

**PENNON GROUP PLC**

**At the General Meeting of the Company held at Peninsula House Rydon Lane, Exeter EX2 7HR on Monday 28 June 2021 the following Resolutions were passed as Ordinary and Special Resolutions as stated:-**

**ORDINARY RESOLUTIONS**

**Resolution 1 – Special Dividend**

THAT, subject to and conditional on:

- (a) the passing of Resolution 2; and
- (b) following the Share Consolidation, admission of the New Ordinary Shares of 61.05 pence each in the capital of the Company to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities becoming effective at 8.00 a.m. on 5 July 2021 (or such later time and/ or date as the Directors may in their absolute discretion determine) (**Admission**),

a dividend of 355 pence per existing ordinary share of 40.7 pence each in the capital of the Company (each an **Existing Ordinary Share**) be, and is hereby declared to be, paid to each Shareholder on the register of members of the Company at 6.00 p.m. on 2 July 2021.

**Resolution 2 – Share Consolidation**

THAT, subject to and conditional on the passing of Resolution 1 and Admission (as defined in Resolution 1), every 3 Existing Ordinary Shares in issue and outstanding as at 6.00 p.m. on 2 July 2021 (or such other time and date as the Directors may in their absolute discretion determine) be and are hereby consolidated into 2 New Ordinary Shares of 61.05 pence each in the capital of the Company (the **New Ordinary Shares**), such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the Existing Ordinary Shares in the capital of the Company as set out in the Company's current Articles, provided that where such consolidation results in any member being entitled to a fraction of a New Ordinary Share, such fraction shall, so far as possible, be aggregated with the fractions of a New Ordinary Share to which other members of the Company may be entitled and the Directors be and are hereby authorised to sell (or appoint any other person to sell), on behalf of the relevant members, all the New Ordinary Shares representing such fractions to any person (including the Company) and distribute the net proceeds of sale in due proportion among those members (except that any proceeds in respect of any holding less than a sum fixed by the Directors may be retained for the benefit of the Company). For the purposes of implementing such sale: (i) any Director (or any person appointed by the Directors) shall be and is hereby authorised to execute an instrument of transfer on behalf of the relevant members entitled to such fractions and to do all acts and things the Directors consider necessary or expedient to effect the transfer of such fractional entitlements to, or in accordance with the directions of, any purchaser of any such fractional entitlements; and (ii) the proceeds of such sale (net of expenses) will be distributed to the relevant members.

**Resolution 3 – authority to allot shares**

That, subject to and conditional on the passing of Resolutions 1 and 2 (including Admission, as required by Resolution 1) and in place of the equivalent authority given at the 2020 AGM (but without prejudice to the continuing authority of the Directors to allot equity securities pursuant to an offer or agreement made by the Company before the expiry of the authority pursuant to which such offer or agreement was made):

- (a) the Directors be generally and unconditionally authorised, in accordance with Section 551 of the Companies Act 2006, to exercise all powers of the Company to allot shares in the Company and grant rights to subscribe for, or convert any security into, shares in the Company:
  - (i) up to a maximum nominal amount of £57,267,169 (such amount to be reduced by the nominal amount of any equity securities (as defined in Section 560 of the Companies Act 2006) allotted under paragraph (ii) below in excess of £57,267,169); and
  - (ii) comprising equity securities (as defined in Section 560 of the Companies Act 2006) up to a maximum nominal amount of £114,534,338 (such amount to be reduced by any shares allotted or rights granted under paragraph (i) above) in connection with an offer by way of a rights issue:
    - (A) to holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings; and
    - (B) to 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;

and so that the Directors may make such exclusions or other arrangements as they consider expedient in relation to treasury shares, fractional entitlements, record dates, shares represented by depositary receipts, legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange or any other matter;

- (b) this authority shall expire at the conclusion of the next AGM of the Company after the passing of this resolution or, if earlier, at the close of business on 1 October 2021;
- (c) the Company may, before this authority expires, make an offer or enter into an agreement which would or might require shares to be allotted or rights to be granted after it expires and the Directors may allot shares or grant rights in pursuance of such offer or agreement as if this authority had not expired; and
- (d) all other previous unutilised authorities under Section 551 of the Companies Act 2006 shall cease to have effect (save to the extent that the same are exercisable pursuant to Section 551(7) of the Companies Act 2006 by reason of any offer or agreement made prior to the date of this resolution which would or might require shares to be allotted or rights to be granted on or after that date).

## **SPECIAL RESOLUTIONS**

### **Resolution 4 – Authority to disapply pre-emption rights**

That, subject to and conditional on the passing of Resolutions 1, 2 and 3 (including Admission, as required by Resolution 1) and in place of the equivalent authority given at the 2020 AGM (but without prejudice to the continuing authority of the Directors to disapply pre-emption rights in connection with an offer or agreement made by the Company before the expiry of the authority pursuant to which such offer or agreement was made):

- (a) the Directors be given power:
  - (i) subject to the passing of Resolution 3 above, to allot equity securities (as defined in Section 560 of the Companies Act 2006) for cash pursuant to the authority conferred on them by that resolution under Section 551 of that Act; and
  - (ii) to allot equity securities as defined in Section 560(3) of that Act (sale of treasury shares) for cash, in either case as if Section 561 of that Act did not apply to the allotment or sale, but this power shall be limited:

- (A) to the allotment of equity securities in connection with an offer or issue of equity securities (but in the case of the authority granted under Resolution 3(a)(ii), by way of a rights issue only) to or in favour of:
  - I. holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings; and
  - II. 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;

and so that the Directors may make such exclusions or other arrangements as they consider expedient in relation to treasury shares, fractional entitlements, record dates, shares represented by depositary receipts, legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange or any other matter; and

- (B) to the allotment of equity securities pursuant to the authority granted under Resolution 3(a)(i) and/or by virtue of Section 560(3) of the Companies Act 2006 (in each case otherwise than under paragraph (A) above) up to a maximum nominal amount of £8,590,075;
- (b) this power shall expire at the conclusion of the next AGM of the Company after the passing of this resolution or, if earlier, at the close of business on 1 October 2021; and
- (c) the Company may, before this power expires, make an offer or enter into an agreement, which would or might require equity securities to be allotted after it expires and the Directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.

**Resolution 5 – Authority to disapply pre-emption rights in connection with an acquisition or specified capital investment**

That, subject to and conditional on the passing of Resolutions 1, 2 and 3 (including Admission, as required by Resolution 1) and in place of the equivalent authority given at the 2020 AGM (but without prejudice to the continuing authority of the Directors to disapply pre-emption rights in connection with an offer or agreement made by the Company before the expiry of the authority pursuant to which such offer or agreement was made):

- (a) the Directors, in addition to any authority granted under Resolution 4 above, be given power:
  - (i) subject to the passing of Resolution 3, to allot equity securities (as defined in Section 560 of the Companies Act 2006) for cash pursuant to the authority conferred on them by that resolution under Section 551 of that Act; and
  - (ii) to allot equity securities as defined in Section 560(3) of that Act (sale of treasury shares) for cash, in either case as if Section 561 of that Act did not apply to the allotment or sale, but this power shall be:
    - (A) limited to the allotment of equity securities up to a maximum nominal amount of £8,590,075; and
    - (B) used only 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 Board of the Company determines 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;

- (b) this power shall expire at the conclusion of the next AGM of the Company after the passing of this resolution or, if earlier, at the close of business on 1 October 2021; and
- (c) the Company may, before this power expires, make an offer or enter into an agreement, which would or might require equity securities to be allotted after it expires and the Directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.

#### **Resolution 6 - authority to purchase own shares**

That, subject to and conditional on the passing of Resolutions 1 and 2 (including Admission, as required by Resolution 1) and in place of the similar (lower) authority given at the 2020 AGM (but without prejudice to the continuing authority of the Directors to make market purchases of ordinary shares of 61.05 pence each pursuant to an offer or agreement made by the Company before the expiry of the authority pursuant to which such offer or agreement was made), in accordance with the Companies Act 2006, the Company is generally and unconditionally authorised for the purposes of Section 701 of the Companies Act 2006 to make market purchases (within the meaning of Section 693(4) of the Companies Act 2006) of ordinary shares of 61.05 pence each in the capital of the Company on such terms and in such manner as the Directors of the Company may from time to time determine, provided that:

- (a) the maximum number of ordinary shares that may be purchased under this authority is 42,183,531;
- (b) the minimum price which may be paid for each ordinary share is 61.05 pence (exclusive of expenses payable by the Company in connection with the purchase), being the nominal value of each such ordinary share;
- (c) the maximum price which may be paid for each ordinary share purchased under this authority (exclusive of expenses payable by the Company in connection with the purchase) shall not be more than the higher of (i) an amount equal to 105% of the average of the middle market quotations for such ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that ordinary share is purchased; and (ii) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading System;
- (d) this authority will, unless previously varied, revoked or renewed, expire at the conclusion of the next AGM of the Company or, if earlier, on 1 October 2021, but the Company may make a contract or contracts to purchase ordinary shares under this authority before its expiry which will or may be executed wholly or partly after the expiry of this authority and may make purchases of ordinary shares pursuant to any such contract; and
- (e) all existing authorities for the Company to make market purchases of ordinary shares are revoked, except in relation to the purchase of shares under a contract or contracts concluded before the date of this resolution and which has or have not yet been executed.

#### **Resolution 7 – adoption of New Articles**

That, with effect from conclusion of this meeting, the articles of association produced to the meeting and initialled by the Chair of the meeting for the purpose of identification be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company.



Simon Pugsley  
Group General Counsel & Company Secretary