

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the action you should take you should immediately seek advice from your stockbroker, bank manager, solicitor, accountant or other independent professional advisor duly authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your shares in SIG plc, please forward this document and the 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 transmission to the purchaser or transferee.



SIG PLC

(Registered in England No. 998314)

**Chairman's Letter to Shareholders and
Notice of Annual General Meeting**

The Annual General Meeting is to be held at
the Aston Hotel, Britannia Way, Catcliffe, Sheffield S60 5BD
on Friday 16 May 2014 at 12 noon

The Notice of Annual General Meeting is set out on pages 6 and 7 of this Document.

A Form of Proxy for use at the Annual General Meeting is enclosed.



SIG PLC

(Registered in England No. 998314)

DIRECTORS:

L. Van de Walle
S. R. Mitchell
D. G. Robertson
J. E. Ashdown
M. Ewell
C. V. Geoghegan
J. C. Nicholls

REGISTERED OFFICE

Hillsborough Works
Langsett Road
Sheffield
S6 2LW

7 April 2014

Dear Shareholder,

ANNUAL GENERAL MEETING

I am writing to explain in detail the four items of business contained in Resolutions 14, 15, 16 and 17 of the Notice of Meeting (the "2014 Annual General Meeting") of SIG plc ("the Company"), to be held at 12 noon on Friday 16 May 2014 at the Aston Hotel, Britannia Way, Catcliffe, Sheffield S60 5BD. The Notice of Annual General Meeting of the Company is set out on pages 6 and 7 of this document. The Annual Report and Accounts for the year ended 31 December 2013 accompanies this document.

In addition to the aforementioned business, Shareholders are being asked through Resolutions 1 to 13 to receive the Annual Report and Accounts, approve the Annual Statement by the Chairman of the Remuneration Committee and the Directors' Report on Remuneration, approve the Directors' Remuneration Policy, declare a final dividend of 2.4p per share, re-elect all Board members, re-appoint Deloitte LLP as Auditor of the Company for a further year and authorise the Directors to determine the Auditor's remuneration.

In August 2013, the UK Government Department for Business, Innovation and Skills published regulations setting out what companies must disclose in the Directors' Remuneration Report with the aim of improving transparency and promoting best practice. The new regulations came into force with effect from 1 October 2013. As a result of this, there is a requirement for two resolutions in respect of the Directors' Remuneration Report. The first resolution (Resolution 2) seeks Shareholders' approval of the contents of the Annual Statement by the Chairman of the Remuneration Committee and the Directors' Report on Remuneration, which is covered in pages 71 to 79 of the Annual Report and Accounts. The second resolution (Resolution 3) requires the Company to offer Shareholders a binding vote on the Company's forward looking Directors' Remuneration Policy at least every three years (or sooner in the event of a change in the policy). The Directors' Remuneration Policy provides information on the future policy, incorporating the setting of Directors' pay and share awards (and is covered in pages 64 to 70 of the Annual Report and Accounts). The Directors' Remuneration Policy will take effect from the date of approval by the Shareholders.

All Directors are seeking re-election in accordance with the UK Governance Code. The Non-Executive Directors standing for re-election are Ms. J.E. Ashdown, Mr M. Ewell, Mr C.V. Geoghegan, Mr J.C. Nicholls and Mr L. Van de Walle. It is the view of the Board that each of the Non-Executive Directors standing for re-election brings considerable management experience and independent perspective to the Board's discussions and is considered to be independent of management and free from relationship or circumstance that could affect, or appear to affect, the exercise of their independent judgement. Brief biographical notes for each of the Directors standing for re-election are included in the notes to this letter. The Board has confirmed, following a performance review, that all Directors standing for re-election continue to perform effectively and demonstrate commitment to their roles. I strongly recommend that you vote in favour of the re-election of these Directors and the re-election of the Executive Directors.

APPROVAL OF 2014 LONG TERM INCENTIVE PLAN (RESOLUTION 14)

Resolution 14 of the Notice of Annual General Meeting relates to the proposed introduction of a new share plan by the Company, the SIG plc 2014 Long Term Incentive Plan ("2014 LTIP").

The 2014 LTIP replaces the existing SIG plc 2004 Long Term Incentive Plan (the "Existing LTIP"). No further awards can be made under the Existing LTIP following the tenth anniversary of its adoption by Shareholders on 30 April 2004.

Following its annual review of Executive remuneration, the Remuneration Committee concluded that the Existing LTIP was effective in aligning Executives' interests well with those of Shareholders and the 2014 LTIP is therefore proposed on terms which are similar to the Existing LTIP, but with refinements to align further with the long term interests of Shareholders and with developing best practice.

Awards under the 2014 LTIP will be subject to performance targets aligned with the Company's key long term, strategic priorities and which the Remuneration Committee considers will be sufficiently stretching and will provide appropriate reward for delivery of the Company's challenging growth strategy.

The main terms of the 2014 LTIP are summarised in Appendix 1 to this Notice of Annual General Meeting.

A copy of the rules of the 2014 LTIP will be available for inspection at the offices of Pinsent Masons, Crown Place, London, EC2A 4ES during normal business hours from the date of the Notice of Annual General Meeting until the conclusion of the meeting and at the place of the Annual General Meeting for at least 15 minutes before and during the meeting.

AUTHORITY TO ALLOT EQUITY SECURITIES (RESOLUTION 15)

Resolution 15 deals with the Directors' authority to allot shares.

At the last Annual General Meeting of the Company held on 23 May 2013, the Directors were given authority to allot ordinary shares in the capital of the Company up to a maximum nominal amount of £39,390,612, representing approximately two thirds of the Company's then issued ordinary share capital. This authority expires at the end of the 2014 Annual General Meeting. Resolution 15 will, if passed, renew this authority.

The Association of British Insurers ("ABI") issues guidelines on Directors' authority to allot shares. The guidelines state that ABI members will permit, and treat as routine, a request for authority to allot shares representing up to one third of the Company's issued share capital. In addition, they will treat as routine a request to allot shares representing an additional one third of the Company's issued share capital provided that it is only used to allot shares pursuant to a fully pre-emptive rights issue.

In light of these guidelines, the Board considers it appropriate that the Directors be granted authority to allot shares in the capital of the Company up to a maximum nominal amount of £39,406,696, representing the guideline limit of approximately 66% of the Company's issued ordinary share capital as at 3 April 2014 (the latest practicable date prior to the publication of this letter). Of this amount 197,033,482 shares (representing approximately 33% of the Company's issued ordinary share capital) can only be allotted pursuant to a rights issue. The power will last until the conclusion of the next Annual General Meeting of the Company or, if earlier, 16 August 2015. The Directors have no present intention of exercising this authority.

As at the date of this letter, the Company does not hold any ordinary shares in the capital of the Company in treasury.

ANNUAL GENERAL MEETING CONTINUED
PRE-EMPTIVE ALLOTMENT OF EQUITY SECURITIES (RESOLUTION 16)

Resolution 16 will give the Directors authority to allot shares in the capital of the Company, pursuant to the authority granted under Resolution 15, for cash without complying with the pre-emption rights in the Companies Act 2006 in certain circumstances. In the light of the ABI guidelines described in relation to Resolution 15, this authority will permit the Directors to allot:

- (a) shares up to a nominal amount of £39,406,696 (representing approximately two thirds of the Company's issued share capital) on an offer to existing Shareholders on a pre-emptive basis. However, unless the shares are allotted pursuant to a rights issue (rather than an open offer), the Directors may only allot shares up to a nominal amount of £19,703,348 (representing one third of the Company's issued share capital) (in each case subject to any adjustments, such as for financial entitlements and overseas Shareholders, as the Directors see fit); and
- (b) shares up to a maximum nominal value of £2,955,502, representing approximately 5% of the issued ordinary share capital of the Company as at 3 April 2014 (the latest practicable date prior to publication of this letter) otherwise than in connection with an offer to existing Shareholders.

The Directors have no present intention of exercising this authority.

Your Directors will have due regard to institutional guidelines in relation to any exercise of this power, in particular the requirement for advance consultation and explanation before making any non pre-emptive cash issue pursuant to this Resolution which exceeds 7.5% of the Company's issued share capital in any rolling three year period.

AUTHORITY TO PURCHASE ORDINARY SHARES (RESOLUTION 17)

It is a requirement of Section 693 of the Companies Act 2006 that a company shall not make a market purchase of its own shares unless the purchase has first been authorised by the Company in a general meeting. Accordingly, Resolution 17, to be proposed at the 2014 Annual General Meeting as a Special Resolution, gives the Directors power to make market purchases of the Company's shares up to a maximum of £5,911,004 (representing approximately 10% of the current issued ordinary share capital of the Company as at 3 April 2014). This power will expire on the conclusion of the 2015 Annual General Meeting or, if earlier 16 August 2015. It is intended that purchases will only be made on the London Stock Exchange. This is not intended to imply that shares will be purchased. The Directors believe that it is in the best interests of all Shareholders that the Company should have the flexibility to make market purchases of its own shares, taking into account the financial resources of the Company, the Company's share price and future funding opportunities. The effect of such purchases would be to reduce the number of shares in issue and, accordingly, the Directors would make such purchases only if it would be in the best interests of Shareholders generally and, in any case, if it would result in an increase in earnings per share. Listed companies purchasing their own shares are allowed to hold them in treasury as an alternative to cancelling them. Shares held in treasury in this manner would be available for resale by the Company at a later date providing additional flexibility in the management of the Company's capital base.

Accordingly, if Resolution 17 is passed at the 2014 Annual General Meeting, the Company may either cancel or hold, as treasury shares, any of its own shares that it purchases pursuant to the authority conferred by Resolution 17. No dividends will be paid on shares whilst held in treasury and no voting rights will attach to the treasury shares. The Company currently holds no ordinary shares in treasury.

The Directors have no current intention of using the powers sought under Resolution 17 but consider it advisable to pass this Resolution in order that they can be prepared to take advantage of future situations which may arise.

As at 3 April 2014 (the latest practicable date prior to the publication of this letter), there were options outstanding over 4,270,077 ordinary shares in the capital of the Company representing 0.72% of the Company's issued ordinary share capital. If the authority to purchase the Company's ordinary shares was exercised in full, these options would represent 0.80% of the Company's issued ordinary share capital.

RECOMMENDATION AND ACTION TO BE TAKEN

The Board considers that all the Resolutions set out in the 2014 Notice of Annual General Meeting are likely to promote the success of the Company and are in the best interests of the Company and its Shareholders as a whole. The Directors unanimously recommend that you vote in favour of the proposed Resolutions as they intend to do in respect of their personal shareholdings in the Company, which, in aggregate, amount to 339,631 shares representing 0.06% of the issued ordinary share capital of the Company.

Whether or not you are able to attend the 2014 Annual General Meeting, your vote is still important and I would encourage you, regardless of the number of shares you own, to complete, sign and return the accompanying Form of Proxy so as to reach the Company's Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, not less than 48 hours before the time fixed for the holding of the 2014 Annual General Meeting. Alternatively, Shareholders may also register their proxy appointment and voting instructions electronically. Please refer to the notes on pages 12 to 14 of this Notice for further details on how to appoint a proxy and vote electronically. The completion and return of a Form of Proxy will not prevent you from attending and voting in person at the 2014 Annual General Meeting if you so wish.

Yours faithfully



Leslie Van de Walle

Chairman

SIG PLC NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the members of SIG plc ("the Company") will be held at the Aston Hotel, Britannia Way, Catcliffe, Sheffield S60 5BD on Friday 16 May 2014 at 12 noon (the "2014 AGM" or the "Meeting") to consider and, if thought fit, to pass Resolutions 1 to 15 inclusive as ordinary resolutions and Resolutions 16 to 17 as special resolutions.

ORDINARY RESOLUTIONS

1. To receive the financial statements for the year ended 31 December 2013 together with the reports of the Directors and Auditor thereon.
2. To approve the Annual Statement by the Chairman of the Remuneration Committee and the Directors' Report on Remuneration for the year ended 31 December 2013 set out on pages 71 to 79 (inclusive) in the Annual Report and Accounts (other than the Directors' Remuneration Policy).
3. To approve the Directors' Remuneration Policy set out on pages 64 to 70 (inclusive) in the Annual Report and Accounts for the year ended 31 December 2013.
4. To declare a final dividend for the year ended 31 December 2013 of 2.4p per ordinary share on the ordinary shares in the Company.
5. To re-elect Ms J. E. Ashdown as a Director.
6. To re-elect Mr M. Ewell as a Director.
7. To re-elect Mr C. V. Geoghegan as a Director.
8. To re-elect Mr S. R. Mitchell as a Director.
9. To re-elect Mr J. C. Nicholls as a Director.
10. To re-elect Mr D. G. Robertson as a Director.
11. To re-elect Mr L. Van de Walle as a Director.
12. To re-appoint Deloitte LLP as Auditor to the Company, to hold office until the conclusion of the next general meeting at which financial statements are laid before the Company.
13. To authorise the Directors to determine the Auditor's remuneration.
14. That the Directors be and are hereby authorised (a) to establish The SIG plc 2014 Long Term Incentive Plan (the "2014 LTIP"), a copy of the draft rules of which has been produced to the meeting and initialled by the Chairman (for the purpose of identification only) and a summary of the main provisions of which is set out in Appendix 1 to this Notice of AGM dated 7 April 2014, and to do all such acts and things as may be necessary or expedient to give effect to the 2014 LTIP, and (b) to establish schedules to, or further share plans based on the 2014 LTIP but modified to take account of local tax, exchange control or securities laws in overseas territories provided that any shares made available under any such schedules or further plans are treated as counting against the limits on individual and overall participation in the 2014 LTIP.
15. That the Directors of the Company be and are hereby generally and unconditionally authorised for the purposes of Section 551 of the Companies Act 2006 to exercise all the 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 ("Rights"):
 - (a) up to an aggregate nominal amount of £19,703,348; and
 - (b) up to a further aggregate nominal amount of £19,703,348 provided that: (i) they are equity securities (within the meaning of Section 560(1) of the Companies Act 2006); and (ii) they are offered by way of a rights issue to holders of ordinary shares on the register of members at such record dates 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 or deemed to be held by them on any such record dates, 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 depository receipts or any other matter, provided that this authority shall expire at the end of the next AGM of the Company or, if earlier, on 16 August 2015, 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 and 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 to allot shares and grant Rights to be and are hereby revoked.

SPECIAL RESOLUTIONS

16. That the Directors be and are hereby empowered pursuant to Sections 570 and 573 of the Companies Act 2006 to allot equity securities (within the meaning of Section 560 of the Companies Act 2006) for cash either pursuant to the authority conferred by Resolution 15 above or by way of a sale of treasury shares as if Section 561(1) of the Companies Act 2006 did not apply to any such allotment provided that this power shall be limited to:

- (a) the allotment of equity securities in connection with an offer of securities (but in the case of the authority granted under paragraph (b) of Resolution 15 by way of rights issue only) in favour of the holders of ordinary shares on the register of members at such record dates 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 or deemed to be held by them on any such record dates, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with treasury shares, fraction 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 depository receipts or any other matter; and
- (b) the allotment (otherwise than pursuant to sub-paragraph (a) of this Resolution 16) to any person or persons of equity securities up to an aggregate nominal amount of £2,955,502, and shall expire upon the expiry of the general authority conferred by Resolution 15 overleaf, 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 the Company be generally and unconditionally authorised, pursuant to and in accordance with Sections 693 and 701 of the Companies Act 2006, to make market purchases (as defined in Section 693(4) of that Companies Act 2006) of up to 59,110,044 ordinary shares of 10p each in the capital of the Company (being approximately 10% of the current issued ordinary share capital of the Company as at 3 April 2014) on such terms and in such manner as the Directors of the Company may from time to time determine, provided that:

- (a) the amount paid for each ordinary share (exclusive of expenses) shall not be more than 5% above the average of the middle market quotations for an ordinary share in the Company as derived from the Daily Official List of The London Stock Exchange plc for the five business days immediately preceding the date on which the contract for the purchase is made;
- (b) the minimum price which may be paid for an ordinary share (exclusive of expenses) is 10p; and
- (c) the authority herein contained shall expire at the conclusion of the 2015 AGM of the Company or, if earlier, on 16 August 2015 provided that the Company may, before such expiry, make a contract to purchase its ordinary shares which would or might be executed wholly or partly after such expiry, and the Company may make a purchase of its ordinary shares in pursuance of any such contract as if the authority conferred hereby had not expired.

By order of the Board



Richard Monro
Secretary
7 April 2014

Registered Office:
Hillsborough Works
Langsett Road
Sheffield
S6 2LW
Registered No. 998314

SIG PLC NOTICE OF ANNUAL GENERAL MEETING CONTINUED

APPENDIX I

SUMMARY OF THE SIG PLC 2014 LONG TERM INCENTIVE PLAN

1. GENERAL

The SIG plc 2014 Long Term Incentive Plan (the "2014 LTIP") will enable selected Executive Directors and employees of SIG plc and its subsidiaries ("the Group") to be granted awards ("Awards") in respect of ordinary shares in the capital of the Company.

Awards granted under the 2014 LTIP are not transferable (except on death). Benefits under the 2014 LTIP are not pensionable benefits.

The operation of the 2014 LTIP will be overseen by the Remuneration Committee, which consists entirely of Non-Executive Directors.

Awards granted under the 2014 LTIP will be either nil-cost options or contingent rights to acquire shares for no cost. The rules contain the flexibility to grant Awards with a tax-advantaged element, which is delivered via market value options under an HMRC tax-advantaged Company Share Option Plan.

The vesting of Awards will be subject to performance targets measured over such period as is specified at the date the Award is made (the "Award Date"). Awards will normally vest and (in the case of nil-cost options) first become exercisable on the fifth anniversary of the Award Date.

Awards under the 2014 LTIP may be satisfied by the issue of new shares, shares purchased in the market by an employees' trust or by the transfer of treasury shares.

2. ELIGIBILITY

All employees of the Group (including Executive Directors of the Company) are eligible to participate in the 2014 LTIP at the discretion of the Remuneration Committee.

3. GRANTS OF AWARDS

Awards under the 2014 LTIP may be granted:

- in the period of 42 days beginning on the dealing day following approval of the 2014 LTIP by the Company's Shareholders;
- in the period of 42 days beginning on the dealing day following the announcement by the Company of its results for any period; and
- subject to the Model Code and other relevant restrictions on dealings in shares, on any other day on which the Remuneration Committee determines that exceptional circumstances exist.

If regulatory or statutory restrictions prevent Awards from being granted in these periods, the Awards may be made after the removal of all such restrictions.

No payment will be required for the grant of an Award.

No Awards may be granted more than ten years after the Company's Shareholders have approved the establishment of the 2014 LTIP.

4. INDIVIDUAL LIMITS

The maximum number of shares that may be awarded to a participant in the form of Awards in any financial year will be limited so that the market value of such shares on the Award Date will not exceed 200% of base salary.

The limit may be exceeded in the case of an Award comprising a tax-advantaged element, provided that the Award overall is designed to deliver the same gross gain to a participant as would have been delivered under an Award which did not comprise a tax-advantaged element.

The aggregate market value of shares (as at the Award Date) over which unexercised options may be held by a participant under the tax-advantaged element of an Award at any time, when added to the market value of shares (as at the date of grant) over which unexercised options are held under the tax advantaged element of an award under the SIG plc 2004 Long Term Incentive Plan, is limited to £30,000.

5. DILUTION LIMIT

Awards may be granted over unissued or existing shares. No Award may be granted under the 2014 LTIP if it would cause the number of new shares issued or issuable pursuant to Awards and other awards or options granted in the preceding ten years under any of the Company's employee share plans (whether or not discretionary) to exceed 10% of the Company's issued ordinary share capital at the proposed Award Date.

No Award may be granted under the 2014 LTIP if it would cause the number of new shares issued or issuable pursuant to Awards and other awards or options granted in the preceding ten years under any of the Company's discretionary employee share plans to exceed 5% of the Company's issued ordinary share capital at the proposed Award Date. An Award may be granted in excess of this limit (but within the 10% limit above) where an appropriately stretching performance target is imposed.

If Awards are to be satisfied by a transfer of existing shares, the percentage limit stated above will not apply. For so long as it is necessary in order to comply with the guidance included in the remuneration principles issued from time to time by the current Association of British Insurers, the 10% limit will apply to Awards satisfied by the transfer of treasury shares.

6. VESTING OF AWARDS AND PERFORMANCE TARGETS

The vesting of Awards shall be subject to the attainment of targets relating to the performance of any one or more of the Company and/or (as appropriate) a subsidiary or division (or such other performance target(s) measured against objective criteria determined by the Committee) over a period of at least three years (the "Performance Period") and set by the Remuneration Committee at the time the Award is granted.

For certain participants there will be a two year holding period (the "Holding Period") following the end of the initial three year vesting period, so that Awards granted as options will not normally become exercisable, and shares will not normally be transferred in satisfaction of contingent share rights until the fifth anniversary of the Award Date (the "Vesting Date"). It is currently intended that this will apply for Executive Directors (and any other participant if so determined by the Committee). For all other participants, the Vesting Date will be the third anniversary of the Award Date.

Awards granted in 2014 will be subject to two performance targets based on Earnings Per Share (the "EPS Target") and Return on Capital Employed (the "ROCE Target") (together the "Performance Targets"). One third of the shares subject to the Award will be subject to the EPS Target (the "EPS Tranche") and two thirds will be subject to the ROCE Target (the "ROCE Tranche"). The Performance Targets will each apply separately to the shares to which they relate.

The Performance Period in respect of each of the Performance Targets for initial Awards to be made in 2014 will be a period of three financial years beginning with the 2014 financial year.

The EPS Target for the initial Awards is based on cumulative annual growth of the consolidated fully diluted EPS over the three year Performance Period. The ROCE Target is based on average ROCE over the three year Performance Period.

Awards will vest on the following basis:

Average Return on Capital Employed (ROCE) for FY2014-2016	% of ROCE Tranche vesting
9.2% or less	Nil
Above 9.2% but less than 13%	Between 0% and 100% on a straight-line basis
13% and above	100%

Cumulative Underlying EPS for FY2014-2016	% of EPS Tranche vesting
Less than 35 pence	Nil
35 pence to 45 pence	25% to 100% on a straight-line basis
Above 45 pence	100%

The Remuneration Committee may vary the performance measures and respective weightings for grants in future years, provided that, in its opinion, the new targets are not materially less challenging in the circumstances than those described above. It is intended that performance targets will always have an element based on EPS and an element based on ROCE.

SIG PLC NOTICE OF ANNUAL GENERAL MEETING CONTINUED

APPENDIX I CONTINUED

SUMMARY OF THE SIG PLC 2014 LONG TERM INCENTIVE PLAN CONTINUED

6. VESTING OF AWARDS AND PERFORMANCE TARGETS CONTINUED

The Remuneration Committee may also vary the performance targets applying to existing Awards if an event has occurred or circumstances have arisen which cause the Remuneration Committee reasonably to consider that it would be appropriate to amend the performance targets, provided the Remuneration Committee considers the varied targets are fair and reasonable and not materially less difficult to satisfy than the original targets would have been but for the event or circumstances in question.

7. PERFORMANCE ADJUSTMENT (“MALUS”)

The Remuneration Committee has the discretion to adjust any Award under the 2014 LTIP if a participant engages in conduct which would justify summary dismissal, or in circumstances where the Remuneration Committee considers that the quantum of an Award is too high in consequence of a material misstatement in the financial results of the Company.

Following such an event, and if it considers appropriate, the Remuneration Committee has the discretion to reduce the number of shares which are subject to subsisting Awards held by a participant.

The Remuneration Committee may exercise its discretion to adjust an Award in applicable circumstances at any time prior to the Vesting Date for the relevant Award.

8. LEAVING EMPLOYMENT

If a participant leaves the Group, prior to the third anniversary of the Award Date, his or her Awards will normally lapse. However, if the reason for a participant leaving is death, injury, disability, redundancy, the employer company or business being sold outside the Group or in other circumstances at the Remuneration Committee's discretion, then the Remuneration Committee may either:

- allow the Award to be retained and to vest, if at all, on the Vesting Date, provided that where the date of leaving falls prior to the third anniversary of the Award Date, the Award shall be retained only in relation to a time-apportioned proportion of the Award (determined having regard to that part of the period of three years which has then elapsed since the Award Date); or
- exceptionally, allow the Award to vest immediately, provided that where the date of leaving falls prior to the third anniversary of the Award Date, the Award shall vest, if at all, only in relation to a time-apportioned proportion of the Award (determined having regard to that part of the period of three years which has then elapsed since the Award Date) and based on the extent to which, in the Remuneration Committee's opinion, the applicable Performance Targets are likely to be satisfied.

In either case, the Remuneration Committee will retain a discretion to adjust the extent to which an Award may vest following leaving, in exceptional circumstances.

If a participant to whom the Holding Period applies leaves the Group during the Holding Period, his or her Award may be retained other than in cases of gross misconduct.

9. CHANGE OF CONTROL

In the event of a takeover of the Company, an Award will vest immediately, provided that where the date of the takeover falls prior to the third anniversary of the Award Date, the Award shall vest, if at all, only in relation to a time-apportioned proportion of the Award (determined having regard to that part of the period of three years which has then elapsed since the Award Date) and based on the extent to which, in the Remuneration Committee's opinion, the applicable Performance Targets may be regarded as having been satisfied.

In the event of a scheme of arrangement (not being an internal corporate reorganisation) or a winding-up of the Company, the Remuneration Committee may determine that Awards will vest immediately, and on the same basis as for a takeover.

The Remuneration Committee will retain a discretion to adjust the extent to which an Award may vest following a corporate event, in exceptional circumstances.

10. VARIATIONS OF CAPITAL

If there is a rights or capitalisation issue, sub-division, consolidation, reduction or other variation of the Company's ordinary share capital, or the implementation by the Company of a demerger or payment of a special dividend, the Remuneration Committee may adjust the number of shares subject to Awards.

11. RIGHTS ATTACHING TO SHARES

Awards will not confer any Shareholder rights, such as the right to vote the shares or to receive any dividend, until a participant has received the shares after vesting.

At the Remuneration Committee's discretion, a participant will, however, be entitled to receive a payment in cash (and/or shares) when he receives his vested shares of an amount equivalent to any dividends payable in relation to the shares over the relevant period (and assuming re-investment of dividends in further Company shares). The relevant period will run from the date of grant until the end of the Vesting Period or the delivery of the shares (or date upon which options first become exercisable) if earlier.

Shares allotted or transferred under the 2014 LTIP will rank alongside shares of the same class then in issue. The Company will apply for the listing of any newly issued shares.

12. AMENDMENTS

The Remuneration Committee may amend the 2014 LTIP. However, the provisions governing eligibility requirements, equity dilution, individual award levels, the basis for determining participants' rights to acquire shares and the adjustments that may be made following a rights issue or any other variation of capital cannot be altered to the advantage of participants without the prior approval of the Company's Shareholders in general meeting. There is an exception for minor amendments to benefit the administration of the 2014 LTIP, to take account of a change in legislation or developments in the law affecting the 2014 LTIP or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants in the 2014 LTIP or for any member of the Group.

The Remuneration Committee may also establish further schedules to or new plans based on the 2014 LTIP for non-UK participants, provided that the individual limits and dilution limits of the 2014 LTIP apply to any Awards made under such schedules or plans.

This summary does not form part of the rules of the 2014 LTIP and should not be taken as affecting the interpretation of their detailed terms and conditions. The Directors reserve the right up to the time of the Annual General Meeting to make such amendments and additions to the rules of the 2014 LTIP as they may consider appropriate and otherwise provided that such amendments do not conflict in any material respect with this summary.

SIG PLC NOTICE OF ANNUAL GENERAL MEETING CONTINUED

NOTES:

1. A member entitled to attend and vote at the aforementioned Meeting is entitled to appoint one or more proxies to exercise all or any of his/her rights to attend, speak and vote at the Meeting. A member can appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him/her.
2. A proxy need not also be a member of the Company but must attend the Meeting in person. A Form of Proxy accompanies this Notice of AGM and the Notes to the Form of Proxy set out the details of how to appoint a proxy.
3. A copy of this Notice has been sent for information only to persons who have been nominated by a member to enjoy information rights under Section 146 of the Companies Act 2006 (a "Nominated Person"). The rights to appoint a proxy can not be exercised by a Nominated Person: they can only be exercised by the member. However, a Nominated Person may have a right under an agreement between him/her and the member by whom he/she was nominated to be appointed as a proxy for the Meeting or to have someone else so appointed. If a Nominated Person does not have such a right or does not wish to exercise it, he/she may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.
4. To appoint a proxy or proxies Shareholders must complete: (a) the Form of Proxy and return it, together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of the same to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, or by using the reply-paid envelope provided; or (b) a CREST proxy instruction as detailed below; or (c) an online proxy appointment at www.eproxyappointment.com (you will need your unique PIN and Shareholder Reference Number, together with the Control number, printed on the Form of Proxy), in each case so that it is received no later than 12 noon on 14 May 2014. The appointment of a proxy will not preclude a member from attending and voting in person. If a member attends the Meeting in person, his proxy appointment will automatically be terminated.
5. A member may change proxy instructions by returning a new proxy appointment using the methods set out above. Where a member has appointed a proxy using the hard-copy Form of Proxy and would like to change the instructions using another hard-copy proxy form, please contact Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. The deadline for receipt of proxy appointments in paragraph 4 above also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same Meeting, the one which is last sent shall be treated as replacing and revoking the other or others. 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 name being the most senior).
6. In conjunction with its Registrars, the Company has in place a facility to allow each Shareholder to register proxy votes electronically. Detailed information of how to do this is set out on the Form of Proxy. A member can register proxy votes electronically by either logging on to the Registrars' website, www.eproxyappointment.com, and following the instructions, or CREST members may register proxy votes following the procedures set out in the CREST Manual.
7. A "Vote withheld" is not a vote at law, which means that the vote will not be counted in the proportion of votes "For" and "Against" the relevant Resolution. A Shareholder who does not give any voting instructions in relation to a Resolution should note that his/her proxy will have authority to vote or withhold a vote on that Resolution as he/she thinks fit. A proxy will also have authority to vote or to withhold a vote on any other business (including amendments to Resolutions) which properly come before the 2014 AGM as he/she thinks fit.

8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) of the Meeting 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 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'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 instruction given by a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent (ID 3RA50) by the latest time(s) for receipt of proxy appointments set out above. 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 Company'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.
9. 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 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 CREST sponsor or voting provider(s) take(s)) such action as is 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.

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.
10. To be entitled to attend and vote at the Meeting, Shareholders must be registered in the register of members of the Company at 6.00pm on 14 May 2014 (or, if the Meeting is adjourned, at 6.00pm on the date which is two days prior to the adjourned meeting). Changes to entries on the register after this time shall be disregarded in determining the rights of any person to attend and vote (and the number of votes they may cast) at the Meeting or adjourned meeting.
11. As at 3 April 2014 (being the latest business day prior to the publication of this Notice), the Company's issued share capital consists of 591,100,447 ordinary shares, carrying one vote each. Therefore the total voting rights in the Company are 591,100,447.
12. The following documents will be available for inspection during normal business hours at the registered office of the Company until 15 May 2014 and at Aston Hotel, Britannia Way, Catcliffe, Sheffield S60 5BD from 11.15am on 16 May 2014:
 - ▶ copies of the Executive Directors' service contracts;
 - ▶ copies of letters of appointment of the Non-Executive Directors;
 - ▶ letters of indemnity for each of the Directors; and
 - ▶ a copy of the rules of the 2014 LTIP.

SIG PLC NOTICE OF ANNUAL GENERAL MEETING CONTINUED

NOTES: CONTINUED

13. Please note that the Company takes all reasonable precautions to ensure no viruses are present in any electronic communication it sends out but the Company cannot accept responsibility for loss or damage arising from the opening or use of any email or attachments from the Company and recommends that the Shareholders subject all messages to virus checking procedures prior to use. Any electronic communication received by the Company, including the lodgement of an electronic Form of Proxy, that is found to contain any virus will not be accepted.
14. Shareholders vote on a show of hands, unless a poll is validly called. This is a more transparent method of voting as member votes are to be counted according to the number of shares held. As soon as practicable following the 2014 AGM, the results of the voting at the Meeting and the numbers of proxy votes cast for and against and the number of votes actively withheld in respect of each of the Resolutions will be announced via a Regulatory Information Service and also placed on the Company's website, www.sigplc.com.
15. A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the 2014 AGM. In accordance with the provisions of the Companies Act 2006, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.
16. Members satisfying the thresholds in Section 527 of the Companies Act 2006 can require the Company to publish a statement on its website setting out any matter relating to: (a) 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 Meeting; or (b) any circumstances connected with an auditor of the Company ceasing to hold office since the last AGM, that the members propose to raise at the Meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's Auditor no later than the time it makes its statement available on the website. The business which may be dealt with at the Meeting includes any statement that the Company has been required to publish on its website.
17. The Company must cause to be answered at the Meeting any question relating to the business being dealt with at the Meeting which is put by a member attending the Meeting, except in certain circumstances, including if it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered or if to do so would involve the disclosure of confidential information.
18. The contents of this Notice of AGM and all the information required by Section 311A of the Companies Act 2006 will be available on the Company's website, www.sigplc.com.
19. You may not use any electronic address provided in this Notice of AGM to communicate with the Company for any purposes other than those expressly stated.
20. Biographical details of each Director being proposed for election or re-election by Shareholders are set out on the next page.

BIOGRAPHICAL DETAILS FOR EACH DIRECTOR

LESLIE VAN DE WALLE HEC, NON-EXECUTIVE CHAIRMAN

Leslie Van de Walle (age 57) became a Non-Executive Director in October 2010 and became Non-Executive Chairman on 1 February 2011. He is also Chairman of the Nominations Committee. He is Non-Executive Chairman of Robert Walters plc and a Non-Executive Director of Cape plc and DCC plc. Formerly Chief Executive Officer of Rexam plc, Executive Vice President of Global Retail, a division of Royal Dutch Shell plc and a Non-Executive Director of Aegis Group plc and Aviva plc. He formerly held a number of senior management positions with Cadbury Schweppes plc and United Biscuits Limited.

STUART MITCHELL BSC, CHIEF EXECUTIVE

Stuart Mitchell (age 53) joined SIG on 1 December 2012 as Chief Executive Designate, was appointed a Director of the Company on 10 December 2012 and became Chief Executive on 1 March 2013. Most recently he was Chief Executive of Wilkinsons Hardware Stores from 2006 to 2012. He was previously Managing Director of the Taiwan arm of the Asian retail giant AS Watson. He joined Sainsbury plc as a graduate trainee in 1984 rising up the ranks to become Managing Director of Sainsbury's Supermarkets in 2003. He is a Non-Executive Director of Enactus UK (formerly SIFE - Students in Free Enterprise UK).

DOUG ROBERTSON BA, FCA, FINANCE DIRECTOR

Doug Robertson (age 60) joined the Group in November 2011 and was appointed Finance Director on 1 December 2011. He was previously Finance Director of Umeco plc from 2007 until 2011 and Finance Director of Seton House Group Limited from 2002 until 2007. From 1994 to 2000 he held a variety of Divisional Finance Director roles within Williams plc and, in 2000, became Managing Director of Tesa Group, Chubb's hotel security division.

JANET ASHDOWN BSC HONS, NON-EXECUTIVE DIRECTOR

Janet Ashdown (age 54) became a Non-Executive Director in July 2011. She is a Non-Executive Director of Coventry Building Society and Essar Oil (UK) Limited and Chair of the charity Hope in Tottenham. She was until the end of 2012 Chief Executive Officer of Harvest Energy Limited and Blue Ocean Oil Trading Limited, the UK's largest independent road fuels marketing and import business. Janet previously worked for BP p.l.c. for 29 years from 1980 to 2009, serving in a variety of posts in the UK, continental Europe and the US ranging from manufacturing to supply and trading to retail marketing. Her last role in BP was as Head of BP's Fuels Marketing & Distribution business in the UK. Janet holds a degree in Energy Management.

MEL EWELL BSC HONS, NON-EXECUTIVE DIRECTOR

Mel Ewell (age 55) became a Non-Executive Director on 1 August 2011. He is currently Chief Executive and an Executive Director of Amey Plc, one of the UK's leading infrastructure services providers. He previously held a number of senior management positions for TNT International, Xerox and ADI Group.

CHRIS GEOGHEGAN BA HONS, FRAES, NON-EXECUTIVE DIRECTOR

Chris Geoghegan (age 59) became a Non-Executive Director in July 2009. He is the Senior Independent Director and Chairman of the Remuneration Committee. Prior to his retirement he was Chief Operating Officer of BAE Systems plc with responsibility for all European joint ventures and UK defence electronics assets. He is a Fellow of the Royal Aeronautical Society and a past President of the Society of British Aerospace companies.

JONATHAN NICHOLLS BA, ACA, FCT, NON-EXECUTIVE DIRECTOR

Jonathan Nicholls (age 56) became a Non-Executive Director in November 2009 and is Chairman of the Audit Committee. He is a Non-Executive Director of DS Smith Plc and Great Portland Estates plc. Most recently he was Group Financial Director of Old Mutual plc and prior to that he was Group Finance Director of Hanson plc.

DIRECTIONS

The Annual General Meeting of SIG plc is to be held at 12 noon on Friday 16 May 2014 at:

Aston Hotel
Britannia Way
Catcliffe
Sheffield S60 5BD

FROM THE NORTH

Leave the M1 at Junction 33.

At the roundabout, take the 3rd exit, signposted Sheffield A630.

After approx ½ mile, take the next exit, signposted Catcliffe.

At the roundabout, take the 3rd exit, underneath the A630.

At the next roundabout, take the 1st exit.

At the next roundabout, take the 2nd exit. Aston Hotel, Sheffield is on your right.

FROM THE SOUTH

Leave the M1 at Junction 33.

At the roundabout take the 1st exit signposted Sheffield A630.

After approx ½ mile, take the next exit, signposted Catcliffe.

At the roundabout, take the 3rd exit, underneath the A630.

At the next roundabout, take the 1st exit.

At the next roundabout, take the 2nd exit. Aston Hotel, Sheffield is on your right.

FROM SHEFFIELD

From the Sheffield Parkway, A630.

Take the Catcliffe exit.

At the roundabout, take the 1st exit.

At the next roundabout, take the 2nd exit. Aston Hotel, Sheffield is on your right.

PUBLIC TRANSPORT

The A1 bus service runs from Meadowhall Shopping Centre to Sheffield Business Park.

FROM ROTHERHAM

Arrive at the M1, Junction 33 roundabout.

Take the 2nd exit, signposted Sheffield A630.

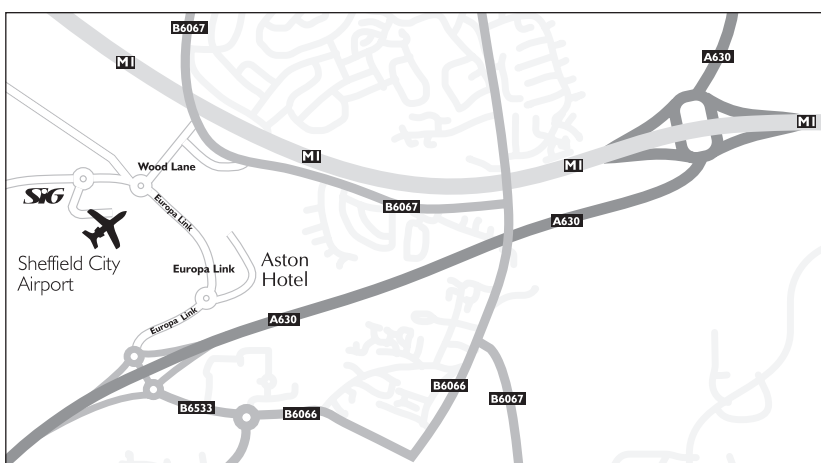
After approx ½ mile, take the next exit, signposted Catcliffe.

At the roundabout, take the 1st exit.

At the next roundabout, take the 2nd exit. Aston Hotel, Sheffield is on your right.

SAT NAV USERS

For satellite navigation please use the following postcode: S9 1XU.



SIG plc: Hillsborough Works, Langsett Road, Sheffield S6 2LW, United Kingdom

tel: +44 (0) 114 285 6300

fax: +44 (0) 114 285 6349

web: www.sigplc.co.uk