

Notice of annual general meeting

This notice of meeting is important and requires your immediate attention.

If you are in any doubt as to any aspect of the proposals referred to in this notice of meeting or as to the action you should take, you should seek your own advice from a stockbroker, bank manager, solicitor, tax adviser, accountant or other independent professional adviser.

If you have recently sold or otherwise transferred all of your ordinary shares in PayPoint plc, please pass this notice of meeting together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer, so that they can pass these documents to the person who now holds the shares as soon as possible.

PAYPOINT PLC

Notice of annual general meeting

Notice is hereby given that the 2019 annual general meeting of PayPoint plc ('the Company') will be held at the Company's head office, 1 The Boulevard, Shire Park, Welwyn Garden City, Hertfordshire AL7 1EL on Thursday 25 July at 12.00 noon. You will be asked to consider and pass the resolutions below. Resolutions 14, 15 and 16 will be proposed as special resolutions. All other resolutions will be proposed as ordinary resolutions.

Ordinary business

1. To receive the Annual Report and accounts for the financial year ended 31 March 2019.
2. To approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy on pages 67 to 73), as set out in the Company's Annual Report and accounts for the financial year ended 31 March 2019.
3. To declare a final dividend of 23.6 pence per ordinary share of the Company for the year ended 31 March 2019.
4. To elect Mr Patrick Headon as a Director who, having been appointed since the last annual general meeting of the Company, offers himself for election in accordance with the Company's articles of association.
5. To re-elect Ms Gill Barr as a Director.
6. To re-elect Ms Rachel Kentleton as a Director.
7. To re-elect Mr Giles Kerr as a Director.
8. To re-elect Mr Rakesh Sharma as a Director.
9. To re-elect Mr Nick Wiles as a Director.
10. To re-appoint KPMG LLP as auditor of the Company until the conclusion of the next annual general meeting of the Company at which the accounts are laid.
11. To authorise the Directors to determine the auditor's remuneration.
12. To authorise the Directors to operate the PayPoint Restricted Share Plan ('RSP'), a copy of the draft rules of which is produced to the meeting and a summary of the main provisions of which is set out in the explanatory notes, and to do all such acts and things as may be necessary or expedient to give effect to the RSP.

Special business

13. That the Directors are authorised in accordance with section 551 of the Companies Act 2006 ('the Act'), to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company up to an aggregate nominal amount of £75,828 provided that this authority shall expire on the conclusion of the annual general meeting of the Company to be held in 2020 or, on a date which is 15 months from the date of this resolution, whichever is earlier, save that the Company shall be entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted or rights to be granted after such expiry and the Directors shall be entitled to allot shares or grant rights pursuant to any such offer or agreement as if this authority had not expired; and all unexercised authorities previously granted to the Directors under section 551 of the Act are revoked (save to the extent that the same are exercisable pursuant to section 551(7) of the Act 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).
14. That the Directors are empowered in accordance with sections 570 and 573 of the Act to allot equity securities (as defined in section 560 of the Act) for cash (under the authority conferred by resolution 13 above) or by way of a sale of treasury shares as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:
 - (a) the allotment of equity securities in connection with a rights issue, open offer or other offer of securities to or in favour of (i) 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) to the respective numbers of ordinary shares held by them on any such record date(s), and (ii) the 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 subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with 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 whatever; and
 - (b) the allotment (otherwise than under sub-paragraph (a) above) to any person or persons of equity securities up to an aggregate nominal amount of £11,374.

Notice of annual general meeting

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and shall expire upon the expiry of the general authority conferred by resolution 13 above, 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.

15. That subject to, and in accordance with the Company's articles of association and pursuant to Section 701 of the Act, the Company is authorised to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of $\frac{1}{3}$ of one penny of the Company ('ordinary shares') provided that:

- (a) the maximum number of ordinary shares that may be purchased under this authority is 6,824,520;
- (b) the minimum price (exclusive of expenses) which may be paid for an ordinary share is the nominal value of such share;
- (c) the maximum price (exclusive of expenses) which may be paid for an ordinary share shall not be more than the higher of: (i) 105 percent of the average of the middle market quotations for an ordinary share taken from and calculated by reference to the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the ordinary share is purchased; and (ii) the higher of the price of the last independent trade and the highest current independent bid for an ordinary share in the Company on the trading venue where the purchase is carried out;
- (d) this authority shall expire on the conclusion of the annual general meeting of the Company to be held in 2020 or on a date which is 15 months from the date of this resolution, whichever is earlier; and
- (e) the Company may make any purchase of its ordinary shares under a contract concluded before this authority expires and which will or may be executed wholly or partly after the expiry of such authority.

All shares purchased shall either: (i) be cancelled immediately on completion of the purchase; or (ii) be held, sold, transferred or otherwise dealt with as treasury shares in accordance with the provisions of the Act.

16. That any general meeting of the Company that is not an annual general meeting may be called on not less than 14 clear days' notice.

By order of the Board

Susan Court
Company Secretary
22 May 2019

Registered office:
1 The Boulevard
Shire Park
Welwyn Garden City
Hertfordshire
AL7 1EL
United Kingdom

Notes to the notice of annual general meeting

1. Shareholders should submit their proxy vote via www.signalshares.com not less than 48 hours before the time of the annual general meeting. Although the Company will no longer be providing a proxy form, you may request one from our registrar, Link Asset Services, on 0871 664 0391. From overseas call +44 (0) 371 664 0391 (calls cost 12p per minute plus your phone company's access charge. Calls outside of the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales).
2. A member entitled to attend, speak and vote at the annual general meeting may appoint a proxy (who need not be a member of the Company) to exercise all or any of his or her rights to attend and to speak and vote on his or her behalf. A member may appoint more than one proxy in relation to a meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him or her. To appoint more than one proxy please contact the Company's registrar using the details provided above. CREST members should utilise the CREST electronic proxy appointment service in accordance with the procedures set out below, and in each case must be received by the Company not less than 48 hours before the time of the meeting. You must inform the Company's registrar in writing of any termination of the authorities of a proxy.
3. 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 annual general meeting. 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.
4. The statement of the rights of shareholders to appoint a proxy in paragraphs one and two above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company. Nominated Persons are reminded that they should contact the registered holder of their shares (and not the Company) on matters relating to their investments in the Company.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the annual general meeting and any adjournment thereof 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 voting 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. In order for a proxy appointment, or instruction, made by means of CREST to be valid, the appropriate CREST message (a CREST proxy instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST manual. The message, regardless of whether it relates to the appointment of a proxy or to 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 RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of annual general meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST applications host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) of the Uncertificated Securities Regulations 2001. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedure in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is therefore 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(s), 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 service providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.
6. 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.
7. To be entitled to attend and vote at the annual general meeting or any adjournment thereof (and also for the purpose of calculating how many votes a person may cast), a person must have his/her name entered on the register of members of the Company by close of business on 23 July 2019 (or by close of business on the date being two days before any adjourned meeting). Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
8. Biographical details of the Directors of the Company are shown on pages 44 and 45 of the 2019 Annual Report.
9. Each member attending the meeting has the right to ask questions relating to the business being dealt with at the meeting which, in accordance with section 319A of the Companies Act 2006 and subject to some exceptions, the Company must cause such questions to be answered. However, no such answer need be given if:
 - (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - (b) the answer has already been given on a website in the form of an answer to a question; or
 - (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Notes to the notice of annual general meeting

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10. Information relating to the meeting which the Company is required by section 311A of the Companies Act 2006 to publish on a website in advance of the meeting may be viewed at www.paypoint.com. A member may not use any electronic address provided by the Company in this document or with any proxy appointment form or in any website for communicating with the Company for any purpose in relation to the meeting other than as expressly stated in it.
11. It is possible that, pursuant to members' requests made in accordance with section 527 of the Companies Act 2006, the Company will be required to publish on a website a statement in accordance with section 528 of that Act setting out any matter that the members concerned propose to raise at the meeting relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the annual general meeting; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid. The Company cannot require the members concerned to pay its expenses in complying with those sections. The Company must forward any such statement to its auditor by the time it makes the statement available on the website. The business which may be dealt with at the meeting includes any such statement.
12. The issued share capital of the Company as at 20 May 2019, the latest practicable date before publication of this notice, was 68,245,203 ordinary shares of $\frac{1}{8}$ pence each, carrying one vote each. The Company holds no treasury shares or unallocated shares for the purpose of employee share schemes, therefore, the total number of voting rights in the Company on 20 May 2019 is 68,245,203.
13. The Directors' service agreements, Directors' letters of appointment and rules of the Restricted Share Plan are available for inspection at the registered office of the Company and at the office of Mills & Reeve, Monument Place, 24 Monument Street, London EC3R 8AJ during normal business hours on any weekday and will be available at the place of the annual general meeting from 15 minutes before the meeting until it ends.

Recommendation and voting intentions

With respect to resolutions 5 to 8 (inclusive), the Chairman confirms that, based on the performance evaluation undertaken during the period, each of the retiring Directors' performance continues to be effective and to demonstrate commitment to the role. The Board has considered this and recommends that each Director who wishes to serve again be proposed for re-election. This opinion is based on an assessment of each Director's relevant knowledge and experience and the conclusion that, in each case, their informed opinions are of significant value and contribute greatly to Board discussions.

With respect to resolution 9, as Nick Wiles was appointed as a Non-Executive Director in October 2009, in July 2018, the Board undertook a thorough assessment of his tenure and resolved that the Chairman's appointment as a Director be extended for a further term of three years. The Board agreed that the Chairman continues to demonstrate objective judgement and promotes constructive challenge amongst other Board members. Also, the extension would provide stability and aid the implementation of the succession plans with respect to Dominic Taylor. The Board recommends that Nick Wiles be proposed for re-election.

The Directors' biographies can be found on pages 44 and 45 of the 2019 Annual Report.

The Directors consider that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole and most likely to promote the success of the Company for the benefit of those shareholders. Those Directors who are shareholders will be voting in favour of the resolutions and unanimously recommend that you do so as well.

Explanatory notes to certain of the resolutions to be proposed at the annual general meeting

Resolution 2: Directors' Remuneration Report

Shareholders are asked to approve the Directors' Remuneration Report that appears on pages 65 to 81 other than the part containing the Directors' Remuneration Policy, of the 2019 Annual Report and accounts. This vote is advisory, and the Directors' entitlement to remuneration is not conditional on it.

Resolution 3: Declaration of final dividend

On 24 May 2018, the Company announced a transition to quarterly dividends with effect from 1 April 2019. Shareholders were informed that four equal dividends will be payable in July, September, December and March, and that this change will not alter the quantum of dividend that will be paid to shareholders within a financial year.

Shareholders are being asked to approve a final dividend of 23.6 per ordinary share for the year ended 31 March 2019. Subject to approval, the dividend will be paid in equal instalments of 11.8p per share on 29 July 2019 and 30 September 2019 to the holders of ordinary shares whose names are recorded on the register of members at the close of business on 28 June 2019 and 6 September 2019 respectively.

Resolutions 10 and 11: Re-appointment and remuneration of auditor

The Company is required to appoint or re-appoint an auditor at each general meeting at which accounts are presented to shareholders. Following an evaluation of the effectiveness and independence of KPMG, the Directors recommend KPMG be re-appointed as auditor. Resolution 11 grants authority to the Company to determine the auditor's remuneration.

Resolution 12: To authorise the operation of the RSP and to do all such acts and things as may be necessary or expedient to give effect to the RSP

Below is a summary of the principal terms of the RSP.

Operation

The Remuneration Committee of the Board of Directors of the Company (the 'Committee') will supervise the operation of the RSP.

Eligibility

Any employee (but excluding any Executive Director) of the Company and any of its subsidiaries will be eligible to participate in the RSP at the discretion of the Committee.

Grant of awards

The Committee may grant an award in one of two forms:

- (i) nil cost options, where a participant can decide when to exercise his/her award over ordinary shares in the Company ('Shares') during a limited period of time after it has vested; or
- (ii) a conditional award, where a participant will receive free Shares on the vesting of his/her award.

The Committee may allow awards to be settled in cash where it is appropriate to do so.

The Committee may normally grant awards within six weeks following:

- (i) the date on which the RSP is approved by shareholders;
- (ii) the Company's announcement of its results for any period; or
- (iii) the lifting of restrictions on dealing in Shares that prevented grant of awards under (i) or (ii). The Committee may also grant awards when there are exceptional circumstances which the Committee considers justifies the granting of awards.

No awards will be granted after 25 July 2029, being ten years after the 2019 annual general meeting.

No payment will be required for the grant of an award. Awards are not transferable (other than to the participant's personal representatives in the event of death). Awards are not pensionable.

Individual limit

The maximum number of Shares that may be awarded to a participant in any financial year will be limited so that normally the market value of such Shares on the award date will not exceed 200% of the individual's base salary.

Overall RSP limits

The RSP may operate over new issue Shares, treasury Shares or Shares purchased in the market.

In any ten-year period the Company may not issue (or have the possibility to issue) more than:

- (a) 10% of the issued ordinary share capital of the Company in respect of awards made in that period under the RSP and any other employee share plan adopted by the Company; and
- (b) 5% of the issued ordinary share capital of the Company in respect of awards made in that period under the RSP and any other executive share plan adopted by the Company.

Explanatory notes to certain of the resolutions to be proposed at the annual general meeting

continued

Vesting of awards

The vesting of awards granted under the RSP will normally only be subject to continued employment with the Company's Group for a specified period. The vesting period of awards will be determined by the Remuneration Committee at the time of grant, but may be set for periods shorter than three years.

The Committee may also make vesting of RSP awards conditional upon the achievement of one or more performance conditions set at the time of grant (although any such conditions are not required and may be set by reference to personal performance measures, such as annual appraisals).

Leaving employment

As a general rule, an award will lapse upon a participant leaving the employment of the Company's Group. However, if before the vesting of an award a participant ceases to be an employee within the Company's Group by reason of death, injury, disability, ill-health, redundancy, retirement (with the consent of his or her employing company), upon the sale or transfer out of the Company's Group or the Company or undertaking employing him/her, or in other circumstances at the discretion of the Committee (except in circumstances of gross misconduct or summary dismissal), then the award will vest on the normal vesting date.

The Committee may, at its discretion, permit or require awards to vest in such circumstances at the time of cessation of employment.

In either case, there will be a pro-rata reduction in the number of shares that may vest, for the time that has elapsed up to the date of cessation compared to the originally stated vesting period, unless the Committee determines that it would be inappropriate to apply a pro-rata reduction in the particular circumstances. Vesting of awards will remain subject to the Committee determining the extent to which any performance conditions have been satisfied.

A participant will be deemed to have ceased employment at the date that notice is given or received, unless the Committee decides to use a later date (e.g. the date that employment ends formally, or another date between the notice date and the date that employment ends).

Corporate events

In the event of a takeover, scheme of arrangement or voluntary winding up of the Company (not being an internal corporate reorganisation), all awards would vest early. The awards would normally be pro-rated to reflect the shorter than normal period of time between the date of the award and the time of vesting. The Committee can decide not to pro-rate awards if it regards it as inappropriate to do so in the particular circumstances. Vesting of awards will remain subject to the Committee determining the extent to which any performance conditions have been satisfied.

In the event of an internal corporate reorganisation, awards will be replaced by equivalent new awards over shares in a new holding company, unless the Committee decides that awards should vest on the same basis as described above.

Awards may also vest on the same basis if a demerger, special dividend or other similar event is proposed which, in the opinion of the Committee, would affect the market price of the Shares to a material extent.

Participants' rights

Awards will not confer any shareholder rights on participants until the awards have vested and the participants have received their Shares.

The number of Shares comprised in an award will be increased in respect of an amount equivalent to the dividends that would have been paid on the Shares vesting under the awards between the time when the awards were granted and the time when they vest.

The Committee may determine that any additional Shares in respect of dividends that would have been paid on the Shares vesting under the awards, can instead be paid in cash.

Rights attaching to Shares

Any Shares allotted when an award vests (or for an award structured as an option, when it is exercised) will rank equally with all other Shares then in issue (except for rights arising by reference to a record date prior to their allotment).

Variation of capital

In the event of any variation of the Company's share capital, or in the event of a demerger, payment of a special dividend or other similar event which materially affects the market price of the Shares, the Committee may make such adjustments as it considers appropriate to the number of Shares subject to an award and/or the exercise price payable (if any).

Malus and clawback

The Committee retains a power to recoup the value of unvested and previously vested awards from an individual within the period of three years from the vesting date of an award, if it considers it appropriate to do so. The Committee may choose to exercise this power in the following circumstances:

- the summary dismissal of the participant as a result of gross misconduct (or the Committee determines that circumstances existed that warranted summary dismissal as a result of gross misconduct)
- a material misstatement of the financial results of any company in the Company's Group
- the assessment or calculation of the value of an award (or any other condition imposed upon it) was based on an error that directly or indirectly led to an award vesting to a greater degree than would have been the case had that error not been made
- other circumstances which would, in the opinion of the Committee, have a sufficiently significant impact on the reputation of any company in the Company's Group

Alterations to the RSP

The Committee may, at any time, alter the provisions of the RSP in any respect, provided that the prior approval of shareholders must be obtained for any alterations that are in respect of the rules governing eligibility, limits on participation, the overall limits on the issue of Shares or the transfer of Shares held in treasury, the basis for determining a participant's entitlement to, and the terms of, the Shares or cash to be provided under the RSP and the adjustment of awards.

The requirement to obtain the prior approval of shareholders will not, however, apply to any minor alteration made to benefit the administration of the RSP, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any company in the Company's Group.

If the proposed alterations are to the material disadvantage of participants the Board must invite participants to indicate if they approve the alterations and if so the alterations must be approved by a majority of the participants that respond.

Resolution 13: Directors' authority to allot shares

By virtue of section 551 of the Companies Act 2006 (the Act), the Directors require the authority of shareholders of the Company to allot shares or grant rights to subscribe for or convert any security into shares. This resolution authorises the Directors to make allotments of up to 22,748,401 ordinary shares, representing approximately one-third of the issued share capital of the Company (excluding treasury shares) as at 20 May 2019, being the latest practicable date prior to the publication of this notice. If approved at the forthcoming annual general meeting, the authority will expire no later than 15 months from the date on which the resolution is passed or on the conclusion of the annual general meeting of the Company to be held in 2020, whichever is the sooner.

Resolution 14: Authority for disapplication of statutory pre-emption rights

By virtue of section 561 of the Act, any issue by the Company of equity capital for cash made otherwise than to existing shareholders on a proportional basis requires the consent of shareholders of the Company unless the Company has obtained their authority under sections 570 and 573 of the Act. This resolution is for that purpose. It authorises the Directors to allot shares by way of rights issue or pursuant to an open offer or otherwise than strictly pro rata when the Directors consider that it is expedient to do so and also allows them to issue for cash up to 3,412,260 ordinary shares (representing approximately five per cent) of the issued share capital of the Company (excluding treasury shares) as at 20 May 2019, being the latest practicable date prior to the publication of this notice, other than on a pre-emptive basis. If approved at the forthcoming annual general meeting, the authority will expire no later than 15 months from the date on which the resolution is passed or on the conclusion of the annual general meeting of the Company to be held in 2020, whichever is the sooner. The Directors have no present intention of exercising the authority proposed to be conferred pursuant to resolution 14.

Resolution 15: Authority to make market purchases of ordinary shares

By virtue of section 701 of the Act, the Company may make market purchases of its own ordinary shares if authorised to do so by shareholders. Under this resolution, the Directors seek to renew an annual authority to make market purchases of shares: each year the Directors will seek to further renew this authority at the Company's annual general meeting. Any ordinary shares purchased under this authority would either be (i) cancelled immediately on completion of the purchase and the number of ordinary shares in issue reduced accordingly; (ii) held, sold, transferred or otherwise dealt with as treasury shares in accordance with the provisions of the Act; or (iii) transferred to an employee benefit trust for the satisfaction of awards under the Company's existing share schemes.

The maximum number of ordinary shares which could be purchased under this authority is 6,824,520, being ten per cent of the issued share capital of the Company (excluding treasury shares) as at 20 May 2019, being the latest practicable date prior to the publication of this notice. Any repurchase of ordinary shares carried out by the Company would be at a maximum price per ordinary share of 105 per cent of the average middle market price of such a share for the five business days immediately preceding the date of the purchase, the price equal to the last independent trade or the highest current independent bid and at a minimum price equal to the nominal value. The authority to repurchase ordinary shares will, if approved by shareholders, only be exercised after careful consideration by the Directors and if such exercise would result in an increase in earnings per share and be in the best interests of shareholders generally. If approved at the forthcoming annual general meeting, the authority will expire no later than 15 months from the date on which the resolution is passed, or on the conclusion of the annual general meeting of the Company to be held in 2020, whichever is the sooner.

Explanatory notes to certain of the resolutions to be proposed at the annual general meeting

continued

Resolution 16: Authority to allow any general meeting of the Company that is not an annual general meeting to be called on not less than 14 clear days' notice

The minimum notice period for general meetings of listed companies is 21 days, but companies may reduce this period to 14 days (other than for annual general meetings) provided that:

- (a) the Company offers a facility for shareholders to vote by electronic means. This condition is met if the Company has a facility enabling all shareholders to appoint a proxy by means of a website; and
- (b) on an annual basis, a shareholders' resolution approving the reduction of the minimum notice period from 21 days to 14 days is passed.

The Board is therefore proposing this resolution as a special resolution to approve 14 days as the minimum period of notice for all general meetings of the Company other than annual general meetings. The approval of this resolution will be effective until the end of the 2020 annual general meeting of the Company, when it is intended that the approval will be renewed. The Board intends that the shorter notice period will only be used in limited exceptional circumstances which are time-sensitive, rather than as a matter of routine, and only where the flexibility is merited by the business of the meeting and is thought to be in the interests of shareholders as a whole. The Directors do not have any current intention to exercise this authority but consider it appropriate to ensure that the Company has the necessary flexibility to respond to all eventualities.