

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisor authorised under the Financial Services and Markets Act 2000 immediately.

If you have sold or otherwise transferred all of your shares in Countryside Properties PLC, please send this document, together with the accompanying documents, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold or transferred only part of your holding of shares in Countryside Properties PLC, you should retain this document and consult your stockbroker or other agent through whom the sale or transfer was effected.



# COUNTRYSIDE

Places People Love

## COUNTRYSIDE PROPERTIES PLC

(incorporated and registered in England and Wales under number 09878920)

### **Notice of Annual General Meeting**

Notice of the 2017 Annual General Meeting of Countryside Properties PLC (the "Company") to be held at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ on Thursday, 26 January 2017 at 2.30pm is set out on pages 3 to 6 of this document.

A form of proxy for use at the Annual General Meeting is enclosed and, to be valid, should be completed and returned in accordance with the instructions printed on the form so as to be received by the Company's Registrars, Capita Asset Services ("Capita"), PXS, 34 Beckenham Road, Beckenham BR3 4TU as soon as possible but, in any event, so as to arrive no later than 2.30pm on Tuesday, 24 January 2017. Completion and return of a form of proxy will not prevent members from attending and voting in person should they wish to do so.

## PART I

### **Countryside Properties PLC**

(incorporated and registered in England and Wales under number 09878920)

#### **REGISTERED OFFICE**

Countryside House  
The Drive  
Brentwood  
Essex  
United Kingdom  
CM13 3AT

16 December 2016

To the holders of shares in Countryside Properties PLC

#### **NOTICE OF ANNUAL GENERAL MEETING 2017**

Dear Shareholder

#### **DETAILS OF MEETING**

I am pleased to be writing to you with details of our first Annual General Meeting ("AGM") which we are holding at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ on Thursday, 26 January 2017 at 2.30pm. The formal notice of AGM is set out on pages 3 to 6 of this document. A copy of this notice and the Company's annual report and accounts for the year ended 30 September 2016 can be viewed on our website at [www.investors.countryside-properties.com](http://www.investors.countryside-properties.com).

The AGM provides an opportunity for your Directors to meet with you, provide our thoughts on the development of the Company and answer your questions. If you would like to vote on the resolutions but cannot come to the AGM, please fill in the proxy form sent to you with this notice and return it in accordance with the instructions printed on the form as soon as possible. It must be received by 2.30pm on Tuesday, 24 January 2017.

An explanation of the business to be considered at the AGM appears in Part III on pages 7 and 8 of this document.

#### **DIVIDEND REINVESTMENT PLAN**

As part of the business to be considered at the AGM, the Board of Directors of the Company (the "Board") is recommending for approval by shareholders a final dividend payment of 3.4 pence per ordinary share for the year ended 30 September 2016. The Company is offering shareholders a choice of a share alternative to a cash dividend through the launch of its Dividend Reinvestment Plan (the "DRIP") for the current dividend proposed and in respect of dividends declared in the future. The DRIP is provided by our Registrars, Capita, and offers a convenient way for shareholders to increase their shareholding in the Company by using dividend money to purchase additional shares in the Company. Shareholders have previously been sent an information pack in relation to the DRIP containing an invitation letter, the DRIP Terms and Conditions and a Shareholder Dividend Form. These documents should be read carefully before you make a choice as to how you wish to receive your dividend payments. If you are intending to join the DRIP, the Shareholder Dividend Form must be received by Capita by 8.00pm on 13 January 2017 to ensure that the dividend is paid in accordance with your instructions.

#### **ELECTRONIC COMMUNICATIONS**

The Company's Articles of Association allow the Company to communicate with you by sending you Company notices, documents and other information ("shareholder information") in hard copy form and/or electronically (e.g. by email or by means of a website). As this is our first AGM, we have decided to send out notices, forms of proxy and other shareholder information in hard copy form but in the future we may take advantage of the ability to use more efficient and environmentally friendly communications by sending notices and other communications electronically. You will find enclosed with this notice and accompanying documents an invitation to use electronic means for the communication to you of shareholder information. Please read this letter carefully. Action is required by you if you wish to continue to receive shareholder information in hard copy form or by email. If you do not respond to this letter you will be deemed to have agreed to the communication of shareholder information by means of the Countryside website ([www.countryside-properties.com](http://www.countryside-properties.com)).

#### **RECOMMENDATION**

The directors consider that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole. Your Board will be voting in favour of them and unanimously recommends that you vote in favour of them.

My Board colleagues and I look forward to seeing as many of you as possible at the AGM and thank you for your support.

Yours faithfully

**David Howell**  
Chairman

## PART II

### Notice of Annual General Meeting

Notice is hereby given that the first Annual General Meeting of Countryside Properties PLC (the "Company") will be held at the offices of Linklaters LLP, One Silk Street, London, EC2Y 8HQ on Thursday, 26 January 2017 at 2.30pm for the following purposes.

Resolutions 16, 17, and 19 will be proposed as special resolutions. All other resolutions will be proposed as ordinary resolutions.

Resolutions 8 to 10 (inclusive) relating to the election of the independent Non-Executive Directors will be passed only if a majority of votes cast by the independent shareholders of the Company are in favour, in addition to a majority of the votes cast by all the shareholders being in favour. The independent shareholders of the Company are all the shareholders, other than OCM Luxembourg Coppice Topco S.à.r.l (the "Principal Shareholder") and certain fund entities managed by Oaktree Capital Management L.P. (the "Oaktree Funds") (see page 7 for a list of these entities).

1. To receive and adopt the Company's audited Annual Report for the year ended 30 September 2016 and the reports of the Directors and Auditor thereon.
2. To declare a final dividend of 3.4 pence per ordinary share for the year ended 30 September 2016.
3. To elect David Howell as a Director.
4. To elect Ian Sutcliffe as a Director.
5. To elect Rebecca Worthington as a Director.
6. To elect Federico Canciani as a Director.
7. To elect James Van Steenkiste as a Director.
8. To elect Amanda Burton as a Director.
9. To elect Baroness Sally Morgan as a Director.
10. To elect Richard Adam as a Director.
11. To re-appoint PricewaterhouseCoopers LLP as Auditor of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
12. To authorise the Directors to determine the remuneration of the Auditor.
13. To approve the Directors' Remuneration Policy set out on pages 55 to 62 in the Annual Report for the year ended 30 September 2016.
14. To approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) set out on pages 52 to 69 in the Annual Report for the year ended 30 September 2016.
15. That the Directors be generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company:
  - (i) up to an aggregate nominal amount of £1,500,000; and
  - (ii) comprising equity securities (as defined in Section 560(1) of the Companies Act 2006) up to a further aggregate nominal amount of £1,500,000 in connection with an offer by way of a rights issue;

such authorities to apply in substitution for all previous authorities pursuant to Section 551 of the Companies Act 2006 and to expire at the end of the next Annual General Meeting in 2018 or at the close of business on 31 March 2018, whichever is the earlier, but, in each case, so that the Company may, before such expiry, make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority given by this resolution has expired.

For the purposes of this Resolution, "rights issue" means an offer to:

- I. ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- II. people who are holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities,

to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable instrument) which may be traded for a period before payment for the securities is due, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory.

16. That subject to the passing of Resolution 15 above, the Directors be authorised to allot equity securities (as defined in Section 560(1) of the Companies Act 2006) wholly for cash:
  - (i) pursuant to the authority given by paragraph (i) of Resolution 15 above or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the Companies Act 2006 in each case:
    - (a) in connection with a pre-emptive offer; and
    - (b) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £225,000; and
  - (ii) pursuant to the authority given by paragraph (ii) of Resolution 15 above in connection with a pre-emptive rights issue, as if Section 561(1) of the Companies Act 2006 did not apply to any such allotment;

such authority to expire at the end of the next Annual General Meeting of the Company or at the close of business on 31 March 2018, whichever is the earlier but so that the Company may, before such expiry, make offers and enter into agreements which would, or might, require equity securities to be allotted and treasury shares to be sold after the authority given by this resolution has expired and the Directors may allot equity securities and sell treasury shares under any such offer or agreement as if the authority had not expired.

## PART II CONTINUED

### Notice of Annual General Meeting continued

16. continued

For the purposes of this Resolution:

- I. "rights issue" has the same meaning as in Resolution 15 above;
  - II. "pre-emptive offer" means an offer of equity securities open for acceptance for a period fixed by the Directors to (a) holders (other than the Company) on the register on a record date fixed by the Directors of ordinary shares in proportion to their respective holdings but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory;
  - III. references to an allotment of equity securities shall include a sale of treasury shares; and
  - IV. the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.
17. That the Company be and is hereby unconditionally and generally authorised for the purpose of Section 701 of the Companies Act 2006 to make market purchases (as defined in Section 693 of that Act) of ordinary shares of £0.01 each in the capital of the Company provided that:
- (a) the maximum number of shares which may be purchased is 45,000,000;
  - (b) the minimum price (exclusive of expenses) which may be paid for each share is £0.01;
  - (c) the maximum price (exclusive of expenses) which may be paid for an ordinary share is an amount equal to the higher of (a) 105 per cent of the average of the closing price of the Company's ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased; and (b) the higher of the price of the last independent trade and the highest current bid as stipulated by EU Commission-adopted Regulatory Technical Standards pursuant to article 5(6) of the Market Abuse Regulation; and
  - (d) this authority shall expire at the conclusion of the Annual General Meeting of the Company held in 2018 or, if earlier, at the close of business on 31 March 2018 (except in relation to the purchase of shares the contract for which was concluded before the expiry of such authority and which might be executed wholly or partly after such expiry) unless such authority is renewed prior to such time.

18. That:

- (a) the Company and those companies which are subsidiaries of the Company at any time during the period for which this resolution has effect be authorised for the purposes of Part 14 of the Companies Act 2006 during the period from the date of the passing of this resolution to the earlier of the conclusion of the Company's Annual General Meeting in 2018 and 31 March 2018:
  - (i) to make political donations to political parties and/or independent election candidates;
  - (ii) to make political donations to political organisations other than political parties; and
  - (iii) to incur political expenditure,up to an aggregate amount of £50,000, and the amount authorised under each of paragraphs (i) to (iii) shall also be limited to such amount;
- (b) all existing authorisations and approvals relating to political donations or expenditure under Part 14 of the Companies Act 2006 are hereby revoked without prejudice to any donation made or expenditure incurred prior to the date hereof pursuant to such authorisation or approval; and
- (c) words and expressions defined for the purpose of the Companies Act 2006 shall have the same meaning in this resolution.

19. That a general meeting other than an Annual General Meeting may be called on not less than 14 clear days' notice.

By order of the Board

**Gary Whitaker**  
Company Secretary  
Countryside Properties PLC  
Countryside House  
The Drive  
Brentwood  
Essex  
United Kingdom  
CM13 3AT  
16 December 2016

**Registered Office**  
Countryside House  
The Drive  
Brentwood  
Essex  
United Kingdom  
CM13 3AT

Registered in England and Wales No. 09878920

## NOTES

### Proxy appointment

1. A shareholder is entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend and to speak and vote at the Annual General Meeting. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.
2. A form of proxy is enclosed. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting in person.
3. To appoint a proxy the form of proxy, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority), must be either (a) sent in hard copy form by post, courier or hand to the Company's Registrars, Capita Asset Services, PXS, 34 Beckenham Road, Beckenham BR3 4TU, or (b) the proxy appointment must be lodged using the CREST Proxy Voting Service in accordance with note 11 below or (c) the proxy appointment must be registered electronically on the website at <https://shares.countryside-properties.com> in each case so as to be received no later than 2.30pm on Tuesday, 24 January 2017.

### Nominated persons

4. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Companies Act 2006 ("nominated persons"). Nominated persons may have a right under an agreement with the shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

### Information about shares and voting

5. Holders of ordinary shares are entitled to attend and vote at general meetings of the Company. The total number of issued ordinary shares in the Company on 14 December 2016, which is the latest practicable date before the publication of this document is 450,000,000, carrying one vote each on a poll. Therefore, the total number of votes exercisable as at 14 December 2016 is 450,000,000.

### Right to attend and vote

6. Entitlement to attend and vote at the meeting, and the number of votes which may be cast at the meeting, will be determined by reference to the Company's register of members at close of business on Tuesday, 24 January 2017 or, if the meeting is adjourned, 48 hours before the time fixed for the adjourned meeting (as the case may be). In each case, changes to the register of members after such time will be disregarded.

### Venue arrangements

7. To facilitate entry to the meeting, shareholders are requested to bring with them the attendance card which is attached to the proxy card.
8. Shareholders should note that the doors to the AGM will open at 2.00pm.
9. Mobile phones may not be used in the meeting hall, and cameras and recording equipment are not allowed in the meeting hall.

### CREST members

10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment of the meeting) by following the procedures described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). CREST Personal Members or other CREST sponsored members (and those CREST members who have appointed a voting service provider) should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
11. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by Capita Asset Services (ID RA10) by the latest time(s) for receipt of proxy appointments specified in note 3 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to a proxy appointed through CREST should be communicated to him by other means.
12. CREST members (and, where applicable, their CREST sponsors or voting service providers) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his/her CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members (and, where applicable, their CREST sponsors or voting service providers) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
13. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

## PART II CONTINUED

### Notice of Annual General Meeting continued

#### NOTES CONTINUED

##### Corporate representatives

14. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.

##### Audit concerns

15. Shareholders should note that, under Section 527 of the Companies Act 2006, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the Auditor's Report and the conduct of the audit) that are to be laid before the Annual General Meeting for the financial year beginning 1 October 2015; or (ii) any circumstance connected with an auditor of the Company appointed for the financial year beginning 1 October 2015 ceasing to hold office since the previous meeting at which annual accounts and reports were laid. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 (requirements as to website availability) of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's Auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting for the relevant financial year includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.

##### Questions

16. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

##### Website information

17. A copy of this notice and other information required by Section 311A of the Companies Act 2006 can be found at [www.investors.countryside-properties.com](http://www.investors.countryside-properties.com).

##### Voting by poll

18. Each of the resolutions to be put to the meeting will be voted on by poll and not by show of hands. A poll reflects the number of voting rights exercisable by each member and so the Board considers it a more democratic method of voting. Members and proxies will be asked to complete a poll card to indicate how they wish to cast their votes. These cards will be collected at the end of the meeting. The results of the poll will be published on the Company's website and notified to the UK Listing Authority once the votes have been counted and verified.

##### Use of electronic address

19. Members may not use any electronic address provided in either this notice of meeting or any related documents (including the enclosed form of proxy) to communicate with the Company for any purposes other than those expressly stated.

##### Documents available for inspection

20. Copies of the following documents may be inspected during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company at Countryside House, The Drive, Brentwood, Essex CM13 3AT and at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ up to and including the date of the AGM:

- the executive directors' service contracts
- letters of appointment of the non-executive directors

## PART III

### Explanatory notes to the resolutions

The following pages give an explanation of the proposed resolutions.

Resolutions 1 to 15 inclusive, and 18 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

Resolutions 16, 17, and 19 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

#### RESOLUTIONS 3 TO 10: ELECTION OF DIRECTORS

This is the first Annual General Meeting since the Company's incorporation on 18 November 2015. In accordance with the Company's Articles of Association and the recommendations of the UK Corporate Governance Code:

- (i) David Howell, who was appointed to the Board by the Directors on 14 December 2015 retires and offers himself for election.
- (ii) Ian Sutcliffe who was appointed to the Board by the Directors on 19 November 2015 retires and offers himself for election.
- (iii) Rebecca Worthington who was appointed to the Board by the Directors on 19 November 2015 retires and offers herself for election.
- (iv) Federico Canciani who was appointed to the Board by the Directors on 17 December 2015 retires and offers himself for election.
- (v) James Van Steenkiste who was appointed to the Board by the Directors on 17 December 2015 retires and offers himself for election.
- (vi) Amanda Burton who was appointed to the Board by the Directors on 17 December 2015 retires and offers herself for election.
- (vii) Baroness Sally Morgan who was appointed to the Board by the Directors on 17 December 2015 retires and offers herself for election.
- (viii) Richard Adam who was appointed to the Board by the Directors on 17 December 2015 retires and offers himself for election.

In accordance with the UK Corporate Governance Code, biographical details of each of the Directors standing for election can be found at pages 42 to 43 of the Annual Report for the year ended 30 September 2016.

None of the independent Non-Executive Directors seeking election at the Annual General Meeting has any existing or previous relationship with the Company, nor with any controlling shareholder of the Company or any associate of a controlling shareholder of the Company within the meaning of LR 13.8.17 R (1).

The Company's Nomination Committee considers the appointment and replacement of directors subject to the rules set out in the Company's Articles of Association. The Nomination Committee will normally engage an independent search consultant with no connection to the Company to find appropriate candidates for the Board with the requisite skills, and in doing so will take account of relevant guidelines and legislation relating to the appointment of individuals to boards. The Nomination Committee may also consider candidates introduced to the Company from other sources. In considering the independent Non-Executive Directors' independence, the Board has taken into consideration the guidance provided by the UK Corporate Governance Code. The Board considers Amanda Burton, Baroness Sally Morgan and Richard Adam to be independent in accordance with Provision B.1.1 of the UK Corporate Governance Code.

Resolutions 8 to 10 (inclusive) relate to the election of Amanda Burton, Baroness Sally Morgan and Richard Adam who are the Directors that the Board has determined are independent Directors for the purposes of the UK Corporate Governance Code. Under the Listing Rules, the Principal Shareholder and the Oaktree Funds (listed below) are classed as "controlling shareholders" of the Company (that is, they exercise or control in concert more than 30 per cent. of the voting rights of the Company). This means that the independent Non-Executive Directors of the Company must be elected by a majority of the votes cast by the independent shareholders of the Company, as well as by a majority of the votes cast by all the shareholders. The independent shareholders of the Company, means all the shareholders of the Company other than the Principal Shareholder and the Oaktree Funds. Therefore, the resolutions for the election of the independent Non-Executive Directors (Resolutions 8 to 10 (inclusive)) will be taken on a poll and the votes cast by the independent shareholders and by all the shareholders will be calculated separately. Such resolutions will be passed only if a majority of the votes cast by the independent shareholders are in favour, in addition to a majority of the votes cast by all the shareholders being in favour.

As a result of concerns that the enhanced rights for independent shareholders to determine Director elections/re-elections can lead to minority control, the Financial Conduct Authority has attempted to balance out their powers. Consequently, where independent shareholders fail to elect or re-elect an independent Director, the controlling shareholder has the option (if it can carry an ordinary resolution) to force through the election by putting it to the vote at a general meeting (held between 90 and 120 days later) at which there is no separate independent shareholder vote.

The Oaktree Funds are Oaktree Opportunities Fund VIIIb, L.P., Oaktree Opportunities Fund VIIIb (Parallel), L.P., Oaktree Opportunities Fund IX, L.P., Oaktree Opportunities Fund IX (Parallel), L.P., Oaktree Opportunities Fund IX (Parallel 2), L.P., Oaktree European Principal Fund III, L.P., and Oaktree European Principal Fund III (Parallel), L.P.

#### RESOLUTIONS 11 AND 12: RE-APPOINTMENT OF AUDITOR AND AUDITOR'S REMUNERATION

The Board, on the recommendation of the Audit Committee, recommends the re-appointment of PricewaterhouseCoopers LLP as Auditor, to hold office until the next meeting at which accounts are laid. Resolution 12 is a separate resolution which proposes to grant authority to the Directors to determine the Auditor's remuneration.

#### RESOLUTIONS 13 AND 14: DIRECTORS' REMUNERATION

These resolutions deal with the remuneration of the Directors and seek approval of the Directors' Remuneration Policy and of the remuneration paid to the Directors during the year under review respectively.

The Companies Act 2006 requires the Company to ask shareholders to approve the Remuneration Policy section of the Directors' Remuneration Report. This is set out on pages 55 to 62 of the Annual Report for the year ended 30 September 2016. Resolution 13 is a binding vote. If approved by shareholders, the Directors' Remuneration Policy will take effect immediately after the end of the Annual General Meeting held on Thursday, 26 January 2017 and will apply until replaced by a new or amended policy.

The Company is also required every year to ask shareholders to approve the remainder of the Directors' Remuneration Report, excluding the Directors' Remuneration Policy. This is set out on pages 52 to 69 of the Annual Report for the year ended 30 September 2016. Resolution 14 is an advisory vote.

#### RESOLUTION 15: AUTHORITY TO ALLOT SHARES

The purpose of Resolution 15 is to renew the Directors' power to allot shares.

The authority in paragraph (i) will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares up to a nominal value of £1,500,000, which is equivalent to approximately 33 per cent of the total issued ordinary share capital of the Company, exclusive of treasury shares, as at 14 December 2016.

The authority in paragraph (ii) will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares only in connection with a fully pre-emptive rights issue up to a further nominal value of £1,500,000, which is equivalent to approximately 33 per cent of the total issued ordinary share capital of the Company, exclusive of treasury shares, as at 14 December 2016. This is in line with the Investment Association's Share Capital Management Guidelines issued in July 2014.

## PART III CONTINUED

### Explanatory notes to the resolutions continued

#### RESOLUTION 15: AUTHORITY TO ALLOT SHARES CONTINUED

At 14 December 2016, the Company did not hold any shares in treasury.

There are no present plans to undertake a rights issue or to allot new shares other than in connection with employee share and incentive plans. The Directors consider it desirable to have the maximum flexibility permitted by the Investment Association's Share Capital Management Guidelines/corporate governance guidelines to respond to market developments and to enable allotments to take place to finance business opportunities as they arise.

If the resolution is passed, the authority will expire on the earlier of the close of business on 31 March 2018 and the end of the Annual General Meeting in 2018.

#### RESOLUTION 16: DISAPPLICATION OF PRE-EMPTION RIGHTS

If the Directors wish to allot new shares and other equity securities, or sell treasury shares, for cash (other than in connection with an employee share plan), Company Law requires that these shares are offered first to shareholders in proportion to their existing holdings (known as pre-emption rights).

Paragraphs (i)(a) and (ii) of Resolution 16 seek shareholder approval to allot a limited number of ordinary shares or other equity securities, or sell treasury shares, for cash on a pre-emptive basis but subject to such exclusions or arrangements as the Directors may deem appropriate to deal with certain legal, regulatory or practical difficulties. For example, in a pre-emptive rights issue, there may be difficulties in relation to fractional entitlements or the issue of new shares to certain shareholders, particularly those resident in certain overseas jurisdictions. The Board has no current intention of exercising the authority under part (i) of Resolution 16 but considers the authority to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a pre-emptive offer or pre-emptive rights issue having made appropriate exclusions or arrangements to address such difficulties.

In addition, there may be circumstances when the Directors consider it in the best interests of the Company to allot a limited number of ordinary shares or other equity securities, or sell treasury shares for cash on a non pre-emptive basis. The Pre-Emption Group's Statement of Principles, as updated in March 2015, supports the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities and sales of treasury shares for cash representing no more than five per cent of issued ordinary share capital (exclusive of treasury shares), without restriction as to the use of proceeds of those allotments.

Accordingly, the purpose of paragraph (i)(b) of Resolution 16 is to authorise the Directors to allot new shares and other equity securities pursuant to the allotment authority given by Resolution 15, or sell treasury shares, for cash up to a nominal value of £225,000, equivalent to five per cent of the total issued ordinary share capital of the Company excluding treasury shares and five per cent of the total issued ordinary share capital of the Company including treasury shares, as at 14 December 2016, without the shares first being offered to existing shareholders in proportion to their existing holdings.

The Board considers the authorities in Resolution 16 to be appropriate in order to allow the Company to conduct a pre-emptive offer or rights issue without the need to comply with the strict requirements of the statutory pre-emption provisions.

If the resolution is passed the authority will expire on the earlier of the close of business on 31 March 2018 and the end of the Annual General Meeting in 2018.

#### RESOLUTION 17: MARKET PURCHASES

The effect of this resolution is to renew the authority granted to the Company to purchase its own ordinary shares, up to a maximum of 45,000,000 ordinary shares, until the Annual General Meeting in 2018 or the close of business on 31 March 2018 whichever is the earlier. This represents ten per cent of the ordinary shares in issue as at 14 December 2016 (excluding shares held in treasury) and the Company's exercise of this authority is subject to the stated upper and lower limits on the price payable.

Pursuant to the Companies Act 2006, the Company can hold the shares which have been repurchased by itself as treasury shares and either resell them for cash, cancel them, either immediately or at a point in the future, or use them for the purposes of its employee share plans. The Directors believe that it is desirable for the Company to have this choice and therefore intend to hold any shares purchased under this authority as treasury shares. Holding the repurchased shares as treasury shares will give the Company the ability to re-sell or transfer them in the future, and so provide the Company with additional flexibility in the management of its capital base. No dividends will be paid on, and no voting rights will be exercised in respect of, treasury shares.

Shares will only be repurchased for use for the purposes of employee share plans, or if the Directors consider such purchases to be in the best interests of shareholders generally and that they can be expected to result in an increase in earnings per share. The authority will only be used after careful consideration, taking into account market conditions prevailing at the time, other investment opportunities, appropriate gearing levels and the overall financial position of the Company. Shares held as treasury shares will not automatically be cancelled and will not be taken into account in future calculations of earnings per share (unless they are subsequently resold or transferred out of treasury).

As at 14 December 2016 (being the latest practicable date prior to the publication of this Notice), there were outstanding options granted under all share option schemes operated by the Company over 6,399,397 shares and no outstanding warrants, which, if exercised or vested (as applicable) would represent 1.42 per cent of the issued ordinary share capital of the Company (excluding any shares held in treasury). If this authority were exercised in full, that percentage would increase to 1.58 per cent.

#### RESOLUTION 18: POLITICAL DONATIONS AND EXPENDITURE

Part 14 of the Companies Act 2006 requires companies to obtain shareholders' authority for donations to registered political parties and other political organisations totalling more than £5,000 in any twelve-month period, and for any political expenditure, subject to limited exceptions. The definition of donation in this context is very wide and extends to bodies such as those concerned with policy review, law reform and the representation of the business community. It could include special interest groups, such as those involved with the environment, which the Company and its subsidiaries might wish to support, even though these activities are not designed to support or influence support for a particular party.

It remains the policy of the Company not to make political donations or incur political expenditure as those expressions are normally understood. The Directors consider, however, that it is in the best interests of shareholders for the Company to participate in public debate and opinion-forming on matters which affect its business. To avoid inadvertent infringement of the Companies Act 2006, the Directors are seeking shareholders' authority for the Company and its UK subsidiaries to make political donations and to incur political expenditure for the period from the date of the Annual General Meeting to the earlier of the conclusion of the Annual General Meeting in 2018 and 31 March 2018 up to a maximum aggregate amount of £50,000.

#### RESOLUTION 19: NOTICE OF GENERAL MEETINGS

Under the Companies Act 2006, the notice period required for all general meetings of the Company is 21 days. Annual General Meetings will always be held on at least 21 'clear days' notice but shareholders can approve a shorter notice period for other general meetings, as long as this is not less than 14 clear days.

In order to maintain flexibility for the Company, Resolution 19 seeks such approval. The approval will be effective until the Company's next Annual General Meeting, when it is intended that a similar resolution will be proposed. The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole.