

Company number: 00125575

The Companies Act 2006
Public Company Limited by Shares

Resolutions

of

Grainger plc

(Company)

At the Annual General Meeting of the above-named Company, duly convened and held on 8 February 2012, the following resolutions were passed as ordinary and special resolutions of the Company, namely:

Ordinary Resolution

16. That the directors be generally and unconditionally authorised for the purpose of section 551 of the Companies Act 2006 (Act) to exercise all the powers of the Company to:
- 16.1 allot or grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £6,900,000; and
- 16.2 allot equity securities (within the meaning of section 560 of the Act) up to a further aggregate nominal amount of £6,900,000 provided that they are offered by way of a rights issue to holders of ordinary shares on the register of members at such record date(s) as the directors may determine, where the shares or equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective number of ordinary shares held or deemed to be 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 shares being represented by depositary receipts or any other matter,

provided that in both cases:

- (a) (except as provided in paragraph (b) below) this authority shall expire at the conclusion of the next annual general meeting of the Company or, if earlier, 15 months after the passing of this resolution; and
- (b) the Company may before such expiry make an offer or agreement which would or might require shares or equity securities, as the case may be, to be allotted or such rights granted after such expiry and the directors may allot shares or equity securities or grant such rights, as the case may be, in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

All unexercised authorities previously granted to the directors to allot shares or equity securities or to grant rights to subscribe for or to convert any security into shares be and are hereby revoked.

Special Resolutions

17. That, subject to the passing of resolution 16 above, the directors, be empowered pursuant to section 570 of the Companies Act 2006 (**Act**) to allot equity securities (within the meaning of section 560 of the Act) for cash, either pursuant to the authority conferred by resolution 16 or by way of a sale of or treasury shares (within the meaning of section 724(5) of the Act), as if section 561 of the Act did not apply to any such allotment provided that this power shall be limited to the allotment of equity securities:

- (a) made in connection with an offer of securities, open for acceptance for a fixed period, by the directors to ordinary shareholders of the Company on the register on a fixed record date in proportion (as nearly as may be) to their then holdings of such shares (but subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with treasury shares or any legal or practical problems under the laws or requirements of any recognised regulatory body or any stock exchange in any overseas territory or in connection with fractional entitlements) or by virtue of shares being represented by depositary receipts or any other matter whatsoever;

and

- (b) (otherwise than pursuant to paragraph (a) above) up to an aggregate nominal value of £1,030,000.

Provided in both cases that the powers granted by this resolution shall expire on the conclusion of the next annual general meeting of the Company or, if earlier, 15 months after the passing of this resolution but the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities pursuant to such an offer or agreement notwithstanding that the power conferred by this resolution has expired.

All unexercised authorities previously granted to the directors to allot equity securities as if section 561 of the Act (or section 89(1) of the Companies Act 1985) did not apply be and hereby revoked.

18. That in accordance with the Companies Act 2006 (**Act**) the Company be generally and unconditionally authorised for the purposes of section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) on the London Stock Exchange of ordinary shares of 5p each in the capital of the Company provided that:
- 18.1 the maximum aggregate number of shares hereby authorised to be purchased is 41,400,000;
- 18.2 the minimum price which may be paid for such shares is 5p per ordinary share (exclusive of expenses);
- 18.3 the maximum price (exclusive of expenses) which may be paid for such shares shall not be more than 5% above the average of the market values for a share as derived from the London Stock Exchange's Daily Official List for the five business days immediately preceding the date on which the shares are purchased;
- 18.4 unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the Company's next annual general meeting or 15 months from the date of this resolution (whichever is earlier); and
- 18.5 the Company may make a contract or contracts to purchase shares under the authority conferred by this resolution prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of ordinary shares in pursuance of any such contract or contracts.
19. That a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

Ordinary Resolution

20. That the Company and all companies that are its subsidiaries at any time during the period for which this resolution is effective are hereby authorised to:
- 20.1 make political donations to political parties and/or to independent election candidates;
 - 20.2 make political donations to political organisations other than political parties; and
 - 20.3 incur political expenditure,

not exceeding £50,000 in aggregate total amount during the period ending on the date of the Company's next annual general meeting.

For the purposes of this resolution, the terms 'political donations' 'political parties', 'independent election candidates', 'political organisation' and 'political expenditure' have the meanings set out in sections 363 to 365 of the Companies Act 2006.

21. That The Grainger plc Company Share Option Plan 2012, the principal terms of which are summarised in the Appendix to this Notice of Annual General Meeting and a copy of which has been produced to the meeting and for the purposes of identification signed by the Chairman, be and is hereby approved and the directors be and are hereby authorised to make such amendments to the rules of The Grainger plc Company Share Option Plan 2012 as may be necessary to obtain HMRC approval of the same and to do all such acts or things as may be necessary or desirable to obtain such HMRC approval and to implement The Grainger plc Company Share Option Plan 2012.



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Michael Windle
Company Secretary