

Date 7th October 2022

CASTELNAU GROUP LIMITED
SPWONE V LTD
PHOENIX ASSET MANAGEMENT PARTNERS LIMITED

EXCLUSIVITY AND CO-OPERATION AGREEMENT

MACFARLANES

Macfarlanes LLP
20 Cursitor Street
London EC4A 1LT

DATE

7th October 2022

PARTIES

- 1 **CASTELNAU GROUP LIMITED**, a non-cellular company incorporated in Guernsey with registered number 67529 and having its registered office at PO Box 255, Les Banques, Trafalgar Court, St. Peter Port GY1 3QL ("**Castelnau**");
- 2 **SPWONE V LTD**, a private limited company incorporated in England and Wales with registered number 13498085 and having its registered office at C/O Spwone, PO Box 671, Epsom KT17 9PE ("**SPWOne**"); and
- 3 **PHOENIX ASSET MANAGEMENT PARTNERS LIMITED**, a private limited company incorporated in England and Wales with registered number 03514660 and having its registered office at 64-66 Glenthams Road, Barnes, London SW13 9JJ ("**PAMP**" and, together with SPWOne and Castelnau, the "**Investors**").

BACKGROUND

- (A) The Investors intend to form a consortium in connection with the Proposed Transaction.
- (B) The Investors have agreed to work together on an exclusive basis for the purposes of implementing the Proposed Transaction on the terms and subject to the conditions of this Agreement.

AGREEMENT

1 Definitions and Interpretations

- 1.1 In this Agreement, the following words and expressions shall have the following meanings:

Announcement: the regulatory announcement in connection with the Offer to be made by or on behalf of the Consortium in compliance with Rule 2.7 of the Takeover Code and in a form to be agreed by the Investors;

Concert Parties: means, in relation to Castelnau and PAMP, those parties identified in the Schedule to this Agreement;

Conditions: the conditions to implementation of the Offer to be set out in the Announcement;

Consortium: the Investors acting together for the purposes of the Proposed Transaction;

FSMA: the Financial Services and Markets Act 2000;

Interest in the Target's shares: means:

- (a) ownership of shares or other securities in any member of the Target Group;
- (b) the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to shares or other securities in any member of the Target Group;
- (c) by virtue of any agreement to purchase, option or derivative:
 - (i) the right or option to acquire shares or other securities in any member of the Target Group, or call for their delivery; or
 - (ii) an obligation to take delivery of shares or other securities in any member of the Target Group,

in each case, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or

- (d) any derivative whose value is determined by reference to the price of shares or other securities in any member of the Target Group and which results, or may result, in such person having a long position in them;

Offer: the means by which the Consortium will implement the Proposed Transaction, being either a scheme of arrangement or a contractual takeover offer under the Companies Act 2006, the terms of which will be set out in the Announcement;

Panel: the UK Panel on Takeovers and Mergers from time to time;

Proposed Transaction: the proposed acquisition of the entire issued and to be issued share capital of the Target by the Consortium;

Takeover Code: the UK City Code on Takeovers and Mergers issued by the Panel, as amended from time to time;

Target: Dignity plc;

Target Group: the Target and any subsidiary undertaking of the Target; and

Target Shares: the entire issued and to be issued share capital of the Target.

1.2 In this Agreement, a reference to:

- 1.2.1 a "**subsidiary undertaking**" or "**parent undertaking**" is to be construed in accordance with section 1162 (and Schedule 7) of the Companies Act 2006 and, for the purposes of this definition, a "**subsidiary undertaking**" shall include any person the shares or ownership interests in which are subject to security and where the legal title to the shares or ownership interests so secured are registered in the name of the secured party or its nominee pursuant to such security;
- 1.2.2 subject always to clause 1.2.1, a "**group undertaking**" is to be construed in accordance with section 1162 (and Schedule 7) of the Companies Act 2006;
- 1.2.3 a statutory provision includes a reference to the statutory provision as modified or re-enacted or both from time to time whether before or after the date of this Agreement and any subordinate legislation made or other thing done under the statutory provision whether before or after the date of this Agreement;
- 1.2.4 a person includes a reference to a corporation, body corporate, association or partnership;
- 1.2.5 the singular includes the plural and vice versa (unless the context otherwise requires);
- 1.2.6 a clause, unless the context otherwise requires, is a reference to a clause of this Agreement; and
- 1.2.7 the *ejusdem generis* principle of construction shall not apply to this Agreement, such that general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words.

2 Exclusivity

2.1 Each Investor agrees, represents and undertakes to each of the other Investors that it shall not, and shall, in the case of Castelnau and PAMP (in its capacity as a fund manager) only, use its best endeavours to procure that its Concert Parties shall not (in each case other than pursuant to the Offer), following the date of this Agreement:

2.1.1 offer to acquire or sell, or acquire or sell, or procure or induce another person to acquire or sell, any Interest in the Target's shares;

2.1.2 do or omit to do any act as a result of which such Investor or, in the case of Castelnau and PAMP only, any of its Concert Parties, may acquire any Interest in the Target's shares;

2.1.3 announce, make, or procure or induce any other person to announce or make, any firm or possible offer for all or any of the shares or any other securities of the Target or do or omit to do any act as a result of which such Investor or, in the case of Castelnau and PAMP only, any of its Concert Parties, may become obliged (under the Takeover Code or otherwise) to make an offer for any of the shares or any other securities of the Target;

2.1.4 acquire or offer to acquire any substantial part of the assets of the Target Group;

2.1.5 enter into, continue, solicit, facilitate, make any statement supporting or encourage any discussion, enquiry or proposal from, or discussions or negotiations with, any person in relation to the possible acquisition or disposal of an Interest in the Target's shares or the possible acquisition of any substantial part of the assets of the Target Group;

2.1.6 enter into, continue, solicit, facilitate, make any statement supporting or encourage any discussion, enquiry or proposal from, or discussions or negotiations with, or enter into arrangements with, any person, either in relation to providing or otherwise acquiring any debt, equity or other finance facilities to any member of the Target Group or in relation to providing any debt, equity or other finance facilities in connection with a competing offer for Target Shares; or

2.1.7 enter into an agreement or arrangement to do any of the matters set out in clauses 2.1.1 to 2.1.6 (inclusive) above,

without the prior consent in writing of each other Investor, and, if required under the Takeover Code, the consent of the Takeover Panel. Each of the transactions referred to in this clause 2.1 shall be a "**Restricted Transaction**". In the event that any Investor (or, so far as either Castelnau or PAMP is aware, any of the Concert Parties) is approached by a person in relation to the matters described in paragraphs 2.1.5 and 2.1.6, such Investor shall promptly notify each other Investor of the identify of that person and the substance and status of any such matters.

2.2 Each of the Investors agrees, represents and undertakes to each of the other Investors that it and its directors, officers, employees, agents and advisers shall not, and, in the case of Castelnau and PAMP (in its capacity as a fund manager) only, will use its best endeavours to procure that its Concert Parties and their respective directors, officers, employees, agents and advisers shall not, do or omit to do anything which frustrates the Consortium's ability to make the Offer or which is intended to, or is likely to, prejudice or delay the successful consummation of the Offer.

3 Offer Co-operation

- 3.1 Each of the Investors undertakes to (and, in the case of Castelnaud and PAMP (in its capacity as a fund manager) only, shall use best endeavours to procure that the Concert Parties shall):
- 3.1.1 co-operate and work together in all reasonable respects and in good faith in exploring the Offer;
 - 3.1.2 give due consideration and regard to the views of each other Investor (acting reasonably) regarding the terms, implementation and conduct of the Offer;
 - 3.1.3 negotiate in good faith to agree and prepare, in conjunction with the other Investors and their respective professional advisers, the Announcement and the documents required to implement the Offer;
 - 3.1.4 if the Announcement is made, use reasonable endeavours to implement the Offer and to achieve the satisfaction of any Conditions as promptly as practicable, including making such filings and notifications to applicable regulatory authorities as may be required or desirable, save that nothing in this Agreement shall oblige the parties to waive any Conditions or treat them as satisfied;
 - 3.1.5 if the Announcement is made, not take any action or make any statement which might reasonably be expected to be prejudicial to the completion of the Offer, or may reasonably be expected to have the effect of delaying, disrupting or otherwise causing the Offer not to complete at the earliest practicable time;
 - 3.1.6 use reasonable endeavours to enable the other Investors to attend meetings and participate in any material discussions relating to the Offer; and
 - 3.1.7 keep each other Investor informed reasonably promptly of developments which are material or potentially material to the Offer.

4 Duration

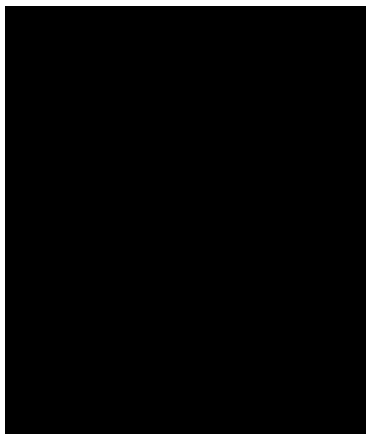
- 4.1 This Agreement shall terminate with immediate effect upon the earlier of:
- 4.1.1 14 days after the date on which the Offer (if made) becomes effective (if implemented by means of a scheme of arrangement) or unconditional (if implemented by means of a contractual offer);
 - 4.1.2 the agreement in writing of each of the Investors to terminate this Agreement;
 - 4.1.3 the Offer (if made) lapsing or being withdrawn (including if the Offer has not become effective (if implemented by means of a scheme of arrangement) or unconditional (if implemented by means of a contractual offer) by the longstop date set out in the Announcement and the relevant Offer documentation);
 - 4.1.4 any competitive offer in relation to the Target becoming effective (if implemented by means of a scheme of arrangement) or unconditional (if implemented by means of a contractual offer);
 - 4.1.5 the date on which the Consortium makes an announcement under Rule 2.8 of the Takeover Code of their intention not to make the Offer; and
 - 4.1.6 if the Announcement has not been released, the date falling six months after this Agreement, unless each of the Investors unanimously in writing agree to a later date.
- 4.2 The provisions of clauses 1, 4 and 5 shall survive the termination or expiration of this Agreement.

5 **General**

- 5.1 No party may assign or transfer its rights or obligations under this Agreement.
- 5.2 Each Investor warrants to the other Investor that it has the requisite power and authority to enter into this Agreement and there is no agreement, commitment or other understanding that would preclude or restrict it from entering into and performing this Agreement and this Agreement when executed will constitute valid, binding and enforceable obligations of it.
- 5.3 The obligations owed by each of the Investors pursuant to this Agreement shall be owed severally and not jointly or jointly and severally.
- 5.4 Except as may be required or requested pursuant to applicable law or regulation, each Investor agrees to keep confidential the terms of this Agreement and agrees that no public announcement or communication relating to the subject matter of this Agreement shall be issued or released without the prior written consent of each other Investor.
- 5.5 This Agreement may be executed by the parties in any number of separate counterparts each of which shall be an original but all of which taken together shall constitute one and the same document.
- 5.6 A person who is not party to this Agreement shall have no right under the Contract (Rights of Third Parties) Act 1999 to enforce any of its terms.
- 5.7 This Agreement and all matters arising from it shall be governed by and construed in accordance with English law and the parties submit to the exclusive jurisdiction of the courts of England. Non-contractual obligations (if any) arising out of or in connection with this Agreement (including its formation) shall also be governed by English law.

This Agreement is entered into by the parties as a **DEED**, and is delivered and takes effect on the date written at the beginning of this Agreement.

EXECUTED as a **DEED** by **PHOENIX ASSET MANAGEMENT PARTNERS LIMITED**, in its capacity as alternative investment fund manager to **CASTELNAU GROUP LIMITED** a company incorporated in Guernsey, acting by _____ and _____, who, in accordance with the laws of that territory, are acting under the authority of the company



EXECUTED as a **DEED** by)
SPWONE V LTD, acting by

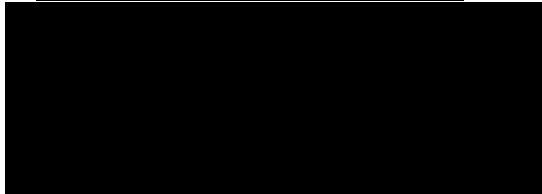
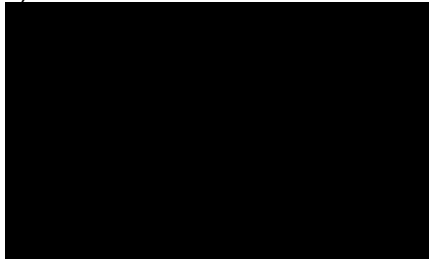
(a director) in the presence of:

Witness: Signature:

Name:

Address:

Occupation:



EXECUTED as a **DEED** by
PHOENIX ASSET
MANAGEMENT PARTNERS
LIMITED, acting by

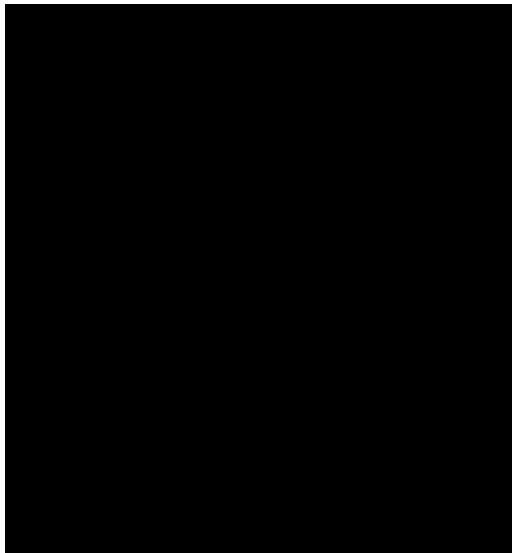
(a director) in the presence of:

Witness: Signature:

Name:

Address:

Occupation:



Schedule
Concert Parties

Account Name	No. of Dignity Shares
Phoenix UK Fund	542,972
Sanofi-Aventis Pensions Trust Ltd	106,391
MULTI-MANAGER INVESTMENT PROGRAMMES PCC LIMITED UK Equity Master Fund	287,435
Cambridge University Endowment Fund	1,046,731
Phoenix Equity Fund a sub-fund of Pentaris QIAIF plc	2,380,670
Aurora Investment Trust	53,813
Hemera Foundation	5,998
Huginn Fund	91,000
Staff PA Holdings	14,377
Total:	4,529,387