

RELEASE DATE
13 September 2023

RICARDO PLC ("Ricardo" or the "Company") SECTION 430(2B) STATEMENT – IAN GIBSON

On 3 April 2023, Ricardo plc announced that the Board of the Company and Ian Gibson had jointly agreed that Ian Gibson would leave his role as Ricardo's Chief Financial Officer with effect from September 2023. In light of the appointment of Judith Cottrell as Ricardo's new Chief Financial Officer, and as announced on 13 September 2023, Ian Gibson stepped down from the Board and the role of Chief Financial Officer on 13 September 2023.

In accordance with section 430(2B) of the Companies Act 2006, this statement sets out the particulars of the remuneration payments made or to be made to Ian in connection with his cessation of employment as Chief Financial Officer, all of which are in accordance with Ricardo's shareholder-approved Directors' Remuneration Policy.

Salary, benefits and pension to 1 April 2024

Unless the Company exercises its right to terminate Ian Gibson's employment early by making a payment in lieu of notice (see below), base salary, benefits and pension payments will continue to operate as normal until 1 April 2024, being the date of termination of employment in terms of the Settlement Agreement entered into between the Company and Ian Gibson on 1 April 2023.

Payment in lieu of notice

Where a payment is made to Ian Gibson by Ricardo in lieu of the remainder of his notice period (the "**PILON**"), this would be calculated in accordance with Ian's service agreement and include amounts in respect of base salary, car allowance and pension cash allowance and paid in monthly instalments over the unexpired notice period.

If Ian Gibson secures any other employment income during this period, then he shall notify the Company of any income so received. The income from such alternative employment will serve to reduce the amount of any outstanding PILON instalments described above. Ian will, however, be entitled to fees for up to two non-executive directorships without invoking such reduction.

Bonuses

Ian will also be entitled to receive a bonus in respect of the financial year ending 30 June 2023, further details of which, including about the applicable deferral arrangements, are set out in the Company's Director's Remuneration Report for the year ended 30 June 2023, a copy of which will be available on Ricardo's website in due course.

Deferred awards under the Company's employee share plans

Ian will be treated as a "good leaver" for the purposes of awards (including those described above) under the Company's deferred bonus plan and long-term incentive plans. The relevant awards will vest, and the relevant shares released, on or around their third anniversary of grant, except in the case of awards made under the Ricardo plc 2020 Long Term Incentive Plan where the relevant shares will be released at the expiry of the post-vesting holding period subject to satisfaction of the applicable performance conditions. No time pro-rata reduction will apply to deferred bonus awards as the awards relate to annual bonus already earned. A strict time pro-rata reduction will, however, apply in respect of the 2021 and 2022 performance share awards granted under the Company's employee share plans, taking into account the elapsed time from the date of grant and the date of cessation of employment agreed with Ian Gibson for this purpose: 1 April 2024.

Malus / clawback

Malus / clawback provisions will apply to the above share awards as described in the Company's Directors' Remuneration Policy.

Further details of award vestings

Further details of the number of shares to vest under the Company's share incentive plans will be disclosed in the Directors' Remuneration Report for the applicable year.

Legal fees

Ian Gibson is entitled to a contribution up to the value of £10,000 plus VAT, but inclusive of any disbursements, towards the reasonable legal fees incurred by him in connection with his cessation of employment.

Further details of the above remuneration payments are set out in Ricardo's Directors' Remuneration Report for the year ended 30 June 2023.