



Chairman's Office
Bupa
1 Angel Court
London EC2R 7HJ

bupa.com

[Address line 1
Address line 2
Address line 3
Address line 4
Address line 5]

[Date]

Dear [Name of Addressee],

Non-Executive Director Terms of Engagement

I am delighted to write to you on behalf of the Board of The British United Provident Association Limited ("**Bupa**" or the "**Company**") to invite you to become a Non-Executive Director ("**NED**") of the Company commencing on [date] or later receipt of regulatory approval (where required).

This letter sets out the main terms of your appointment as a NED. I would be most grateful if you could confirm your acceptance by signing and returning a copy of the attached to me. By accepting this appointment, you agree that this letter is a contract for services and is not a contract of employment and you confirm that you are not subject to any restrictions which prevent you from holding office as a director.

1. Appointment and Termination

1.1. Subject to the remaining provisions of this letter, your appointment shall be for an initial term of three years commencing on the date above unless terminated earlier by either party giving the other one month's prior written notice.

1.2. Your appointment is subject to the Company's Articles of Association, as amended from time to time ("**Articles**"). Nothing in this letter shall be taken to exclude or vary the terms of the Articles as they apply to you as a director of the Company. All appointments are covered by the Articles and, under these provisions, the Board is able at any time to make appointments to the Board. Any person so appointed would hold office until the next Annual General Meeting ("**AGM**"), and would then be eligible for election by the Association Members ("**AMs**"). Bupa applies the Financial Reporting Council's UK Corporate Governance Code (the "**Code**") and therefore requires all directors to stand for election or re-election at each AGM.

1.3. Continuation of your appointment is contingent on your continued satisfactory performance and re-election by the AMs and any relevant statutory provisions relating to removal of a director. If the AMs do not elect or re-elect you as a director, or you are retired from office under the Articles, your appointment shall terminate automatically, with immediate effect and without compensation.

1.4. NEDs are typically expected to serve two three-year terms followed by up to three one-year terms. Any term renewal, whether for three years or one year, is subject to Board review and AGM re-election. There is no right to re-nomination by the Board, either annually or after any three-year period.

1.5. You may be required to serve on one or more Board committees. You also may be asked to serve as a NED on the board of any of the Company's subsidiaries or joint ventures, or as Senior Independent Director ("**SID**"). Any such appointment will be covered in a separate communication.

1.6. Despite 1.1 to 1.5, the Company may terminate your appointment with immediate effect if you have:

- (a) committed a material breach of your obligations under this letter;
- (b) committed any serious or repeated breach or non-observance of your obligations to the Company (which includes an obligation not to breach your statutory, fiduciary or common-law duties);
- (c) been guilty of any fraud or dishonesty or acted in any manner which, in the Company's opinion, brings or is likely to bring you or the Company into disrepute or is materially adverse to the Company's interests;
- (d) been convicted of an arrestable criminal offence other than a road traffic offence for which a fine or non-custodial penalty is imposed;
- (e) been declared bankrupt or have made an arrangement with or for the benefit of your creditors, or if you have a county court administration order made against you under the County Court Act 1984 or equivalent in any other jurisdiction;
- (f) been disqualified from acting as a director in any country;
- (g) failed to comply with the relevant Conduct Rules and/or Conduct Standards of the Financial Conduct Authority ("**FCA**") and Prudential Regulation Authority ("**PRA**") as amended from time to time;
- (h) been guilty of a serious breach of the rules or regulations (as amended from time to time) of the FCA and/or PRA or any regulatory authorities relevant to Bupa or any company in the Bupa Group (the "**Group**" and a "**Group Company**") or any compliance manual or code of practice issued by Bupa or any Group Company (as amended from time to time);
- (i) had any required regulatory approval for your appointment withdrawn;
- (j) provided any incorrect, misleading or incomplete information during the appointment process or during any subsequent assessment of fitness and propriety for your role;
- (k) fail to discharge the duties outlined in the Statement of Responsibilities (as defined in paragraph 3.9 below); or
- (l) failed or ceased to meet the requirements of the FCA and/or PRA or any regulatory body in relation to your fitness and propriety and/or ability to undertake all or any of your duties under this Agreement and/or ceased to hold or failed to obtain any other consents required by any regulatory body to discharge the duties and responsibilities of your appointment.

1.7. On termination of your appointment, you shall, at the Company's request, resign from your office as director of the Company and any offices you hold in any Group company.

1.8. If matters arise which cause you concern about your role, you should discuss these matters with the Chairman or SID. If you have any concerns which cannot be resolved, and you choose to resign for that, or any other, reason, you should provide an appropriate written statement to the Chairman or SID for circulation to the Board.

1.9. Under the provisions of the Articles, all directors are required to be AMs. Therefore, any newly appointed director, who is not already an AM, would be deemed to be have been invited to become an AM and requested to complete an application form. When directors cease to be directors for any reason their Association Membership also comes to an end.

1.10. The commencement and continuation of the appointment is conditional upon the Company's receipt of satisfactory:

- references;
- screening checks;
- vetting processes;
- assessment of the NED's fitness and propriety; and
- any necessary approval from the FCA and/or PRA.

If any of the conditions set out in this paragraph are not met, this may result in the offer of appointment being withdrawn and could result in appointment being terminated without notice if it has already commenced.

Any incorrect, misleading or incomplete information provided by the NED prior to the appointment or during any subsequent assessment of the NED's fitness and propriety for the appointment may result in immediate termination of the appointment.

The appointment is conditional on the NED consenting to and complying with periodic screening checks/ vetting processes and/or any other assessment which the Company considers necessary in order to obtain regulatory approval for the appointment and/or ascertain whether the NED is a fit and proper person to perform the appointment or a particular aspect, function or duty allocated to the appointment.

2. Time Commitment

2.1. You will be expected to devote such time as is necessary for the proper performance of your duties. Overall we anticipate that you will spend a minimum of two days a month on work for the Company after the induction phase referred to in 9. This will include attendance at the regular Board meetings, meetings of the committees of which you are a member, the AGM, one annual strategy Board away day a year, site visits, Board dinners, meetings with the non-executive directors, regulators, members of management, key stakeholders, Board evaluation meetings and Board development and training meetings. Some of these meetings may involve overseas travel. In addition, you will be required to consider all relevant papers before each meeting. Unless urgent and unavoidable circumstances prevent you from doing so, it is expected that you will attend the meetings outlined in this paragraph.

2.2. The nature of the role makes it impossible to be specific about the maximum time commitment. You may be required to devote additional time to the Company in respect of preparation time and ad hoc matters which may arise and particularly when the Company is undergoing a period of increased activity. At certain times it may be necessary to convene additional Board or committee meetings.

2.3. The overall time commitment stated in 2.1 will increase if you become a committee member or chair, or if you accept additional responsibilities, such as being appointed the SID, or a NED on the boards of any Group Company. Details of the expected increase in time commitment will be covered in any relevant communication confirming the additional responsibility.

2.4. By accepting this appointment, you confirm that, taking into account all of your other commitments, you are able to allocate sufficient time to the Company to discharge your responsibilities effectively. You should obtain the agreement of the Chairman in the first instance before accepting additional commitments that might affect the time you are able to devote to your role as a non-executive director of the Company or which may give rise to an actual or potential

conflict of interests. All additional external appointments as a director also require Board approval.

3. Role and Duties

3.1. The Board as a whole is collectively responsible for the success of the Company. The Board's role is to:

- (a) promote the long-term sustainable success of the Company, generating value and contributing to wider society;
- (b) establish the Company's purpose, values and strategy and satisfy itself that these and its culture are aligned;
- (c) act with integrity, lead by example and promote the desired culture;
- (d) ensure that the necessary resources are in place for the Company to meet its objectives and measure performance against them;
- (e) establish a framework of prudent and effective controls, which enable risk to be assessed and managed;
- (f) ensure effective engagement with, and encourage participation from AMs and stakeholders; and
- (g) ensure that People policies and practices are consistent with the Company's values and support its long-term sustainable success.

3.2 As a NED you shall have the same general legal responsibilities to the Company as any other director. You are expected to perform your duties (whether statutory, fiduciary or common law) faithfully, diligently and to a standard commensurate with the functions of your role and your knowledge, skills and experience.

3.3. You shall exercise your powers in your role as a NED having regard to relevant obligations under prevailing law and regulation, including the Companies Act 2006, the Code and associated guidance, and applicable market abuse regulations (as you will be a Person Discharging Managerial Responsibilities, for market abuse purposes, in relation to Bupa Finance plc, a Group Company which has listed debt securities).

3.4. You shall have particular regard to the general duties of directors in Part 10 of the Companies Act 2006, including the duty to promote the success of the Company under which all directors must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing so, as a director, you must have regard (among other matters) to:

- (a) the likely consequences of any decision in the long term;
- (b) the interests of the Company's employees;
- (c) the need to foster the Company's business relationships with suppliers, customers and others;
- (d) the impact of the Company's operations on the community and the environment;
- (e) the desirability of the Company maintaining a reputation for high standards of business conduct; and
- (f) the need to act fairly as between the members of the Company.

3.5. Your role as a NED is further detailed in a separate role profile that will be provided to you by the Company Secretary. This will be updated from time to time and if your role includes, or ceases to include, chairing a Board Committee or being the SID or Chairman of the Board.

3.6. Unless the Board specifically authorises you to do so, you shall not enter into any legal or other commitment or contract on behalf of the Company.

3.7. You shall be entitled to request all relevant information about the Company's affairs as is reasonably necessary to enable you to discharge your responsibilities as a NED.

3.8. As a NED you shall:

- (a) comply in full with the Conduct Rules and or Conduct Standards and any relevant standards, rules, codes, regulations and principles of the Senior Manager and Certification Regime ("**SMCR**") (or any applicable successor regime), of the FCA and/or PRA (a copy of which are available from the Company Secretary) in the performance of your role and in the way in which you discharge your duties and responsibilities and conduct yourself more generally;
- (b) not do or omit to do anything that would cause you to cease to be a "fit and proper person" for the purposes of the FCA and/or PRA or any other applicable regulatory body to carry out your appointment;
- (c) promptly report to the Board any material concerns relating to:
 - (i) the identification, measurement, controls or mitigation of risks borne by the Group;
 - (ii) any issues or incidents which the Group should reasonably be made aware of, and which as a minimum should be in accordance with any policies and procedures the Group has in place to report and manage incidents; and
 - (iii) suspected or actual breaches of the Conduct Rules.

You should note that the Conduct Rules can be directly enforced against you by the FCA and/or PRA, including the imposition of fines and/or suspension.

3.9. The following provisions set out in this section apply only if you are appointed as a Senior Manager under the SMCR.

The responsibilities apportioned to you as a result of performing the Senior Manager function(s) will be contained in your Statement of Responsibilities provided under separate cover.

You shall not do or omit to do anything that would cause you to cease to be approved, for the purposes of the FCA and/or PRA or any other applicable regulatory body, to carry out your appointment.

You shall remain responsible for the Senior Manager function(s) unless notified in writing to the contrary, notwithstanding any outsourcing of any such function in whole or in part. You acknowledge that where it is appropriate to delegate any areas detailed in the Statement of Responsibilities, you will do so in accordance with your regulatory duties and, in particular, shall ensure that any person to whom such delegation is made is competent to take on those duties and acknowledge that, as a Senior Manager under the SMCR, you retain ultimate responsibility for these areas at all times.

Bupa shall be entitled to re-allocate any of your Senior Manager responsibilities during any period of absence.

You agree to provide handover assistance to the Company in the event that responsibility for any of your Senior Manager functions transfer to another individual due to a change in role or cessation as a NED.

You represent and warrant that you have not been investigated or disciplined for any conduct that would amount to a breach of the FCA and/or PRA's Conduct Rules or would give rise to concerns regarding your fitness and propriety.

You acknowledge that Bupa is under a regulatory obligation to report any breaches of any applicable regulatory regime to the FCA and/or the PRA as well as to provide a reference to any subsequent employers or recipient of your services who are in the financial services industry, which will include but is not limited to, disclosure of any breaches of regulatory requirements that you may have committed and associated disciplinary action.

4. Fees, Benefits and Expenses

4.1. You shall receive an annual base fee for your appointment as a NED and additional annual fees in relation to any Board committees that your chair or of which you are a member. Appendix 1 sets out the current fees payable to you annually. Your fees shall be paid in equal instalments monthly in arrears, after deduction of any taxes and other amounts that are required by law. Fees are pro-rated and are non-pensionable. Fees are subject to regular review and any changes to the fees payable to you will be set out in a separate letter.

4.2. The Company shall reimburse you for all reasonable and properly documented expenses that you incur in performing the duties of your office. The procedure and other guidance in respect of expense claims will be provided to you by the Company Secretary.

4.3. On termination of your appointment, you shall only be entitled to such fees as may have accrued to the date of termination, together with reimbursement in the normal way of any expenses properly incurred before that date.

4.4. During your term of appointment, you (and your spouse) are entitled to Bupa private medical cover provided by the Bupa Staff Health Trust (the "Scheme"). The Scheme rules are updated from time to time and the benefit provided may change. A summary of the rules will be provided by the Company Secretary. Children under the age of 21 (or 24 if in full-time education) may also be included, if applicable. This benefit will be taxed via the monthly payroll.

4.5. During the term of the appointment, NEDs (and their spouses) are entitled to an annual health assessment at a Bupa Medical Centre. If a spouse has a health assessment this will be subject to tax as a benefit.

5. Independent Professional Advice

In some circumstances you may consider that you need professional advice in the furtherance of your duties as a director of the Company and it may be appropriate for you to seek advice from independent advisers at the Company's expense. A copy of the Board's agreed procedure under which directors may obtain such independent advice is available from the Company Secretary. The Company shall reimburse the reasonable cost of expenditure incurred by you in accordance with its policy.

6. Conflicts of Interests

6.1. You represent and warrant that you have already disclosed to the Board the significant commitments you have outside your role in the Company. You must inform the Chairman in advance of any changes to these commitments. In certain circumstances, you may have to seek the Board's

agreement before accepting further commitments which either might give rise to a conflict of interest or a conflict with any of your duties to the Company, or which might impact on the time that you are able to devote to your role at the Company.

6.2. It is accepted and acknowledged that you have business interests other than those of the Company and have declared any conflicts that are apparent at present. If you become aware of any further potential or actual conflicts of interest, these should be disclosed to the Chairman and Company Secretary as soon as you become aware of them and again you may have to seek the agreement of the Board. Each director is required to annually confirm any actual or potential conflicts of interests.

6.3. The Board has determined that you are independent according to the provisions of the Code.

7. Confidentiality

7.1. You acknowledge that all information acquired during your appointment is confidential to the Company and should not be released, communicated or disclosed to third parties or used for any reason other than in the interests of the Company, either during your appointment or following termination (by whatever means), without prior clearance from the Chairman. This restriction shall cease to apply to any confidential information which may (other than by reason of your breach) become available to the public generally.

7.2. You acknowledge the need to hold and retain Company information (in whatever format you may receive it) under appropriately secure conditions.

7.3. Nothing in 7 shall prevent you from disclosing information which you are entitled to disclose under the Public Interest Disclosure Act 1998, provided that the disclosure is made in accordance with the provisions of that Act and you have complied with the Company's policy in force from time to time regarding such disclosures.

7.4. For the avoidance of doubt, the information you must keep confidential includes personal information and special category personal information as defined under the UK General Data Protection Regulation. For example, information relating to AMs, patients, residents, residents' families and Bupa employees.

8. Inside Information

8.1. Your attention is drawn to the requirements under both law and regulation on the disclosure of inside information and section 52 of the Criminal Justice Act 1993 on insider dealing. You should avoid making any statements or taking any action that might risk a breach of these requirements. If in doubt, please contact the Chairman or Company Secretary.

8.2. During your period of appointment you are required to comply with applicable laws and regulations relating to market abuse and any code as the Company may adopt from time to time which sets out the terms for dealings by directors in the publicly traded listed debt securities issued by Bupa Finance Plc or any listed securities that may be issued by any Group company from time to time.

9. Induction

After the commencement of your appointment, the Company will provide a comprehensive, formal and tailored induction which may involve overseas travel. We will arrange for site visits and meetings with appropriate executives and employees, other stakeholders and the Company's external auditor. You will be expected to make yourself available during your first year of appointment (in addition to the time commitment outlined in 2.1) for the purposes of the induction. The Company Secretary will contact you with further details.

10. Training & Development

On an ongoing basis, and further to the annual evaluation process, the Company will arrange for you to develop and update your skills, knowledge and familiarity with the Company in areas which are mutually identified as being likely to be required, or of benefit to you, in carrying out your duties effectively. You should try to make yourself available for any relevant training and development sessions which may be organised for you or the Board.

11. Review Process

The performance of individual directors, the Chairman, the whole Board and its committees is evaluated annually. If, in the interim, there are any matters which cause you concern about your role, you should discuss them with the Chairman or SID as soon as you can.

12. Insurance and Indemnity

12.1. The Company has directors' and officers' liability insurance and it intends to maintain such cover for the full term of your appointment. A copy of the policy document is available from the Company Secretary.

12.2. The Company has a Deed Poll of Indemnity in place for all past current and future directors of the Company and the Group which provides an indemnity against certain liabilities that may be incurred as a result of your office, to the extent permitted by section 234 of the Companies Act 2006. A copy of the Deed Poll of Indemnity is available from the Company Secretary.

13. Changes to Personal Details or External Appointments

You shall advise the Company Secretary promptly of any change in your address or other personal contact details, name, and any changes to external appointments.

14. Return of Property

On termination of your appointment with the Company however arising, or at any time at the Board's request, you shall immediately return to the Company all documents, records, papers or other property, including IT equipment belonging to the Company or any Group Company which may be in your possession or under your control, and which relate in any way to the Company's or a Group Company's business affairs and you shall not retain any copies thereof.

15. Moral Rights

You hereby irrevocably waive any moral rights in all works prepared by you, in the provision of your services to the Company, to which you are now or may at any future time be entitled under Chapter

IV of the Copyright Designs and Patents Act 1988 or any similar provisions of law in any jurisdiction, including (but without limitation) the right to be identified, the right of integrity and the right against false attribution, and agree not to institute, support, maintain or permit any action or claim to the effect that any treatment, exploitation or use of such works or other materials, infringes your moral rights.

16. Data Protection

16.1. The Company will collect and process information relating to you in accordance with the privacy notice which is available from the Company Secretary.

16.2. When handling personal data in connection with your appointment by the Company on the terms of this letter, you shall comply with the Company's privacy policy.

17. Third Party Rights

No one other than you and the Company shall have any rights to enforce the terms of this letter.

18. Entire Agreement

18.1. This letter and any document referred to in it constitutes the entire terms and conditions of your appointment and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between you and the Company, whether written or oral, relating to its subject matter.

18.2. You agree that you shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this letter and you shall not have any claim for innocent or negligent misrepresentation based on any statement in this letter.

19. Variation

No variation of this letter shall be effective unless it is in writing and signed by you and the Company (or respective authorised representatives).

20. Governing Law and Jurisdiction

Your appointment with the Company and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales and you and the Company irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) that arises out of or in connection with this appointment or its subject matter or formation.

Please indicate your acceptance of these terms by signing and returning the attached copy of this letter to the Company Secretary.

Yours sincerely

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For and on behalf of The British United Provident Association Limited

Chairman

I confirm and agree to the terms of my appointment as a Non-Executive Director of The British United Provident Association Limited as set out in this letter.

Signed on [DATE] by [NON-EXECUTIVE DIRECTOR]

.....

[NON-EXECUTIVE DIRECTOR'S SIGNATURE]

Appendix 1

Annual Non-Executive Director fees (as at the date of this letter)

See the Directors' Remuneration Report for the schedule of fees payable for Non-Executive Directors from time to time.