

wetherspoon

NOTICE OF ANNUAL GENERAL MEETING

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about what action to take, you should consult your stockbroker, solicitor, accountant or other appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all of your shares in J D Wetherspoon plc (the 'Company'), please forward this document and the accompanying documents to the person through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

1 October 2015

Dear Shareholder

NOTICE OF ANNUAL GENERAL MEETING

The Crosse Keys, 9 Gracechurch Street, London, EC3V 0DR

Thursday 12 November 2015 at 10am


I am pleased to invite you to our 2015 annual general meeting (the 'meeting').

The formal notice of meeting and proxy are enclosed herewith.

If you would like to vote on the resolutions, but cannot attend, please fill in the proxy form and return it to our registrars as soon as possible, but no later than 10am on 10 November 2015.

The directors consider that all resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole. Your directors will each be voting in favour of them in respect of their own holdings and unanimously recommend that you do so as well.

Yours sincerely



Tim Martin
Chairman

Registered office:

Wetherspoon House
Reeds Crescent
Watford
WD24 4QL

Registered Number: 1709784

Notice is hereby given that the 2015 annual general meeting of J D Wetherspoon plc will be held at The Crosse Keys, 9 Gracechurch Street, London, EC3V 0DR at 10am on 12 November 2015 to consider and, if thought fit, pass the following resolutions. All resolutions will be proposed as ordinary resolutions, except for resolutions 15, 16, 17 and 18 which will be proposed as special resolutions.

The explanatory notes on pages 3 to 7 give further information on each of the resolutions that are to be proposed at the meeting.

Ordinary business

1. To receive and adopt the reports of the directors and the auditors and the audited accounts of the Company for the year ended 26 July 2015.
2. To receive and approve the directors' remuneration report (other than the part containing the directors' remuneration policy) for the year ended 26 July 2015.
3. To declare a final dividend for the year ended 26 July 2015 of 8.0 pence per ordinary share.
4. To re-elect Tim Martin as a director.
5. To re-elect John Hutson as a director.
6. To re-elect Su Cacioppo as a director.
7. To re-elect Debra van Gene as a director.
8. To re-elect Elizabeth McMeikan as a director.
9. To re-elect Sir Richard Beckett as a director.
10. To re-elect Mark Reckitt as a director.
11. To re-elect Ben Whitley as a director.
12. To reappoint PricewaterhouseCoopers LLP as the auditors of the Company and to authorise the directors to fix their remuneration.

Special business

To consider and, if thought fit, to pass the following resolutions; in the case of resolution 13 and 14 as ordinary resolutions and in the case of resolutions 15, 16, 17 and 18 as special resolutions.

13. To approve the extension and amendment of, and authorise the Remuneration Committee to operate (as amended), the J D Wetherspoon plc Deferred Bonus Scheme (the 'Scheme') a copy of which is produced to the meeting, initialled by the Chairman for the purposes of identification, and which is summarised in the Appendix, and to authorise the Remuneration Committee to do all acts and things they may consider necessary or expedient to carry the Scheme into effect.

14. THAT, in place of all existing authorities, the directors be generally and unconditionally authorised, pursuant to section 551 of the Companies Act 2006 (the 'Act'), to exercise all of the powers of the Company:

(A) to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company ('Relevant Securities'), up to a maximum aggregate nominal amount of £794,867; and further

(B) to allot Relevant Securities comprising equity securities (within the meaning of section 560 of the Act) up to an aggregate nominal amount of £794,867, in connection with an offer by way of a rights issue in favour of holders of ordinary shares in the capital of the Company in proportion (as nearly as may be practicable) to their existing holdings of ordinary shares, but subject to such exclusions or other arrangements as the directors deem necessary or expedient in relation to fractional entitlements or any legal, regulatory or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange;

for a period expiring (unless previously revoked, varied or renewed) on the date which is 15 months from the date of the passing of this resolution or, if sooner, the end of the next annual general meeting of the Company, but the Company may, before such expiry, make an offer or agreement which would or might require Relevant Securities to be allotted after this authority expires, and the directors may allot Relevant Securities in pursuance of such offer or agreement, as if this authority had not expired.

15. THAT, the form of articles of association produced to the meeting, and initialled by the Chairman for the meeting for the purpose of identification, be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

16. THAT, subject to the passing of resolution 14 above and in place of all existing powers, the directors be generally empowered, pursuant to sections 570 and 573 of the Act, to allot equity securities (within the meaning of section 560 of the Act) for cash, pursuant to the authority conferred by resolution 14, as if section 561(1) of the Act did not apply to such allotment, provided that this power shall expire on the date which is 15 months from the date of the passing of this resolution or, if sooner, the end of the next annual general meeting of the Company. This power shall be limited to the allotment of equity securities:

(A) in connection with an offer of equity securities (including, without limitation, under a rights issue, open offer or similar arrangement, save that, in the case of an allotment pursuant to the authority conferred by paragraph (B) of resolution 14, such offer shall be by way of rights issue only) in favour of holders of ordinary shares in the capital of the Company in proportion (as nearly as may be practicable) to their existing holdings of ordinary shares, but subject to such exclusions or other arrangements as the directors deem necessary or expedient in relation to fractional entitlements or any legal, regulatory or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange; and

(B) otherwise than pursuant to subparagraph (i) above up to an aggregate nominal amount of £119,349, but the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after this power expires, and the directors may allot equity securities in pursuance of such offer or agreement, as if this power had not expired.

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 Act as if, in the first paragraph of this resolution, the words 'pursuant to the authority conferred by resolution 14' were omitted.

17. THAT the Company be and is hereby authorised, pursuant to section 701 of the Act, to make market purchases (as defined by section 693(4) of the Act) of ordinary shares in the capital of the Company, on such terms and in such manner as the directors of the Company shall determine, subject to the following conditions:

(A) the maximum number of ordinary shares which may be purchased is 17,890,472;

(B) the price at which ordinary shares may be purchased shall not exceed 105% of the average of the middle-market quotations for the ordinary shares (as derived from the Stock Exchange Daily Official List) for the five business days preceding the date of purchase and shall not be less than the nominal value, from time to time, of the ordinary shares purchased, in both cases exclusive of expenses; and

(C) this authority (unless previously revoked, varied or renewed) will expire at the earlier of 15 months from the date of passing of this resolution and the conclusion of the next annual general meeting of the Company, except that the Company may, before such authority expires, enter into a contract of purchase under which such purchase may be completed or executed wholly or partly after the expiry of the authority.

18. THAT general meetings (other than any annual general meeting) of the Company may be called on not less than 14 clear days' notice.

By order of the board

Nigel Connor
Company Secretary

1 October 2015
Wetherspoon House
Central Park
Reeds Crescent
Watford
WD24 4QL

General notes to the notice of meeting

1 A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote, instead of him or her, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy need not be a member of the Company, but must attend the meeting to represent their appointer.

2 A form of proxy is enclosed which members are invited to complete and return in the envelope provided. Completion and return of the form of proxy, in accordance with the instructions on it, will not prevent such members from attending and voting at the meeting in person, should they so wish.

3 To be valid for the meeting, the form of proxy and the power of attorney or other authority (if any) under which it is executed or a notarised copy of such authority must be deposited at the offices of the Company's registrars, Computershare Investor Services plc, PO Box 82, The Pavilions, Bridgwater Road, Bristol, BS99 7NH, or at the following electronic address www.eproxyappointment.com no later than 10am on 10 November 2015, being 48 hours before the time appointed for holding the meeting.

4 Any person to whom this notice 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 him or her and the member by whom he or she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy-appointment right or does not wish to exercise it, he or she may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.

5 The statement of the rights of members in relation to the appointment of proxies in notes 1, 2 and 3 above does not apply to Nominated Persons. The rights described in those notes can be exercised only by members of the Company.

6 Any corporation which is a member may appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member, provided that they do not do so in relation to the same shares.

7 As at 30 September 2015 (being the last business day prior to publication of this notice) the Company's issued share capital comprised 119,349,381 ordinary shares of 2.0 pence each. Each ordinary share carries the right to one vote on a poll at a general meeting of the Company and, therefore, the total voting rights in the Company as at that date were 119,349,381. As at 30 September 2015, the Company held no ordinary shares as treasury shares.

8 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 auditors' report and the conduct of the audit) which is to be laid before the meeting; or (ii) any circumstance 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 members 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 no later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement which the Company has been required, under section 527 of the Act, to publish on a website.

9 A copy of this notice, and other information required by section 311A of the Act, can be found on the Company's website: www.jdwetherspoon.co.uk/investors

10 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 answer to any such question 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.

11 There are available for inspection at Macfarlanes LLP, 20 Cursitor Street, London, EC4A 1LT, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), and there will be available for inspection at the place of the meeting from at least 15 minutes beforehand and until the conclusion of the meeting, copies of the non-executive directors' letters of appointment to the Company.

12 Only those members registered on the register of members of the Company as at 10am on 10 November 2015 (or, in the case of any adjournment, 48 hours before the time of the adjourned meeting) shall be entitled to attend or vote at the meeting, in respect of the number of ordinary shares registered in their name at that time. Changes to entries on the register of members after that time will be disregarded in determining the right of any person to attend or vote at the meeting.

13 You may not use any electronic address provided in this notice of meeting for communicating with the Company for any purposes other than those expressly stated.

Explanatory notes to the resolutions to be proposed at the meeting

Ordinary business

For resolutions proposed as an ordinary resolution, more than half of the votes cast must be in favour of the resolution for it to be passed at the meeting. For a resolution proposed as a special resolution, at least three-quarters of the votes cast at the meeting must be in favour of the resolution for it to be passed.

Resolution 1: Receive and adopt the audited accounts

The directors recommend that the Company adopt the reports of the directors and the auditors and the audited accounts of the Company for the year ended 26 July 2015.

Resolution 2: Approval of the directors' remuneration report (excluding the directors' remuneration policy)

Resolution 2 in the notice of meeting, which will be proposed as an ordinary resolution, asks shareholders to approve the directors' remuneration report (other than the part containing the directors' remuneration policy), set out on pages 51 to 59 of the annual report.

The vote is advisory in nature and the directors' entitlement to receive remuneration is not conditional on it.

Resolution 3: Declaration of a final dividend

The Company paid an interim dividend of 4.0p per ordinary share on 28 May 2015. The directors recommend a final dividend of 8.0p per share, bringing the total dividend for the year to 12.0p per share. Subject to final approval by shareholders, the final dividend will be paid to shareholders who are on the register at close of business on 23 October 2015.

Resolutions 4–11: Re-election of directors

In accordance with the UK Corporate Governance Code, all of the directors of the Company will stand for re-election to the board. Their biographical details are set out on page 48 of the annual report. The chairman confirms that each director's performance continues to be effective and demonstrates commitment to his or her respective roles, including time commitments for board and committee meetings.

Resolution 12: Reappointment of PricewaterhouseCoopers LLP as auditors

Resolution 12, set out in this notice, proposes that PricewaterhouseCoopers LLP be reappointed as the Company's auditors and authorises the directors to determine their remuneration.

Special business

Resolution 13: to approve the extension and amendment of the J D Wetherspoon plc Deferred Bonus Plan

The J D Wetherspoon plc Deferred Bonus Scheme – Summary of Key Terms

1 Eligibility

The Remuneration Committee (the 'Committee') may select, at its discretion, executive directors and employees of J D Wetherspoon plc (the 'Company') and its subsidiaries to participate in the Scheme. It is currently intended to make awards to employees who are at senior manager level and above.

2 Awards

2.1 The value of the bonus amount is calculated by the Committee within 30 days after the announcement by the Company of its results for that financial year, by reference to the performance of the Company over the financial year in respect of which the Award is made, using performance criteria set by the Committee at the time the Award is granted. If events have occurred which cause the Committee to consider that the criteria and methodology chosen at the time of granting the Award have become unfair or impracticable, it may in its discretion amend them in such manner as it sees fit. Awards consist of a right to a bonus amount, which may be provided to the participant in shares or cash (an 'Award').

2.2 The Remuneration Committee will continue to set appropriately challenging performance conditions based on earnings per share and owners' earnings per share.

2.3 No Awards will be made after the tenth anniversary of the date on which the Scheme is approved at the meeting.

3 Award Shares

3.1 Awards shall be satisfied by the transfer to the participant of shares in the Company or by a cash payment (subject to

the deduction of income tax and employee national insurance contributions). Where the Award is to be satisfied in shares, the number of shares to which the participant will be entitled (the 'Award Shares') will be equal to the amount of the Award as determined by the Committee (by reference to the performance criteria), divided by the average market value of a share over the five dealing days following the announcement by the Company of the results for the financial year in respect of which the Award was granted. On the day falling 30 days after the determination of the amount of the Award (the 'Award Date' and the 'Determination Date' respectively) one-third of the Award Shares to which participants are entitled will be transferred to them. A further third of the Award Shares will be transferred to the Participant on each of the first and second anniversaries of the date the Award was granted (provided they remain an employee of the Company or one of its subsidiaries).

3.2 It is envisaged that all shares required under the Scheme will be purchased in the market by the J D Wetherspoon Employee Benefit Trust, funded by the Company.

3.3 If at any time in the two year period after the Determination Date (or such other period specified by the Committee on or prior to the Award Date) the Committee determines in respect of an Award that:

3.3.1 any accounts used to assess the satisfaction of the performance criteria (the 'Award Accounts') have been, or require to be, materially corrected or any accounts for a later period include write-downs, adjustments or other items which demonstrate that the relevant performance was materially worse than shown in the Award Accounts;

3.3.2 any other objective evidence suggests that the performance was materially worse than was believed at the time of the satisfaction of the performance criteria, or

3.3.3 the participant has committed a material breach of his service contract, or a material error in the performance of his duties,

the Committee may reduce the size of the bonus amount over which the relevant Award was granted so as to put the participant in a position as if he had received an Award over a bonus amount calculated on the basis of the corrected view of performance.

3.4 The Committee may undertake this reduction by

3.4.1 reducing the number of Award Shares in respect of any Award held by the participant;

3.4.2 requiring the participant to pay back some or all of any cash received pursuant to an Award;

3.4.3 requiring the participant to transfer to the Company for nil consideration some or all of any shares received as Award Shares, or

3.4.4 taking any act of clawback permitted by any other incentive arrangement operated by any Group Company in which the relevant participant participates.

3.5 The Committee may also use any of the above methods to give effect to any clawback provisions contained in any other incentive arrangement operated by any Group Company in which the relevant participant participates.

3.6 The clawback provisions above will apply regardless of the circumstances in which the Award is satisfied (including good leaver and takeover situations).

4 Termination of Employment

4.1 Participants who cease to be employed by a Group Company before the Award Date in circumstances in which they are 'good leavers' shall have the amount of their Awards reduced to reflect the proportion of the financial period to which the Award relates for which they were employed. If they are not 'good leavers' they shall not be entitled to any part of their Award. The Committee may at its discretion determine that any leaver shall be entitled to receive a higher or lower proportion of their Award.

4.2 Participants who cease to be employed by a Group Company after the Award Date in circumstances in which they are good leavers shall be entitled to receive a proportion of the shares that have not yet been released to them ('Deferred Shares'). The proportion will normally be calculated by dividing the number of months from the Award Date to the date on which employment ceased by the number of months from the Award Date until the original date on which the Deferred Shares were due to be released. Participants who are not 'good leavers' shall cease to be entitled to receive any Deferred Shares pursuant to their Award. The Committee may at its discretion determine that any leaver shall be entitled to receive or retain a higher or lower proportion.

4.3 A 'good leaver' is a person who ceases to be a director or employee of a Group Company by reason of injury, disability or redundancy (within the meaning of the Employment Rights Act 1996), retirement (with the consent of the Company) or wrongful or unfair dismissal by his employer (as determined by the board of directors of the Company or as finally adjudicated by a court or tribunal of competent jurisdiction) or for any other reason if the Committee, in its absolute discretion, so determines.

5 Takeover

5.1 If there is a takeover (being a change in control of the Company) before the Award Date in respect of an Award the participant shall be entitled to an immediate cash payment but shall not be entitled to receive any Award Shares (including Deferred Shares). The amount of the payment shall be determined by the performance criteria and methodology notified to the participant at the time of grant subject to any amendments the Committee considers appropriate in the circumstances (including, if appropriate, a reduction in the amount of the Award to reflect the proportion of the relevant financial year which has expired).

5.2 In the event of a takeover after the Award Date all Deferred Shares shall be transferred to participants as soon as practicable provided always that the Committee may at its discretion determine that any entitlement to Deferred Shares may be satisfied in cash.

5.3 A minor amendment has been made to the Scheme to clarify the meaning of 'control'.

6 Reorganisation

6.1 If there is a reorganisation before the Award Date any Award shall be varied in such manner as the Committee considers appropriate and any Deferred Shares to which a participant becomes entitled following a reorganisation shall be shares in the new holding company.

6.2 If there is a reorganisation after the Award Date all rights to receive Deferred Shares shall be varied to become rights to receive an appropriate number of shares in the new holding company. The Committee may in special circumstances determine that the Deferred Shares shall be transferred to participants before the date originally set for their transfer.

7 Variation

On any variation of the share capital of the Company or any special dividend, the number and/or nominal value of any Deferred Shares may be varied in such manner as the Committee may in its absolute discretion determine to be fair and reasonable (any such decision of the Committee shall be final and binding on the participants).

8 Withholding

The rules of the Scheme provide that the Company may withhold any amounts or make such arrangements as may be necessary or desirable to meet any liabilities to tax or national insurance contributions arising in respect of participant's participation in the Scheme.

9 Assignment

Awards under the Scheme shall not be transferable or assignable.

10 Amendment

The Committee has complete discretion to amend the Scheme, save that the provisions of the Scheme relating to the persons to whom or for whom Awards may be made, the maximum entitlement for any one participant and the basis for determining a Participant's entitlement to, and the terms of, Shares or other securities, cash or other benefits to be provided (and for the adjustment thereof if there is a variation of capital) cannot be altered to the advantage of participants without the prior approval of shareholders in general meeting (except for minor amendments to benefit the administration of the Scheme, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for the participants in the Scheme, for the Company, or for the Company and its subsidiaries).

11 General

11.1 Benefits under the Scheme will not be pensionable.

11.2 A provision has been added to the Scheme to the effect that participants give their consent, for the purposes of the Data Protection Act, to the handling of their personal data by the Company and its and its subsidiaries.

11.3 The Scheme is governed by English law.

The rules of the Scheme will be available for inspection:

- (a) until the close of the meeting at the Company's Registered Office; and
- (b) at the place of the meeting for at least 15 minutes before, and during the meeting.

Resolution 14: Authority to allot

The Companies Act 2006 prevents directors of a public company from allotting shares, other than pursuant to an employee share scheme, without the authority of shareholders in a general meeting. In certain circumstances, this could be unduly restrictive. The general authority previously given to the directors to allot 'relevant securities' will expire at the end of the meeting.

Accordingly, Resolution 14 in the notice of annual general meeting will be proposed as an ordinary resolution to authorise the directors (pursuant to section 551 of the

Companies Act 2006) to allot ordinary shares in the capital of the Company:

(A) up to an aggregate nominal amount of £794,867, representing approximately 33.3% of the nominal value of the ordinary shares in issue as at 30 September 2015 (being the last practicable date prior to the publication of this document); and

(B) up to a further aggregate nominal amount of £794,867, representing approximately 33.3% of the nominal value of the ordinary shares in issue as at 30 September 2015, provided that they are offered by way of a rights issue in favour of ordinary shareholders.

The Company does not currently hold any ordinary shares in treasury.

The authority (unless previously varied, revoked or renewed) will expire on the earlier of 15 months from the date of passing the resolution and the conclusion of the next annual general meeting of the Company.

Based on the ABI guidelines, the limit on the directors' authority to allot shares under section 551 of the Companies Act 2006 may be increased from one-third to two-thirds of the Company's issued share capital. The guidelines provide that the amount of any authority above one-third must be applied to fully pre-emptive rights issues only and should be valid for one year only. If the Company makes an allotment pursuant to such additional authority, the ABI will expect that all directors will stand for re-election at the next annual general meeting following the decision to make the allotment in question.

The directors will exercise such authority to allot shares only when satisfied that it is in the interests of the Company to do so. They have no present intention of exercising the authority.

Resolution 15: Articles of association

The Company regularly reviews the suitability of its articles of association (the 'Articles') following developments in applicable law and regulation and UK market practice. It is proposed that the Company adopt new Articles (the 'New Articles') at the meeting, principally to reflect developments in current practice and to provide clarification and additional flexibility in relation to certain matters. The existing Articles (the 'Existing Articles') were most recently updated and adopted by the Company on 4 November 2009.

Summaries of the principal changes are set out below. Other updates which have been deemed to be of a minor, non-substantive technical or clarificatory nature (including, where relevant, to certain defined terms) have not been noted below. A copy of the Existing Articles and the proposed New Articles (marked to show all the proposed changes) will be available for inspection during normal business hours (excluding Saturdays, Sundays and bank holidays) at the Company's Registered Office and will also be available for inspection at the meeting at least 15 minutes prior to the start of the meeting and up until the close of the meeting.

Article 16: Uncertificated shares

The Existing Articles do not include specific provisions dealing with uncertificated shares (that is, shares that are held through CREST). The New Articles include provisions dealing with certain practical matters relating to uncertificated shares to reflect current UK practice and anticipated future legislation. In particular, the New Articles include provisions to allow the directors to make arrangements for shares to be

held in uncertificated form and to treat shares held by the same holder or joint holder(s) in certificated form and in uncertificated form independently (for example, when determining the allocation of nil paid rights under a rights issue). The New Articles also provide that the relevant provisions of the New Articles with respect to shareholder meetings each have effect subject to the provisions of the Regulations and that a class of shares may be changed from uncertificated to certificated form if required.

Articles 46 and 49 to 51 (inclusive): Power to adjourn, accommodation of members at meeting, postponement of general meetings and security arrangements at general meetings

The Existing Articles allow the Chairman (with the consent of the meeting), and require him to do so if directed, to adjourn general meetings if it would be desirable for a larger number of shareholders to be able to attend or if the shareholders that are present cannot be accommodated in the designated meeting venue. In accordance with current UK practice, Articles 49 and 50 of the New Articles introduce flexibility to allow the Chairman to adjourn the meeting if the facilities at the principal meeting venue (or any satellite venue) have become inadequate for the purposes of the relevant meeting and also allow the directors to make arrangements for controlling the level of attendance at meeting venues. In addition, Article 51 of the New Articles explicitly authorises the directors to make security arrangements and impose restrictions and to refuse entry to, or eject from, meetings any shareholder(s), proxy or other person who fails to comply with the relevant security procedures or otherwise to comply with such security arrangements or restrictions.

Article 64: Directors' fees

The New Articles remove the fixed £125,000 maximum that may be paid in respect of directors' fees and instead provides that the Board may determine the scale of such fees (subject to any cap as may from time to time be imposed by ordinary resolution). It is not the Board's intention to change the Company's current remuneration strategy but it is expected that the proposed changes will allow the Company greater flexibility in the future. The directors would only expect to utilise this additional flexibility where to do so would be expected to promote the success of the Company. The director's remuneration report will continue to be subject to an annual advisory approval and the directors' remuneration policy will continue to be subject to binding approval by shareholders every three years.

Article 76: Retirement and re-election

The New Articles have been amended to reflect the Company's established practice, in line with the UK Corporate Governance Code and current UK best practice that all directors be subject to annual re-election by shareholders. The New Articles provide that at each annual general meeting every Director retires from office and each director wishing to remain in office is required to stand for re-election.

Article 96: Borrowing powers

The New Articles remove the Company's borrowing limit restriction (currently three times the Company's Adjusted Capital and Reserves). It is not the Board's intention to change the Company's borrowing strategy but it is expected that the proposed changes will allow the Company greater flexibility in the future. The Directors would only expect to utilise this additional flexibility where additional borrowings would not detract from shareholder value.

Article 118: Method of payment of dividends

The New Articles have been amended to provide the Company with additional flexibility to prescribe the manner in which dividends are paid. Currently the Company pays dividends by electronic payment and cheque. The use of cheques has reduced in recent years and there has been significant focus on the development of new payment methods, which are intended to improve the security of payments to shareholders and reduce costs. Although the Existing Articles permit the payment of dividends by electronic means the New Articles allow the directors to determine how dividends are paid to shareholders, which method shall be the default method for paying dividends and whether shareholders may (or may not) make an election for payments to be made other than in the default manner. It is not the Board's intention to change the current methods of payment at this time. However, it is important that the Company is able to cater for new developments and changes in practice, including considering the efficiency and costs saving that would flow from a change to electronic only payment. The New Articles also clarify that cheques (and other financial instruments) will be sent by post to the holder's registered address or, in the case of joint holders, to the first named holder on the register (unless otherwise directed by the joint holders). The New Articles further specify when a dividend or other sum will be treated as unclaimed for the purposes of the Articles.

Resolution 16: Disapplication of pre-emption rights

The provisions of section 561 of the Companies Act 2006 (which confer on shareholders rights of pre-emption in respect of the allotment of 'equity securities' which are, or are to be, paid up in cash, other than by way of allotment to employees under an employee share scheme) apply to the unissued ordinary shares of the Company to the extent that they are not disapplied, pursuant to sections 570 and 573 of the Companies Act 2006.

The current disapplication of these statutory pre-emption rights will expire at the end of the meeting. Accordingly, Resolution 16, as set out in the notice of annual general meeting, will be proposed as a special resolution to permit directors to allot shares without the application of these statutory pre-emption rights: first, in relation to offers of equity securities by way of rights issue, open offer or similar arrangements (save that, in the case of an allotment pursuant to the authority in paragraph (B) of Resolution 16, such allotment shall be by way of rights issue only); second, in relation to the allotment of equity securities for cash, up to a maximum aggregate nominal amount of £119,349 (representing approximately 5% of the nominal value of the ordinary shares of the Company in issue as at 30 September 2015 (being the last practicable date prior to the publication of this document).

The authority (unless previously varied, revoked or renewed) will expire on the earlier of 15 months from the date of passing the resolution and the conclusion of the next annual general meeting of the Company.

Resolution 17: Purchase of ordinary shares

In common with many other listed companies, the Company proposes, once again, to seek an authority from shareholders to permit it to purchase its own shares. Accordingly, Resolution 17 will be proposed as a special resolution to authorise the Company to make market purchases of up to 17,890,472 shares, just under 15% of the Company's current issued ordinary share capital, at prices not less than the

nominal value of an ordinary share and not exceeding 105% of the average of the middle-market quotations for an ordinary share for the five business days before each purchase (in each case, exclusive of expenses). The authority will last until the earlier of 15 months from the date of passing the resolution and the conclusion of the next annual general meeting of the Company.

The directors envisage that purchases would be made only after considering the effects on earnings per share and the benefits for shareholders generally.

If Resolution 17 is passed, it is the Company's current intention to cancel all of the shares it may purchase pursuant to the authority granted to it. However, in order to respond properly to the Company's capital requirements and the prevailing market conditions, the board will need to assess at the time of any and each actual purchase whether to hold the shares in treasury or to cancel them, provided it is permitted to do so.

Resolution 18: 14 days' notice for general meetings

Changes made to the Companies Act 2006 by the Shareholders' Rights Regulations increase the notice period required for general meetings of the Company to 21 clear days, unless shareholders approve a shorter notice period, which cannot, however, be fewer than 14 clear days. Resolution 18 seeks such approval. The approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed.

Note that the changes to the Companies Act 2006 mean that, in order to be able to call a general meeting on under 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting.

The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole.

Annual general meetings will continue to be held on at least 21 clear days' notice.

