
Inchcape plc

(incorporated and registered in England and Wales under number 609782)

NOTICE OF ANNUAL GENERAL MEETING

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 seek your own advice from a stockbroker, solicitor, accountant or other professional adviser.

If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

Notice of the Annual General Meeting of the Company to be held at 11.00 a.m. on Thursday 27 May 2021 at The Royal Automobile Club, 89 Pall Mall, London SW1Y 5HS is set out on pages 3 to 5 of this Circular.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a Form of Proxy in accordance with the instructions printed on the enclosed form. The Form of Proxy must be received no later than 11.00 a.m. on Tuesday 25 May 2021. Completion of the Form of Proxy will not preclude you from attending and voting at the Annual General Meeting should you choose to do so.

Alternatively, you may register your appointment of a proxy electronically by logging on to the Registrar's website (www.eproxyappointment.com) or, if you hold your shares via CREST, by using the CREST electronic proxy appointment service. Further details are set out in the Explanatory Notes on pages 6 to 8 of this Circular and in the Form of Proxy.

Nigel Stein* (Chairman)
Jerry Buhlmann*
Gijsbert de Zoeten (Chief Financial Officer)
Rachel Empey*
Alexandra Jensen*
Jane Kingston*
John Langston*
Duncan Tait (Group Chief Executive)
Till Vestring*

* Non-Executive Director

15 March 2021

DEAR SHAREHOLDER,

I am pleased to be writing to you with details of this year's Annual General Meeting ("AGM") which we are holding at The Royal Automobile Club, 89 Pall Mall, London SW1Y 5HS on Thursday 27 May 2021 at 11.00 a.m.

The formal notice of the AGM is set out on pages 3 to 5 of this document. I thought it might be helpful for me to write a few words on the resolutions to be proposed at the AGM.

RESOLUTIONS 1 TO 15

These resolutions deal with: the Annual Report and Accounts of the Company for the financial year ended 31 December 2020, together with the reports of the Directors (resolution 1); the Directors' Report on Remuneration (resolution 2); the declaration of a final dividend for the year ended 31 December 2020 (resolution 3); the election or re-election of Directors (resolutions 4 to 11); and the re-appointment and remuneration of the Company's auditors (resolutions 12 and 13).

Resolution 14 deals with the establishment of a new Inchcape Performance Share Plan 2021. The Inchcape Performance Share Plan 2021 will replace the Company's existing performance share plan which was approved by shareholders in 2011 and is due to expire on 12 May 2021.

Resolution 15 deals with the establishment of a new Inchcape Co-Investment Plan 2021. The Inchcape Co-Investment Plan 2021 will replace the Company's existing co-investment plan which was first approved by shareholders in 1999 and which is due to expire on 12 May 2021.

Each of these resolutions will be proposed as an ordinary resolution.

For Executive Directors of the Company, the rules of the new PSP and CIP take account of the requirements of the Company's Directors' remuneration policy, which was approved by shareholders at the 2020 AGM, and will be implemented accordingly.

Shareholders are being asked to approve a final dividend of 6.9 pence per ordinary share of 10 pence each for the year ended 31 December 2020. If you approve the recommended final dividend, this will be paid on 21 June 2021 to all ordinary shareholders who are on the register of members on Friday 14 May 2021.

RESOLUTIONS 16 TO 19

Resolutions 16 to 18 deal with: the Directors' authority to allot shares (resolution 16); authority to disapply pre-emption rights (resolution 17 and resolution 18); and authority for the Company to make market purchases of its own shares (resolution 19). Resolution 16 will be proposed as an ordinary resolution and resolutions 17, 18 and 19 will be proposed as special resolutions.

RESOLUTION 20

The Companies Act 2006 requires that all general meetings must be held on 21 days' notice unless shareholders agree to a shorter notice period. At our 2020 AGM, a resolution was passed enabling us to preserve our ability to call general meetings (other than annual general meetings) on 14 clear days' notice. A similar resolution is being proposed this year.

Resolution 20 will be proposed as a special resolution.

RESOLUTION 21

The Board is proposing that the Company adopt new articles of association to reflect changes to market practice since the articles of association were last updated in 2015. In particular the new articles of association would facilitate the holding of hybrid shareholder meetings, that is a meeting where members are able to participate in the business of the meeting by attending a physical location or by attending by means of an electronic facility. Hybrid shareholder meetings would enable those shareholders unable to attend a physical meeting, whether because of restrictions on public gatherings as we have seen in connection with the COVID-19 pandemic or otherwise, to participate in shareholder meetings.

The principal changes proposed to the current articles of association are set out in Appendix 2. In addition, a marked-up version of the new articles of association is available on our website at www.inchcape.com

Resolution 21 will be proposed as a special resolution.

EXPLANATION OF BUSINESS

Explanatory notes on all the business to be considered at this year's AGM appear on pages 9 to 13 of this document.

RECOMMENDATION

The Board considers that each resolution to be proposed at the AGM is in the best interests of the shareholders as a whole and unanimously recommends shareholders to vote in favour of all resolutions, as the Directors intend to do in respect of their own shareholdings, representing approximately 0.07% of the issued share capital of the Company.

If you would like to vote on the resolutions but cannot come to the AGM, please fill in the enclosed Form of Proxy and return it to our Registrars, Computershare, as soon as possible. They must receive it by 11.00 a.m. on Tuesday 25 May 2021. If you prefer, you can submit your proxy electronically either by logging on to the Registrar's website (www.eproxyappointment.com) or, if you are a CREST member, through the CREST system by completing and transmitting a CREST proxy instruction as described in the Explanatory Notes on pages 6 to 8 of this Circular and in the Form of Proxy.

We will continue to monitor the developments surrounding COVID-19 and will consider all appropriate guidelines issued by the UK Government ahead of the AGM. Shareholders are asked to adhere to Government rules with regards to travel and gatherings. Please check the Company's website www.inchcape.com for the latest information prior to the AGM.

Yours faithfully,



NIGEL STEIN
CHAIRMAN

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting ("AGM") of Inchcape plc (the "Company") will be held at The Royal Automobile Club, 89 Pall Mall, London SW1Y 5HS on Thursday 27 May 2021 at 11.00 a.m.

You will be asked to consider and, if thought fit, to pass the resolutions below. Resolutions 17 to 21 (inclusive) will be proposed as special resolutions.

All other resolutions will be proposed as ordinary resolutions.

ORDINARY RESOLUTIONS

1. To receive the Annual Report and Accounts of the Company for the financial year ended 31 December 2020, together with the reports of the Directors.
2. To approve the Directors' Report on Remuneration for the financial year ended 31 December 2020.
3. To declare a final dividend of 6.9 pence per ordinary share of 10 pence in the capital of the Company.
4. To re-elect Jerry Buhlmann as a Director of the Company.
5. To re-elect Gijsbert de Zoeten as a Director of the Company.
6. To re-elect Alexandra Jensen as a Director of the Company.
7. To re-elect Jane Kingston as a Director of the Company.
8. To re-elect John Langston as a Director of the Company.
9. To re-elect Nigel Stein as a Director of the Company.
10. To elect Duncan Tait as a Director of the Company.
11. To re-elect Till Vestring as a Director of the Company.
12. To re-appoint Deloitte LLP as auditor of the Company (the "auditor") to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
13. To authorise the Audit Committee of the Board to determine the auditor's remuneration.
14. To approve the rules of the Inchcape Performance Share Plan 2021 (the "PSP"), in the form produced to the AGM and initialled by the Chairman for the purposes of identification (a summary of which is set out in Appendix 1); and to authorise the Directors of the Company to establish further plans based on the PSP for the benefit of Directors and employees of the Company and/or its subsidiaries who are located outside the United Kingdom, with such modifications as may be necessary or desirable in order to take account of local tax, exchange control or securities laws as they consider appropriate provided that any ordinary shares made available under such plans shall be treated as counting against any individual or overall limits contained in the PSP.
15. To approve the rules of the Inchcape Co-Investment Plan 2021 (the "CIP"), in the form produced to the AGM and initialled by the Chairman for the purposes of identification (a summary of which is set out in Appendix 1); and to authorise the Directors of the Company to establish further plans based on the CIP for the benefit of Directors and employees of the Company and/or its subsidiaries who are located outside the United Kingdom, with such modifications as may be necessary or desirable in order to take account of local tax, exchange control or securities laws as they consider appropriate provided that any ordinary shares made available under such plans shall be treated as counting against any individual or overall limits contained in the CIP.
16. To authorise the Directors generally and unconditionally in accordance with section 551 of the Companies Act 2006, in substitution for all subsisting authorities, to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company up to a nominal amount of £13,109,146, such authority to apply until the end of next year's AGM (or, if earlier, until the close of business on 27 August 2022), save that the Company shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted after such expiry and the Directors shall be entitled to allot equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

17. THAT if Resolution 16 is passed, the Directors be and they are hereby authorised pursuant to section 570 and section 573 of the Companies Act 2006 to allot equity securities (within the meaning of section 560 of that Act) for cash pursuant to the authority conferred by Resolution 16 and by way of a sale of treasury shares as if section 561(1) of that Act did not apply to any such allotment provided that this power shall be limited to:

- (a) the allotment of equity securities or sale of treasury shares in connection with an offer of securities in favour of the holders of ordinary shares on the register of members at such record date(s) as the Directors may determine where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held by them on any such record date(s), subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of ordinary shares being represented by depositary receipts or any other matter; and
- (b) the allotment of equity securities or sale of treasury shares (otherwise than pursuant to sub-paragraph (a) of this Resolution 17) to any person or persons up to an aggregate nominal amount of £1,966,371,

and shall expire upon the expiry of the general authority conferred by Resolution 16, save that the Company shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted after such expiry and the Directors shall be entitled to allot equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

18. THAT, if Resolution 16 is passed and in addition to the power conferred by Resolution 17, the Directors be and they are hereby authorised pursuant to section 570 and section 573 of the Companies Act 2006 to allot equity securities (within the meaning of section 560 of that Act) for cash pursuant to the authority conferred by Resolution 16 and by way of a sale of treasury shares as if section 561(1) of that Act did not apply to any such allotment provided that this power shall:

- (a) be limited to the allotment of equity securities or sale of treasury shares to any person or persons up to an aggregate nominal amount of £1,966,371; and
- (b) only be used for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

and shall expire upon the expiry of the general authority conferred by Resolution 16, save that the Company shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted after such expiry and the Directors shall be entitled to allot equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

19. To authorise the Company for the purposes of section 701 of the Companies Act 2006 to make one or more market purchases (as defined in section 693(4) of the Companies Act 2006) of the ordinary shares on such terms and in such manner as the Directors may from time to time determine, such power to be limited:
- (a) to a maximum number of 39,327,439 ordinary shares;
 - (b) by the condition that the minimum price (exclusive of expenses) which may be paid for an ordinary share is the nominal amount of that share and the maximum price (exclusive of expenses) which may be paid for an ordinary share is the highest of:
 - (i) an amount equal to five per cent above the average market value of an ordinary share for the five business days immediately preceding the day on which that ordinary share is contracted to be purchased; and
 - (ii) the higher of the price of the last independent trade and the highest current independent bid for an ordinary share on the trading venues where the purchase is carried out at the relevant time;
- such power to apply until the end of next year's AGM (or, if earlier, until the close of business on 27 August 2022) but during this period the Company may enter into a contract to purchase ordinary shares which would or might be completed or executed wholly or partly after the power ends and the Company may purchase ordinary shares pursuant to any such contract as if the power had not ended.
20. To approve that a general meeting other than an AGM may be called on not less than 14 clear days' notice.
21. That with effect from the end of the AGM, the articles of association produced to the meeting and signed by the Chairman for the purpose of identification, are adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association.

By order of the Board



TAMSIN WATERHOUSE
GROUP COMPANY SECRETARY
Date: 15 March 2021

EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. Your proxy must vote as instructed and must attend the meeting for your vote to be counted. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact Computershare Investor Services PLC, on 0370 707 1076. Calls from a BT landline can cost up to 10p per minute, though charges from other operators may vary. Lines are open between 8.30 a.m. and 5.30 p.m.
2. To be valid any proxy form or other instrument appointing a proxy must be received: (i) by post or (during normal business hours only) by hand at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY; or (ii) electronically by logging on to the Registrar's website (www.eproxyappointment.com), in each case no later than 11.00 a.m. on Tuesday 25 May 2021.
3. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company, an attorney for the company or any other person authorised to sign it.
4. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
5. If a member appoints more than one proxy and the proxy forms appointing those proxies would give those proxies the apparent rights to exercise votes on behalf of the member over more shares than are held by the member, then each of those proxy forms will be invalid and none of the proxies so appointed will be entitled to attend, speak or vote at the AGM.
6. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 12) will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so.
7. Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. Such persons should direct any communications and enquiries to the registered holder of the shares by whom they were nominated and not to the Company or its Registrar.
8. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
9. To be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the register of members of the Company at 6.00 p.m. on Tuesday 25 May 2021 (or, in the event of any adjournment, on the date which is two days before the time of the adjourned meeting). Shareholders then on the register of members shall be entitled to attend and vote at the AGM in respect of the number of shares registered in their name at that time. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
10. As at 2 March 2021 (being the last practicable date prior to the publication of this Notice), the Company's issued share capital consists of 393,274,393 ordinary shares, carrying one vote each. The Company does not hold any ordinary shares in treasury.
11. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

12. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message regardless of whether it constitutes the appointment of a proxy or is 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 the issuer's agent (ID 3RA50) by 11.00 a.m. on Tuesday 25 May 2021. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application 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 proxies appointed through CREST should be communicated to the appointee through other means.
13. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. 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 CREST sponsor or voting service provider(s) take(s)) 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 system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
14. 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.
15. Proximity voting – if you are an institutional investor you may also be able to appoint a proxy electronically via the Proximity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proximity, please go to www.proximity.io. Your proxy must be lodged by 11.00 a.m. on Tuesday 25 May 2021 in order to be considered valid. Before you can appoint a proxy via this process, you will need to have agreed to Proximity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.
16. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
17. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
18. Under section 527 of the Companies Act 2006, members 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 AGM; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 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 AGM includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

19. Any member attending the AGM has the right to ask questions and participate in the AGM. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if (a) to do so would interfere unduly with the preparation for the AGM 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 AGM that the question be answered.
20. A copy of this Notice, and other information required by section 311A of the Companies Act 2006, can be found at www.inchcape.com
21. Resolutions 1 to 21 will be put to a vote on a poll at the AGM. The voting results, which will include all votes cast for and against each resolution at the AGM, and all proxies lodged prior to the AGM, will be announced at the AGM and published on the Company's website as soon as practicable after the AGM. The Company will also disclose the number of votes withheld at the AGM and on its website. This practice provides shareholders present with sufficient information regarding the level of support and opposition to each resolution, and ensures all votes cast either at the AGM or through proxies are included in the result.
22. Under section 338 and section 338A of the Companies Act 2006, members meeting the threshold requirements in those sections have the right to require the Company (i) to give, to members of the Company entitled to receive notice of the AGM, notice of a resolution which may properly be moved and is intended to be moved at the AGM and/or (ii) to include in the business to be dealt with at the AGM any matter (other than a proposed resolution) which may be properly included in the business. A resolution may properly be moved or a matter may properly be included in the business unless (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the company's constitution or otherwise), (b) it is defamatory of any person, or (c) it is frivolous or vexatious. Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the Company not later than 15 April 2021, being the date six clear weeks before the AGM, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.
23. Except as provided above, members who have general queries about the AGM should call the shareholder helpline on 0370 707 1076 (no other methods of communication will be accepted).

EXPLANATORY NOTES TO THE RESOLUTIONS

The notes on the following pages give an explanation of the proposed resolutions.

Resolutions 1 to 16 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 17 to 21 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.

ORDINARY RESOLUTIONS

RESOLUTION 1: ANNUAL REPORT AND ACCOUNTS

English company law requires the Directors to lay the Annual Report and Accounts of the Company for the financial year ended 31 December 2020, together with the reports of the Directors, before a general meeting of the Company.

RESOLUTION 2: DIRECTORS' REPORT ON REMUNERATION

The Annual Report and Accounts includes an annual report detailing the remuneration of the Directors and a statement by the chair of the Remuneration Committee (together, the "Directors' Report on Remuneration"). Resolution 2 is an ordinary resolution to approve the Directors' Report on Remuneration. It is an advisory resolution and does not affect the future remuneration paid to any Director.

RESOLUTION 3: FINAL DIVIDEND

A final dividend can only be paid by the Company after it has been approved by shareholders.

The Directors are recommending a final dividend of 6.9 pence per ordinary share payable on 21 June 2021 to shareholders on the register of members at the close of business on 14 May 2021. The dividend payable to each shareholder will be rounded down to the nearest whole penny.

RESOLUTIONS 4 TO 11: ELECTION OR RE-ELECTION OF DIRECTORS

In accordance with the provisions of the UK Corporate Governance Code (the "Code"), all Directors of the Company must retire at every AGM and, in addition, the Company's articles of association provide that any Director appointed since the previous AGM shall stand for election by the members at the next AGM. Biographical details of Directors standing for election or re-election are set out on page 55 of the Company's Annual Report and Accounts.

RESOLUTION 4: RE-ELECTION OF JERRY BUHLMANN

Jerry Buhlmann joined the Board in March 2017. Jerry was the CEO of Dentsu Aegis until 2018 and has over 30 years' experience in the media and advertising industries. Jerry brings experience in digital / technology which is becoming an increasingly important aspect of the automotive sector. As a recently serving CEO, he also brings operational skills and knowledge to the Board's discussions. Jerry became the Senior Independent Director in May 2019 and as such will be available to shareholders should they wish to discuss any matters with him relating to the Group. Jerry also serves as a sounding board for the Chairman and as an intermediary to other members of the Board.

RESOLUTION 5: RE-ELECTION OF GIJSBERT DE ZOETEN

Gijsbert de Zoeten joined Inchcape as Chief Financial Officer in August 2019. Prior to joining Inchcape, Gijsbert was CFO at LeasePlan Corporation NV, the international fleet management and mobility services company. He was integral to the significant transformation of that business following its sale by VW Group, which included a strong focus on operational excellence. Previously Gijsbert held a range of senior financial and operational roles at Unilever over a 27-year career, including CFO of Unilever Europe for six years. The Board believes that Gijsbert's extensive operational and financial experience will be invaluable for the Group as we enter new markets and move towards a Distribution focused business model.

RESOLUTION 6: RE-ELECTION OF ALEXANDRA JENSEN

Alex joined the Board in January 2020 and is currently CEO Mobility and Convenience, Europe and Southern Africa at bp plc. Alex brings a wealth of knowledge, including digital experience gained in her executive roles, as well as a broad understanding of the global automotive industry. This experience supports the Board's decision-making as we advance the omni-channel customer service, sales and marketing platform. Alex was appointed Chair of the CSR Committee with effect from 1 January 2021 and will assume the role of Designated Non-Executive Director in accordance with Provision 5 of the UK Corporate Governance Code. Alex will join the employee townhalls during 2021 and will report on workforce engagement to the Board throughout the year.

RESOLUTION 7: RE-ELECTION OF JANE KINGSTON

Jane Kingston was appointed in July 2018 and became the Remuneration Committee chair in July 2019. Jane led the remuneration policy review in 2019, consulting extensively with shareholders throughout the process. Shareholders overwhelmingly supported the policy with 94.5% of votes in favour.

Jane has had a long-standing HR career with several international organisations, including Compass Group PLC. Jane is also a non-executive director of Spirax-Sarco Engineering plc, where she serves as Chair of the Remuneration Committee. Jane's considerable remuneration experience as both an executive and non-executive is beneficial to the Company as remuneration continues to be an increasingly complex area.

RESOLUTION 8: RE-ELECTION OF JOHN LANGSTON

John Langston has been a member of the Board since 2013 and is Chair of the Audit Committee. John's background is in finance and he has served in several international senior finance roles throughout his executive career. John also has a strong governance background and was the Chair of the Audit Committee of Rexam plc until its sale in 2016. John's length of tenure gives him a deep understanding of the business and experience of the unique challenges and opportunities presented over the last few years. John's knowledge also allows him to understand the internal and external functions' contribution to the control environment and he regularly meets with senior management without the Executive Directors present to obtain an independent view of the control and risk framework. John is a chartered accountant.

RESOLUTION 9: RE-ELECTION OF NIGEL STEIN

Nigel Stein has been a member of the Board since 2015 and became the Chairman in May 2018. Nigel was previously CEO of GKN plc and brings a wealth of automotive and international experience to the Board's deliberations. As Chairman, Nigel's role is to lead the Board as it shapes the strategy of the Group in a fast-changing automotive market. Through the Nomination Committee he also ensures that the Board has robust succession plans in place which both embrace diversity in all its forms and ensure that the Board has the correct skills and experience to promote the long-term sustainability of the Company. Nigel's role as Chairman is key to supporting the Executive Directors and also crucial for overseeing corporate culture and how this influences, and drives, the long-term strategy.

RESOLUTION 10: ELECTION OF DUNCAN TAIT

Duncan Tait is the Group Chief Executive, having joined the Company in June 2020. Duncan was most recently on the Board of Directors at Tokyo listed company Fujitsu Ltd, the global technology services company, with responsibility for EMEA & Americas, a business with \$10bn turnover and 35,000 people. He has significant international experience and consistently proven success in several globally recognised companies. Duncan currently serves as a non-executive director of Agilisys Ltd. He previously held executive and senior management positions at Unisys, Hewlett Packard and Compaq in a technology services-focused career of over 30 years.

Duncan is responsible for the day-to-day operations of the Group and leads the Group Executive Team. Duncan's priority for 2021 will be setting the future direction of the Group taking into account future trends impacting the automotive industry. Please see pages 4 to 9 of the 2020 Annual Report and Accounts for further information.

RESOLUTION 11: RE-ELECTION OF TILL VESTRING

Till Vestring has been on the Board since September 2011 and comes from a consultancy background with Bain & Co in Singapore, where he is currently an advisory partner. Till has extensive Asia business experience, which is a key region for the Group. Till also has knowledge of the changing technological environment and provides valuable insight on the evolution of the future trends likely to impact the automotive industry. Till has agreed to remain on the Board to assist with the recruitment and induction of two new Non-Executive Directors during the year. Despite serving over nine years, which is considered one of the circumstances which could impair independence under the UK Corporate Governance Code, the Board is satisfied that Till continues to demonstrate independent character, judgement and objectivity.

The Board has concluded that each Non-Executive Director is independent in accordance with the provisions of the Code.

Following formal evaluations, the Board is satisfied that each Director continues to contribute effectively to the Board and contributes to its long-term sustainability. The Board is also satisfied that each Director gives sufficient time to his or her duties as a Director of the Company. Full details on the role of the Board and its Committees can be found in the Corporate Governance Report on pages 52 to 95 of the Annual Report and Accounts.

RESOLUTIONS 12 AND 13: RE-APPOINTMENT OF AUDITOR

In accordance with English law, the Company is required to appoint an auditor at each general meeting at which accounts are laid before shareholders.

The Directors are recommending retaining Deloitte LLP as the Company's auditor and seek authority for the Audit Committee of the Board to determine the remuneration of the auditor.

RESOLUTION 14: ADOPTION OF THE INCHCAPE PERFORMANCE SHARE PLAN 2021

Resolution 14 seeks your approval for the adoption of a new Inchcape Performance Share Plan 2021 (the "PSP"). The PSP will replace the Company's existing performance share plan which was approved by shareholders in 2011 and is due to expire on 12 May 2021. The PSP is effectively therefore a renewal of the Company's existing performance share plan.

A summary of the principal terms of the PSP can be found in Appendix 1.

RESOLUTION 15: ADOPTION OF THE INCHCAPE CO-INVESTMENT PLAN 2021

Resolution 15 seeks your approval for the adoption of a new Inchcape Co-Investment Plan 2021 (the "CIP"). The CIP will replace the Company's existing co-investment plan which was approved by shareholders in 2011 and is due to expire on 12 May 2021. The CIP is effectively therefore a renewal of the Company's existing co-investment plan.

A summary of the principal terms of the CIP can be found in Appendix 1.

RESOLUTION 16: AUTHORITY TO ALLOT

At last year's AGM, shareholders passed a resolution giving the Directors authority to allot ordinary shares in the Company. That power will expire at the conclusion of this year's AGM.

Resolution 16 gives the Directors the authority to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares up to an aggregate nominal amount equal to £13,109,146 (representing 131,091,464 ordinary shares). This amount represents approximately one-third of the issued ordinary share capital (excluding treasury shares) of the Company as at 2 March 2021, the latest practicable date prior to publication of this Notice. The Company does not hold any ordinary shares in treasury.

The authority sought under Resolution 16 will expire at the earlier of close of business on 27 August 2022 and the conclusion of the AGM of the Company held in 2022. The Directors have no immediate plans to make use of this authority, however consider it appropriate to maintain the flexibility this authority provides.

SPECIAL RESOLUTIONS**RESOLUTIONS 17 AND 18: DISAPPLICATION OF STATUTORY PRE-EMPTION RIGHTS**

Resolutions 17 and 18 will give the Directors authority to allot ordinary shares in the capital of the Company pursuant to the authority granted under Resolution 16 for cash without complying with the pre-emption rights in the Companies Act 2006 in certain circumstances.

This disapplication authority is in line with institutional shareholder guidance, and in particular with the Pre-Emption Group's Statement of Principles (the "Pre-Emption Principles"), which allow the authority for an issue of shares for cash otherwise than in connection with a pre-emptive offer to include: (i) an authority over five per cent of a Company's issued share capital for use on an unrestricted basis; and (ii) an additional authority over a further five per cent of a Company's issued share capital for use in connection with an acquisition or specified capital investment announced contemporaneously with the issue, or that has taken place in the six-month period preceding the announcement of the issue.

Resolution 17 will permit the Directors to allot:

- (a) equity securities up to a nominal amount of £13,109,146, representing one-third of the Company's issued share capital as at 2 March 2021 (the latest practicable date prior to publication of this document) on an offer to existing shareholders on a pre-emptive basis (that is including a rights issue or an open offer), subject to any adjustments, such as for fractional entitlements and overseas shareholders, as the Directors see fit; and
- (b) equity securities up to a maximum nominal value of £1,966,371, representing approximately five per cent of the issued ordinary share capital of the Company as at 2 March 2021 (the latest practicable date prior to publication of this document), otherwise than in connection with a pre-emptive offer to existing shareholders.

Resolution 18 will permit the Directors to allot additional equity securities up to a maximum nominal value of £1,966,371, representing approximately a further five per cent of the issued ordinary share capital of the Company as at 2 March 2021 (the latest practicable date prior to publication of this document), otherwise than in connection with a pre-emptive offer to existing shareholders for the purposes of financing or refinancing a transaction as contemplated by the Pre-Emption Principles described above. The Directors believe that it is appropriate to seek this additional five per cent authority in Resolution 18 to give the Company the flexibility that this resolution affords.

The Directors confirm that, in accordance with the Pre-Emption Principles, they do not intend to issue shares for cash representing more than 7.5 per cent of the Company's issued ordinary share capital in any rolling three-year period to those who are not existing shareholders (save in accordance with Resolution 18) without prior consultation with shareholders.

As noted in relation to Resolution 16, the Directors have no current intention of issuing ordinary shares.

The authority contained in Resolutions 17 and 18 will expire upon the expiry of the authority to allot shares conferred in Resolution 16 (that is at the end of the next AGM of the Company or, if earlier, on 27 August 2022).

RESOLUTION 19: AUTHORITY TO MAKE MARKET PURCHASES OF OWN SHARES

Authority is sought for the Company to purchase up to 10 per cent of its issued ordinary shares (excluding any treasury shares), renewing the authority granted by the shareholders at previous AGMs. The minimum price, exclusive of expenses, which may be paid for an ordinary share is its nominal value. The maximum price, exclusive of expenses, which may be paid for an ordinary share is the highest of (i) an amount equal to 105 per cent of the average market value for an ordinary share for the five business days immediately preceding the date of the purchase, and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out.

In considering whether to use this authority, the Directors will take into account factors including the financial resources of the Company, the Company's share price and future funding opportunities. The authority will only be exercised if the Directors believe that to do so would result in an increase in earnings per share and would be in the interests of shareholders generally.

Ordinary shares purchased by the Company pursuant to this authority may be held in treasury or may be cancelled. The Directors' current intention is to cancel any shares it may purchase pursuant to this authority, however they will consider holding any ordinary shares the Company may purchase as treasury shares depending on the Company's capital requirements and prevailing market conditions.

The total number of options to subscribe for ordinary shares in the Company outstanding as at the close of business on 2 March 2021 was 8,142,085, representing approximately 2.1 per cent of the issued ordinary share capital of the Company as at that date and, if the authority to make market purchases now being sought were to be fully used, would represent approximately 2.3 per cent of the Company's issued ordinary share capital.

The authority will expire at the earlier of close of business on 27 August 2022 and the conclusion of the AGM of the Company held in 2022.

The Company announced a share buyback on 27 February 2020 of up to £150m. This programme was cancelled on 20 March 2020 due to the global pandemic. The Company purchased 5,858,343 shares in the period from the last AGM to 2 March 2021 under the existing authority.

RESOLUTION 20: NOTICE OF GENERAL MEETINGS

The Companies Act 2006 requires that all general meetings be held on 21 days' notice unless shareholders agree to a shorter notice period. This Resolution seeks to renew the authority granted by shareholders at the Company's 2020 AGM which preserved the Company's ability to call general meetings (other than annual general meetings) on 14 clear days' notice. This authority will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed. The Company confirms that it intends to give as much notice as is practicable when calling a general meeting. The 14 clear days' notice period will not be used as a matter of routine, but only in circumstances where it would clearly be to the advantage of shareholders as a whole, the business of the meeting is time-sensitive or flexibility is merited by the nature of the business of the meeting.

RESOLUTION 21: ARTICLES OF ASSOCIATION

The Board is proposing that the Company adopt new articles of association to reflect changes to company law and market practice since the articles of association were last updated in 2015. In particular the new articles of association would facilitate the holding of hybrid shareholder meetings, that is a meeting where members are able participate in the business of the meeting by attending a physical location or by attending by means of an electronic facility.

The principal changes proposed to the current articles of association are set out in Appendix 2. In addition, a marked-up version of the new articles of association is available on our website at www.Inchcape.com

APPENDIX 1

Summary of the main provisions of the Inchcape Performance Share Plan 2021 and the Inchcape Co-Investment Plan 2021 (the "PSP" and the "CIP" and, together, the "New Employee Share Plans").

THE NEW EMPLOYEE SHARE PLANS

The Board believes that it is important to attract, motivate and retain employees of the appropriate calibre and to align their interests with those of shareholders in the Company. Accordingly, it proposes to adopt the New Employee Share Plans to replace the Company's existing performance share plan and co-investment plan which are due to expire on 12 May 2021.

The terms of the New Employee Share Plans are summarised below.

PROVISIONS COMMON TO BOTH OF THE NEW EMPLOYEE SHARE PLANS

Administration

Awards can be granted, and the New Employee Share Plans can be administered, by the Board, or a duly authorised committee of the Board. The current intention is that the New Employee Share Plans will be administered and awards granted by the Remuneration Committee (and this will always be the case in respect of awards for executive directors of the Company ("Executive Directors")).

Eligibility

Awards may be granted to any of the employees of the Company or its subsidiaries, including the Executive Directors ("Eligible Employees").

Executive Directors

Participation by the Executive Directors shall, unless and until approved otherwise by shareholders, be in accordance with the terms of the Company's remuneration policy as approved by shareholders from time to time (the "Remuneration Policy").

Form of awards

Under the New Employee Share Plans, awards will take the form of either:

- a conditional right to receive ordinary shares in the Company ("Shares") which will be automatically transferred to the participant following vesting;
- a nil or nominal-cost option, exercisable by the participant during a permitted exercise period of 12 months following vesting in the case of the PSP or six months following vesting in the case of the CIP (an "option"); or
- such other form of award (including restricted shares) as the Remuneration Committee may from time to time determine.

Timing of grant of awards

Options and awards under the New Employee Share Plans may, save in exceptional circumstances, only be granted within a period of 42 days following the date of announcement by the Company of its interim or final results (or as soon as practicable thereafter if the Company is restricted from being able to grant options or awards, or make invitations, during such period), or in the case of the CIP, where awards are made in connection with the deferral of a portion of an Eligible Employee's annual bonus, as soon as reasonably practicable after the determination of such bonus, and awards under the New Employee Share Plans made in connection with the recruitment or promotion of an Eligible Employee can be made as soon as reasonably practicable thereafter.

Performance conditions

The Remuneration Committee will determine the performance conditions which will apply to awards and which will be measured over a period (the "performance period") of not less than three years. There will be no provision for re-testing.

The Remuneration Committee may alter the performance conditions attaching to an award if events happen after the date of grant that cause the Remuneration Committee to consider that any element of the performance conditions is no longer a fair measure of the Company's performance, provided that the revised target is not considered to be materially less challenging than was intended in setting the original conditions. Where an award vests prior to the normal vesting date, the Remuneration Committee will assess performance using such information as it determines to be appropriate.

Performance conditions for Executive Directors will be set in line with the Remuneration Policy, and will be set out in the annual report on Directors' remuneration.

Retention period

If the Remuneration Committee so determines, awards will be subject to a retention period of two years following the vesting of an award during which a participant shall not be permitted to dispose of the Shares acquired on vesting (other than to cover tax liabilities or in the event of a corporate action).

Dividend equivalents

Participants may receive an additional payment (or Shares of equivalent value) equal to the dividends which would have been paid during the vesting period (or, in the case of an option that is subject to a retention period, during the period from the date of grant to the earlier of the expiry of the retention period and the date on which the option is exercised) on the number of Shares that vest. This amount may take into account the reinvestment of dividends.

Corporate actions

In the event of a change of control, awards will normally vest and options may be exercised for a period of six months (depending on how the change of control is effected). In the event of the passing of a resolution for the voluntary winding-up of the Company, awards will vest and options will be exercisable for a period of 60 days. In the event of a demerger of a substantial part of the Group's business, a special dividend or a similar event affecting the value of the Shares to a material extent, awards may be adjusted as set out below or the Remuneration Committee may allow awards to vest, in which case options may be exercised for a period of two months, or such longer period as the Remuneration Committee may permit. Unless the Remuneration Committee determines otherwise, where the corporate action forms part of an internal re-organisation or the Remuneration Committee, with the agreement of the new controlling company, determines, an award shall not vest, and instead will be replaced with an award of equivalent value over shares in the new controlling company.

Extent of vesting on cessation of employment, death or a corporate action

Where, prior to the normal vesting date, a participant ceases employment, or gives or receives notice, for a Good Leaver reason, or in the case of a participant who is an Executive Director, dies, or there is a corporate action, the number of Shares in respect of which an award vests will, unless the Remuneration Committee determines otherwise, be pro-rated on the basis of the number of days which have elapsed from the start of the performance period to the date of cessation (or, unless the Remuneration Committee determines otherwise, notice) or the corporate action (as applicable).

Non-transferable and non-pensionable

Options and awards are non-transferable, save to personal representatives following death, and do not form part of pensionable earnings.

Plan limits

Shares may be newly issued, transferred from treasury or market purchased for the purposes of the New Employee Share Plans.

Options or awards may not be granted under a New Employee Share Plan on terms capable of being satisfied by newly issued shares where to do so would cause the number of Shares which may be issued pursuant to outstanding awards or options granted within the previous 10 years under the New Employee Share Plans and any other employees' share scheme adopted by the Company, when added to the number of Shares issued for the purpose of any such awards and options, to exceed 10 per cent of the Company's ordinary share capital in issue immediately prior to the proposed date of grant.

Options or awards may not be granted under the New Employee Share Plans on terms capable of being satisfied by newly issued shares where to do so would cause the number of Shares which may be issued pursuant to outstanding awards or options granted within the previous 10 years under the New Employee Share Plans and any other discretionary employees' share scheme adopted by the Company, when added to the number of Shares issued for the purpose of any such awards and options, to exceed five per cent of the Company's ordinary share capital in issue immediately prior to the proposed date of grant.

These limits do not include rights to Shares which have been released, lapsed or otherwise become incapable of exercise or vesting.

Treasury shares will count as new issue shares for the purpose of these limits for so long as institutional investor bodies consider that they should be so counted.

Variation of capital

The number of Shares subject to options and awards may be adjusted, in such manner as the Remuneration Committee may determine, following any variation of share capital of the Company or a demerger of a substantial part of the Group's business, a special dividend or a similar event affecting the value of Shares to a material extent.

Alterations

The Remuneration Committee may amend the rules of the New Employee Share Plans as it considers appropriate, subject to any relevant legislation, provided that no modification may be made which confers any additional advantage on participants relating to eligibility, plan limits, the basis of individual entitlement, the price payable for the acquisition of Shares and the provisions for the adjustment of options and awards without prior shareholder approval, except in relation to performance conditions or for amendments which are minor amendments to benefit the administration of the New Employee Share Plans, to take account of a change in legislation, or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or the Company (or other Group companies).

Claw-back

The Remuneration Committee may apply claw-back where at any time before or within two years of vesting it determines that the financial results of any Group company or relevant business unit were misstated or an error was made in any calculation or in assessing performance, which resulted in the number of Shares in respect of which the option or award was granted or vested being more than it should have been. The Remuneration Committee may also apply claw-back at any time before or within two years of vesting in certain circumstances, including material breach of the terms and conditions of employment on the part of the participant, actions by the participant leading to the reputational damage of any Group company, or corporate failure of any Group company.

A claw-back may be satisfied in a number of ways, including by reducing the amount of any future bonus, reducing the vesting of any subsisting options or awards held by a participant (other than options or awards granted as UK tax-advantaged options or awards governed by relevant statutory provisions), by reducing the number of Shares under any vested but unexercised option and/or by either one or both of a requirement to make a cash payment or transfer of Shares to the Company.

The claw-back provisions will not apply following the occurrence of a takeover or similar corporate event.

Overseas plans

Each of the New Employee Share Plans contains provisions which permit the Board to establish further plans for the benefit of overseas Eligible Employees based on the relevant New Employee Share Plan but modified as necessary or desirable to take account of overseas tax, exchange control or securities laws. Any new Shares issued under such plans would count towards the individual and overall plan limits outlined above.

THE PSP

Individual limit

In line with the existing performance share plan, the maximum market value of the Shares over which an Eligible Employee may be granted an award under the PSP in any financial year shall not exceed an amount equal to 300 per cent of the Eligible Employee's gross annual basic salary as at the date of grant.

For Executive Directors, unless or until otherwise approved by shareholders, award levels will always be in accordance with the Company's Remuneration Policy.

Vesting

Awards will normally vest on the third anniversary of the date of grant.

Awards will vest to the extent that the relevant performance conditions have been met, provided that, in line with the Remuneration Policy, the Remuneration Committee may adjust (negatively or positively) the vesting level where it considers it appropriate to do so to reflect the Company's broader financial performance and such other factors as it considers to be relevant.

If the Remuneration Committee so determines, an award may be satisfied in whole or in part by a cash payment as an alternative to the issue or transfer of Shares.

Leavers

An award will normally lapse where the participant ceases to hold office or employment with the Group before the vesting date. Awards will not lapse where the cessation of office or employment with the Group is after the vesting date or is due to injury, disability, ill-health, redundancy, the transfer of the participant's employment in connection with a business sale, the company with which the participant holds office or employment ceasing to be a member of the Group, or any other reason if the Remuneration Committee so determines (a "Good Leaver").

Where a participant ceases employment for a Good Leaver reason before the normal vesting date, the award will continue and vest on its normal vesting date, provided that the Remuneration Committee may determine that the award will instead vest on or at any time following the date of cessation.

On the death of a participant, an award shall immediately vest.

An option will be exercisable during a period of 12 months from the date of cessation as a Good Leaver (or such other period as the Remuneration Committee may permit) or 12 months from the date of death and, where a participant ceases employment after the vesting date, will remain capable of exercise during the period of 12 months from the vesting date.

THE CIP

The CIP is a discretionary share plan under which the Remuneration Committee may specify that a portion of any annual bonus earned must be used to purchase Shares or under which participants may elect to use their own funds to purchase Shares and, in return for agreeing (or being required) not to dispose of those Shares for three years, are granted awards over additional Shares. The awards are subject to one or more performance targets measured over a three-year period.

Invested amount

Eligible Employees will be invited (or required) to participate by purchasing Shares ("Investment Shares"). The amount which the Eligible Employee chooses (or is required) to apply in purchasing Investment Shares may not be less than, nor more than, respectively 10 per cent and 100 per cent of the Eligible Employee's annual salary, after deduction of income tax (subject to a maximum of 50 per cent in the case of Executive Directors, in line with the Remuneration Policy).

For Executive Directors, unless or until otherwise approved by shareholders, any requirement to participate, the investment limits and the matching award levels will always be in accordance with the Company's Remuneration Policy.

Awards

The invitation will state the basis on which the number of Shares over which an Eligible Employee will be granted an award is calculated where the Eligible Employee elects (or is required) to participate. The market value of the Shares subject to an award as at the date of grant may not exceed twice the amount of the annual salary (before deduction of income tax) which the Eligible Employee elects (or is required) to use in buying Investment Shares.

Vesting

Awards will normally vest on the third anniversary of the grant date, to the extent that the relevant performance conditions have been met, provided that, unless the Remuneration Committee determines otherwise, the Investment Shares have not been withdrawn from the CIP.

The Remuneration Committee may adjust (negatively or positively (and, until such time as the Remuneration Policy is amended, negatively only in the case of a participant who is an Executive Director)) the vesting level where it considers it appropriate to do so to reflect the Company's broader financial performance and such other factors as it considers to be relevant.

Leavers

An award will normally lapse where the participant ceases to hold office or employment with the Group before the vesting date. Awards will not lapse where the cessation of office or employment with the Group is after the vesting date or is due to injury, disability, ill-health, retirement, redundancy, the transfer of the participant's employment in connection with a business sale, the company with which the participant holds office or employment ceasing to be a member of the Group, or any other reason if the Remuneration Committee so determines (a "Good Leaver").

Where a participant ceases employment for a Good Leaver reason before the normal vesting date, the award will continue and vest on its normal vesting date, provided that the Remuneration Committee may determine that the award will instead vest on or at any time following the date of cessation.

On the death of a participant, an award shall immediately vest in full.

An option will be exercisable during a period of three months from the date of cessation as a Good Leaver (or such other period as the Remuneration Committee may permit) or 12 months from the date of death and, where a participant ceases employment after the vesting date, will remain capable of exercise during the period of six months from the vesting date.

EMPLOYEE BENEFIT TRUST (THE "EBT")

The Company may use its existing EBT, or may establish a new EBT, to operate in conjunction with the New Employee Share Plans and otherwise to benefit Eligible Employees and former Eligible Employees of the Company and its subsidiaries.

The Company and its subsidiaries may fund the EBT by loan or gift to acquire Shares by market purchase, by subscription or from treasury. Any Shares issued to the EBT (where the trust does not acquire Shares by market purchase) will be treated as counting against the plan limits contained in the rules of the New Employee Share Plans.

The EBT is, or will be, constituted by a trust deed between the Company and an offshore independent professional trustee. The power to appoint and remove the trustee rests with the Company. The EBT will not, without prior shareholder approval, be able to make an acquisition of Shares where it would then hold more than five per cent of the Company's issued share capital from time to time.

APPENDIX 2

SUMMARY OF THE PRINCIPAL CHANGES TO THE COMPANY'S ARTICLES OF ASSOCIATION

It is proposed that the Company adopt new articles of association (the 'New Articles') in place of the current articles of association (the 'Current Articles').

The principal changes in the New Articles are summarised below. They are intended to reflect developments in market practice since the Current Articles were adopted in 2015. In addition, the Company has taken the opportunity to incorporate amendments of a more minor, technical or clarifying nature which are not summarised below.

NON-EXECUTIVE DIRECTOR FEE LIMIT

The Current Articles provide that the Non-Executive Directors' fees shall not exceed £1,000,000 per annum in aggregate. Although there are currently no plans to make any material changes to the fees paid to the Non-Executive Directors, the Board considers it desirable to increase the fee limit contained in the articles of association in order to provide flexibility. It is proposed that the limit be increased to £1,200,000 per annum in aggregate. The fees paid to the Non-Executive Directors will always be subject to the terms of the Company's approved Directors' Remuneration Policy.

SHARE CERTIFICATES

The New Articles confirm that share certificates are sent at the member's risk.

UNTRACED MEMBERS

The process of selling shares belonging to shareholders who remain untraced for over 12 years has been modernised in the New Articles to bring them more in line with current market practice. The changes include removing the requirement for notices in relation to untraced shareholders to be published in a national newspaper (notices must still be sent to the registered address or last known address of the shareholder). The Company is also required to use reasonable steps to trace the untraced shareholder, for example, using a professional asset reunification company or other tracing agent.

Amendments have also been made to the process of the sale of shares of untraced members. The obligation to obtain the "best price reasonably obtainable" for such shares has been deleted in the New Articles, and proceeds of sale of the share(s) will be forfeited by the former shareholder, with no further right to claim the proceeds.

Various consequential amendments have been made to the New Articles to reflect the above changes.

GENERAL MEETINGS

A number of changes are proposed to the provisions in the Current Articles in relation to general meetings.

The New Articles provide that the Company may hold "hybrid" general meetings (including annual general meetings) in such a way that enables members to attend and participate in the business of the meeting by attending a physical location or by attending by means of an electronic facility. The Directors consider it prudent to obtain the flexibility to hold hybrid meetings and the provision does not permit virtual-only or electronic-only general meetings to be convened.

The Board's powers to postpone general meetings and to put in place security and safety arrangements in connection with a general meeting have also been updated. The New Articles also provide for satellite/multi-venue meetings.

A number of other modernising or consequential amendments have been made to the provisions in the New Articles in relation to general meetings.

DIRECTORS

Minor changes are proposed to the provisions in the Current Articles which relate to the appointment or removal of Directors and the proceedings of Directors.

DIVIDENDS

Minor changes are proposed to the provisions in the Current Articles which relate to the payment of dividends.

DRESS CODE

The Royal Automobile Club has a dress code for its Pall Mall Clubhouse. We kindly request, if you intend to attend the meeting, that you observe the RAC dress code. A summary of the code is set out below:

1. Gentlemen are required to wear suits, or jackets and trousers, together with a collared shirt and tie at all times when in the Clubhouse. Cravats are not permitted.
2. Ladies are expected to dress according to the occasion and within the spirit of the code.
3. Denim clothing; baggy jumpers; sweatshirts; T-shirts; tracksuits; leisure suits; shorts; leggings; combat-style or jeans-style trousers, or training shoes may not be worn at any time when in the Clubhouse.
4. The dress code also applies to children.
5. The dress code does not apply if wearing national dress or the uniform or costume appropriate to a member's or guest's office or vocation.
6. Members and guests should deposit their hats, coats, briefcases, parcels, shopping bags, etc. in the cloakroom. Naturally, ladies may retain their handbags. Any items left unattended may be removed to the cloakroom.

Members and guests are also asked to refrain from using mobile phones while in the Clubhouse.

INSPECTION OF DOCUMENTS

The following documents are available for inspection at 22a St James's Square, London, SW1Y 5LP, the registered office of the Company, on Monday to Friday (except for public holidays) during normal working hours and at the AGM at The Royal Automobile Club, 89 Pall Mall, London SW1Y 5HS from 15 minutes before the AGM until it ends:

- copies of the Executive Directors' service contracts;
- copies of letters of appointment of the Non-Executive Directors;
- a copy of the rules of the Inchcape Performance Share Plan 2021;
- a copy of the rules of the Inchcape Co-Investment Plan 2021;
- copies of the new articles of association and a marked up version of the current articles of association.