

## APPENDIX II

### UNIVERSAL MUSIC GROUP 2026 EMPLOYEE STOCK PURCHASE PLAN

#### (SUBPLAN)

#### ARTICLE I. PURPOSE

This Appendix II sets forth the terms and conditions of the Universal Music Group 2026 Employee Stock Purchase Plan (the “**ESP Plan**”), which is a subplan established pursuant to Section 19.11(c) of the 2022 Universal Music Group Global Equity Plan (the “**Global Plan**”) and provides for Other Stock-Based Awards pursuant to Section 9.2 of the Global Plan. This Appendix II shall be read in conjunction with the Global Plan and is subject to the terms and conditions of the Global Plan; provided, that, unless otherwise indicated herein, to the extent that the terms and conditions of the Global Plan differ from or conflict with the terms of this Appendix II, the terms of this Appendix II shall prevail. Capitalized terms used in this Appendix II and not defined herein shall have the meaning ascribed to such term in the Global Plan.

The purpose of the ESP Plan is to assist Eligible Employees of Designated Subsidiaries in acquiring a stock ownership interest in the Company pursuant to a plan that is intended to qualify as an “employee stock purchase plan” within the meaning of Section 423(b) of the Code, except as otherwise provided in Section 4.3.

#### ARTICLE II. DEFINITIONS AND CONSTRUCTION

Wherever the following terms are used in the ESP Plan they shall have the meanings specified below, unless the context clearly indicates otherwise. The singular pronoun shall include the plural where the context so indicates. Masculine, feminine and neuter pronouns are used interchangeably and each comprehends the others.

2.1 “**Applicable Law**” shall mean the requirements relating to the administration of equity incentive plans under U.S. federal and state securities, tax and other applicable laws, rules and regulations, the applicable rules of any stock exchange or quotation system on which Shares are listed or quoted and the applicable laws and rules of any foreign country or other jurisdiction where rights under the ESP Plan are granted.

2.2 “**Code**” shall mean the Internal Revenue Code of 1986, as amended and the regulations issued thereunder. For purposes of the ESP Plan, references to sections of the Code shall be deemed to include references to any applicable regulations thereunder and any successor or similar provisions, as well as any applicable interpretative guidance issued related thereto.

2.3 “**Company**” shall have the meaning set forth in the Global Plan. Wherever appropriate in the context, the term “Company” shall be deemed to refer to the Designated Subsidiary by which an Eligible Employee or Participant is employed.

2.4 “**Committee**” means the Committee appointed pursuant to Section 2(j) of the Global Plan or such other person or committee appointed by the Board for purposes of the ESP Plan.

2.5 “**Compensation**” of an Eligible Employee shall mean, except as otherwise set forth in an Offering Document or determined by the Committee, the base salary or wages received by such Eligible Employee as compensation for services to the Designated Subsidiary that employs such Eligible Employee, excluding overtime payments, commissions and bonuses, education or tuition reimbursements, travel expenses, business and moving reimbursements, income received in connection with any stock options, stock appreciation rights, restricted stock, restricted stock units or other compensatory equity awards, fringe benefits, other special payments and all contributions made by any Designated Subsidiary for the Eligible Employee’s benefit under any employee benefit plan now or hereafter established. Vacation pay, holiday pay, and similar amounts shall be included to the extent paid as part of the Eligible Employee’s base salary or wages.

2.6 “**Designated Subsidiary**” shall mean the Company and any Subsidiary of the Company, all or substantially all of the Employees of which are citizens or residents of the United States. The Committee may designate additional Designated Subsidiaries, or may determine that any such Subsidiary is not a Designated Subsidiary, in accordance with Section 11.4(b).

2.7 “**Eligible Employee**” shall mean an Employee who does not, immediately after any rights under this ESP Plan are granted, own (directly or through attribution) stock possessing 5% or more of the total combined voting power or value of all Shares of the Company, a Parent or a Subsidiary (as determined under Section 423(b)(3) of the Code). For purposes of the foregoing sentence, the rules of Section 424(d) of the Code with regard to the attribution of stock ownership shall apply in determining the stock ownership of an individual, and stock that an Employee may purchase under outstanding options shall be treated as stock owned by the Employee; provided, however, that the Committee may provide in an Offering Document that an Employee shall not be eligible to participate in an Offering Period if: (a) such Employee is a highly compensated employee within the meaning of Section 423(b)(4)(D) of the Code, (b) such Employee has not met a service requirement designated by the Committee pursuant to Section 423(b)(4)(A) of the Code (which service requirement may not exceed two years), (c) such Employee’s customary employment is for 20 hours or less per week (or such shorter number of hours as the Offering Document may specify), (d) such Employee’s customary employment is for less than five months in any calendar year (or such shorter period as the Offering Document may specify) and/or (e) such Employee is a citizen or resident of a foreign jurisdiction and the grant of a right to purchase Shares under the ESP Plan to such Employee would be prohibited under the laws of such foreign jurisdiction or the grant of a right to purchase Shares under the ESP Plan to such Employee in compliance with the laws of such foreign jurisdiction would cause the ESP Plan to violate the requirements of Section 423 of the Code, as determined by the Committee in its sole discretion; provided, further, that any exclusion in clauses (a), (b), (c), (d) or (e) shall be applied in an identical manner under each Offering Period to all Employees, in accordance with Treasury Regulation Section 1.423-2(e).

2.8 “**Employee**” shall mean any officer or other employee (as defined in accordance with Section 3401(c) of the Code) of a Designated Subsidiary. “Employee” shall not include any director of the Company or a Designated Subsidiary who does not also render services to such Designated Subsidiary as an employee within the meaning of Section 3401(c) of the Code, unless such person is eligible only to participate in an Offering to employees outside of the United States, which is not intended to comply with the requirements of Section 423 of the Code, as provided in Section 4.3. For purposes of the ESP Plan, the employment relationship shall be treated as continuing intact while the individual is on sick leave or other leave of absence approved by the Designated Subsidiary and meeting the requirements of Treasury Regulation Section 1.421-1(h)(2).

2.9 “**Enrollment Date**” shall mean the first day of an Offering Period, unless otherwise specified in the Offering Document.

2.10 “**ESP Plan Effective Date**” shall mean the date that the general meeting of shareholders of the Company (initially) approves the ESP Plan.

2.11 “**Exchange Act**” shall mean the Securities Exchange Act of 1934, as amended from time to time.

2.12 “**Fair Market Value**” means, as of any date, the value of a Share determined in accordance with Section 2(p) of the Global Plan and converted into United States dollars using the conversion rate specified by the Committee.

2.13 “**Offering Document**” shall have the meaning given to such term in Section 4.1.

2.14 “**Offering Period**” shall have the meaning given to such term in Section 4.1.

2.15 “**Parent**” shall mean any corporation, other than the Company, in an unbroken chain of corporations ending with the Company if, at the time of the determination, each of the corporations, other than the Company, owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain, disregarding any limited liability company or partnership in the chain of ownership if such entity is treated as a disregarded entity under Treasury Regulation Section 301.7701-3(a) by reason of any Parent that is a corporation being the sole owner of such entity.

2.16 “**Participant**” shall mean any Eligible Employee who has executed a subscription agreement and been granted rights to purchase Shares pursuant to the ESP Plan.

2.17 “**ESP Plan**” shall mean this Universal Music Group 2026 Employee Stock Purchase Plan, as it may be amended from time to time.

2.18 “**Purchase Date**” shall mean the date on which the funds withheld from a Participant’s Compensation during a Purchase Period are used to purchase Shares pursuant to Section 6.2, which shall be as soon as practical after the last day of such Purchase Period.

2.19 “**Purchase Period**” shall refer to one or more periods within an Offering Period, as designated in the applicable Offering Document; provided, however, that, in the event no Purchase Period is designated by the Committee in the applicable Offering Document, the Purchase Period for each Offering Period covered by such Offering Document shall be the same as the applicable Offering Period.

2.20 “**Purchase Price**” shall mean the purchase price designated by the Committee in the applicable Offering Document (which purchase price shall not be less than 85% of the Fair Market Value of a Share on the Enrollment Date or on the Purchase Date, whichever is lower); provided, however, that, in the event no purchase price is designated by the Committee in the applicable Offering Document, the purchase price for the Offering Period covered by such Offering Document shall be 85% of the Fair Market Value of a Share on the Enrollment Date or on the Purchase Date, whichever is lower; provided, further, that the Purchase Price may be adjusted by the Committee pursuant to Article VIII and shall not be less than the par value of a Share.

2.21 “**Securities Act**” shall mean the Securities Act of 1933, as amended.

2.22 “**Subsidiary**” shall mean any corporation, other than the Company, in an unbroken chain of corporations beginning with the Company if, at the time of the determination, each of the corporations, other than the last corporation in an unbroken chain, owns stock possessing 50% or more of the total

combined voting power of all classes of stock in one of the other corporations in such chain; provided, however, that a limited liability company or partnership may be treated as a Subsidiary to the extent either (a) such entity is treated as a disregarded entity under Treasury Regulation Section 301.7701-3(a) by reason of the Company or any other Subsidiary that is a corporation being the sole owner of such entity, or (b) such entity elects to be classified as a corporation under Treasury Regulation Section 301.7701-3(a) and such entity would otherwise qualify as a Subsidiary.

### **ARTICLE III. SHARES SUBJECT TO THE ESP PLAN**

3.1 Number of Shares. Subject to Article VIII, the aggregate number of Shares that may be issued pursuant to rights granted under the ESP Plan shall not exceed the maximum number of Shares that may be issued pursuant to Awards under Article 4 of the Global Plan as adopted effective May 12, 2022 (taking into account all other Awards granted under the Global Plan); provided that to the extent the number of Shares that may be issued under the ESP Plan pursuant to the Global Plan is reduced by other types of Awards issued under the Global Plan, an equal number of Shares may be issued under a Successor Plan designated pursuant to Section 9.5. If any right granted under the ESP Plan shall for any reason terminate without having been exercised, the Shares not purchased under such right shall again become available for issuance under the ESP Plan.

### **ARTICLE IV. OFFERING PERIODS; OFFERING DOCUMENTS; PURCHASE DATES**

4.1 Offering Periods. The Committee may from time to time grant or provide for the grant of rights to purchase Shares under the ESP Plan to Eligible Employees (each such grant of rights, an “**Offering**”) during one or more periods (each, an “**Offering Period**”) selected by the Committee. The terms and conditions applicable to each Offering Period shall be set forth in an “**Offering Document**” adopted by the Committee, which Offering Document shall be in such form and shall contain such terms and conditions as the Committee shall deem appropriate, and which may take the form of an announcement posted on a Designated Subsidiary website or otherwise communicated through electronic media. The Committee shall establish in each Offering Document one or more Purchase Periods during such Offering Period during which rights granted under the ESP Plan shall be exercised and purchases of Shares carried out during such Offering Period in accordance with such Offering Document and the ESP Plan. The provisions of separate Offering Periods under the ESP Plan need not be identical.

4.2 Offering Documents. Each Offering Document with respect to an Offering Period shall specify (through incorporation of the provisions of this ESP Plan by reference or otherwise), but only to the extent such terms differ from those of the Global Plan:

- (a) the length of the Offering Period, which period shall not exceed 27 months;
- (b) the length of the Purchase Period(s) within the Offering Period;
- (c) the maximum number of Shares that may be purchased by any Eligible Employee during such Offering Period, which, in the absence of a contrary designation by the Committee, shall be equal to \$25,000 divided by the Fair Market Value of a Share on the Enrollment Date, rounded to the next lower number of whole Shares;
- (d) such other provisions as the Committee determines are appropriate, subject to the ESP Plan.

4.3 Difference in Offering Terms. To the extent permitted by Treasury Regulation Section

1.423-2(a)(1), different Offerings may have different terms and conditions. Without limiting the generality of the foregoing, if the Committee designates a Subsidiary as a Designated Subsidiary pursuant to Section 11.4(b), and substantially all of the Employees of such Designated Subsidiary are not citizens or residents of the United States, the terms of any Offering to the Eligible Employees of such Designated Subsidiary may differ from the terms of the ESP Plan to the extent appropriate to conform to the laws governing the employment of Eligible Employees of such Designated Subsidiary. If the terms of such Offering do not satisfy the requirements of Section 423 of the Code, such Offering shall be considered for tax purposes a separate plan which is not part of a plan intended to qualify under Section 423(b) of the Code.

## **ARTICLE V. ELIGIBILITY AND PARTICIPATION**

5.1 Eligibility. Any Eligible Employee who shall be employed by a Designated Subsidiary on a given Enrollment Date for an Offering Period shall be eligible to participate in the ESP Plan during such Offering Period, subject to the requirements of this Article V and the limitations imposed by Section 423(b) of the Code.

### 5.2 Enrollment in ESP Plan.

(a) Except as otherwise set forth herein or in an Offering Document or determined by the Committee, an Eligible Employee may become a Participant in the ESP Plan for an Offering Period by delivering a subscription agreement to the Company by such time prior to the Enrollment Date for such Offering Period (or such other date specified in the Offering Document) designated by the Committee and in such form as the Committee provides.

(b) Each subscription agreement shall designate a whole percentage of such Eligible Employee's Compensation to be withheld by the Designated Subsidiary employing such Eligible Employee on each payday during the Offering Period as payroll deductions under the ESP Plan. The designated percentage may not be less than 1% and may not be more than the maximum percentage specified by the Committee in the applicable Offering Document (which percentage shall be 10% in the absence of any such designation), subject to the limitations set forth in Section 5.5 and the Offering Document. The payroll deductions made for each Participant shall be credited to an account for such Participant under the ESP Plan. Such account shall be for bookkeeping purposes only, and the funds withheld shall not be required to be held in trust or otherwise segregated from the general funds of the Designated Subsidiary.

(c) Except as otherwise set forth in an Offering Document or determined by the Committee, a Participant may decrease the percentage of Compensation designated in his or her subscription agreement, subject to the limits of this Section 5.2, or may suspend his or her payroll deductions, at any time during an Offering Period; provided, however, that the Committee may limit the number of changes a Participant may make to his or her payroll deduction elections during each Offering Period in the applicable Offering Document (and in the absence of any specific designation by the Committee, a Participant shall be allowed two decreases and one suspension (but no increases) to his or her payroll deduction elections during each Offering Period with respect to such Offering Period). Any such change or suspension of payroll deductions shall be effective with the first full payroll period following ten business days after the Company's receipt of the new subscription agreement (or such shorter or longer period as may be specified by the Committee in the applicable Offering Document). In the event a Participant suspends his or her payroll deductions, such Participant's cumulative payroll deductions prior to the suspension shall remain in his or her account and shall be applied to the purchase of Shares on the next occurring Purchase Date and shall not be paid to such Participant unless he or she withdraws from participation in the ESP Plan pursuant to Article VII.

(d) Except as otherwise set forth in Section 5.8 or in an Offering Document or determined by the Committee, a Participant may participate in the ESP Plan only by means of payroll deduction and may not make contributions by lump sum payment for any Offering Period.

(e) All Participants must comply with all applicable laws and regulations governing trading with inside information, including, without limitation, the Company's insider trading policy, Article 18 of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse, as amended from time to time (Market Abuse Regulation).

5.3 Payroll Deductions. Except as otherwise provided in the applicable Offering Document or Section 5.8, payroll deductions for a Participant shall commence on the first payroll following the Enrollment Date and shall end on the last payroll in the Offering Period to which the Participant's authorization is applicable, unless sooner terminated by the Participant as provided in Article VII or suspended by the Participant or the Committee as provided in Section 5.2 and Section 5.6, respectively.

5.4 Effect of Enrollment. A Participant's completion of a subscription agreement will enroll such Participant in the ESP Plan for each subsequent Offering Period on the terms contained therein until the Participant either submits a new subscription agreement, withdraws from participation under the ESP Plan as provided in Article VII or otherwise becomes ineligible to participate in the ESP Plan, except as otherwise determined by the Committee.

5.5 Limitation on Purchase of Shares. An Eligible Employee may be granted rights under the ESP Plan only if such rights, together with any other rights granted to such Eligible Employee under "employee stock purchase plans" of the Company, any Parent or any Subsidiary, as specified by Section 423(b)(8) of the Code, do not permit such Employee's rights to purchase stock of the Company or any Parent or any Subsidiary to accrue at a rate that exceeds \$25,000 of the fair market value of such stock (determined as of the first day of the Offering Period during which such rights are granted) for each calendar year in which such rights are outstanding at any time. This limitation shall be applied in accordance with Section 423(b)(8) of the Code. To the extent the number of Shares that can be purchased with the Participant's account on the last Purchase Date in any Offering Period exceeds this limit, or any other limit on the number of Shares that can be purchased during an Offering Period, the excess funds shall be refunded to the Participant, without interest.

5.6 Suspension of Payroll Deductions. Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code and Section 5.5 or the other limitations set forth in this ESP Plan, a Participant's payroll deductions may be suspended by the Committee at any time during an Offering Period. The balance of the amount credited to the account of each Participant that has not been applied to the purchase of Shares by reason of Section 423(b)(8) of the Code, Section 5.5 or the other limitations set forth in this ESP Plan shall be paid to such Participant, without interest, in one lump sum in cash as soon as reasonably practicable after the Purchase Date.

5.7 Non-U.S. Employees. In order to facilitate participation in the ESP Plan, the Committee may provide for such special terms applicable to Eligible Employees or Participants who are citizens or residents of a jurisdiction outside of the United States, or who are employed by a Designated Subsidiary outside of the United States, as the Committee may consider necessary or appropriate to accommodate differences in local law, tax policy or custom. Moreover, the Committee may approve such supplements to, or amendments, restatements or alternative versions of, this ESP Plan as it may consider necessary or appropriate for such purposes without thereby affecting the terms of this ESP Plan as in effect for any other purpose. No such special terms, supplements, amendments, restatements or alternative versions shall include any provisions that are inconsistent with the terms of this ESP Plan as then in effect unless this ESP

Plan could have been amended to eliminate such inconsistency without further approval by the general meeting of shareholders of the Company.

5.8 Leave of Absence. During leaves of absence approved by the Designated Subsidiary and meeting the requirements of Treasury Regulation Section 1.421-1(h)(2) under the Code, a Participant may continue participation in the ESP Plan by making cash payments to the Designated Subsidiary on his or her normal payday equal to his or her authorized payroll deduction. If the Participant does not elect to make such payments, the Participant's account balance shall remain in the ESP Plan and shall be used to purchase Shares on the next Purchase Date, unless the Participant withdraws in accordance with Section 7.1 or Section 7.3.

## **ARTICLE VI. GRANT AND EXERCISE OF RIGHTS**

6.1 Grant of Rights. On the Enrollment Date of each Offering Period, each Eligible Employee participating in such Offering Period shall be granted a right to purchase the maximum number of Shares specified under Section 4.2, subject to the limits in Section 5.5, and shall have the right to purchase, in accordance with Section 6.2, on each Purchase Date during such Offering Period (at the applicable Purchase Price, which shall be at least the nominal value of the Share (in Euro)), such number of whole Shares as is determined by dividing (a) such Participant's payroll deductions accumulated prior to such Purchase Date and retained in the Participant's account as of the Purchase Date, by (b) the applicable Purchase Price (rounded down to the nearest Share). The right shall expire on the earliest of: (x) the last Purchase Date of such Offering Period, (y) the last day of such Offering Period and (z) the date on which such Participant withdraws in accordance with Section 7.1 or Section 7.3.

6.2 Exercise of Rights. On each Purchase Date, each Participant's accumulated payroll deductions and any other additional payments specifically provided for in the applicable Offering Document will, without further action by the Participant, be applied to the purchase of whole Shares, up to the maximum number of Shares permitted pursuant to the terms of the ESP Plan and the applicable Offering Document, at the Purchase Price. To the extent that the number of whole Shares that can be purchased by the balance in the Participant's account exceeds the maximum number of Shares that can be purchased by the Participant under the ESP Plan and the applicable Offering Document, the balance in the Participant's account that cannot be used to purchase Shares shall be refunded to the Participant, without interest. No fractional Shares shall be issued upon the exercise of rights granted under the ESP Plan. Any cash in lieu of fractional Shares remaining after the purchase of whole Shares upon exercise of a purchase right may be either refunded to the Participant without interest or carried forward and applied toward the purchase of whole Shares for the following Offering Period, unless the Participant withdraws in accordance with Section 7.1 or Section 7.3.

6.3 Pro Rata Allocation of Shares. If the Committee determines that, on a given Purchase Date, the number of Shares with respect to which rights are to be exercised may exceed (a) the number of Shares that were available for issuance under the ESP Plan on the Enrollment Date of the applicable Offering Period, or (b) the number of Shares available for issuance under the ESP Plan on such Purchase Date, the Committee may in its sole discretion provide that the Company shall make a pro rata allocation of the Shares available for issuance on such Enrollment Date or Purchase Date, as applicable, in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all Participants for whom rights to purchase Shares are to be exercised pursuant to this Article VI on such Purchase Date, and shall either (i) continue all Offering Periods then in effect, or (ii) terminate any or all Offering Periods then in effect pursuant to Article IX. The Company may make a pro rata allocation of the Shares available on the Enrollment Date of any applicable Offering Period pursuant to the preceding sentence, notwithstanding any authorization of additional Shares for issuance under the ESP Plan by the

general meeting of shareholders of the Company subsequent to such Enrollment Date. The balance of the amount credited to the account of each Participant that has not been applied to the purchase of Shares shall be paid to such Participant, without interest, in one lump sum in cash as soon as reasonably practicable after the Purchase Date.

6.4 Withholding. Subject to, and in accordance with, Article 17 of the Global Plan, at the time a Participant's rights under the ESP Plan are exercised, in whole or in part, or at the time some or all of the Shares issued under the ESP Plan are disposed of, the Participant must make adequate provision for the federal, state, or other tax withholding obligations, if any, that arise upon the exercise of the right or the disposition of the Shares. At any time, the Designated Subsidiary that is the Participant's Employer may, but shall not be obligated to, withhold from the Participant's compensation the amount necessary for the Designated Subsidiary to meet applicable withholding obligations, including any withholding required to make available to the Designated Subsidiary any tax deductions or benefits attributable to sale or early disposition of Shares by the Participant.

6.5 Conditions to Issuance of Shares. Shares issued upon the exercise of rights under the ESP Plan may be either newly issued Shares, treasury Shares, or Shares obtained by the Company from any other source permitted by applicable law. The issuance of any Shares under the ESP Plan shall be subject to, and in accordance with Section 19.8 of the Global Plan, or the applicable provision of any Successor Plan. In addition, the Company shall not be required to issue Shares purchased upon the exercise of rights under the ESP Plan prior to fulfillment of all of the following conditions:

(a) The admission of such Shares to listing on all stock exchanges, if any, on which the Shares are then listed;

(b) The completion of any registration or other qualification of such Shares under any U.S. state or federal law or under the rulings or regulations of the Securities and Exchange Commission or any other governmental regulatory body, that the Committee shall, in its absolute discretion, deem necessary or advisable;

(c) The obtaining of any approval or other clearance from any U.S. state or federal governmental agency that the Committee shall, in its absolute discretion, determine to be necessary or advisable;

(d) The payment to the Designated Subsidiary of all amounts that it is required to withhold under federal, state or local law upon exercise of the rights, if any; and

(e) The lapse of such reasonable period of time following the exercise of the rights as the Committee may from time to time establish for reasons of administrative convenience.

## **ARTICLE VII. WITHDRAWAL; CESSATION OF ELIGIBILITY**

7.1 Withdrawal. A Participant may withdraw all but not less than all of the payroll deductions credited to his or her account and not yet used to exercise his or her rights under the ESP Plan at any time by giving written notice to the Company in a form acceptable to the Committee no later than two weeks prior to the end of the Offering Period or, if earlier, the end of the Purchase Period (or such shorter or longer period as may be permitted by the Committee or in the Offering Document). All of the Participant's payroll deductions credited to his or her account during the Offering Period not yet used to exercise his or her rights under the ESP Plan shall be paid to such Participant without interest as soon as reasonably practicable after receipt of notice of withdrawal and such Participant's rights for the Offering Period shall be automatically

terminated, and no further payroll deductions for the purchase of Shares shall be made for such Offering Period. If a Participant withdraws from an Offering Period, payroll deductions shall not resume at the beginning of the next Offering Period unless the Participant is an Eligible Employee and timely delivers to the Company a new subscription agreement.

7.2 Future Participation. A Participant's withdrawal from an Offering Period shall not have any effect upon his or her eligibility to participate in any similar plan that may hereafter be adopted by the Designated Subsidiary or in subsequent Offering Periods that commence after the termination of the Offering Period from which the Participant withdraws.

7.3 Cessation of Eligibility. Upon a Participant's ceasing to be an Eligible Employee for any reason, he or she shall be deemed to have elected to withdraw from the ESP Plan pursuant to this Article VII and the payroll deductions credited to such Participant's account during the Offering Period and not yet used to exercise his or her rights under the ESP Plan shall be paid, without interest, to such Participant or, in the case of his or her death, to the person or persons entitled thereto under Section 12.4, as soon as reasonably practicable, and such Participant's rights for the Offering Period shall be automatically terminated.

## **ARTICLE VIII. ADJUSTMENTS UPON CHANGES IN SHARES**

8.1 Changes in Capitalization. Subject to Section 8.3 hereof and Section 4.3 of the Global Plan, in the event that the Committee determines that any dividend or other distribution (whether in the form of cash, Shares, other securities, or other property), Change in Control, reorganization, merger, amalgamation, consolidation, combination, repurchase, recapitalization, liquidation, dissolution, or sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company, or sale or exchange of Shares or other securities of the Company, issuance of warrants or other rights to purchase Shares or other securities of the Company, or other similar corporate transaction or event, as determined by the Committee, affects the Shares such that an adjustment is determined by the Committee to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended by the Company to be made available under the ESP Plan or with respect to any outstanding purchase rights under the ESP Plan, the Committee is authorized to make such equitable adjustments, if any, as the Committee may determine to be appropriate to reflect such change with respect to (a) the aggregate number and type of Shares (or other securities or property) that may be issued under the ESP Plan (including, but not limited to, adjustments of the limitations in Section 3.1 and the limitations established in each Offering Document pursuant to Section 4.2 on the maximum number of Shares that may be purchased); (b) the class(es) and number of Shares subject to outstanding rights; and (c) the Purchase Price with respect to any outstanding rights.

8.2 Other Adjustments. Subject to Section 8.3 hereof and Section 4.3 of the Global Plan, in the event of any transaction or event described in Section 8.1 or any unusual or nonrecurring transactions or events affecting the Company, any affiliate of the Company, or the financial statements of the Company or any affiliate of the Company (including without limitation any Change in Control), or of changes in Applicable Law or accounting principles, the Committee, in its discretion, and on such terms and conditions as it deems appropriate, is hereby authorized to take any one or more of the following actions whenever the Committee determines that such action is appropriate in order to prevent the dilution or enlargement of the benefits or potential benefits intended to be made available under the ESP Plan or with respect to any right under the ESP Plan, to facilitate such transactions or events or to give effect to such changes in Applicable Law or accounting principles:

(a) To provide for either (i) termination of any outstanding right in exchange for an amount of cash, if any, equal to the amount that would have been obtained upon the exercise of such right had such

right been currently exercisable or (ii) the replacement of such outstanding right with other rights or property selected by the Committee in its sole discretion;

(b) To provide that the outstanding rights under the ESP Plan shall be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by similar rights covering the stock of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices;

(c) To make adjustments in the number and type of Shares (or other securities or property) subject to outstanding rights under the ESP Plan and/or in the terms and conditions of outstanding rights and rights that may be granted in the future;

(d) To provide that Participants' accumulated payroll deductions may be used to purchase Shares prior to the next occurring Purchase Date on such date as the Committee determines in its sole discretion and the Participants' rights under the ongoing Offering Period(s) shall be terminated; and

(e) To provide that all outstanding rights shall terminate without being exercised, and that the balance in each Participant's accounts be refunded to him or her, without any interest thereon.

8.3 No Adjustment Under Certain Circumstances. No adjustment or action described in this Article VIII or in any other provision of the ESP Plan or the Global Plan shall be authorized to the extent that such adjustment or action would cause the ESP Plan to fail to satisfy the requirements of Section 423 of the Code.

8.4 No Other Rights. Except as expressly provided in the ESP Plan, no Participant shall have any rights by reason of any subdivision or consolidation of shares of stock of any class, the payment of any dividend, any increase or decrease in the number of shares of stock of any class or any dissolution, liquidation, merger, or consolidation of the Company or any other corporation. Except as expressly provided in the ESP Plan or pursuant to action of the Committee under the ESP Plan, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number of Shares subject to outstanding rights under the ESP Plan or the Purchase Price with respect to any outstanding rights.

## **ARTICLE IX. AMENDMENT, MODIFICATION AND TERMINATION**

9.1 Amendment, Modification and Termination. Subject to Article 16 of the Global Plan, the Board or the Committee may amend, suspend or terminate the ESP Plan at any time and from time to time; provided, however, that approval of the general meeting of shareholders of the Company shall be required to amend the ESP Plan to: (a) increase the aggregate number, or change the type, of shares that may be issued pursuant to rights under the ESP Plan under Section 3.1 (other than an adjustment as provided by Article VIII); (b) change the ESP Plan in any manner that would be considered the adoption of a new ESP Plan within the meaning of Treasury Regulation Section 1.423-2(c)(4); or (c) change the ESP Plan in any manner that would cause the ESP Plan to no longer be an "employee stock purchase plan" within the meaning of Section 423(b) of the Code.

9.2 Certain Changes to ESP Plan. Without approval of the general meeting of shareholders of the Company and without regard to whether any Participant rights may be considered to have been adversely affected, to the extent permitted by Section 423 of the Code, the Committee shall be entitled to change or terminate the Offering Periods, limit the frequency and/or number of changes in the amount withheld from Compensation during an Offering Period, establish the exchange ratio applicable to amounts

withheld in a currency other than U.S. dollars, permit payroll withholding in excess of the amount designated by a Participant in order to adjust for delays or mistakes in the Designated Subsidiary's processing of payroll withholding elections, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Shares for each Participant properly correspond with amounts withheld from the Participant's Compensation, and establish such other limitations or procedures as the Committee determines in its sole discretion to be advisable that are consistent with the ESP Plan.

9.3 Actions In the Event of Unfavorable Financial Accounting Consequences. In the event the Committee determines that the ongoing operation of the ESP Plan may result in unfavorable financial accounting consequences, the Committee may, in its discretion, and, to the extent necessary or desirable, modify or amend the ESP Plan to reduce or eliminate such accounting consequence; provided, that any such modification or amendment shall comply with Section 423 of the Code, which shall include, but not be limited to:

- (a) altering the Purchase Price for any Offering Period, including an Offering Period underway at the time of the change in Purchase Price;
- (b) shortening any Offering Period so that the Offering Period ends on a new Purchase Date, including an Offering Period underway at the time of the Committee action; and
- (c) allocating Shares.

Such modifications or amendments shall not require approval of the general meeting of shareholders of the Company or the consent of any Participant.

9.4 Payments Upon Termination of ESP Plan. Upon termination of the ESP Plan, the balance in each Participant's ESP Plan account shall be refunded as soon as practicable after such termination, without any interest thereon.

9.5 Incorporation into Successor Plan. In the event that the Company amends the Global Plan to extend its term and/or increase the number of Shares permitted to be issued, or adopts another plan or policy permitting the issuance of Shares to Employees (in either case, a "**Successor Plan**"), then, to the extent that the number of Shares issued pursuant to the ESP Plan has not yet exceeded the maximum number of Shares permitted by Section 3.1, the Committee may provide for Shares issued pursuant to the Successor Plan to be issued to Participants pursuant to the ESP Plan, and such Successor Plan shall be considered the Global Plan for purposes of the ESP Plan; provided that such action shall not increase the total number of Shares that can be issued under the ESP Plan beyond the number specified in Section 3.1, permit Employees of any corporation other than a Designated Subsidiary to be considered Eligible Employees, or otherwise make any change to the ESP Plan that would be considered the adoption of a new plan for purposes of Treasury Regulation Section 1.423-2(c)(4), without the approval of the general meeting of shareholders of the Company obtained within twelve months prior to or following such action.

## **ARTICLE X. TERM OF ESP PLAN**

The ESP Plan shall be effective on the ESP Plan Effective Date and shall continue in duration subject to Section 1.3 of the Global Plan, except to the extent the Committee provides for Shares to be issued pursuant to a Successor Plan pursuant to Section 9.5 (in which case the duration shall be in accordance with the terms of the relevant Successor Plan). No rights may be granted under the ESP Plan during any period of suspension of the ESP Plan or after termination of the ESP Plan.

## **ARTICLE XI. ADMINISTRATION**

11.1 Committee. The Committee shall administer the ESP Plan pursuant to its administrative authority under Article 3 of the Global Plan.

11.2 Action by the Committee. Each member of the Committee is entitled to, in good faith, rely or act upon any report or other information furnished to that member by any officer or other employee of any Designated Subsidiary, the Company's independent certified public accountants, or any executive compensation consultant or other professional retained by the Company to assist in the administration of the ESP Plan.

11.3 Delegation. The Committee may delegate to one or more of its members or to one or more officers of the Company and/or Subsidiaries, or to one or more agents or advisors such administrative duties and/or powers as it may deem advisable, and the Committee or any such member(s), officer(s), agent(s) or advisor(s) to whom it has delegated duties and/or powers as aforesaid may employ one or more persons to render advice with respect to any responsibility the Committee or such member(s), officer(s), agent(s) or advisor(s) may have under this ESP Plan. The Committee may, by resolution, authorize one or more officers of the Company and/or Subsidiaries to exercise any (or all) of the authorities of the Committee under the ESP Plan, provided that the officer(s) shall report periodically to the Committee regarding his or her or their actions pursuant to the authority delegated.

11.4 Authority of Committee. The Committee shall have the power, subject to, and within the limitations of, the express provisions of the ESP Plan and Article 3 of the Global Plan:

(a) To determine when and how rights to purchase Shares shall be granted and the provisions of each offering of such rights (which need not be identical).

(b) To designate from time to time which Subsidiaries shall be Designated Subsidiaries, which designation may be made without the approval of the general meeting of shareholders of the Company.

(c) To construe and interpret the ESP Plan and rights granted under it, and to establish, amend and revoke rules and regulations for its administration. The Committee, in the exercise of this power, may correct any defect, omission or inconsistency in the ESP Plan, in a manner and to the extent it shall deem necessary or expedient to make the ESP Plan fully effective.

(d) To amend, suspend or terminate the ESP Plan as provided in Article IX.

(e) Generally, to exercise such powers and to perform such acts as the Committee deems necessary or expedient to promote the best interests of the Company and its Subsidiaries and to carry out the intent that the ESP Plan be treated as an "employee stock purchase plan" within the meaning of Section 423 of the Code.

11.5 Decisions Binding. The Committee's interpretation of the ESP Plan, any rights granted pursuant to the ESP Plan, any subscription agreement and all decisions and determinations by the Committee with respect to the ESP Plan are final, binding, and conclusive on all parties.

**ARTICLE XII.  
MISCELLANEOUS**

12.1 Restriction upon Assignment. A right granted under the ESP Plan shall not be transferable other than by will or the Applicable Laws of descent and distribution, and is exercisable during the Participant's lifetime only by the Participant. Except as provided in Section 12.4, a right under the ESP Plan may not be exercised to any extent except by the Participant. The Company shall not recognize and shall be under no duty to recognize any assignment or alienation of the Participant's interest in the ESP Plan, the Participant's rights under the ESP Plan or any rights thereunder.

12.2 Rights as a Shareholder. With respect to Shares subject to a right granted under the ESP Plan, a Participant shall not be deemed to be a shareholder of the Company, and the Participant shall not have any of the rights or privileges of a shareholder, until such Shares have been issued to the Participant or his or her nominee following exercise of the Participant's rights under the ESP Plan. No adjustments shall be made for dividends (ordinary or extraordinary, whether in cash securities, or other property) or distribution or other rights for which the record date occurs prior to the date of such issuance, except as otherwise expressly provided herein or as determined by the Committee.

12.3 Interest. No interest shall accrue on the payroll deductions or contributions of a Participant under the ESP Plan.

12.4 Designation of Beneficiary.

(a) Subject to, and in accordance with Section 14 of the Global Plan, a Participant may, (i) to the extent, if any, permitted, and in the manner determined, by the Committee, file a written designation of a beneficiary who is to receive any Shares and/or cash, if any, from the Participant's account under the ESP Plan in the event of such Participant's death subsequent to a Purchase Date on which the Participant's rights are exercised but prior to delivery to such Participant of such Shares and cash and (ii) to the extent, if any, permitted, and in the manner determined, by the Committee, file a written designation of a beneficiary who is to receive any cash, if any, from the Participant's account under the ESP Plan in the event of such Participant's death prior to exercise of the Participant's rights under the ESP Plan. If the Participant is married and resides in a community property state, a designation of a person other than the Participant's spouse as his or her beneficiary shall not be effective without the prior written consent of the Participant's spouse.

(b) Subject to, and in accordance with Section 14 of the Global Plan, such designation of beneficiary may be changed by the Participant at any time by written notice to the Company. In the event of the death of a Participant and in the absence of a beneficiary validly designated under the ESP Plan who is living at the time of such Participant's death, the Company shall deliver such Shares and/or cash to the executor or committee of the estate of the Participant, or if no such executor or committee has been appointed (to the knowledge of the Company), the Company, in its discretion, may deliver such Shares and/or cash to the spouse or to any one or more dependents or relatives of the Participant, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

12.5 Notices. All notices or other communications by a Participant to a Designated Subsidiary under or in connection with the ESP Plan shall be deemed to have been duly given when received in the form specified by the Designated Subsidiary at the location, or by the person, designated by the Designated Subsidiary for the receipt thereof.

12.6 Equal Rights and Privileges. Subject to Section 5.7, all Eligible Employees will have equal rights and privileges under this ESP Plan so that this ESP Plan qualifies as an "employee stock purchase

plan” within the meaning of Section 423 of the Code. Subject to Section 5.7, any provision of this ESP Plan that is inconsistent with Section 423 of the Code will, without further act or amendment by the Company, the Board or the Committee, be reformed to comply with the equal rights and privileges requirement of Section 423 of the Code.

12.7 Use of Funds. All payroll deductions received or held by the Company under the ESP Plan may be used by the Company for any corporate purpose, and the Company shall not be obligated to segregate such payroll deductions.

12.8 No Employment Rights. Nothing in the ESP Plan shall be construed to give any person (including any Eligible Employee or Participant) the right to employment or service with (or to remain in the employ of) the Company or any Parent or Subsidiary thereof or affect the right of the Company or any Parent or Subsidiary thereof to terminate the employment of any person (including any Eligible Employee or Participant) at any time, with or without cause.

12.9 Notice of Disposition of Shares. If employed in the United States, a Participant shall give prompt notice to the Company of any disposition or other transfer of any Shares purchased upon exercise of a right under the ESP Plan if such disposition or transfer is made: (a) within two years from the Enrollment Date of the Offering Period in which the Shares were purchased or (b) within one year after the Purchase Date on which such Shares were purchased. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by the Participant in such disposition or other transfer.

12.10 Governing Law. The ESP Plan and any agreements hereunder shall be administered, interpreted and enforced under the internal laws of the State of Delaware without regard to conflicts of laws thereof or of any other jurisdiction.

12.11 Electronic Forms. To the extent permitted by Applicable Law and in the discretion of the Committee, an Eligible Employee may submit any form or notice as set forth herein by means of an electronic form approved by the Committee. Before the commencement of an Offering Period, the Committee shall prescribe the time limits within which any such electronic form shall be submitted to the Committee with respect to such Offering Period in order to be a valid election.