

Notice of Annual General Meeting

THURSDAY, 6 MAY 2021 AT 10.00AM

Morgan Sindall Group plc, Kent House,
14-17 Market Place, London W1W 8AJ

**THIS DOCUMENT IS IMPORTANT AND
REQUIRES YOUR IMMEDIATE ATTENTION.**

It contains the resolutions to be voted on at the Company's Annual General Meeting to be held on Thursday, 6 May 2021 at 10.00am. If you are in any doubt as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (or, if you are resident outside the UK, an appropriately qualified independent financial adviser). If you have sold or transferred all of your shares in Morgan Sindall Group plc, please pass this document, together with the accompanying documents, to the purchaser or transferee or to the person who arranged the sale or transfer, so they can pass these documents to the person who now holds the shares.

Chair's letter

DEAR SHAREHOLDER

Annual General Meeting 2021

I am pleased to be writing to you with details of the Annual General Meeting for 2021 (the 'AGM') of Morgan Sindall Group (the 'Company'), which will be taking place at 10.00am on Thursday, 6 May 2021 at the offices of Morgan Sindall Group plc, Kent House, 14-17 Market Place, London W1W 8AJ.

AGM attendance

Our preference is to welcome shareholders in person to our 2021 Annual General Meeting, particularly given the constraints we faced in 2020 due to the Covid-19 pandemic. However, at present, in light of the current Covid-19 legislation and public health guidance issued by the UK government, restricting, amongst other things, indoor public gatherings until mid-May and in order to protect the wellbeing of our people and our shareholders, the Board is currently proposing that this year's AGM will be held as a closed meeting. Accordingly, save for the Chair of the meeting and such other persons as the Chair of the meeting may decide should be admitted for the purposes of forming a quorum, **shareholder attendance in person at the AGM will not be permitted as long as the current restrictions are still in place.** Shareholders can, however, be represented by the Chair of the meeting acting as their proxy and we remain committed to encouraging shareholder engagement on the business of the AGM.

The Company will continue to closely monitor the developing impact of Covid-19 and the latest legislation and guidance issued by the UK government. If circumstances evolve such that the Board considers that, within safety constraints and in accordance with government guidance, arrangements regarding attendance at the AGM can change, the Company will notify shareholders as soon as reasonably practicable of any such changes via a Regulatory Information Service, on the 'AGM' page of our website at www.morgansindall.com and, if applicable, in accordance with the Company's articles of association. **The Board encourages shareholders to monitor the Company's website and regulatory information services for any updates in relation to the AGM.** Should we consider that it has become possible to allow shareholders to attend the AGM, we will only be able to accommodate a limited number of shareholders at our offices.

Questions

The AGM is an important opportunity for all shareholders to express their views by asking questions and voting. Your participation in this annual event continues to be very important to us. **We strongly encourage shareholders to participate in the AGM by submitting any questions on the business of the AGM in advance of the meeting by email to cossec@morgansindall.com (marked for the attention of the Company Secretary).** We will endeavour to publish any questions received before 10.00am on Tuesday, 4 May 2021 and our responses to those questions on our website (www.morgansindall.com/investors/shareholder-centre/AGM) prior to the AGM. Following the AGM, we will publish the full set of questions received (including those received after 10.00am on Tuesday, 4 May 2021) and answers to those questions on our website (www.morgansindall.com/investors/shareholder-centre/AGM).

Voting at the AGM

Whilst the AGM is expected to be held as a closed meeting, shareholders will nevertheless be able to vote on the resolutions under consideration, by proxy in advance of the AGM. **We therefore strongly encourage all shareholders to exercise their vote by appointing the Chair of the meeting (rather than a named individual) as their proxy and providing voting instructions in advance of the AGM, in accordance with the instructions in the Notes to the Notice of Meeting on pages 10 to 12.**

As shareholders will currently be unable to attend the AGM in person, all Resolutions will be decided on a poll to be called by the Chair of the meeting. This reflects current best practice and ensures that shareholders who have appointed the Chair of the meeting as their proxy have their votes fully taken into account. The results will be published on the 'AGM' page of our website at www.morgansindall.com and will be released as soon as reasonably practicable via a Regulatory Information Service following the conclusion of the AGM.

Business at the AGM

The Notice of the AGM (the 'Notice of Meeting') is set out on pages 3 to 4 of this document. In addition to the resolutions that we regularly bring to our shareholders at our AGMs, the business of the meeting includes resolutions to appoint Ernst & Young LLP to replace Deloitte LLP as the Company's external auditor in respect of the 2021 financial year and to adopt new Articles of Association. Further information is set out below and a more detailed explanation of the business to be conducted at the meeting is set out in the Explanatory Notes on pages 5 to 9.

Final dividend (Resolution 3)

Following the payment of an interim dividend to shareholders of 21p per ordinary share on 8 December 2020, the directors are pleased to recommend to shareholders the payment of a final dividend of 40p per ordinary share, to be paid on 19 May 2021 to shareholders on our register at close of business on 30 April 2021.

Re-election of directors (Resolutions 4 to 10)

Each of our directors will stand for re-election at this year's AGM. The directors' biographies are set out on pages 53 and 54 of the Annual Report and include details of the skills, competencies and experience of each director.

External auditor (Resolutions 11 and 12)

The Audit Committee of the Board of directors indicated that it would conduct an auditor tender process during 2020 with the successful firm being appointed with effect from the conclusion of this year's AGM. Following a competitive tender process, the Audit Committee recommended to the Board the appointment of Ernst & Young LLP, subject to the approval of shareholders, for the 2021 financial year. Resolutions 11 and 12 will therefore be proposed at this year's AGM, requesting shareholders' authority for the appointment of Ernst & Young LLP as auditors of the Company and, in accordance with normal practice, for the directors to determine Ernst & Young LLP's remuneration.

Articles of Association (Resolution 19)

It is proposed that the Company adopt new Articles of Association (the '**New Articles**') to update the Company's existing Articles of Association (the '**Existing Articles**') which were adopted in 2010 (and amended by special resolution in 2016). An in-depth review of the Existing Articles has been carried out and amendments made to incorporate best practice, including the requirements of the UK Corporate Governance Code 2018, and to increase flexibility in conducting hybrid (but not exclusively virtual) shareholder meetings. A summary of the material changes proposed is set out in the Explanatory Notes on pages 8 and 9.

Recommendation

The directors consider that all the resolutions to be proposed at the AGM are likely to promote the success of the Company and are in the best interests of the Company and its shareholders as a whole, and accordingly, unanimously recommend that you vote in favour of the resolutions, as the directors themselves intend to do in respect of their own beneficial shareholdings.

Proxies

We encourage shareholders to vote even if they are not able to attend the AGM in person. Given the uncertainty around whether shareholders will be able to attend our AGM, we recommend that all shareholders vote online at www.investorcentre.co.uk/eproxy or by filling in the proxy form sent with this document; appointing the Chair of the meeting as their proxy; and ensuring their proxy form is received by the Company's registrars as soon as possible. The registrars must receive your proxy form by 10.00am on Tuesday, 4 May 2021. For further instructions on proxy voting, please see the Notes to the Notice of Meeting on pages 10 to 12.

Yours faithfully

Michael Findlay

Chair

15 March 2021

Notice of meeting

Notice is hereby given that the 2021 AGM of the members of Morgan Sindall Group plc (the 'Company') will be held at **10.00am on Thursday, 6 May 2021** at the offices of Morgan Sindall Group plc, Kent House, 14-17 Market Place, London W1W 8AJ, to consider and, if thought fit, pass the following resolutions. Voting on all resolutions will be by way of a poll. All resolutions will be proposed as ordinary resolutions save for resolutions 15 to 19 (inclusive) which will be proposed as special resolutions.

Ordinary resolutions

Report and accounts

1. To receive and accept the Company's audited financial statements, the strategic report, the directors' and corporate governance report and the auditor's report for the year ended 31 December 2020 (together the 'Annual Report').

Directors' remuneration report

2. To approve the remuneration report (other than the part containing the remuneration policy), as set out on pages 83 to 107 of the Company's Annual Report.

Final dividend

3. That a final dividend of 40 pence per ordinary share be declared for the year ended 31 December 2020, payable on 19 May 2021 to shareholders whose names appear on the register of members at the close of business on 30 April 2021.

Directors

4. That Michael Findlay be re-elected as a director of the Company.
5. That John Morgan be re-elected as a director of the Company.
6. That Steve Crummett be re-elected as a director of the Company.
7. That Malcolm Cooper be re-elected as a director of the Company.
8. That Tracey Killen be re-elected as a director of the Company.
9. That David Lowden be re-elected as a director of the Company.
10. That Jen Tippin be re-elected as a director of the Company.

Auditor appointment

11. That Ernst & Young LLP be appointed as auditor of the Company from the conclusion of this meeting until the next general meeting at which accounts are laid before the Company.

Auditor's remuneration

12. To authorise the directors to determine the auditor's remuneration.

Political donations

13. That in accordance with section 366 and section 367 of the Companies Act 2006 (the 'Act'), the Company and all companies that are its subsidiaries at any time during the period for which this resolution is effective, be and are hereby authorised to:
 - (a) make political donations to political parties and/or independent election candidates not exceeding £25,000 in total;
 - (b) make political donations to political organisations other than political parties not exceeding £25,000 in total; and
 - (c) incur political expenditure not exceeding £25,000 in total, (as such terms are defined in sections 363 to 365 of the Act), provided that the aggregate amount of political donations made or political expenditure incurred by the Company and its subsidiaries shall not exceed £25,000 during the period beginning with the date of the passing of this resolution and ending at the conclusion of the Company's next AGM or close of business on 6 August 2022, whichever is earlier.

Directors' authority to allot shares

14. That the Board be generally and unconditionally authorised to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company:
 - (a) up to an aggregate nominal amount of £772,625.75 (such amount to be reduced by any allotments or grants made under paragraph (b) below in excess of such amount); and
 - (b) comprising equity securities (as defined in section 560(1) of the Act) up to an aggregate nominal amount of £1,545,251.55 (such amount to be reduced by any allotments or grants made pursuant to paragraph (a) above) in connection with an offer by way of a rights issue:
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities as required by the rights of those securities or as the Board otherwise considers necessary,
 and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, any legal, regulatory or practical problems, in, or under the laws of, any territory or the requirements of any regulatory body or exchange or any other matter, provided that (unless revoked, varied or renewed) such authority shall apply until the end of the Company's next AGM, or close of business on 6 August 2022, whichever is earlier, but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Board may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

Special resolutions

Directors' general authority to disapply pre-emption rights

15. That if resolution 14 is passed, the Board be given power to allot equity securities (as defined in the Act) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to such allotment or sale, such power to be limited:
- (a) to the allotment of equity securities and sale of treasury shares in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (b) of resolution 14, by way of a rights issue only):
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities, as required by the rights of those securities, or as the Board otherwise considers necessary,
 and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, any legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or exchange or any other matter; and
 - (b) in the case of the authority granted under paragraph (a) of resolution 14 and/or in the case of any sale of treasury shares, to the allotment of equity securities and/or sale of treasury shares (otherwise than under paragraph (a) above) up to a nominal amount of £115,893.85,

such power to apply until the end of the Company's next AGM, or close of business on 6 August 2022, whichever is earlier, but, in each case, during this period the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and/or treasury shares to be sold) after the power ends and the Board may allot equity securities (and/or sell treasury shares) under any such offer or agreement as if the authority had not ended.

Directors' specific authority to disapply pre-emption rights in connection with an acquisition or specified capital investment

16. That if resolution 14 is passed, the Board be given power, in addition to any power granted under resolution 15, to allot equity securities (as defined in the Act) for cash under the authority given by paragraph (a) of resolution 14 and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such power to be:
- (a) limited to the allotment of equity securities and/or sale of treasury shares up to a nominal amount of £115,893.85; and
 - (b) used only for the purposes of financing (or refinancing, if the power is to be used within six months after the original transaction) a transaction which the Board determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-emption Group prior to the date of this Notice of Meeting,

such power to apply until the end of the Company's next AGM, or close of business on 6 August 2022, whichever is earlier, but, in each case, during this period the Company may make offers and enter into agreements, which would, or might, require equity securities to be allotted (and/or treasury shares to be sold) after the power ends and the directors may allot equity securities (and/or sell treasury shares) under any such offer or agreement as if the power had not ended.

Authority to purchase own shares

17. That the Company be and is hereby generally authorised for the purposes of section 701 of the Act to make one or more market purchases (within the meaning of section 693(4) of the Act) of any of the Company's ordinary shares of 5p each ('**Ordinary Shares**') on such terms and in such manner as the directors may from time to time determine, provided that:
- (a) the maximum aggregate number of Ordinary Shares authorised to be purchased is 4,635,754;
 - (b) the minimum price which may be paid for each Ordinary Share (exclusive of expenses) shall be the nominal value of that Ordinary Share;
 - (c) the maximum price (exclusive of expenses) which may be paid for each Ordinary Share shall be the higher of:
 - (i) an amount equal to 5% above the average market value of an Ordinary Share for the five business days immediately preceding the day on which that Ordinary Share is contracted to be purchased; and
 - (ii) the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venues where the purchase is carried out at the relevant time,

such authority to apply until the end of the Company's next AGM, or close of business on 6 August 2022, whichever is earlier, but during this period the Company may enter into a contract to purchase Ordinary Shares, which would, or might, be completed or executed wholly or partly after the authority ends and the Company may purchase Ordinary Shares pursuant to any such contract as if the authority had not ended.

Notice period for general meetings

18. That a general meeting, other than an annual general meeting, may be called on not less than 14 clear days' notice.

Articles of Association

19. That, with effect from the conclusion of this meeting, the Articles of Association of the Company produced to the meeting and signed by the Chair (for the purposes of identification) be adopted as the Company's Articles of Association in substitution for, and to the exclusion of, the existing Articles of Association.

By order of the Board, 15 March 2021

Clare Sheridan
Company Secretary

Registered Office:

Kent House
14-17 Market Place
London W1W 8AJ

Registered in England and Wales No. 00521970

Explanatory notes to the resolutions

The explanatory notes on the following pages explain each of the proposed resolutions. Resolutions 1 to 14 are proposed as ordinary resolutions. This means that for each of these resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 15 to 19 are proposed as special resolutions. For each of these resolutions to be passed, at least three quarters of the votes cast must be in favour of the resolution.

All resolutions at the AGM will be put to shareholders by way of a poll rather than a show of hands. A poll vote is more representative of shareholders' voting intentions because shareholder votes are counted according to the number of shares held and all votes tendered are taken into account. After the general meeting, the results of voting, including proxy directions to withhold votes, will be published on our website.

Resolution 1: Report and accounts

The directors of the Company are required to lay the report and accounts of the Company before the shareholders each year at the AGM. The Company's 2020 annual report and accounts (the '**Annual Report**') comprises the audited financial statements, the auditor's report, the directors' and corporate governance report, the strategic report and the remuneration report.

Resolution 2: Directors' remuneration report

In accordance with the Companies Act 2006 (the '**Act**'), the Company is required to offer a binding vote on the Company's forward-looking directors' remuneration policy (the '**Policy**') at least once every three years; and a separate advisory vote on the implementation of the Company's existing remuneration policy (the directors' remuneration report) each year. The Policy, which is set out on pages 89 to 97 of the Annual Report, was last approved by shareholders at the 2020 AGM and is therefore not itself the subject of a resolution at this year's AGM.

The remuneration report is set out on pages 83 to 107 of the Annual Report. It gives details of the directors' remuneration for the year ended 31 December 2020. The Board considers that appropriate executive remuneration encourages the effective stewardship that is vital to delivering our strategy of creating long-term value for all stakeholders and, accordingly, and in compliance with the legislation, shareholders will be invited to approve the directors' remuneration report. The vote on this resolution is advisory only and the directors' entitlement to remuneration is not conditional on the resolution being passed.

Resolution 3: Final dividend

The Board recommends the payment of a final dividend of 40p per ordinary share. Subject to approval by shareholders, the final dividend will be paid on 19 May 2021 to all ordinary shareholders on the register of members at close of business on 30 April 2021.

Resolutions 4 to 10: Re-election of directors

Each of our directors will stand for re-election at this year's AGM. The directors' biographies are set out on pages 53 and 54 of the Annual Report and include details of the skills, competencies and experience of each director. The directors' balance of knowledge and skills, combined with their breadth of business experience, makes a significant contribution to the effective functioning of the Board and is, and continues to be, important to the Company's long-term sustainable success. Following the annual evaluation process the Board believes that the performance of each of the directors proposed to be re-elected at the AGM continues to be effective and that they demonstrate commitment to their respective roles.

Under the Company's Existing Articles, directors appointed by the Board are required to submit themselves for election by shareholders at the first AGM after their appointment, and for re-election every three years thereafter. However, in accordance with the UK Corporate Governance Code 2018, each director, will offer themselves for re-election at the AGM irrespective of their date of appointment and length of service to the Board.

Resolution 11: Auditor appointment

Deloitte LLP, having completed the audit of the financial statements of the Company for the financial year ended 31 December 2020, will cease to hold office as the Company's auditors from the conclusion of the AGM. Following a competitive tender process overseen by the Audit Committee (as detailed on pages 74 and 75 of the Annual Report), Ernst & Young LLP has been identified as the Company's preferred external auditor. The Company intends, subject to the passing of resolution 11, to appoint Ernst & Young LLP as the Company's external auditor for the financial year ending 31 December 2021.

As resigning auditors, and in accordance with section 519 of the Companies Act, Deloitte LLP provided the Company with a statement of circumstances confirming that they had resigned as auditors of the Company and that there were no circumstances which needed to be brought to the attention of shareholders and creditors. A copy of the statement is appended hereto in the Appendix.

Resolution 12: Auditor remuneration

In accordance with normal practice, this resolution proposes that the auditor's remuneration be determined by the directors. The Board will delegate this authority to the Audit Committee to negotiate and agree the auditor's remuneration.

Resolution 13: Political donations

This resolution will renew the authority given at last year's AGM, which is due to expire at the 2021 AGM. Under sections 366 and 367 of the Act, the Company is required to seek shareholders' authority to make any political donations and/or incur political expenditure in the UK or any member state of the European Union. Although the Company does not make, and does not intend to make, donations to political parties and/or to independent election candidates within the normal meaning of that expression, the legislation is very broadly drafted and may catch activities such as: funding seminars and other functions to which politicians are invited; supporting certain bodies involved in policy review and law reform; and matching employees' donations to certain charities.

Therefore, in accordance with current best practice, the directors have decided to propose an ordinary resolution to authorise the Company and its subsidiaries to make certain types of political donations and/or expenditure, as more particularly described in the resolution, up to an aggregate amount of £25,000. This authority shall expire at the conclusion of next year's AGM, or close of business on 6 August 2022, whichever is earlier.

Resolution 14: Directors' authority to allot shares

The directors currently have authority to allot shares in the Company and to grant rights to subscribe for or convert any securities into shares in the Company. This authority is due to lapse at our 2021 AGM. The Board is seeking by this ordinary resolution to renew the directors' authority to allot shares in the capital of the Company in accordance with section 551 of the Act.

Paragraph (a) of this resolution would give directors the authority to allot shares or grant rights to subscribe for or convert any securities into shares up to an aggregate nominal amount equal to £772,625.75 (representing 15,452,515 shares). This amount represents approximately one third of the total issued share capital of the Company as at 12 March 2021, the latest practicable date prior to the date of this Notice of Meeting.

In line with guidance issued by The Investment Association (the 'IA'), paragraph (b) of this resolution would give the directors the authority to allot shares or grant rights to subscribe for or convert any securities into shares in connection with a rights issue, up to an aggregate nominal amount equal to £1,545,251.55 (representing 30,905,031 shares), as reduced by the nominal amount of any shares issued under paragraph (a) of this resolution. This amount (before any reduction) represents approximately two thirds of the total issued share capital of the Company as at 12 March 2021, being the latest practicable date prior to the date of this Notice of Meeting.

The authorities sought under this resolution, if passed, will expire at the conclusion of the Company's next AGM in 2022 or close of business on 6 August 2022, whichever is earlier. The directors currently have no intention of issuing further shares or granting rights over shares other than in connection with the Company's employee share option and share incentive schemes. However, if the directors do exercise the authority granted by the resolution, the directors intend to follow the IA's recommendations concerning its use.

As at 12 March 2021, being the latest practicable date prior to the date of this Notice of Meeting, the Company held no shares in treasury.

Resolution 15: Directors' general authority to disapply pre-emption rights

This is a special resolution which, if approved, will give the directors the authority to allot equity securities (and/or sell any shares which the Company elects to hold in treasury) for cash without first offering them to existing shareholders in proportion to their existing shareholdings. Equity securities include ordinary shares in the Company.

This authority would be limited to allotments or sales in connection with pre-emptive offers or otherwise up to a maximum aggregate nominal amount of £115,893.85 (representing 2,317,877 shares). This maximum aggregate nominal amount represents approximately 5% of the total issued share capital of the Company as at 12 March 2021, being the latest practicable date prior to the date of this Notice of Meeting.

The directors also confirm their intention to follow the provisions of the Pre-Emption Group's Statement of Principles issued in March 2015 (the '**Statement of Principles**') regarding cumulative usage of authorities within a rolling three-year period, where the Statement of Principles provides that (except in relation to an issue pursuant to the additional 5% referred to in the explanatory note to resolution 16) no more than 7.5% of the issued ordinary share capital should be issued for cash on a non-pre-emptive basis during any rolling three-year period without prior consultation with shareholders.

The authority sought under this resolution will expire at the conclusion of the Company's next AGM in 2022 or close of business on 6 August 2022, whichever is earlier.

Explanatory notes to the resolutions continued

Resolution 16: Directors' specific authority to disapply pre-emption rights in connection with an acquisition or specified capital investment

The Statement of Principles states that, in addition to the general disapplication of pre-emption rights up to a maximum equal to 5% of the total issued ordinary share capital, as proposed in resolution 15, the Pre-Emption Group is supportive of extending the general disapplication authority for certain purposes. In line with the Statement of Principles, the Company is therefore proposing a separate special resolution seeking approval for the disapplication of pre-emption rights up to an additional maximum aggregate nominal amount of £115,893.85 (representing 2,317,877 shares), which represents approximately 5% of the total issued share capital of the Company as at 12 March 2021, being the latest practicable date prior to the date of this Notice of Meeting. The maximum nominal value of equity securities which could be allotted, if both the general disapplication authority and the additional disapplication authority were used, would be £231,787.70 (representing 4,635,754 shares) which represents approximately 10% of the total issued share capital of the Company as at 12 March 2021, being the latest practicable date prior to the date of this Notice of Meeting.

The directors confirm their intention that the additional authority (which represents approximately 5% of the total issued share capital of the Company) will only be used to fund one or more transactions which the directors determine to be acquisition(s) and/or specified capital investment(s) which are announced contemporaneously with the relevant issue, as referred to in the Statement of Principles. While the directors have no present intention of exercising this disapplication authority, the Board considers that the additional authority sought at this year's AGM will benefit the Company and its shareholders generally since there may be occasions in the future when the directors need the flexibility to finance acquisitions or capital investments by issuing shares for cash without a pre-emptive offer to existing shareholders.

The authority sought under this resolution will expire at the conclusion of the Company's next AGM in 2022 or close of business on 6 August 2022, whichever is earlier.

Resolution 17: Authority to purchase own shares

Resolution 17 is a special resolution seeking approval of the renewal of the general authority from shareholders granted at last year's AGM authorising the Company to buy back its ordinary shares in the market, either for cancellation or to be held in treasury. There are a number of reasons why the directors may, in the future, consider a buy-back of shares to be in the best interests of the Company and of its shareholders generally. These may include where the directors: (i) expect that such a buy-back would result in an increase in earnings per share; (ii) consider that the Company has excess cash; and/or (iii) determine that it is appropriate to increase the Company's gearing or its share liquidity. The directors therefore consider it prudent for the Company to have the flexibility to effect market purchases of its own shares in the future.

The directors will exercise this authority only if, having due regard to the interests of long-term shareholders, they consider that to do so would be in the best interests of the Company, and of its shareholders, and (amongst other things) expect such purchase to result in an increase in earnings per share. In addition, the directors confirm that the decision to propose this authority for approval at the AGM has been taken by the full Board, a majority of whom are non-executive directors who do not participate in the Company's share plans and whose interest in the Company's shares is therefore unaffected by the earnings per share metric. The Company may either retain any of its own shares which it has purchased as treasury shares with a view to possible re-issue at a future date, use them to satisfy awards under employee share plans or cancel them. Holding the shares as treasury shares gives management the ability to re-issue them quickly and cost-effectively and would provide the Company with additional flexibility in the management of its capital base.

Under the terms of this resolution, the Company will be generally authorised to make market purchases of up to 4,635,754 shares with an aggregate nominal value of £231,787.70, representing approximately 10% of the total issued share capital of the Company as at 12 March 2021, the latest practicable date prior to the date of this Notice of Meeting. The maximum price payable per share will be based on the market price of a share as set out in more detail in the resolution itself. The minimum price payable per share, exclusive of expenses, is its nominal value.

As at 12 March 2021, the number of outstanding options to subscribe for shares granted by the Company was 1,072,101. This figure represents 2.31% of the total issued share capital of the Company at that date and would, assuming no further shares are issued, represent 2.88% of the total issued share capital if full authority to purchase shares (under the existing authority and that sought at the AGM) were used.

The Company has not undertaken any purchases of its own shares since the date of the last AGM, but the renewal of the authority is sought to preserve flexibility. The directors have no present intention of exercising this authority, which will expire at the conclusion of the Company's next AGM in 2022 or close of business on 6 August 2022, whichever is earlier.

As at 12 March 2021, being the last practicable date prior to the date of this Notice of Meeting, no shares had been purchased and held as treasury shares or cancelled under the existing authority.

Resolution 18: Notice period for general meetings

Under the Act, the notice period required for general meetings of the Company is 21 days unless shareholders approve a shorter notice period (which cannot, however, be less than 14 clear days). AGMs are still required to be held on at least 21 clear days' notice. Approval for a shorter notice period was sought and received from shareholders at the last AGM and, to preserve this ability, Resolution 18 seeks renewal of the approval for a notice period of 14 days to apply to general meetings. The shorter notice period will not be used as a matter of routine but only where clear flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole. If used, an electronic voting facility will be provided.

The approval will be effective until the conclusion of the Company's next AGM, when it is intended that a similar resolution will be proposed, or close of business on 6 August 2022, whichever is earlier.

Resolution 19: Articles of Association

Resolution 19 proposes that the Company adopt the New Articles in substitution for the Company's Existing Articles. Subject to the passing of resolution 19, the principal changes to be made to the Existing Articles, upon adoption of the New Articles, are as follows:

Untraced shareholders

The New Articles amend the position in relation to untraced shareholders. Rather than requiring the Company to take out two newspaper advertisements, the New Articles require the Company to use reasonable efforts to trace the shareholder. 'Reasonable efforts' to trace a shareholder may include, if considered appropriate, the Company engaging a professional asset reunification company or other tracing agent to search for a shareholder who has not kept their shareholder details up to date.

In addition, the New Articles provide that money from the sale of the shares of an untraced shareholder will be forfeited if not claimed after two years.

These changes reflect best practice and provide the Company with appropriate flexibility in connection with locating untraced shareholders.

Sub-division of shares

The New Articles clarify that any shares resulting from a sub-division of the Company's existing shares may, in addition to having any preference or advantage as compared with the Company's other shares, also have deferred or other rights. This change makes administering any sub-division of shares more straightforward.

Operation of general meetings

The New Articles provide that the Company may hold 'hybrid' general meetings (including annual general meetings) in such a way that enables members to attend and participate in the business of the meeting by attending a physical location or by attending by means of an electronic facility. Voting at hybrid meetings will, by default, be decided on a poll. Hybrid meetings may be adjourned in the event of a technological failure.

The New Articles allow the Company, where appropriate, to make changes to the arrangements for general meetings (including the introduction, change or cancellation of electronic facilities) after the notice of the meeting has been issued. The Company may give notice of any such changes in any manner considered appropriate (rather than via an advertisement in two national newspapers). The New Articles also explicitly allow the Company to introduce health and safety arrangements at its meetings.

These changes will provide the Board with greater flexibility to align with technological advances, changes in investor sentiment and evolving best practice, particularly in light of the Covid-19 pandemic. In line with the views expressed by the Investment Association and Institutional Shareholder Services, the changes will not permit meetings to be held exclusively on an electronic basis, so a physical meeting will still be required. Although the Board has no present intention of relying on these provisions to hold hybrid general meetings, it believes the flexibility achieved via these changes is advantageous to the Company. In deciding whether to hold a hybrid general meeting in the future, the Board will have regard to the views of shareholders and institutional governance bodies at the relevant time.

The New Articles also specifically refer to the possibility of satellite/multi-venue meetings, such as the use of overflow rooms. Satellite meetings are legally valid even without such a provision but it has been added for clarity.

These changes are primarily contained in articles 47, 48, 50 and 53 in the New Articles. A number of other consequential amendments have also been made to the New Articles.

Explanatory notes to the resolutions continued

Reappointment of directors

In line with the requirements of the Code, the New Articles require directors to retire (and should they wish to remain in office, seek re-election) at each annual general meeting. This requirement does not apply to directors in their first year of appointment who were appointed in the period between the AGM notice being issued and the AGM itself. This confirms existing Company practice.

Directors' fees

The changes in article 88 of the New Articles amend the cap of £600,000 per annum in respect of non-executive directors' fees in line with market practice by confirming that this cap applies on an aggregate basis rather than in respect of the fees paid to each non-executive director.

Directors below minimum through vacancies

The Existing Articles provide that where the number of continuing directors falls below the minimum number or the number required for a quorum of the Board, they may only act either to appoint further directors themselves or summon general meetings. The New Articles provide greater flexibility as they allow continuing directors or a sole continuing director to act notwithstanding any vacancy (including to fill vacancies and summon general meetings for the purpose of appointing further directors). The Board considers it prudent to provide the directors with increased flexibility to ensure that the Company has a functioning Board at all times.

Payments of dividends and other amounts

The New Articles give the Board greater flexibility to determine the appropriate method(s) it uses to pay dividends (and other sums) to shareholders. This may include the phasing out of cheques. This flexibility will help the Board to take account of developments in market practice and keep down the administrative cost of making payments. The New Articles also provide that where a payment cannot be made because a shareholder has not provided valid account details to the Company, that amount will be treated as unclaimed until the shareholder provides those details.

Strategic report and supplementary materials

The Companies Act 2006 and the Companies (Receipt of Accounts and Reports) Regulations 2013 allow the Company to send a copy of its strategic report with supplementary material instead of its full accounts to a member who has elected or tacitly agreed to receive these documents, provided that the Company is not prohibited from doing so in its articles. Article 129 is intended to make it clear there is no such prohibition. Shareholders should note that they can always view the full annual report on the Company's website or request a hard copy from the Company's registrar.

Service of notices

Changes are proposed to clarify the articles relating to service of notices or documents by the Company and, in particular, that the Company may choose not to serve a notice or other document to a member where it considers it necessary or appropriate to deal with legal, regulatory or practical problems in a particular territory.

General

As the Company is proposing to make the changes described above, the opportunity has been taken to also incorporate amendments of a more minor, technical or clarifying nature to reflect changes in applicable law or current market best practice, to remove provisions in the Existing Articles which duplicate English company law and to include some clearer language in other parts of the New Articles.

Notes

1. At present, in light of the current Covid-19 legislation and public health guidance issued by the UK government, restricting, amongst other things, indoor public gatherings until mid-May, and in order to protect the wellbeing of our people and our shareholders, the Board is currently proposing that this year's AGM will be held as a closed meeting. Accordingly, save for the Chair of the meeting and such other persons as the Chair of the meeting may decide should be admitted for the purposes of forming a quorum, shareholder attendance in person at the AGM will not be permitted as long as the current restrictions are still in place. If these arrangements change, the Company will notify members as soon as reasonably practicable via a Regulatory Information Service, on the 'AGM' page of our website at www.morgansindall.com and, if applicable, in accordance with the Company's articles of association. As the Covid-19 situation continues to develop, the Board encourages shareholders to monitor the Company's website and regulatory information services for any updates in relation to the AGM.
2. Shareholders are entitled to appoint one or more proxies (who need not be a member of the Company) to exercise all or any of their rights to attend, speak and vote at the AGM. **In light of the Covid-19 situation, we strongly encourage all shareholders to exercise their vote by appointing the Chair of the meeting (rather than a named person) as their proxy and providing voting instructions in advance of the AGM.**

If you do not have a proxy form and believe that you should have one, please contact Computershare on 0370 707 1695. Lines are open from 8.30am to 5.30pm (UK time), Monday to Friday, or you can contact Computershare by email at webcorres@computershare.co.uk.
3. Voting on all resolutions will be conducted by way of a poll rather than a show of hands. As a result of the Covid-19 situation, shareholders will currently only be able to vote on the business of the meeting by proxy in advance. As soon as practicable following the meeting, 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 on the Company's website at www.morgansindall.com and notified via a Regulatory Information Service.
4. To be valid, any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE no later than 10.00am on Tuesday, 4 May 2021, or in the event of an adjournment, not less than 48 hours before the stated time of the adjourned meeting (excluding any part of a day that is not a working day).
5. Shareholders may vote electronically, by no later than 10.00am on Tuesday, 4 May 2021, by visiting www.investorcentre.co.uk/eproxy. You will be asked to enter the Shareholder Reference Number (SRN), Control Number and PIN shown on your proxy card and agree to certain terms and conditions. CREST shareholders may lodge their proxy via the CREST system (see notes 10 to 12). You have the right to request information from Computershare to enable you to determine that your vote on a poll was validly recorded and counted. Please contact Computershare on 0370 707 1695 to request this information. Lines are open from 8.30am to 5.30pm (UK time), Monday to Friday, or you can contact Computershare by email at webcorres@computershare.co.uk, no later than 30 days following the date of the meeting. In line with the requirements of the Companies Act 2006 the confirmation will be provided to the registered shareholder no later than 15 days from the day following the announcement of the poll results or receipt of the request, whichever is the later. The confirmation will be provided to registered shareholders in the manner stipulated by Computershare. Requests for confirmations must include the registered shareholder's name, address and shareholder reference number, and confirm the name of the issuer and the date of the meeting they wish to receive a confirmation for.
6. A shareholder may change proxy instructions by returning a new proxy form using the methods set out above. A shareholder who has appointed a proxy using the hard copy proxy form but would like to change instructions using another hard copy form, should contact Computershare on 0370 707 1695. The above deadline for receipt of proxy forms also applies to amended instructions. Any attempt to terminate or amend a proxy form after the relevant deadline will be disregarded.

In usual circumstances, the valid appointment of a proxy via the return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in note 11 below) would not prevent a shareholder from attending the AGM and voting in person if they wished. However, as highlighted above, in light of the Covid-19 situation, shareholders will not currently be permitted to attend the AGM in person. Instead, shareholders are strongly encouraged to appoint the Chair of the meeting (rather than a named person) as their proxy and to submit voting instructions in advance of the AGM.

If the current Covid-19 legislation and public health guidance issued by the UK government changes and the Company confirms that shareholders are able to attend the AGM, subject to any restrictions on the number of attendees, the completion and return of a completed proxy form will not preclude a shareholder from attending the AGM and voting in person.

Notes continued

7. Any person to whom this Notice of Meeting is sent who is a person nominated under section 146 of the Act to enjoy information rights (a 'Nominated Person') may, under an agreement between them and the shareholder by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
8. The statement of the rights of shareholders in relation to the appointment of proxies in note 2 above does not apply to Nominated Persons. The rights described in note 2 can only be exercised by shareholders of the Company.
9. To be entitled to attend (subject to any restrictions on attendance to the AGM) and vote at the AGM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 6.00pm on Tuesday, 4 May 2021 (or, in the event of any adjournment, on the date which is two days before the date of any adjourned meeting (excluding any part of a day that is not a working day)). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so 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 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.
11. 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 Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is 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 Company's agent, Computershare Investor Services PLC (ID 3RA50), by 10.00am on Tuesday, 4 May 2021 (or, in the event of an adjournment, not less than 48 hours before the stated time of the adjourned meeting (excluding any part of a day that is not a working day)). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application 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.
12. 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 message. 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, to procure that their 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 system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
13. 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.
14. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares. Please, however, note the restrictions on attendance at the AGM in light of the ongoing Covid-19 situation.
15. A corporation must execute the form of proxy under its common seal or the hand of a duly authorised officer or attorney. The power of attorney or authority (if any) should be returned with the form of proxy.
16. If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 10.00am on Tuesday, 4 May 2021 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.
17. 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-named being the most senior).
18. If a shareholder submits more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence. If the Company is unable to determine which appointment was received last, none of them will be treated as valid in respect of that share.

19. As at 12 March 2021, being the last practicable day prior to the date of this Notice of Meeting, the Company's issued share capital consisted of 46,357,549 Ordinary Shares, carrying one vote each. Therefore, the total voting rights in the Company as at that date are 46,357,549.
20. Under section 527 of the Act, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter 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 AGM; 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 in accordance with section 437 of the Act. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Act to publish on a website.
21. Any shareholder attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but 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.
22. The Company may process personal data of attendees at the AGM. This may include webcasts, photos, recordings and audio and video links, as well as other forms of personal data. The Company shall process such personal data in accordance with its privacy policy which can be found on the Company's website at <https://www.morgansindall.com/privacy/>.
23. A copy of this Notice of Meeting, and other information required by section 311A of the Act, can be found on the Company's website at www.morgansindall.com.
24. Any electronic address provided either in this Notice of Meeting or any related documents (including the form of proxy) may only be used for the limited purposes specified herein and not to communicate with the Company by electronic means or for any other more general purpose.
25. The following documents will be available for inspection at the offices of Slaughter and May, One Bunhill Row, London, EC1Y 8YY during normal business hours on any weekday (Saturday, Sunday and UK public holidays excluded) from the date of this Notice until the close of the AGM and at the place of the AGM from at least 15 minutes before the meeting and until it ends:
 - (a) copies of the executive directors' service contracts;
 - (b) copies of letters of appointment of the non-executive directors; and
 - (c) copies of the Company's Existing Articles, the New Articles proposed to be adopted pursuant to Resolution 19 and the New Articles marked up to show the proposed amendments to the Existing Articles.

In light of the ongoing Covid-19 situation, physical inspection of the above-mentioned documents by visiting the offices of Slaughter and May may be restricted at certain times; if you wish to review any of these documents, please email cosec@morgansindall.com (marked for the attention of the Company Secretary) to request an electronic copy or arrange a time to physically inspect the documents. Responses will be provided during normal working hours, Monday to Friday (excluding public holidays in any part of the UK).

Shareholder engagement is very important to the Board and the Company as a whole. Although shareholders will not currently be able to attend the AGM in person this year, shareholders should submit any questions relating to the business of the AGM by email to cosec@morgansindall.com (marked for the attention of the Company Secretary). We will endeavour to publish any questions received before 10.00am on Tuesday, 4 May 2021 and our responses to those questions on our website (www.morgansindall.com/investors/shareholder-centre/AGM) prior to the AGM. Following the AGM, we will publish the full set of questions received (including those received after 10.00am on Tuesday, 4 May 2021) and answers to those questions on our website (www.morgansindall.com/investors/shareholder-centre/AGM).

Shareholders who have administrative queries about the AGM should contact the Company Secretary by email to cosec@morgansindall.com (marked for the attention of the Company Secretary) no later than 10.00 a.m. on 5 May 2021.

Appendix



Deloitte LLP
Hill House
1 Little New Street
London
EC4A 3TR

Phone: +44 (0)20 7936 3000
Fax: +44 (0)20 7583 0112
www.deloitte.co.uk

12 March 2021

The Board of Directors
Morgan Sindall Group plc
Floor 5, Kent House
14-17 Market Place
London W1W 8AJ

Dear Directors

Morgan Sindall Group plc – registration number 00521970

This notice confirms that we will not be seeking re-appointment as auditors of the above company at the conclusion of our current term of office.

Yours faithfully

Deloitte LLP.

Deloitte LLP

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Statement of reasons relating to the intention of Deloitte LLP not to seek re-appointment as auditors to Morgan Sindall Plc at the conclusion of our term of office

During the year the company held an audit tender and through discussion with the Board and our length of tenure as auditor we did not participate in the tender process.

Unless the company applies to the court, this statement of reasons is required to be brought to the attention of members or creditors of the company and must be sent by the company within 14 days to every person entitled under Section 423 of the Companies Act 2006 to be sent copies of the company's accounts. This is a requirement of Section 520(2) of that Act.

Deloitte LLP – Audit registration C009201919

12th March 2021



Morgan Sindall Group plc
Kent House
14-17 Market Place
London
W1W 8AJ
020 7307 9200
www.morgansindall.com