

**THIS DOCUMENT AND THE ACCOMPANYING CIRCULAR ARE IMPORTANT  
AND REQUIRE 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 are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, as amended, if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial advisor.**

If you have sold or otherwise transferred all of your shares in ScS Group plc (the **Company**), please send this document, together with the accompanying Circular and Form of Proxy, as soon as possible, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. If you have sold or otherwise transferred any part of your holding, you should retain these documents.



**ScS GROUP PLC**

**(incorporated in England and Wales with registered no. 03263435)**

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## **Notice of Annual General Meeting**

**Notice of the Annual General Meeting of the Company to be held at Hotel Indigo, 9 Old Elvet, Durham, DH1 3HL  
on Wednesday 21 November 2018 at 2:00 p.m.**

**Whether or not you propose to attend the Annual General Meeting, please complete and submit a proxy form in accordance with the instructions printed on the enclosed form. The proxy form must be received by no later than 2:00 p.m. on Monday 19 November 2018 (or, if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of any adjourned meeting).**

# NOTICE OF ANNUAL GENERAL MEETING



## ScS GROUP PLC

(incorporated in England and Wales with registered no. 03263435)

### NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of ScS Group plc (the **Company**) will be held at 2:00 p.m. on 21 November 2018 at Hotel Indigo, 9 Old Elvet, Durham, DH1 3HL to consider and, if thought fit, pass the following resolutions of which 1 to 15 will be passed as ordinary resolutions and resolutions 16 and 17 will be passed as special resolutions.

#### Ordinary Resolutions

##### Annual Report and Accounts

1. To receive the Company's annual accounts, strategic report and directors' and auditors' reports for the financial year ended 28 July 2018.

*Resolution 2 is advisory only, therefore it does not affect the historical remuneration paid to any individual director.*

##### Directors' Remuneration Report (excluding the Directors' Remuneration Policy)

2. To approve the directors' remuneration report (other than the part containing the directors' remuneration policy) for the financial year ended 28 July 2018.

##### Directors' Remuneration Policy

3. To approve the Directors' Remuneration Policy contained in the directors' remuneration report for the financial year ended 28 July 2018 and set out on pages 59 to 64 of the Company's annual report and accounts, such directors' remuneration policy to take effect from approval at the Annual General Meeting.

##### Amendments to the rules of the ScS Group Plc Long Term Incentive Plan

4. That the proposed amendments to the rules of The ScS Group plc Long-Term Incentive Plan (the '**Rules**'), which are summarised in the explanatory notes to this resolution and which are highlighted in the copy of the Rules which are produced to the Meeting and initialled by the Chairman for the purposes of identification, be and are hereby approved and the directors be authorised to adopt the amendments into the Rules and to do all such other acts and things as they may consider appropriate to implement the amendments.

##### Final Dividend

5. To declare a final dividend for the financial year ended 28 July 2018 of 10.90 pence per ordinary share in the capital of the Company, to be paid on 26 November 2018 to shareholders whose names appear on the register at the close of business on 2 November 2018.

##### Auditors

6. To appoint PricewaterhouseCoopers LLP as auditor of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting of the Company at which annual accounts and reports are laid before the shareholders in accordance with the provisions of the Companies Act 2006 (the **Act**).
7. That the Audit Committee be authorised to determine the remuneration of PricewaterhouseCoopers LLP as auditor of the Company.

##### Directors

###### Non-Independent Directors

8. To re-elect Alan Smith as a director of the Company.
9. To re-elect David Knight as a director of the Company.
10. To re-elect Chris Muir as a director of the Company.
11. To re-elect Paul Daccus as a director of the Company.

###### Independent Non-Executive Directors

12. To re-elect Ronald McMillan as a director of the Company.
13. To re-elect George Adams as a director of the Company.

*Resolutions 12 and 13 will be conducted by way of poll and the votes cast by independent shareholders and all shareholders calculated separately.*

### **Directors' Authority to Allot Shares**

14. That, pursuant to section 551 of the Act, the directors be generally and unconditionally authorised to exercise all powers of the Company to allot:

- 14.1. Relevant Securities up to an aggregate nominal amount of £13,294.51, being approximately one-third of the aggregate value of the issued ordinary share capital of the Company as at 10 October 2018, being the latest practicable date prior to the publication of this document, and
- 14.2. Relevant Securities comprising equity securities (as defined in section 560(1) of the Act) up to a further aggregate nominal amount of £13,294.51, being approximately one-third of the aggregate value of the issued ordinary share capital of the Company as at 10 October 2018, being the latest practicable date prior to the publication of this document, in connection with an offer by way of a rights issue:
  - 14.2.1 to holders of ordinary shares in the capital of the Company in proportion (as nearly as practicable) to the respective numbers of ordinary shares held by them, and
  - 14.2.2 to holders of other equity securities in the capital of the Company, as required by the rights of those securities or, subject to such rights, as the directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange, provided that (unless previously revoked, varied or renewed) these authorities shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or at the close of business on the date which is fifteen months after the date of this annual general meeting (whichever is the earlier), save that, in each case, the Company may make an offer or agreement before the authority expires which would or might require Relevant Securities to be allotted after the authority expires and the directors may allot Relevant Securities pursuant to any such offer or agreement as if the authority had not expired.

In this resolution, '**Relevant Securities**' means shares in the Company or rights to subscribe for or to convert any security into shares in the Company; a reference to the allotment of Relevant Securities includes the grant of such a right; and a reference to the nominal amount of a Relevant Security which is a right to subscribe for or to convert any security into shares in the Company is to the nominal amount of the shares which may be allotted pursuant to that right. These authorities are in addition to all existing authorities under section 551 of the Act.

### **Political Donations/Expenditure**

15. That, pursuant to sections 366 and 377 of the Act, the Company and all companies that are subsidiaries of the Company at any time during the period for which this resolution is effective be and are authorised to make political donations (as defined in section 364 of the Act) and political expenditure (as defined in section 365 of the Act) not exceeding £50,000 in total during the period beginning with the date on which this resolution is passed and ending at the conclusion of the next annual general meeting of the Company held after such date. The amount referred to in this resolution may comprise one or more sums in different currencies which, for the purposes of calculating any such amount, shall be converted at such rate as the directors may, in their absolute discretion, determine to be appropriate.

### **Special Resolutions**

#### **Disapplication of Pre-Emption Rights**

16. That, subject to the passing of resolution 14 and pursuant to section 570 of the Act, the directors be and are generally empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authorities granted by resolution 14 as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:

- 16.1. the allotment of equity securities in connection with an offer of equity securities (whether by way of a rights issue, open offer or otherwise, but, in the case of an allotment pursuant to the authority granted by paragraph 14.2 of resolution 14, such power shall be limited to the allotment of equity securities in connection with an offer by way of a rights issue):
  - 16.1.1 to holders of ordinary shares in the capital of the Company in proportion (as nearly as practicable) to the respective numbers of ordinary shares held by them, and
  - 16.1.2 to holders of other equity securities in the capital of the Company, as required by the rights of those securities or, subject to such rights, as the directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange, and

- 16.2. the allotment of equity securities (otherwise than pursuant to paragraph 16.1 of this resolution) up to an aggregate nominal amount of £2,000.45, being approximately 5 per cent of the issued ordinary share capital of the Company as at 10 October 2018, being the latest practicable date prior to the publication of this document, and (unless previously revoked, varied or renewed) this power shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or at the close of business on the date which is fifteen months after the date of this annual general meeting, (whichever is the earlier), save that the Company may make an offer or agreement before this power expires which would or might require equity securities to be allotted for cash after this power expires and the directors may allot equity securities for cash pursuant to any such offer or agreement as if this power had not expired.

This power is in addition to all existing powers under section 570 of the Act.

# NOTICE OF ANNUAL GENERAL MEETING (continued)

## Market Purchases

17. That the Company be and is generally and unconditionally authorised, pursuant to section 701 of the Act, to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares, subject to the following conditions:
- 17.1. the maximum aggregate number of ordinary shares authorised to be purchased is 4,000,911 representing approximately 10 per cent of the Company's issued ordinary share capital as at 10 October 2018, being the latest practicable date prior to the publication of this document;
  - 17.2. the minimum price (excluding expenses) which may be paid for each ordinary share is 0.1 pence (being the nominal value of an ordinary share);
  - 17.3. the maximum price (excluding expenses) which may be paid for each ordinary share is the higher of:
    - 17.3.1. 105 per cent of the average of the middle market quotations for the ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased, and
    - 17.3.2. an amount equal to the higher of the price of the last independent trade of a share and the highest current independent bid for a share as derived from the London Stock Exchange Trading System, and

this authority shall (unless previously revoked, varied or renewed) expire at the end of the next annual general meeting of the Company or at the close of business on the date which is fifteen months after the date of this annual general meeting (whichever is the earlier), so that the Company may, before the expiry of the authority, enter into a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of such authority (save that in relation to the purchase of ordinary shares the contract for which was concluded before the expiry of this authority and which will or may be executed wholly or partly after such expiry, where the Company may make a purchase of ordinary shares in pursuance of any such contract or contracts).

## BY ORDER OF THE BOARD



**Chris Muir**  
Company Secretary  
10 October 2018

## Registered office

ScS Group plc  
45-49 Villiers Street  
Sunderland  
SR1 1HA

Registered in England and Wales No. 03263435

# NOTES

1. Members are entitled to appoint a proxy/proxies to exercise all or any of their rights to attend, speak and vote on their behalf at the Annual General Meeting. A proxy need not also be a shareholder of the Company and may vote on any other business which may properly come before the Annual General Meeting. If you appoint more than one proxy, each proxy must be appointed to exercise the rights attached to a different share or shares held by you. A person who appoints as their proxy someone other than the Chairman is responsible for ensuring that the proxy attends the Annual General Meeting and is aware of the voting intention of the member. If no voting instruction is given, the proxy has discretion on whether and how to vote. 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, the senior holder being the first named of the joint holders to appear in the Company's share register.
2. To be valid, the form of proxy must be completed and lodged with Equiniti not later than 2:00 p.m. on 19 November 2018 (or 48 hours before any adjourned meeting). If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence. A proxy should either be submitted by post on the enclosed form of proxy which is pre-paid or via the internet at [www.sharevote.co.uk](http://www.sharevote.co.uk) where full instructions are given. This address is given only for the filing of proxies for the Annual General Meeting and not for any other purpose. If you choose to appoint a proxy electronically, you will require your unique Voting ID, Task ID and Shareholder Reference Number as printed on the proxy card. Return of a completed proxy form, internet proxy or any CREST proxy instruction (as described below) will not prevent a member attending the Annual General Meeting and voting in person if he/she wishes to do so. The use by members of the electronic proxy appointment service will be governed by the terms and conditions of use which appear on the website. Electronic proxies must be completed and lodged in accordance with the instructions on the website by no later than 48 hours before the Annual General Meeting. Further details relating to proxies are set out in the notes on the enclosed form of proxy.
3. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic appointment service may do so for the Annual General Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). 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.
4. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (CREST proxy instruction) must be properly authenticated in accordance with Euroclear UK and Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions 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 RA19) 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 shall be taken as 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. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
5. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK and Ireland Limited does not make available special procedures 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 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/her CREST sponsor or voting service provider(s) take(s)) such action as is necessary to ensure that a message is transmitted by means of the CREST system by a particular time. In this connection, CREST members and, where applicable, 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. 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.
7. The Company specifies that in order to have the right to attend and vote at the Annual General Meeting (and in accordance with the Company's articles of association and pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001) and also for the purpose of determining how many votes a person entitled to attend and vote may cast, a person must be entered on the register of members of the Company at 6:30 p.m. on 18 November 2018 or, in the event of any adjournment, at 6:30 p.m. on the date which is two days before the day of the adjourned Annual General 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 Annual General Meeting.
8. All of the ordinary shares other than shares held in treasury carry one vote each. On a vote by a show of hands every member who is present has one vote and every proxy present who has been duly appointed by a member entitled to vote has one vote. On a poll vote every member who is present in person or by proxy has one vote for every Ordinary Share they hold.
9. Members wishing to attend the Annual General Meeting in person should sign their attendance card and hand it in on arrival. The registration desk will open at 1:30 p.m.
10. Any member attending the Annual General Meeting has the right to ask questions. The Company must cause to be answered any such questions relating to the business being dealt with at the Annual General Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the Annual General 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 good order of the Annual General Meeting that the question be answered.
11. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share. It is no longer necessary to nominate a designated corporate representative.

## NOTES (continued)

12. The right to appoint proxies does not apply to persons nominated to receive information rights under section 146 of the Companies Act 2006. Persons nominated to receive information rights under that section who have been sent a copy of this Notice are informed that they may have a right under an agreement with the registered member by whom they were nominated to be appointed, or to have someone else appointed, as a proxy for the purposes of this Annual General Meeting. If they have no such right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member on the exercise of voting rights. Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements.
13. The total issued share capital of the Company as at 10 October 2018 (being the last practicable day before the publication of this Notice) was 40,009,109 ordinary shares carrying one vote each. On 10 October 2018 the Company held 125,573 ordinary shares in treasury.
14. A shareholder or shareholders having a right to vote at the meeting and holding at least five per cent of the total voting rights of the Company (see note 13 above), or at least 100 shareholders having a right to vote at the meeting and holding, on average, at least £100 of paid up share capital, may require the Company to publish on its website a statement setting out any matter that such shareholders propose to raise at the meeting relating to either the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the meeting in accordance with section 527 of the Act.

Any such request must:

- 14.1. identify the statement to which it relates, by either setting out the statement in full or, if supporting a statement requested by another shareholder, clearly identifying the statement which is being supported;
- 14.2. comply with the requirements set out in note 15 below, and
- 14.3. be received by the Company at least one week before the meeting.

Where the Company is required to publish such a statement on its website:

- 14.4. it may not require the shareholders making the request to pay any expenses incurred by the Company in complying with the request;
  - 14.5. it must forward the statement to the Company's auditors no later than the time when it makes the statement available on the website, and
  - 14.6. the statement may be dealt with as part of the business of the meeting.
15. Any request by a shareholder or shareholders to require the Company to publish audit concerns as set out in note 14:
    - 15.1. may be made either:
      - 15.1.1. in hard copy, by sending it to ScS Group plc, 45-49 Villiers Street, Sunderland SR1 1HA, or
      - 15.1.2. in electronic form, by sending it by e-mail, marked for the attention of Lesley Sheraton, [lesley.sheraton@scs.co.uk](mailto:lesley.sheraton@scs.co.uk) (please state 'ScS Group plc: AGM' in the subject line of the email);
    - 15.2. must state the full name(s) and address(es) of the shareholder(s), and
    - 15.3. (where the request is made in hard copy form or by fax) must be signed by the shareholder(s), and
    - 15.4. must include the shareholders full name and address.
  16. The following documents will be available for inspection during normal business hours at the registered office of the Company from the date of this notice until the time of the meeting. They will also be available for inspection at the place of the meeting from at least 15 minutes before the meeting until it ends.
    - 16.1. Copies of the service contracts of the executive directors, and
    - 16.2. Copies of the letters of appointment of the non-executive directors.
    - 16.3. A copy of the draft rules of the ScS Group Plc Long Term Incentive Plan.
  17. Biographical details of all those directors who are offering themselves for re-election at the meeting are set out on pages 42 and 43 of the enclosed annual report and accounts.
  18. The voting on all resolutions other than the resolutions numbered 12 and 13 at the Annual General Meeting will be conducted on a show of hands. The Chairman will propose that voting on the resolutions numbered 12 and 13 at the Annual General Meeting will be conducted by poll vote rather than by a show of hands. The relevant procedures will be explained at the Annual General Meeting.

19. The contents of this Notice, details of the total number of shares in respect of which members are entitled to exercise voting rights at the Annual General Meeting, the total voting rights that members are entitled to exercise at the Annual General Meeting and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website <http://www.scsplc.co.uk/investors/reports-and-presentations/year-2018.aspx>.
20. Shareholders are advised that unless otherwise specified, the telephone numbers, website and email addresses set out in this Notice or proxy forms are not to be used for the purpose of serving information or documents on the Company, including the service of documents or information relating to proceedings at the Company's Annual General Meeting.
21. The results of the Annual General Meeting will be posted on the Company's website (<http://www.scsplc.co.uk/investors/regulatory-news-and-alerts.aspx>) after the Annual General Meeting.
22. Except as provided above, shareholders who wish to communicate with the Company in relation to the meeting should do so by calling our shareholder helpline on 0371 384 2030. No other methods of communication will be accepted.

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