

## **MICRO FOCUS INTERNATIONAL PLC - Employee Share Purchase Plan<sup>1</sup> ("ESPP") Participant Agreement**

**This Agreement is between you, Micro Focus International plc ("Micro Focus") and Computershare Inc., ("Computershare").**

Micro Focus's registered office is at The Lawn, 22-30 Old Bath Road, Newbury, Berkshire, RG14 1QN United Kingdom (registration number 05134647).

Computershare's principal office and place of business at 250 Royall Street, Canton, Massachusetts 02021, USA.

### **1 Terms and Conditions**

By applying to join the ESPP, you acknowledge that you have read and understood and agree to be bound by the terms of this Agreement and the ESPP rules and any terms and conditions governing your online account for the ESPP ("your online account"). A copy of the ESPP rules can be found at [www.computershare.com/microfocus/us](http://www.computershare.com/microfocus/us) under "Plan documentation". Unless otherwise defined in this Agreement, capitalised terms used here are defined in the ESPP rules. In the event of any conflict between this Agreement, the ESPP rules and/or applicable legislation, the ESPP rules and applicable legislation will take precedence. By applying to join the ESPP you confirm that you have also read the explanatory brochure which summarises how the ESPP works and which can be found at [www.computershare.com/microfocus/us](http://www.computershare.com/microfocus/us) under "Plan documentation" ("the ESPP Brochure").

### **2 Key terms of participating in the ESPP:**

You understand and agree that:

#### **2.1 Acceptance of Offer and Offer Price Discount**

- In applying to join the ESPP, you are applying to accept the Offer set out in the ESPP Brochure / email inviting you to apply to join the ESPP (the "Invitation").
- The Offer, and your acceptance of it, is intended to become effective on the date specified in the Invitation (subject to any Dealing Restrictions which may apply to Micro Focus at such time, in which case it will become effective when those Dealing Restrictions lift). The Offer will then continue until 1 October 2024 when it will end (the "Offer Period").
- On the date the Offer becomes effective, you will be granted a right to acquire Shares at a price per Share ("the Offer Price") equal to a 15% discount to the lower of the Micro Focus share price at:
  - the start of the Offer Period; and
  - the date on which your right to acquire Shares is actioned – this will normally be the end of the Offer Period, other than in certain circumstances where your right to acquire Shares is actioned early (see below).

"Micro Focus share price" for this purpose will have the meaning set out in the applicable section of "Terms Applying to Participants in Specific Countries" (see below).

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<sup>1</sup> The formal title of the plan is the Micro Focus Employee Stock Purchase Plan 2006. For the avoidance of any doubt, any references in this Agreement to "the ESPP" and "the ESPP rules" are to the Micro Focus Employee Stock Purchase Plan 2006 and the rules of the Micro Focus Employee Stock Purchase Plan 2006 respectively.

- The number of Shares which you may acquire on the actioning of this right shall be equal to the total contributions made by you over the Contribution Period (see below) divided by the Offer Price (provided that such number shall not exceed the lower of the available capacity set by rule 8.1(b) of the ESPP and 10,000).

## **2.2 Salary Contributions and Automatic Share Purchase**

- Subject to the limits below, as part of the enrolment process you will be required to elect the cash amount you wish to contribute to the ESPP each pay period from your "net" salary (this means after tax and deductions). This amount will be fixed from the start of the Offer Period and (subject to the annual limit checks) cannot normally be amended – however, you can stop or restart your contributions at any time (see below).
- Subject to your participation levels in previous offerings of the ESPP, you can contribute a minimum of USD 10 (or your local currency equivalent) and up to a maximum of 10% of your "gross" base salary (this means before tax and deductions) per pay period across all ESPP plans that are running and in which you participate. This is limited to no more than USD 25,000 (or your local currency equivalent) per calendar year to the extent you have capacity available under rule 8.1(b) of the ESPP. Additional limits on payrolls deductions and/or minimum salary rules imposed by legislation may apply in certain countries.
- For the purpose of the 10% limit your salary information will be based as at 17 June preceding the date of the Offer.
- Contributions will be deducted each pay period from your "net" salary, and by applying to join the ESPP, you authorise your employer to deduct the amount chosen by you in the enrolment portal from your net salary each payroll between September 2022 and August 2024 (inclusive) (the "Contribution Period") for the purposes of your participation in the ESPP.
- At the end of the Offer Period (or earlier in certain circumstances – see below), your right to acquire Shares will be automatically actioned. This means that the maximum number of Shares to which you are entitled (based on the terms of this Agreement and the interaction of the various limits imposed under this ESPP (or other relevant legislation imposed in your country) with the total contributions you make over the Contribution Period) will be transferred or issued to you and your total contributions will be applied on your behalf in payment for such Shares. If you do not wish for this to happen, you must follow the process to withdraw from the ESPP so that your withdrawal is effective before the end of the Offer Period – see below.
- Any contribution which is insufficient to buy a whole Share will be applied towards the purchase of a fractional Share.
- The total Shares acquired (subject to any deductions for taxes – see below) will be delivered to your online account as soon as practicable following the end of the Offer Period (or earlier where your right to acquire Shares is actioned early – see below).
- These Shares will be held in your online account until you ask for them to be sold or transferred to you or your nominee.
- You can stop or restart your contributions at any time during the Contribution Period by notifying your local payroll department, but you cannot make up any missed contributions. Any notice to stop or restart deductions will normally take effect within 30 days of receipt of such notice, or such later date as your local payroll department may specify.
- If you leave employment with the Group you will not be able to make any further contributions and your participation in the ESPP will cease. What happens to your accumulated contributions then will depend on the reason you are leaving:

- If you leave employment for one of the reasons set out in rule 11.3(a) or (c) of the ESPP rules, you will normally<sup>2</sup> be asked in advance of your cessation of employment whether you would like to use your accumulated contributions to acquire Shares during the three month period following cessation of your employment. If you indicate that you would like to acquire Shares, this will be actioned on your behalf. If you do not positively indicate that you would like to acquire Shares, your right to acquire Shares will automatically lapse on your cessation of employment and your contributions will be returned to you as soon as practicable.
- If you die, your personal representatives will normally<sup>2</sup> be able to positively elect to use your accumulated contributions to acquire Shares during the three month period following your death.
- If you leave employment for any reason other than those set out in rule 11.3 of the ESPP rules, your right to acquire Shares will automatically lapse and your contributions will be returned to you as soon as practicable.
- If any of the events set out in rule 19.1 to 19.5 of the ESPP rules (which deal with takeovers and other corporate events relating to Micro Focus) occur, your employer's obligation to make deductions from your salary under this Agreement will normally end immediately and your right to acquire Shares shall be automatically actioned upon such event, unless the provisions of 19.6 (voluntary or compulsory exchange of rights to acquire Shares in certain circumstances) or 19.7 (lapse of right to acquire Shares in certain circumstances) of the ESPP rules apply. Where your right to acquire Shares lapses pursuant to rule 19.7, you will be deemed to have withdrawn from the ESPP (see below).
- In the event that that the ESPP is terminated in accordance with rule 14 of the ESPP rules, your employer's obligation to make deductions from your salary under this Agreement will end immediately. The Committee may determine that your right to acquire Shares shall be automatically actioned in part. To the extent your contributions are not applied in the acquisition of Shares, they will be returned to you as soon as practicable.

### **2.3 Withdrawal from the ESPP**

- You can withdraw from the ESPP at any time by accessing your online account and completing the withdrawal process to close your online account – please note that the closure does not take effect immediately and in order for withdrawal to be effective prior to the end of the Offer Period, you will need to have completed the withdrawal process by no later than 14 days prior to the end of the Offer Period. Your contributions will be returned to you as soon as practicable following such closure.
- Your withdrawal from the ESPP will not affect any Shares already held in your online account.

### **2.4 Dividend Shares**

- Any cash dividends received in respect of your Shares acquired under this Agreement whilst they are held in your online account will be automatically applied in full in buying additional Shares (and/or fractions thereof) on your behalf ("Dividend Shares") unless:
  - the reinvestment of dividends is not permitted by law in which case, unless Micro Focus in its absolute discretion determines that any dividends received shall be paid to you in cash, in line with section 9 below it is your sole responsibility to ensure that your Shares are removed from your SPA prior to payment of any dividends in order

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<sup>2</sup> Under rule 11.4 of the ESPP rules, the Committee may determine that your right to acquire Shares will instead be actioned automatically at the end of the normal Offer Period (i.e. you will not be able to acquire Shares early). If the Committee exercises this discretion, you will be notified at the time.

to avoid such automatic reinvestment and allow for any required repatriation of dividend payments in line with local laws and regulations; or

- Micro Focus in its absolute discretion determines otherwise, in which case any dividends received shall be paid to you in cash.
- Your Dividend Shares will be held in the online account until you ask for them to be sold or transferred to you or your nominee.

## **2.5 Transferring Employment within the Group**

- If you transfer to a different country but remain employed by a Participating Corporation, then subject to reenrolment (if required) you will remain in the ESPP. Micro Focus will determine whether it is necessary to change the currency in which your Contributions are made and/or held and/or converted and/or the maximum and minimum contribution limits per pay period and/or whether you may be required to enter into a new participant agreement with Micro Focus and the relevant administrator.

## **3 Rights are non transferable**

The Offer is personal to you as an employee of the Group and the Offer and any rights you may have under the ESPP shall not be assignable or transferable. Any purported assignment or transfer shall be null and void and of no effect and may, at the discretion of the Committee, be treated as a notice of withdrawal from the ESPP.

## **4 Risks associated with Investing in Shares and Independent Advice**

By applying to join the ESPP, you confirm you understand that the value of Shares can go down as well as up.

If you are in doubt about any aspect of the ESPP, you should obtain independent professional advice. You are advised to exercise caution in relation to the ESPP. You are not obliged to apply to join the ESPP and may withdraw at any time.

## **5 English Language**

By applying to join the ESPP, you acknowledge that the sole operative documents which govern the ESPP will be the English language version only. Any translations that are provided are for information only, Micro Focus will only communicate with you in English during the provision of the ESPP. In the event of any conflict between the English language version of a plan document and any translation, the English language version shall prevail.

## **6 Rights**

Participation in the ESPP is a discretionary offer and is not part of your salary; it will not be included in calculating any benefits or severance pay. Participation in the ESPP is governed by the ESPP rules and does not form part of your contract of employment. There is no guarantee that the ESPP will be operated in future years or, if it is operated, that you will be eligible for participation in it. Your participation in the ESPP does not obligate your employer to continue your employment during any period and in applying to participate in the ESPP you waive all and any rights to compensation or damages in relation to the ESPP, including any loss or reduction of rights or expectations under the ESPP. Applying or not applying to join the ESPP will not change your employment terms in any way. Micro Focus has the right unilaterally not to offer the ESPP in the future or to amend its terms in any way.

## **7 Data Protection**

For the purposes of this Offer your data will be processed in accordance with Micro Focus' data privacy policies at <https://microfocusinternational.sharepoint.com/sites/Legal/Pages/policies.aspx>.

## **8 Tax**

You will be responsible for and indemnify Micro Focus and each member of the Group against any Tax Liability relating to your participation in the ESPP.

By applying to join ESPP you:

- authorise Micro Focus, Computershare and/or any other third party administrator to withhold sufficient Shares to which you would otherwise be entitled under the ESPP and/or sell some of your Shares to raise sufficient proceeds to cover any such Tax Liability;
- authorise your employer to withhold an amount equal to any such Tax Liability from your salary or any other amount due to you (to the extent such withholding is lawful); and
- agree that Micro Focus and/or Computershare may make such other arrangements as it considers appropriate to ensure recovery of any such Tax Liability.

For the purposes of the above, Tax Liability only includes any tax or social security contributions liabilities arising in connection with your right to acquire Shares and for which any member of the Group and/or Computershare and/or any other third party administrator of the ESPP is obliged to account to the relevant authority. Please note that in some countries you may be personally responsible for accounting to the relevant tax authorities for any tax and/or social security that arises in connection with your right to acquire Shares and/or additional personal tax liabilities may arise as a result of your participation in the ESPP and/or the receipt of dividends on your Shares. By applying to join the ESPP you acknowledge and agree that you are personally responsible for accounting to the relevant tax authorities in respect of all such tax liabilities.

## **9 Personal responsibility**

By applying to join the ESPP you confirm that you understand that it is your responsibility to comply with all local legal and/or personal tax reporting requirements that may arise as a result of your participation in the ESPP. This may include, but is not limited to:

- local foreign exchange rules regarding what funds you can send in and out of your country (including but not limited to any restrictions or requirements in relation to the reinvestment and/or repatriation of any dividends received in respect of your Shares acquired under this Agreement) and/or any associated reporting requirements which may apply;
- foreign asset reporting obligations requiring you to declare what assets you hold overseas; and
- tax and/or social security reporting requirements (see above).

## **10 Administrator**

Computershare has been appointed by Micro Focus to be the administrator of the ESPP and to provide the online account service.

## **11 Sale of ESPP Shares**

Please remember you can only sell Shares in accordance with Micro Focus share dealing policy. You will need to ensure that any submission of an instruction to sell your Shares does not contravene such policy. The full version of the Micro Focus share dealing policy is available on request from Micro Focus and on the Micro Focus intranet site.

## 12 Terms Applying to Participants in Specific Countries

Additional terms and conditions apply in certain countries. These are set out below. By applying to join the ESPP you confirm that you have read and understood the terms which apply to you.

### Country

### Additional Terms and Conditions

#### Canada

For participants in Canada, your contributions will be used to acquire ordinary shares in Micro Focus (which are listed on the London Stock Exchange and priced in British Pounds Sterling (GBP)).

Your contributions will be held in Canadian dollars, until the end of the Offer Period (or earlier where your right to acquire Shares is actioned early), when they will be converted to GBP for the purposes of acquiring Shares.

For the purposes of determining the "Offer Price", "Micro Focus share price" shall mean the closing middle market quotation of a Share (as set out in London Stock Exchange's Daily Official List) on the dealing day preceding the relevant date or, if the Committee so determines, the average of the closing middle market quotations on the five dealing days preceding such date.

You agree that the ESPP rules, this Agreement and any accompanying documents or information will be provided in the English language only.

*Vous acceptez que les règles ESPP, cet accord et tous les documents ou informations d'accompagnement seront fournis dans la langue anglaise seulement.*

#### Puerto Rico and the USA

For participants in Puerto Rico and the USA, your contributions will be held in US dollars and used to purchase ADRs (which are listed on the New York Stock Exchange and priced in US dollars).

References in this Agreement to "Shares" shall be read as references to ADRs.

For the purposes of determining the "Offer Price", "Micro Focus share price" shall mean the last sale price on the relevant date or, if no reported sales take place on the applicable date, the average of the high bid and low asked price of ADRs as reported for the Market on such date or, if no such quotation is made on such date, on the next preceding day on which there were quotations, provided that such quotations shall have been made within the 10 business days preceding the applicable date (subject to rule 9.3(c) and (d) of the ESPP rules).