

WHITBREAD PLC

You have elected to receive the Annual Report and Accounts, Notices of Meetings and other documents relating to Whitbread PLC (the 'Company') electronically through the Company's website. Should you wish to revert to receiving paper copies of documents, you can request this by contacting our registrars, Link Asset Services, by telephone on 0344 855 2327, or online at www.whitbread-shares.com. You can also register to receive notifications such as this by email in future. This letter introduces a Notice of General Meeting. It is not a summary of this document and should not be regarded as a substitute for reading the document itself. The Notice of the General Meeting should be read before taking a decision on the proposals contained therein.

Dear Shareholder,

On 25 April 2018, we announced Whitbread's intention to pursue a demerger of Costa.

The Board believes that shareholder value will be created by pursuing the demerger as fast as is practical and appropriate in order to establish two focused and high-quality businesses. That process is estimated to take up to 24 months and there are several business critical priorities which must be achieved for it to be successful, including:

- ensuring both Whitbread and Costa have appropriate governance structures in place to thrive as separate entities;
- progressing further the international strategies in both Premier Inn and Costa, to strengthen the foundations for long-term profitable growth;
- appropriately managing the Whitbread pension fund deficit and funding facilities;
- completing the complex and critical IT and business system upgrades and improvement programmes which are delivered by Whitbread shared resources; and
- delivering the recently upgraded efficiency programme.

In order to align the incentives of management with this new strategy and appropriately incentivise them to complete the demerger in a way which optimises shareholder value, we are proposing to make changes to the Directors' Remuneration Policy that was approved at the 2017 AGM and to adopt a new performance share plan. A General Meeting (GM) is being held immediately after the AGM on 27 June 2018 to consider these matters.

This letter is to notify you that the Notice of GM is now available at www.whitbread.co.uk. I would like to take this opportunity to thank you for agreeing to receive this document through the website. This not only saves money for your Company, but also has a positive impact on the environment.

Like the Whitbread AGM, the venue for the GM is Church House Conference Centre, Dean's Yard, Westminster, London SW1P 3NZ and it will take place at 2.45pm on Wednesday 27 June 2018 (or as soon as possible after the AGM convened for that date has concluded or been adjourned).

The Notice of GM contains an explanation of the resolutions which will be put to the meeting. The directors consider that the adoption of each of the resolutions to be put to the meeting is in the best interests of the Company and its shareholders as a whole in light of the announced demerger plans. The directors intend to vote in favour of the proposed resolutions in respect of their own personal shares and unanimously recommend that you do so as well. All voting at the GM will be by poll using electronic handsets.

If you are not able to attend the GM, you are still able to vote on the resolutions. You can appoint one or more individuals to act as your proxy so that they can attend, speak and vote at the meeting according to your instructions. You will find a personalised form of proxy for the GM enclosed with this letter. You can also submit your form of proxy through the share portal at www.whitbread-shares.com or through the CREST system.

Yours sincerely,



Adam Crozier
Chairman, Whitbread PLC

Whitbread PLC

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