



STRICTLY PRIVATE AND CONFIDENTIAL

NON-EXECUTIVE DIRECTOR APPOINTMENT LETTER

Penny Ladkin-Brand
23 Dorset Street
London, W1U 6QZ

17 February 2021

Dear Penny

I am writing to set out the terms of the agreement which we have reached in relation to your proposed appointment as a non-executive director and chair of the audit committee of Auction Technology Group plc (the "**Company**").

1. APPOINTMENT

- 1.1** Your appointment will be for an initial term of three years, unless otherwise terminated earlier by, and at the discretion of, either party upon one month's written notice or automatically in accordance with paragraph 1.3 below.
- 1.2** It is acknowledged that the Company has been established in order to facilitate the admission of the whole of the ordinary share capital of the Company, issued and to be issued, to (i) the premium segment of the Official List of the Financial Conduct Authority and (ii) trading on London Stock Exchange plc's main market for listed securities ("**Admission**").
- 1.3** Your appointment is subject to the Company's articles of association as amended from time to time. Nothing in this letter shall be taken to exclude or vary the terms of the articles of association as they apply to you as a director of the Company. Your continued appointment as non-executive director is also subject to election by the Company's shareholders at the Company's next annual general meeting ("**AGM**") and to re-election at any subsequent AGM. If there is a conflict between the terms of this letter and the articles of association of the Company then the articles of association shall prevail.

In accordance with Provision 18 of the FRC's UK Corporate Governance Code, all directors will be subject to annual election or re-election at each AGM.



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If the shareholders do not re-elect you as a director, or you are retired from office under the articles of association, your appointment shall terminate automatically, with immediate effect and without compensation.

- 1.4** Continuation of your contract of appointment is also contingent on satisfactory performance and any relevant statutory provisions relating to the removal of a director.
- 1.5** Non-executive directors are typically expected to serve two three-year terms but may be invited by the Board to serve for an additional period. Any term renewal is subject to Board review and AGM re-election. Notwithstanding any mutual expectation, there is no right to re-nomination by the Board, either annually or after any three-year period.
- 1.6** You will be a member of, and chair, the Company's audit committee and you may be required to serve on further committees of the Board. You will be provided with the relevant terms of reference on your appointment to such a committee. You also may be asked to serve as a non-executive director on the Board of any of the Company's subsidiaries or joint ventures. Any such appointment will be covered in a separate communication.
- 1.7** If there are matters which arise which cause you concern about your role you should discuss them with the Chair. 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 Chair for circulation to the Board.

2. TIME COMMITMENT

- 2.1** During your appointment, you will be required to devote such time as is necessary for the proper performance of your duties as a non-executive director of the Company and you should be prepared to spend at least 20 days per annum on company business after the induction phase. This is based on preparation for and attendance at:

- 2.1.1** scheduled Board meetings;
- 2.1.2** the AGM;
- 2.1.3** meetings of the non-executive directors, including scheduled meetings of any committee of the Board of which you are a member and meetings of any committee of the Board to which you are invited as a non-member of that committee;
- 2.1.4** meetings with shareholders;
- 2.1.5** meetings with key stakeholders;
- 2.1.6** meetings with managers and non-managerial members of the workforce;

- 2.1.7** updating meetings/training; and/or
- 2.1.8** meetings as part of the Board evaluation process, as well as an estimate of the time to be spent during your appointment liaising with the Company Secretary, and a reasonable amount of time for addressing ad hoc queries in respect of the Company.
- 2.2** Meetings may involve you in some overseas travel. Unless urgent and unavoidable circumstances prevent you from doing so, it is expected that you will attend the meetings outlined above. In addition, further Board meetings may have to be called at short notice to discuss particular issues.
- 2.3** Your time commitment may increase if you are appointed to chair or to serve on any further committees of the Board. In these circumstances you agree to work such additional hours (without any additional remuneration) as may be required for the proper performance of your duties.
- 2.4** Information on the Company and the Group (as defined below) will be sent to you on a regular basis and you will be required to read, consider and act upon such information to the extent commensurate with your position as a non-executive director of the Company.
- 2.5** By accepting this appointment, you have confirmed that you are able to allocate sufficient time to meet the expectations of your role and discharge your duties effectively. The agreement of the Chair (such agreement not to be unreasonably withheld) should be sought before accepting additional commitments, including further directorships of publicly quoted companies, that might affect the time you are able to devote to your role as a non-executive director of the Company, or that might give rise to a conflict of interest.
- 2.6** You should be aware that additional time commitment may be required from you when the Company and/or any subsidiary undertakings of the Company from time to time (the "**Group**") is undergoing a period of particularly increased activity, or as a result of some major difficulty with one or more of its operations.

3. ROLE AND DUTIES

- 3.1** It is agreed that this is a contract for services and not a contract of employment.
- 3.2** You will be expected to perform your duties, whether statutory, fiduciary or common law, faithfully, efficiently and diligently to a standard commensurate with both the functions of your role and your knowledge, skills and experience.
- 3.3** You will exercise your powers in your role as a non-executive director having regard to relevant obligations under prevailing law and regulation, including the Companies Act 2006, the UK Corporate Governance Code and associated guidance and the UK Listing

Authority's Listing Rules, Prospectus Regulation Rules, and Disclosure Guidance and Transparency Rules and the EU Market Abuse Regulations (596/20141 EU) or the UK equivalent of those regulations which are incorporated into UK law by virtue of the European Union (Withdrawal) Act 2018 (together, "**MAR**").

3.4 You will have particular regard to the general duties of directors as set out in Part 10, Chapter 2 of the Companies Act 2006 (the "**Companies Act**"), including the duty to promote the success of the company:

"A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst 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 members of the company."

3.5 You will have particular regard to the FRC's UK Corporate Governance Code (the "**Code**") and associated Guidance on Board Effectiveness in respect of the role of the Board and the role of the non-executive director. Your attention is drawn in particular to paragraph 1 in section 1 of the Code which sets out the role of the Board generally and Principle H which sets out your additional responsibilities as a non-executive director of the Company.

In your role as non-executive director you will be required to:

- provide constructive challenge, strategic guidance, offer specialist advice and hold management to account;
- scrutinise and hold to account the performance of management and individual executive directors against agreed performance objectives;
- satisfy yourself on the integrity and accuracy of financial information and that financial controls and systems of risk management are robust and

defensible;

- have a prime role in appointing and, where necessary, removing executive directors, and in succession planning;
- devote time to developing and refreshing your knowledge and skills;
- uphold the highest standards of integrity and support the Senior Independent Director and the other directors in instilling the appropriate values and behaviours and culture in the Boardroom and beyond;
- insist on receiving high-quality information sufficiently in advance of Board meetings;
- share responsibility with the other directors for the effective control of the Company; and
- take into account the views of shareholders, workforce and other stakeholders where appropriate.

3.6 You will be required to exercise relevant powers under, and abide by, the Company's articles of association. You will perform your duties whether statutory, fiduciary or common law, faithfully, efficiently and diligently and use all reasonable endeavours to promote the interests and reputation of the Company.

3.7 You will also be responsible (collectively with all other directors and individually) for the Company's compliance with the Listing Rules and Disclosure Guidance and Transparency Rules of the Financial Conduct Authority.

3.8 You will be required to exercise your powers as a director in accordance with the Company's policies and procedures and internal control framework, including any measures adopted by the Company from time to time for the prevention of bribery and corruption and the prevention of the criminal facilitation of tax evasion.

3.9 You will disclose any direct or indirect interest which you may have in any matter being considered at a Board meeting or committee meeting and, save as permitted under the articles of association, you will not vote on any resolution of the Board, or of one of its committees, on any matter where you have any direct or indirect interest.

3.10 You will immediately report to the Chair your own wrongdoing (including acts of misconduct, dishonesty, breaches of contract, fiduciary or statutory duty, company rules or the rules of the relevant regulatory bodies) or the wrongdoing or proposed wrongdoing which is committed, contemplated or discussed by any employee or other director of the Company or any Group Company of which you become aware to the Board immediately irrespective of whether this may involve some degree of self-incrimination.

- 3.11** You will be required to share responsibility with the other non-executive directors for the effective control of the Company and make yourself available (on reasonable notice) for consultation with the Board and take on such activities, and exercise those functions, that are specifically delegated to you from time to time by the Board.
- 3.12** You shall, in pursuance of your duties hereunder, be entitled to request such information from the Company, its subsidiary undertakings (as defined in section 1162 of the Companies Act, as amended from time to time) or its or their personnel, consultants or professional advisers as may be reasonably necessary to enable you to perform your role effectively. The Company shall use its reasonable endeavours to provide such information promptly. Notwithstanding the provisions of this paragraph 3.12 the Company shall not be required to provide you with any such information in the event that such provision would prejudice the privileged status of any such information.
- 3.13** Unless specifically authorised to do so by the Board, you will not enter into any legal or other commitment or contract on behalf of the Company.

4. FEES AND EXPENSES

- 4.1** The annual fee rate as at the date of this letter is £60,000 (sixty thousand pounds) gross per annum, paid monthly in arrears on or around the last day of each calendar month. This fee covers all duties, including service on any Board committee or company subsidiary, with the exception of acting as chair of the audit committee. In your case, a further fee of £10,000 (ten thousand pounds) gross per annum is payable for taking on the position of chair of the audit Committee.
- 4.2** All fees will be paid through PAYE and are subject to income tax and other statutory deductions.
- 4.3** Fees will be subject to periodic review by the Board and submitted annually to the AGM for approval.
- 4.4** You will comply with the Company's requirements regarding the minimum shareholding level (agreed from time to time by the Board).
- 4.5** The Company will reimburse you for all reasonable and properly-documented expenses you incur in performing the duties of your office. The procedure and other guidance in respect of expense claims is set out in the Company's expenses policy.
- 4.6** On termination of the 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 prior to that date.

5. INDEPENDENCE AND OUTSIDE INTERESTS

- 5.1** The Board of the Company has determined you to be independent, taking account of the guidance contained in paragraph 10 of section 2 of the Code. In accordance with the principles set out in the Code you must inform the Board of any interests which you have, or acquire, which might reasonably be thought to jeopardise your independence from the Company.
- 5.2** You have already disclosed to the Board the significant commitments you have outside this role. You must inform the Chair in advance of any changes to these commitments. In certain circumstances the agreement of the Board (such agreement not to be unreasonably withheld) may have to be sought before accepting further commitments which either might give rise to a conflict of interest or a conflict of 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. In accordance with the Code you must obtain prior approval from the Board (such approval not to be unreasonably withheld) before accepting any other (or further) external directorships.
- 5.3** 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. In the event that you become aware of any further potential or actual conflicts of interest, these should be disclosed to the Chair and the Company Secretary as soon as they become apparent and, again, the agreement of the Board may have to be sought.

6. CONFIDENTIALITY

- 6.1** By virtue of your appointment you owe a duty of confidentiality to the Company. You acknowledge that all information acquired from the Company or any Group Company (regarding the Company's and the Group's businesses and affairs) during your appointment is confidential to the Company and should not be released, communicated, nor disclosed either during your appointment or following termination (by whatever means), to third parties without prior clearance from the Chair. You should not use confidential information for any purposes other than those of the Company.
- 6.2** 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.
- 6.3** You acknowledge the need to hold and retain company information (in whatever format you may receive it) under appropriately secure conditions.
- 6.4** Your attention is drawn to the rules relating to the disclosure of inside information referred to in paragraph 7.1. You must not make any statement or do anything which may be a breach of these rules without prior written approval of the Board.

6.5 These requirements shall not apply to information that is legitimately in the public domain and/or is properly required to be disclosed by any legal or regulatory authority or is disclosed as part of a protected disclosure under the Public Interest Disclosure Act 1998. If you receive a request to disclose information to any legal, regulatory or other authority, you should notify the Board as soon as practicable unless you are prohibited from doing so by law.

6.6 To the fullest extent permitted by law, you hereby irrevocably waive any and all moral rights arising by virtue of Chapter IV of Part I of the Copyright Designs and Patents Act 1988 (or any equivalent laws anywhere in the world) in respect of any existing or future works created by you in the course of or in connection with performing your duties hereunder.

7. INSIDE INFORMATION AND DEALING IN THE COMPANY'S SHARES

7.1 Your attention is drawn to the requirements under both law and regulation regarding the disclosure of inside information, and in particular to MAR, the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority and section 52 of the Criminal Justice Act 1993 on insider dealing. You should avoid making any statements that might risk a breach of these requirements. If in doubt please contact the Chair or the Company Secretary. In addition, you may not at any time enter into any transaction or engage in any behaviour which constitutes "market abuse" under MAR.

7.2 During your period of appointment you are required to comply with the provisions of Article 19 of MAR, in relation to dealing in the Company's listed securities, and any such other code as the Company may adopt from time to time which sets out the terms for dealings by directors in the Company's listed securities. A copy of the current share dealing code adopted by the Company will be provided to you separately.

8. COMPLIANCE WITH REGULATORY REQUIREMENTS

8.1 You undertake to comply with all legal and regulatory requirements and any code of practice or share dealing code or compliance manual issued by the Company or any relevant Group Company relating to transactions in securities and inside information and dealing in force from time to time including the Prospectus Regulation Rules, the Listing Rules (to the extent the Company has agreed to voluntarily comply with the Listing Rules or is otherwise subject to their application) and the Disclosure Guidance and Transparency Rules of the FCA, MAR, the Financial Services and Markets Act 2000 (as amended), the Criminal Justice Act 1993 and any other rules and regulations of or under the FCA or the Prudential Regulation Authority ("**PRA**") (if applicable) or any successor bodies exercising their functions and any other rules and regulations of any relevant regulatory authorities relevant to the Company and any Group Company with which you may be concerned (the "**Regulatory Requirements**").

- 8.2** You acknowledge that you have been provided with details of the Regulatory Requirements and you have read and understood them.
- 8.3** By accepting this appointment you acknowledge that you are aware of the Regulatory Requirements and that a breach of the Regulatory Requirements may carry sanctions including criminal liability, disciplinary action by the relevant regulatory authority (civil liability, fines and public censure by the FCA and (where applicable) the PRA) and the immediate termination of your appointment.
- 8.4** Due to your position you will be named on the Company's list(s) of persons with access to inside information relating to the Company which can be made available to the FCA.
- 8.5** You acknowledge that the Company is subject to legal and regulatory obligations and guidance regarding the disclosure of certain details about its directors and is required to make certain announcements. You consent to any such disclosure, provided that the Company uses reasonable endeavours to notify you and, to the extent reasonably practicable, provides you with an opportunity to comment on the form of any proposed or required disclosure relating to you before it is made (subject always to the Company's legal and regulatory obligations and guidance).

9. INDUCTION

Immediately after your appointment, the Company will provide a comprehensive, formal and tailored induction which may involve travel overseas. You will be expected to make yourself available during your first year of appointment for not less than an additional five days for the purposes of the induction. The Company Secretary will be in touch with further details.

10. REVIEW PROCESS

The performance of individual directors and 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 Chair as soon as you can.

11. TRAINING

On an ongoing basis, and further to the annual evaluation process, we will make arrangements for you to develop and refresh your skills and knowledge in areas which we mutually identify as being likely to be required, or of benefit to you, in carrying out your duties effectively. You should endeavour to make yourself available for any relevant training sessions which may be organised for the Board.

12. TERMINATION

- 12.1** Notwithstanding paragraph 1 of this letter, we may terminate your appointment with

immediate effect without notice or payment in lieu of notice if you:

- (a) commit a material breach of your obligations under this letter (including, but not limited to, a material breach of the articles of association); or
- (b) commit any serious or any repeated or continued breach or non-observance of your obligations to the Company or any Group Company (which include, but not limited to, an obligation not to breach your duties to the Company, whether statutory, fiduciary or common law or any obligations under the articles of association) or any Regulatory Requirement; or
- (c) are guilty of any fraud or dishonesty or serious misconduct or acted in a manner which, in the opinion of the Company acting reasonably, brings or is likely to bring you or the Company into disrepute or is materially adverse to the interests of the Company; or
- (d) are convicted of any arrestable criminal offence other than an offence under road traffic legislation in the UK or elsewhere for which a fine or non-custodial penalty is imposed; or
- (e) commit any act which constitutes an offence by you or the Company under the Bribery Act 2010 or otherwise fail to comply with any measures adopted by the Company from time to time for the prevention of bribery and corruption; or
- (f) commit a UK or foreign tax evasion offence or a UK or foreign tax evasion facilitation offence within the meaning in Part 3 of the Criminal Finances Act 2017 or otherwise fail to comply with any measures adopted by the Company from time to time for the prevention of the facilitation of tax evasion; or
- (g) are declared bankrupt or have made an arrangement with or for the benefit of your creditors; or
- (h) are disqualified from acting as a director.

12.2 On termination of your appointment, you shall at the request of the Company resign from your office as a director of the Company and all offices held by you in any Group Company.

12.3 In addition to the provisions of paragraph 12.1 above and notwithstanding the notice provisions given in paragraph 1 of this letter, your appointment shall be terminated with immediate effect without any notice or payment in lieu of notice should you be removed as a director by the Company's shareholders in accordance with the articles of association for any of the reasons set out in paragraph 12.1 above.

12.4 Upon termination of your appointment for any reason (including, without limitation, termination by notice as set out in paragraph 1), you will resign at the request of the Company, without any claim for compensation (other than for fees due and properly payable under this letter), from your office as non-executive director of the Company and all directorships and other offices held by you in the Company and any other member of the Group. You irrevocably appoint any member of the Board as your attorney for a period of one year from the date of termination of your appointment, in your name and on your behalf to sign any documents and take such other steps as are necessary to give effect to those resignations.

13. INSURANCE AND INDEMNITY

13.1 The Company has directors' and officers' liability insurance in place and it is intended to maintain such cover for the full term of your appointment. You have been informed of the current indemnity limit, on which the Board is updated from time to time. Other details of the cover are available from the Company Secretary.

14. INDEPENDENT PROFESSIONAL ADVICE

Circumstances may occur when it will 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 independent advice will be provided by the Company Secretary. Subject to the articles of association of the Company, the Company shall reimburse the reasonable cost of expenditure incurred by you in accordance with its policy. Before seeking such advice you first must consult with the Board.

15. CHANGES TO PERSONAL DETAILS

You shall advise the Company Secretary promptly of any change in address or other personal contact details.

16. RETURN OF PROPERTY

Upon termination of your appointment with the Company (for whatever cause), you shall deliver to the Company all documents, records, papers or other company property which may be in your possession or under your control, and which relate in any way to the business affairs of the Company, and you shall not retain any copies thereof. Title and copyright therein shall vest in the Company or a member of the Group (as the case may be).

17. DATA PROTECTION

17.1 You acknowledge that the Company will process your personal data, which may include special categories of sensitive personal data, in accordance with its data protection

policies in place from time to time.

- 17.2** You acknowledge that the Company may transfer such personal information to third parties, whether or not outside the United Kingdom or the European Economic Area, for administration purposes and other purposes in connection with your appointment, where it is necessary or desirable for the Company to do so and in accordance with its data protection policies from time to time.

18. RIGHTS OF THIRD PARTIES

The Contracts (Rights of Third Parties) Act 1999 shall not apply to this letter. No person other than you and the Company shall have any rights under this letter and the terms of this letter shall not be enforceable by any person other than you and the Company.

19. COUNTERPARTS

This letter may be executed in more than one counterpart, and by you and an authorised signatory of the Company on separate counterparts, but shall not be effective until both you and such signatories have each executed at least one counterpart. Each counterpart shall constitute an original of this letter, but all counterparts shall together constitute but one and the same instrument.

20. LAW

- 20.1** Your engagement with the Company is governed by and shall be construed in accordance with the laws of England and Wales and your engagement shall be subject to the non-exclusive jurisdiction of the courts of England and Wales.

- 20.2** This letter constitutes the entire terms and conditions of your appointment and no waiver or modification thereof shall be valid unless in writing and signed by the parties hereto.

If you are willing to accept these terms of appointment, please confirm your acceptance by signing and returning the enclosed copy of this letter.

For the purposes of this letter:

"Group Company" shall mean any undertaking which from time to time is a subsidiary or parent undertaking of the Company or a subsidiary undertaking of any such parent undertaking. The words **"subsidiary undertaking"** and **"parent undertaking"** will have the meanings attributed to them by the Companies Act 2006.

The obligations and restrictions set out in this letter are in addition and without prejudice to your statutory, common law, and fiduciary duties as a director of the Company and any subsidiary of which you may also be a director.

SCHEDULE 1

THE UK CORPORATE GOVERNANCE CODE 2018 ON THE ROLE OF THE BOARD

Principle A

A successful company is led by an effective and entrepreneurial board, whose role is to promote the long-term sustainable success of the company, generating value for shareholders and contributing to wider society.

Principle B

The board should establish the company's purpose, values and strategy, and satisfy itself that these and its culture are aligned. All directors must act with integrity, lead by example and promote the desired culture.

Principle C

The board should ensure that the necessary resources are in place for the company to meet its objectives and measure performance against them. The board should also establish a framework of prudent and effective controls, which enable risk to be assessed and managed.

The FRC Guidance on Board Effectiveness states¹:

An effective board defines the company's purpose and then sets a strategy to deliver it, underpinned by the values and behaviours that shape its culture and the way it conducts its business. It will be able to explain the main trends and factors affecting the long-term success and future viability of the company – for example technological change or environmental impacts – and how these and the company's principal risks and uncertainties have been addressed.

Boards have a responsibility for the health of the company and need to take a long-term view. This is in contrast to the priorities of some investors, not all of whom will be aligned with the pursuit of success over the long-term. An effective board will manage the conflict between short-term interests and the long-term impacts of its decisions; it will assess shareholder and stakeholder interests from the perspective of the long-term sustainable success of the company.

Effective directors will understand their duties both collectively and individually. Directors' duties are formally set out in sections 171–177 of the Companies Act 2006. Directors are expected to act in a manner consistent with their statutory duties, and to uphold the highest standards of integrity and support the Chair in instilling the appropriate values, behaviours and culture in the boardroom and beyond.

¹ Extracts from Guidance on Board Effectiveness 2018: Section 1 Board Leadership and Company Purpose

Complete versions of the UK Corporate Governance Code and the FRC Guidance on Board Effectiveness can be found at: <https://www.icsa.org.uk/knowledge/corporate-governance/governance-codes-policies-guidance>