

Notice of meeting

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000 immediately.

If you have sold or otherwise transferred all of your shares, 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.

Notice of meeting

NOTICE IS HEREBY GIVEN that the 2020 Annual General Meeting of Vistry Group PLC (the "Company") will be held at The Spa Hotel, Mount Ephraim, Royal Tunbridge Wells, Kent TN4 8XJ on Wednesday, 20 May 2020 at 12.00 noon for the following purposes:

Ordinary resolutions

Reports and accounts

1. To receive the audited accounts of the Company for the year ended 31 December 2019 and the reports of the directors and auditors.

Remuneration report

2. To approve the directors' remuneration report in the form set out in the Company's annual report and accounts for the year ended 31 December 2019 in accordance with section 439 of the Companies Act 2006.

Directors

3. To re-appoint Ian Paul Tyler as a director of the Company.
4. To re-appoint Margaret Christine Browne as a director of the Company.
5. To re-appoint Ralph Graham Findlay as a director of the Company.
6. To re-appoint Nigel Keen as a director of the Company.
7. To re-appoint Michael John Stansfield as a director of the Company.
8. To re-appoint Katherine Innes Ker as a director of the Company.
9. To re-appoint Gregory Paul Fitzgerald as a director of the Company.
10. To re-appoint Earl Sibley as a director of the Company.
11. To re-appoint Graham Prothero as a director of the Company.

Auditors

12. To re-appoint PricewaterhouseCoopers LLP as auditors of the Company.
13. To authorise the directors to determine the remuneration of the auditors.

Authority to allot shares

14. That the directors be generally and unconditionally authorised to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company pursuant to and in accordance with section 551 of the Companies Act 2006 ('the 2006 Act'):
 - (a) up to an aggregate nominal amount of £36,254,373; and
 - (b) comprising equity securities (as defined in the 2006 Act) up to an aggregate nominal amount of £72,508,746 (including within such limit any shares issued or rights granted under paragraph (a) (above) in connection with an offer by way of a rights issue to holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings and so that the directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter, such authorities to apply (unless previously renewed, varied or revoked by the Company in a general meeting) until the conclusion of the Annual General Meeting of the Company in 2021 or fifteen months from the date of this resolution, whichever is the earlier, but in each case so that the Company may make offers and enter into agreements during the relevant period which would, or might, require shares to be allotted, or rights to subscribe for or convert any security into shares to be granted, after the authority ends and the directors may allot shares and grant rights under any such offer or agreement as if the authority had not ended.

Notice of meeting continued

Special resolutions

Articles of Association

15. That with effect from the conclusion of the meeting the draft articles of association produced to the meeting and, for the purposes of identification, initialled by the Chairman be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association.

Notice of general meetings

16. That a general meeting other than an Annual General Meeting may be called on not less than 14 clear days' notice.

Authority to disapply pre-emption rights

17. That if resolution 14 is passed, and in place of all existing powers, the directors be authorised pursuant to section 570 and 573 of the 2006 Act to allot equity securities (as defined in the 2006 Act) wholly for cash under the authority given by that resolution as if section 561 of the 2006 Act did not apply to any such allotment or sale, such power:
- (a) to expire (unless previously renewed, varied or revoked by the Company in a general meeting) at the conclusion of the Annual General Meeting of the Company in 2021 or fifteen months from the date of this resolution, whichever is the earlier, but, in each case during this period the directors may make an offer or agreement which would or might require equity securities to be allotted after the power ends and the directors may allot equity securities under any such offer or agreement as if the power had not ended;
 - (b) to be limited to the allotment of equity securities in connection with an offer of equity securities (but in the case of the authority granted under resolution 14(b) by way of a rights issue only) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings and so that the directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and
 - (c) to be limited, in the case of the authority granted under resolution 14(a), to the allotment of equity securities for cash otherwise than pursuant to paragraph (b) up to an aggregate nominal amount of £5,443,600.

This power applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 560(3) of the 2006 Act as if in the first paragraph of this resolution the words 'under the authority given by that resolution' were omitted.

Authority to purchase own shares

18. That the Company be and is hereby granted general and unconditional authority, for the purposes of section 701 of the 2006 Act, to make market purchases (within the meaning of section 693(4) of the 2006 Act) of the ordinary shares of 50 pence each in its capital PROVIDED THAT:
- (i) this authority shall be limited so that the number of ordinary shares of 50 pence each which may be acquired pursuant to this authority does not exceed an aggregate of 21,774,398 ordinary shares and shall expire at the conclusion of the next Annual General Meeting of the Company in 2021 (except in relation to the purchase of ordinary shares the contract for which was concluded before such time and which is executed wholly or partly after such time);
 - (ii) the maximum (exclusive of expenses) price which may be paid for each ordinary share shall be the higher of: (a) an amount equal to 105 per cent of the average of the middle market quotations for an ordinary share of the Company as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Company agrees to buy the ordinary shares; and (b) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading System (SETS); and
 - (iii) the minimum price (exclusive of expenses) which may be paid for an ordinary share shall be 50 pence.

Vistry Group PLC
11 Tower View
Kings Hill
West Malling
Kent ME19 4UY

By Order of the Board
M T D Palmer
Group Company Secretary
20 March 2020

Notice of meeting *continued*

Notes:

- (i) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and section 360B(2) of the 2006 Act, the Company gives notice that only holders of ordinary shares entered on the register of members no later than 8.00pm on 18 May 2020 (or, in the event of any adjournment, 8.00pm on the day which is two days before the adjourned meeting) will be entitled to attend and vote at the meeting and a member may vote in respect of the number of ordinary shares registered in the member's name at that time. Changes to entries on the register after the relevant deadline shall be disregarded in determining the rights of any person to attend or vote at the meeting.
- (ii) A proxy form is enclosed. A registered member of the Company may appoint one or more proxies in respect of some or all of their ordinary shares to exercise that member's rights to attend, speak and vote at the Annual General Meeting. A registered member appointing multiple proxies must ensure that each proxy is appointed to exercise rights attaching to different shares and must specify on the proxy form the number of shares in relation to which that proxy is appointed. A proxy form which may be used to make such appointment and give proxy instructions accompanies this Notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company's Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. Members or their duly appointed proxies are requested to bring proof of identity with them to the meeting in order to confirm their identity for security reasons. A shareholder attending the meeting has the right to ask questions relating to the business being dealt with at the meeting in accordance with section 319A of the 2006 Act. In certain circumstances prescribed by the same section, the Company need not answer a question.
- (iii) The proxy form must be executed by or on behalf of the member making the appointment. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares. A corporation may execute the form(s) of proxy either under its common seal or under the hand of a duly authorised officer, attorney or other authorised person. A member may appoint more than one proxy to attend and vote on the same occasion.
- (iv) A proxy need not be a member of the Company.
- (v) Participants of the Vistry Group Share Incentive Plan may instruct the trustee to vote on their behalf on a poll.
- (vi) The proxy form and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority must be received at the office of the Company's Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY or received via the Computershare website, (investorcentre.co.uk/eproxy) (full details of the procedures are given in the notes to the proxy form enclosed with the report and accounts and on the website) not less than 48 hours (excluding non-working days) before the time for holding the meeting. Completion of the proxy form, other such instrument or any CREST proxy instruction (as described in paragraph (vii) (below) will not preclude a member from attending the Annual General Meeting and voting in person instead of through his proxy or proxies. Voting on all substantive resolutions will be by a poll. When announcing the results of the poll voting, the Company will disclose the total number of votes in favour and against and the number of abstentions on the Company website (vistrygroup.co.uk) and through a Regulatory Information Service. If a member returns both paper and electronic proxy instructions, those received last by the Registrar before the latest time for receipt of proxies will take precedence. Members are advised to read the website terms and conditions of use carefully.
- (vii) To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 48 hours (excluding non-working days) before the time appointed for holding the meeting (and any adjournment of the meeting) in accordance with the procedures described in the CREST Manual. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. After this time any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means. CREST personal members or other CREST sponsored members, and those CREST members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST manual. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.
- (viii) 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 and the appropriate CREST message must be properly, authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions and described in the CREST Manual (available via euroclear.com CREST). 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 his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

Notice of meeting continued

- (ix) Any person to whom this Notice is sent who is a person nominated under section 146 of the 2006 Act to enjoy information rights (a "Nominated Person") may have a right, under an agreement between him and the member by whom he was nominated, to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights. The statement of the rights of members in relation to the appointment of proxies in paragraph (ii) above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by members of the Company.
- (x) As at 20 March 2020 (being the last practicable date prior to the publication of this Notice) the Company's issued share capital consists of 217,743,983 ordinary shares, carrying one vote each on a poll. Therefore, the total voting rights in the Company as at 20 March 2020 are 217,743,983.

Audit concerns

- (xi) Under section 527 of the 2006 Act, members meeting the relevant threshold requirements set out in that section may 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 Annual General Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the last Annual General Meeting for the financial year beginning 1 January 2019 that the members propose to raise at the Annual General Meeting. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the 2006 Act. Where the Company is required to place a statement on a website under section 527 or 528 (requirements as to website availability) of the 2006 Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the 2006 Act to publish on a website.

Shareholder requisition rights

- (xii) Under sections 338 and 338A of the Companies Act 2006, members meeting the threshold requirements in those sections have the right to require the Company: (a) to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting; and/or (b) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in the business unless (i) (in the case of a resolution only) it would, if passed, be ineffective whether by reason of inconsistency with any enactment or the Company's constitution or otherwise, (ii) it is defamatory of any person, or (iii) it is frivolous or vexatious. Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the Company not later than 6 April 2020, being the date six clear weeks before the meeting, and (in the case of a matter to be included on the business only) must be accompanied by a statement setting out the grounds for the request.

Questions

- (xiii) Any member 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: (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
- (xiv) Except as provided above, members who wish to communicate with the Company in relation to the Annual General Meeting should do so using the following means: (1) by writing to the Company Secretary at the registered office address; or (2) by writing to the Company's Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. No other methods of communication will be accepted. In particular you may not use any electronic address provided either in this Notice of meeting or in any related documents (including the Chairman's Statement, the Annual Report 2019 and the proxy form) to communicate with the Company for any purposes other than those expressly stated.

Website information

- (xv) A copy of this Notice and other information required to be published in accordance with section 311A of the 2006 Act in advance of the Annual General Meeting can be found at vistrygroup.co.uk.

Documents available for inspection

- (xvi) The following documents will be available for inspection at the Company's registered office, during normal business hours, on any weekday (excluding public holidays) from the date of this Notice until the date of the Annual General Meeting and on that date they will be available for inspection at the place of the meeting from 11.30am until the conclusion of the meeting:
 - (a) copies of the directors' service contracts;
 - (b) copies of the terms and conditions of appointment for each non-executive director;
 - (c) the register of directors' interests; and
 - (d) the new Articles of Association.
- (xvii) The results of the voting at the Annual General Meeting will be announced through a Regulatory Information Service and will appear on the Company's website, vistrygroup.co.uk, as soon as reasonably practicable following the conclusion of the Annual General Meeting.

Notice of meeting continued

Data Protection

(xviii) Data protection statement: your personal data includes all data provided by you, or on your behalf, which relates to you as a shareholder, including your name and contact details, the votes you cast and your Reference Number (attributed to you by the Company). The Company determines the purposes for which and the manner in which your personal data is to be processed. The Company and any third party to which it discloses the data (including the Company's Registrar) may process your personal data for the purposes of compiling and updating the Company's records, fulfilling its legal obligations and processing the shareholder rights you exercise.

Explanatory notes to the notice of meeting

Resolutions 1 to 14 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

Resolutions 15 to 18 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Item 1: Reports and accounts

The directors are required to present to shareholders at the Annual General Meeting the report of the directors, the strategic report and the accounts of the Company for the year ended 31 December 2019. The report of the directors, the strategic report, the accounts and the report of the Company's auditors on the accounts and on those parts of the directors' remuneration report that are capable of being audited are contained within the Company's annual report and accounts for the year ended 31 December 2019 (the "2019 Annual Report and Accounts").

Item 2: Directors' annual remuneration report

Under section 439 of the 2006 Act, the directors are required to present the directors' remuneration report prepared in accordance with Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended), for the approval of shareholders by way of an advisory vote. The directors' remuneration report, the relevant pages of which can be found on pages 88 to 106 of the 2019 Annual Report and Accounts, gives details of the directors' remuneration for the year ended 31 December 2019 and sets out the way in which the Company will implement its policy on directors' remuneration during 2020. The Company's auditors, PricewaterhouseCoopers, have audited those parts of the directors' remuneration report capable of being audited and their report may be found on pages 118 to 124 of the 2019 Annual Report and Accounts.

The vote on the directors' remuneration report is advisory in nature in that payments made or promised to directors will not have to be repaid, reduced or withheld in the event that this resolution is not passed. However, if the vote on the directors' remuneration report is not passed, the directors' remuneration policy will be presented to shareholders for approval at the next Annual General Meeting.

A copy of the directors' remuneration policy, which was approved at the December 2019 General Meeting, is available on the website at vistrygroup.co.uk or in hard copy on request from the Group Company Secretary.

Items 3 to 11: Re-appointment of directors

The UK Corporate Governance Code (the "Code") requires FTSE 350 companies to put all directors forward for re-appointment by shareholders on an annual basis. The purpose of this requirement is to increase accountability to shareholders. Accordingly, all the directors of the Company will retire at the Annual General Meeting and offer themselves for re-appointment. The Company's Articles of Association require that any director appointed by the Board shall hold office only until the first annual general meeting for which notice is first given after their appointment. Accordingly, Graham Prothero will offer himself for re-appointment on this basis.

The Code contains provisions dealing with the re-appointment of non-executive directors. In relation to the re-appointment of Chris Browne, Ralph Findlay, Nigel Keen, Mike Stansfield and Katherine Innes Ker as non-executive directors, the Chairman has confirmed following the formal internal performance evaluation conducted during early 2020 that they continue to be effective in and demonstrate commitment to their roles, including commitment of time for Board and committee meetings. In reaching its recommendations, the Board also considered the individual skills and experience brought by each director, their relevance to the Company and its particular circumstances, and the overall skill set of the Board. Chris Browne provides a strong commercial and operational background in a consumer facing industry. Ralph Findlay adds strong commercial, financial and general management expertise, again from a consumer facing industry. Nigel Keen brings an in-depth construction and property background and experience of managing property strategy and portfolios, once again from a consumer facing industry. Mike Stansfield brings considerable housing developer experience. Katherine Innes Ker brings a broad range of business knowledge and skills to the Board. Ian Tyler, non-executive Chairman, has considerable construction industry knowledge and international business experience.

The Board believes that the directors' combined experience and contribution is a great asset to the Board and the Company and continues to be important to the Company's long-term sustainable success. The Board, therefore, strongly supports and recommends the re-appointment of the directors to shareholders.

Biographical details of all the directors can be found on pages 68 to 69 of the 2019 Annual Report and Accounts.

Items 12 and 13: appointment of auditors and auditors' remuneration

The auditors of a company must be appointed at each general meeting at which accounts are presented. Resolution 12 proposes the re-appointment of the Company's existing auditors, PricewaterhouseCoopers LLP, as the Company's auditors, for a further year. PricewaterhouseCoopers LLP were first appointed at the 2015 AGM. Resolution 13 gives authority to the directors to determine the auditors' remuneration.

Explanatory notes to the notice of meeting continued

Item 14: Authority to allot shares

The authority given to your directors at last year's Annual General Meeting under section 551 of the 2006 Act to allot shares expires on the date of the forthcoming Annual General Meeting. Accordingly, this resolution seeks to grant a new authority under section 551 to authorise the directors to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company up to an aggregate nominal amount of £36,254,373 and also gives the Board authority to allot, in addition to these shares, further of the Company's shares up to an aggregate nominal amount of £72,508,746 in connection with a pre-emptive offer to existing members by way of a rights issue (with exclusions to deal with fractional entitlements to shares and overseas shareholders to whom the rights issue cannot be made due to legal and practical problems). This is in accordance with the latest institutional guidelines published by the Investment Association. This authority will expire at the conclusion of the next Annual General Meeting (or, if earlier, 15 months from the date of the resolution). The directors intend to seek renewal of this authority at subsequent Annual General Meetings.

The amount of £36,254,373 represents less than 33.3 per cent of the Company's total ordinary share capital in issue as at 20 March 2020 (being the latest practicable date prior to publication of this Notice). The amount of £72,508,746 represents less than 66.6 per cent of the Company's total ordinary share capital in issue as at 20 March 2020 (being the latest practicable date prior to publication of this Notice). The Company did not hold any shares in treasury as at 20 March 2020.

The Board has no present intention to exercise this authority other than in connection with employee share schemes. It wishes to obtain the necessary authority from shareholders so that allotments can be made (should it be desirable and should suitable market conditions arise) at short notice and without the need to convene a general meeting of the Company which would be both costly and time consuming.

If the Board takes advantage of the additional authority to issue shares or grant rights to subscribe for, or convert any security into, shares in the Company representing more than 33.3 per cent of the Company's total ordinary share capital in issue or for a rights issue where the monetary proceeds exceed 33.3 per cent of the Company's pre-issue market capitalisation, all members of the Board wishing to remain in office will stand for re-election at the next Annual General Meeting following the decision to make the relevant share issue.

Item 15: Articles of Association

Under resolution 15, the Company is proposing to adopt new Articles of Association (the "New Articles") in substitution for the existing Articles of Association (the "Existing Articles"). The principal changes introduced by the New Articles are summarised below. Other changes, which are of a minor, technical or clarifying nature have not been noted:

(a) Increase in cap of ordinary remuneration for non-executive directors

Following the acquisition of Galliford Try, the Company is proposing to increase the cap on ordinary remuneration of non-executive directors from £500,000 to £750,000, subject to shareholder approval at the Annual General Meeting. This increase is to reflect the market practice at businesses of a similar size and complexity to the new combined group.

(b) Untraced member and forfeiture of proceeds

The Existing Articles of the Company allow, subject to certain conditions, for the Company to sell the shares of a shareholder, who is considered untraced for a period of 12 years. In line with current practice, the New Articles provide greater flexibility by replacing the requirement to place notices in newspapers with a requirement for the Company to take reasonable steps to trace the shareholders, including engaging a professional asset reunification company or other tracing agent to search for shareholders who have not kept their details up to date. The 12-year time limit has been retained and the proceeds of any such sale would be forfeited by the untraced shareholders as creditors for an indefinite period.

(c) Electronic meetings

In line with current market practice, the New Articles will give the Company the flexibility to hold 'hybrid' general meetings in the future whereby members would be able to attend, speak and vote at the meeting by attending in a physical location or through the use of an electronic facility. The option of having a physical meeting would still be available.

(d) Unclaimed dividends

Under the New Articles, the directors are empowered to invest or apply such outstanding dividend entitlements until they are claimed by members. It is to be noted that the New Articles do not allow the Company to forfeit any unclaimed dividend until 12 years have lapsed since the date on which the dividend was declared or became due for payment. This amendment brings the New Articles in line with the position taken in the model articles of association for public companies.

(e) Borrowing restrictions

The New Articles clarify that the amount of Adjusted Capital and Reserves shown on the balance sheet should exclude any variation attributable to the introduction and operation of the IFRS16 leasing standard. IFRS16 takes effect for accounting periods beginning from January 2019 and means lease arrangements previously treated as operating leases will need to be accounted for as a liability on the lessee's balance sheet. The New Articles are intended to avoid a technical breach of the borrowing restrictions which may arise purely because of this change in accounting treatment.

(f) Additional directors

The New Articles provide that no person may be elected as a director of the Company unless such person is recommended by the Board or the person has confirmed his/her willingness to act no later than seven days before any such proposal is put to a general meeting.

A copy of the Company's Existing Articles and the proposed New Articles marked to show all the changes will be available for inspection during normal business hours (excluding Saturdays, Sundays and bank holidays) at the Company's registered office from the date of this notice of meeting until the close of the meeting. The proposed New Articles will also be available for inspection at the Annual General Meeting at least 15 minutes prior to the start of the meeting and up until the close of the meeting.

Explanatory notes to the notice of meeting continued

Item 16: Notice of general meetings

This resolution is required as a result of the implementation in 2009 of the Shareholder Rights Directive. The regulation implementing this Directive increased the notice period for general meetings under the 2006 Act to 21 days. The Company will be able to continue to call general meetings (other than an Annual General Meeting) on 14 clear days' notice as long as shareholders have approved the calling of meetings on 14 days' notice. Resolution 16 seeks such approval. The approval will be effective until the Company's next Annual General Meeting, where it is intended that a similar resolution will be proposed. The Company will also need to meet the requirements for electronic voting under the Directive before it can call a general meeting on 14 days' notice. It is confirmed that the ability to call a general meeting on 14 clear days' notice would only be utilised in limited circumstances and where the shorter notice period will be to the advantage of shareholders as a whole.

Item 17: Disapplication of pre-emption rights

Resolution 17 seeks authority for the directors to issue equity securities (as defined in the 2006 Act) in the Company for cash as if the pre-emption provisions of section 561 of the 2006 Act did not apply. Other than in connection with a rights issue or any other pre-emptive offers concerning equity securities, the authority contained in this resolution will be limited to the issue of equity securities for cash up to an aggregate nominal value of £5,443,600 which represents approximately 5 per cent of the Company's total ordinary share capital in issue as at 20 March 2020 (being the latest practicable date prior to publication of this Notice). In accordance with the Pre-emption Group's Statement of Principles, the directors confirm their intention that no more than 7.5 per cent of the issued share capital (excluding treasury shares) will be issued for cash on a non pre-emptive basis during any rolling three-year period.

This resolution seeks a disapplication of the pre-emption rights on a rights issue so as to allow the directors to make exclusions or such other arrangements as may be appropriate to resolve legal or practical problems which, for example, might arise with overseas members.

There are presently no plans to allot ordinary shares wholly for cash other than in connection with employee share schemes. Shares allotted under an employee share scheme are not subject to statutory pre-emption rights.

The authority sought by resolution 17 will last until the conclusion of the next Annual General Meeting (or, if earlier, 15 months from the date of the resolution). The directors intend to seek renewal of this power at subsequent Annual General Meetings.

Item 18: Authority to purchase own shares

This resolution renews the authority granted at last year's Annual General Meeting to enable the Company to make market purchases of up to 21,774,398 of its own shares, representing approximately 10 per cent of the Company's total ordinary share capital in issue as at 20 March 2020 (being the latest practicable date prior to publication of this Notice). Before exercising such authority, the directors would ensure that the Company was complying with the current relevant UK Listing Authority rules and Investment Association guidelines. No purchases would be made unless the directors believe that the effect would be to increase the earnings per share of the remaining shareholders and the directors consider the purchases to promote the success of the Company for the benefit of its shareholders as a whole. Any shares so purchased would be cancelled. The directors have no present intention of exercising the authority to purchase the Company's ordinary shares but would like to have the flexibility of considering such purchases in the future.

Any purchases of ordinary shares would be by means of market purchases through the London Stock Exchange. The maximum price (exclusive of expenses) which may be paid for each ordinary share shall be the higher of: (a) an amount equal to 105 per cent of the average of the middle market quotations for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Company agrees to buy the ordinary shares; and (b) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading System (SETS). The minimum price (exclusive of expenses) would be 50 pence, being the nominal value of each ordinary share. The authority will only be valid until the conclusion of the next Annual General Meeting in 2021.

As at 20 March 2020 there were options over 502,851 ordinary shares in the capital of the Company which represent 0.23 per cent of the Company's issued ordinary share capital at that date. If the authority to purchase the Company's ordinary shares was exercised in full, these options would represent 0.26 per cent of the Company's issued ordinary share capital.

The directors consider that all the resolutions to be put to the meeting promote the success of the Company for the benefit of its shareholders as a whole. Your Board will be voting in favour of them and unanimously recommends that you do so as well.