The British United Provident Association Limited (“Bupa”)
Terms of Engagement of Non-Executive Directors

1. **Directors – General**

All appointments are covered by Bupa’s Articles of Association (as amended from time to time) 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 Members.

Non-Executive Directors are not employees and these terms represent a contract for services and not a contract of employment.

2. **Association Membership**

Under the provisions of Bupa’s Articles of Association, all Directors are required to be Members of the Association. Therefore, any newly appointed Director, who is not already a Member, would be deemed to have been invited to become a Member and requested to complete an application form. When Directors cease to be directors for any reason their Association Membership also comes to an end.

3. **Committees of the Board**

The Board has established a number of Committees, primarily Audit, Risk, Nomination & Governance and Remuneration. Non-Executive Directors may be invited to serve on executive forums and panels from time to time.

4. **Length and Termination of Appointment**

Subject to the following paragraph, the initial appointment is envisaged to last for a period of three years from the date of joining the Board. The appointment runs from the date of the first appointment to the Board and not from the date of election by the Association Members at the AGM. As noted above, pursuant to Article 32(A), a new Non-Executive Director is required to retire at the AGM following his or her appointment but may offer themselves for re-election.

The Board has agreed to apply Provision B.7.1 of the Financial Reporting Council’s UK Corporate Governance Code under which all directors are subject to annual re-election by the Association Members at the AGM. Any Non-Executive Director who is not re-elected by the Association Members at an AGM shall cease to hold office with immediate effect and without compensation.

Towards the end of the initial three year term as Non-Executive Director, the Nomination & Governance Committee will review the appointment and make a recommendation to the Board. The Board will either issue an invitation to continue to serve as Non-Executive Director for a further term of three years or resolve that the directorship will not be renewed. There is no right of renewal of appointment for a further term.

Bupa’s current policy is that appointments are renewed for one term of three years except in circumstances where the Chairman or the Board deem it to be appropriate to extend for a further period of time to provide continuity or give time for the build up of sufficient specialist knowledge, e.g. where a Non-Executive Director also serves on a subsidiary, Regulated Entity board.
The appointment can be ended by either Bupa or a Non-Executive Director at any time upon one month’s prior written notice.

Upon termination of a Non-Executive Director’s appointment howsoever arising, all documents, records papers or other property belonging to Bupa in the possession of a Non-Executive Director shall be returned to Bupa forthwith.

5. **Time Commitment**

Non-Executive Directors will be expected to devote sufficient time as is necessary for the effective performance of their duties and should anticipate spending not less than two days per month on Bupa business. This includes, but is not limited to, attendance at regular Board meetings, the AGM, the annual board strategy away day, meetings in relation to the annual board evaluation process and will involve overseas travel. This does not take account of travelling time or the initial induction or familiarisation with Bupa businesses and its operations.

Non-Executive Directors may also be required to devote additional time for ad-hoc matters and Board meetings as and when the need should arise.

Non-Executive Directors should also expect additional time commitments for the performance of their duties as a member or as Chairman of a Board Committee, Executive Forum or Panel.

6. **Fees**

Fees for service as a Non-Executive Director are £67,000 per annum, payable on a pro rata basis. Non-Executive Directors’ fees are paid monthly in arrears and are non-pensionable. Non-Executive Directors’ fees are reviewed at least every two years.

An additional fee is paid for service as the Chairman or as a member of a Board Committee. Details of these annual fees are set out in the table below:

<table>
<thead>
<tr>
<th>Committee</th>
<th>Chairman</th>
<th>Member</th>
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<tbody>
<tr>
<td>Audit Committee</td>
<td>£25,000</td>
<td>£8,000</td>
</tr>
<tr>
<td>Risk Committee</td>
<td>£25,000</td>
<td>£8,000</td>
</tr>
<tr>
<td>Remuneration Committee</td>
<td>£25,000</td>
<td>£8,000</td>
</tr>
<tr>
<td>Nomination &amp; Governance Committee</td>
<td>£ nil</td>
<td>£4,500</td>
</tr>
<tr>
<td>Senior Independent Director</td>
<td>£17,000</td>
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</tbody>
</table>

Please note that the membership fee or Chairman’s fee are payable, but not both.

On the termination of appointment, a Non-Executive Director shall only be entitled to such fees as may have been accrued up to the date of termination.
Terms of Engagement of Non-Executive Directors

7. Expenses

Reimbursement of all reasonable travelling, subsistence and other expenses incurred, in line with Bupa’s policy included in the Board information pack.

8. Training and Induction

All Non-Executive Directors will be provided with a tailored induction following their appointment to the Board, which will include site visits and meetings with senior executives in the business. A Non-Executive Director will be expected to make themselves available within the first year following their appointment for the purposes of their induction.

Bupa will arrange for training on key issues relating to business developments or matters arising from the Board Evaluation process to enable all Non-Executive Directors to develop and refresh their skills and knowledge. Non-Executive Directors should make themselves available for relevant training sessions which may be organised by Bupa.

9. Bupa Health Trust Cover

During the term of the appointment, Non-Executive Directors (and their spouses) are entitled to Bupa private medical cover under the scheme known as “Bupa Staff Health Trust”. The scheme rules are updated from time to time and the benefit provided may change. A summary of the rules is included in the Board information pack.

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.

10. Health Assessments

During the term of the appointment, Non-Executive Directors (and their spouses) are entitled to an annual assessment at a Bupa Medical Centre. If a spouse has a health assessment this will be subject to tax via a P11D. The taxable value of the benefit is considerably lower than the actual cost.

11. FCA & PRA Regulations

In the event that Non-Executive Directors are required to be an Approved Person under FCA or PRA regulations, such Non-Executive Directors agree to be subject to the appropriate regulations of the FCA or PRA for the time being. These will be advised separately where relevant.

12. Conflict of Interests

Each Director is required to annually confirm any actual or potential conflicts of interest. In the event that any Director becomes aware of any additional potential or actual conflicts of interest, these should be disclosed to the Chairman and the Company Secretary as soon as they become apparent. In certain circumstances, the Director may
be required to seek the Board’s agreement before agreeing to any further commitments
where such appointment may conflict with your duties to Bupa.

13. Performance Review Process

In line with good corporate governance, the performance of individual Non-Executive Directors and the whole Board and its Committees is evaluated annually. If, in the interim, there are any matters which cause concern about the role these should be discussed with the Chairman in the first instance.

Continuation of appointment is subject to continued satisfactory performance and re-election by the Association Members at a Bupa’s AGM.

14. Indemnity and Insurance

Bupa has directors’ and officers’ liability insurance and it is intended to maintain such cover for the full term of a Non-Executive Director’s appointment. Details of the cover are included in the Board information pack.

All Directors benefit from a Deed Poll of Indemnity from Bupa which will cover Directors in respect of actions taken during the course of their appointment to the extent permitted by English law. A copy of the Deed is included in the Board information pack.

15. Confidentiality

All information acquired during a Non-Executive Director’s appointment is confidential to Bupa and should not be disclosed either during the term of appointment or following termination (for whatever reason) to third parties without the agreement of the Chairman or Board.

All information provided during the course of your appointment should be held securely in whatever format it is received.

All Non-Executive Directors are subject to laws and regulations in respect of the disclosure of Inside Information, including the requirements of the EU Market Abuse Regulation (effective 3 July 2016) and Section 52 of the Criminal Justice Act 1993 on Insider Dealing.

I am pleased to accept the foregoing terms.

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Date