights which have not expired under Rule 4.3 or been forfeited under Rule 6 are automatically exercised upon vesting.





- (b) The Company will treat the Rights as having been validly exercised on the date the Board provides a Participant a Vesting Notice in accordance with Rule 4.1.
- (c) A Share in respect of which a Right has been exercised may, at the discretion of the Company, be delivered to the Participant by being issued to the Participant or by the Company procuring its transfer to the Participant.
- (d) Unless otherwise determined by the Board at its discretion when making a grant of Rights, no amount shall be payable by a Participant in respect of Shares delivered to a Participant upon the exercise of Rights.

#### **4.3 Expiry of Rights**

Unless otherwise determined by the Board at its discretion, Rights which have not been exercised will expire and cease to exist on the first to occur of:

- (a) the relevant Participant ceasing to be employed by the Company or a Related Company;
- (b) the Rights being forfeited under Rule 6; and
- (c) the fifth anniversary of the Time of Grant, unless the Board in its discretion has determined at the Time of Grant that another expiry date is to apply to the Right.

## **5. Terms**

### **5.1 Adjustment for reconstruction**

If there is a reconstruction of the issued capital of the Company (including consolidation, sub-division, reduction or return), the number of Shares to be delivered in respect of each Right, the amount payable (if any) by a Participant in respect of Shares to be delivered, or both, will be adjusted to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital.

### **5.2 Participation in further issues**

- (a) A Participant cannot participate in a new issue of Shares or other securities to holders of Shares unless the Shares in respect of the Rights held by the Participant have been issued or transferred to and registered in the name of the Participant before the record date for determining entitlements to the new issue.
- (b) If the Company makes a pro rata bonus issue of Shares or other securities to holders of Shares and Shares in respect of Rights held by a Participant have not been issued or purchased and transferred to and registered in the name of, the Participant before the record date for determining entitlements to the bonus issue, then the number of Shares subject of the Rights held by the Participant shall be increased by the number of Shares that the Participant would have received if the Shares subject of the Rights had been registered in the name of the Participant before the record date for the bonus issue.
- (c) If the Company makes a pro rata issue of securities (except a bonus issue) to the holders of Shares the number of Rights (or other terms and conditions, if any, applicable to the Rights) held by a Participant will be adjusted in accordance with the requirements of the Listing Rules, the Corporations Act and any other applicable law.



### **5.3 Dividends**

A Participant shall not participate in dividends on Shares unless the Shares in respect of the Rights held by the Participant have been issued or transferred to and registered in the name of the Participant before the record date for determining entitlements to the relevant dividend.

### **5.4 Voting rights**

A Participant does not have the right to vote in respect of any Rights.

### **5.5 Transfers and Security Interests**

Participants may only grant Security Interests or otherwise assign, transfer, dispose of or deal with Rights, or any interest in Rights, with the prior written consent of the Board.

## **6. Forfeiture**

### **6.1 Forfeiture**

While Rights held by a Participant are subject to Vesting Conditions which have not been satisfied or waived, if:

- (a) those Rights have not become Vested Rights by the end of the applicable Vesting Period or the Board determines that the Vesting Conditions are incapable of being satisfied by the end of the Vesting Period, the Participant shall forfeit any right or interest in the Rights; or
- (b) the Board determines that the Participant has committed any act of fraud or gross misconduct, or such other circumstances occur as may be specified in the Offer, in relation to the affairs of the Company or a Related Company, the Participant shall forfeit any right or interest in the Rights or other entitlements of the Participant under the Plan.

### **6.2 Consequence of forfeiture**

Forfeited Rights shall cease to exist.

## **7. No interest in Shares**

A grant of Rights does not confer any right or interest, whether legal or equitable, in Shares until all Vesting Conditions in respect of such Rights have been satisfied or waived by the Board.

## **8. Change of Control**

### **8.1 Board to notify Participants of Change of Control**

The Board must, as soon as reasonably practicable, notify each Participant if a Change of Control occurs.

### **8.2 Vesting Conditions waived on Change of Control**

Unless the Board decides otherwise, if a Change of Control occurs, all Vesting Conditions applicable to Unvested Rights will be waived.



## 9. Disposal Restriction

- (a) A Participant must comply with a Disposal Restriction in relation to all Shares issued on exercise of the Rights for the period specified.
- (b) For the purpose of enforcing any Disposal Restriction, the Company may do all things and enter into arrangements with the share registry or otherwise that it considers necessary, including the application of a Holding Lock, to enforce such Disposal Restriction. Participants will be bound by such arrangements and upon request by the Company will do all things necessary to give effect to those arrangements.
- (c) Without limiting Rule 8, the Board may at its discretion determine at any time that a Disposal Restriction will no longer apply and shall notify Participants of such a determination in writing.

## 10. Notices

Any notice or direction given under this Plan is validly given if it is:

- (a) handed to the person concerned;
- (b) sent by ordinary prepaid post to the person's last known address; or
- (c) sent by email to an Eligible Participant's Company email address.

## 11. Amendment of the Plan

### 11.1 Amendment

- (a) Subject to the Listing Rules, the Company may at any time by written instrument or by resolution of the Board, amend all or any of the provisions of these Rules (including this Rule 11).
- (b) Where the Board determines that the laws of a particular jurisdiction require the grant of Rights to be made subject to certain terms and conditions, the Board may direct that for the purpose of that jurisdiction these Rules will be read subject to such provisions as shall be specified in an addendum to be appended hereto for that purpose.

### 11.2 Restriction on amendment

No amendment of these Rules is to reduce in a material way the rights of any Participant in respect of Rights granted under the Plan to or on behalf of a Participant prior to the date of the amendment, other than:

- (a) an amendment introduced primarily;
  - (i) for the purpose of complying with or conforming to present or future State, Territory or Commonwealth or foreign legislation governing or regulating the maintenance or operation of the Plan or like plans; or
  - (ii) to correct any manifest error or mistake; or



- (iii) to enable the Company or a Related Company to comply with the Corporations Act, the Listing Rules, any other Australian laws, applicable foreign laws, or a requirement, policy or practice of the Australian Securities and Investments Commission or other foreign or Australian regulatory body; or
- (b) an amendment agreed in writing by a Participant.

## 12. Termination of the Plan

The Plan may be terminated or suspended at any time by the Board without any effect on or prejudice to the rights of any Participant holding Rights at that time.

## 13. Administration of the Plan

### 13.1 Authority to form policy

The Board may form policy and make regulations for the operations of the Plan which are consistent with this Plan and may delegate necessary functions to an appropriate service provider or employee capable of performing those functions and implementing those policies.

### 13.2 Obligations of Board

The Board in exercising a power or discretion conferred on it by this Plan is not under a fiduciary or other obligation to any other person.

### 13.3 Board decisions

The decision of the Board as to the interpretation, effect or application of this Plan will be final.

### 13.4 Delegation by Board

The Board may delegate such functions and powers under this Plan as it considers appropriate, for the efficient administration of the Plan, to a committee made up of a person or persons capable of performing those functions and exercising those powers.

### 13.5 Independent advice by Board

The Board or a committee may take and rely upon independent professional or expert advice on the exercise of any of their powers or discretions under this Plan.

### 13.6 Board, Company and delegates may act in its absolute discretion

Where the Board, the Company or their delegates may exercise any right or discretion or make any decision under this document, it may do so in its absolute discretion, conditionally or unconditionally, and without being required to give reasons or act reasonably. This rule applies unless this document expressly requires otherwise.

## 14. Rights of Eligible Participants and Participants

Nothing in this Plan:



- (a) confers on any Eligible Participant the right to:
  - (i) be granted Rights; or
  - (ii) continue as a Director of the Company or an employee of, or consultant to, the Company or a Related Company;
- (b) affects any rights which the Company or a Related Company may have to terminate the employment of any employee or any agreement with a Director or consultant; or
- (c) may be used to increase damages in any action brought against the Company or any Related Company, other than an action arising solely out of a Participant's rights under the Plan.

## 15. General

### 15.1 Listing Rules and Constitution

- (a) The provisions of this Plan, the entitlements of Eligible Participants and Participants, and any obligations of the Company, under this Plan are subject to the Constitution, the Listing Rules, the Corporations Act and any other applicable law.
- (b) No Right may be granted nor will any Right be capable of exercise if it would, or in the opinion of the Board having taken appropriate legal advice, is likely to, contravene the Corporations Act, the Listing Rules or any other applicable laws.
- (c) Despite any other provision of this Plan, every covenant or other provision set out in an exemption from, or modification to, the provisions of the Corporations Act granted from time to time by ASIC in respect of the Plan, and required to be included in this Plan in order for the exemption or modification to have effect, is deemed to be contained in this Plan. To the extent that any covenant, or other provision deemed to be contained in this Plan is inconsistent with any other rule of this Plan, the deemed covenant or other provision will prevail.

### 15.2 Tax treatment

This Plan is a scheme to which Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies except to the extent an Offer provides otherwise.

### 15.3 Costs

- (a) The Company will pay all costs and expenses in relation to the establishment and operation of the Plan including all costs and expenses in relation to an issue, or purchase and transfer of Shares to a Participant (including any brokerage, commission, stamp duty or other transaction costs).
- (b) Any brokerage, commission, stamp duty or other transaction costs in connection with the disposal of a Participant's Shares acquired under the Plan will be paid for by the Participant.

### 15.4 Advice

Eligible Participants should obtain their own independent advice at their own expense on the financial, taxation and other consequences to them of, or relating to, participating in the Plan.



**15.5 Governing law and jurisdiction**

- (a) Queensland law governs this document and the rights of Eligible Participants and Participants under the Plan.
- (b) Each Eligible Participant, Participant, the Company and the Board (and their delegates) irrevocably submits to the non-exclusive jurisdiction of the Queensland courts and courts competent to hear appeals from those courts.

