

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2016

21 SHARE-BASED PAYMENT PLANS (continued)

Restricted Share Plan (RSP)

Under the RSP, selected employees are made grants of shares on an ad hoc basis. The RSP is used primarily, but not exclusively, to make awards to individuals who join the Group part way through the year, having left accrued benefits with a previous employer. The fair values of the awards granted under the RSP at various grant dates during the year are based on the quoted market price at the date of grant adjusted for an assumed vesting rate over the relevant vesting period.

Value Creation Plan (VCP)

During 2012, the Parent company introduced a one-off Value Creation Plan (VCP) which is a share option scheme for Executive Directors and key senior executives within the Parent company. VCP is a premium priced share option scheme with options granted with an exercise price set at a 10% premium to the grant date price. Options will only vest to the extent of satisfying Group and divisional profit after tax targets, together with various other performance underpins and risk/malus provisions that can be imposed at the discretion of the Remuneration Committee of the Parent company. The share options would vest in equal tranches on the fourth, fifth and sixth anniversaries of the original grant date but may be exercised up to eight years from the date of grant. During 2016, the vesting conditions attached to VCP were not met, therefore all outstanding shares under the plan were forfeited.

Share-based payment plans information

The details of the fair values and assumed vesting rates of the share-based payment plans are below:

	6 Mar/22 March			PSP (EPS portion) 18 April			6 October/24 May			DBSP			RSP		
	Fair value per share	Assumed vesting rate	Fair value per share	Fair value per share	Assumed vesting rate	Fair value per share	Fair value per share	Assumed vesting rate	Fair value per share	Fair value per share	Assumed vesting rate	Fair value per share	Fair value per share	Assumed vesting rate	Fair value per share
2016 awards	982p	0.0%	-	-	-	911p	982p	0.0%	982p	982p	93.2%	859p	859p	95.0%	859p
2015 awards	890p	0.0%	-	-	-	-	890p	-	890p	890p	87.4%	927p	927p	95.0%	927p
2014 awards	1,376p	0.0%	-	-	-	-	1,376p	-	1,376p	1,376p	80.1%	1,157p	1,157p	76.5%	1,157p
2013 awards	1,446p	0.0%	1,266p	0.0%	0.0%	1,340p	1,446p	0.0%	1,446p	1,446p	78.4%	1,366p	1,366p	87.0%	1,366p