
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the action you should take, you are recommended to seek your own personal advice from your stockbroker, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all your shares in Computacenter plc, you should forward this document and other documents enclosed as soon as possible to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

COMPUTACENTER PLC

LETTER FROM THE CHAIRMAN

AND NOTICE OF ANNUAL GENERAL MEETING

2019

Computacenter plc
Registered in England No: 3110569

Registered Office
Hatfield Avenue
Hatfield
Hertfordshire
AL10 9TW



Letter from the Chairman

TO ORDINARY SHAREHOLDERS

12 April 2019

DEAR SHAREHOLDER,

Annual General Meeting 16 May 2019

I am pleased to be writing to you with details of our 2019 Annual General Meeting ('AGM'). This will be held on Thursday 16 May 2019 at 9.00am, at 100 Blackfriars Road, London SE1 8HL.

Attached on pages 3 to 5 is the notice setting out the business to be conducted at this year's AGM ('Notice of AGM'). An explanation of the business of the AGM can be found within the appendices on pages 6 to 8.

If you are unable to attend the AGM in person, you can appoint a proxy to exercise all or any of your rights to attend, vote and speak at the AGM, and further information on the required process is detailed under the section in this letter entitled 'Action To Be Taken – Form of Proxy'.

Resolutions 4a to 4g – re-election of Directors

In accordance with the UK Corporate Governance Code, the Board has decided that all of the Directors (excluding myself and Regine Stachelhaus) will offer themselves for re-election, and resolutions 4a to 4g are to re-elect them as Directors. Brief biographies of all of the Directors standing for re-election at the forthcoming AGM can be found on pages 70 and 71 of the 2018 Annual Report and Accounts. Both Regine Stachelhaus and I will not be seeking re-election at the forthcoming AGM. Regine Stachelhaus has, after six years of service, decided to retire from the Board at the AGM. As announced previously, I intend to step down from my position as Non-Executive Chairman of the Company at the conclusion of the AGM. Peter Ryan will, at the conclusion of the AGM, and subject to his re-election as a Director, assume the Chairmanship of the Company.

A search for two new Non-Executive Directors to replace myself and Regine Stachelhaus is underway and an announcement on the appointments will be made in due course. The Nomination Committee has appointed Russell Reynolds to assist with the process as it was leading the parallel Chairmanship succession review. Russell Reynolds, in conjunction with the Nomination Committee, has developed a candidate specification that highlighted a number of areas of competence as necessary pre-requisites to join the Board. The most important of these includes a strong commercial track record within our sector including international experience, preferably within our core continental European or American markets. It is further required that the candidates must demonstrate the appropriate communication skills and desired personal characteristics to ensure a suitable culture fit for our Company.

Since the Company's 2018 AGM, the Board and each of its Directors have been subject to a formal evaluation process, further details of which can be found within the Corporate Governance Report on page 73 of the 2018 Annual Report and Accounts. I am pleased to confirm that the performance of each Director continues to be effective and that all are able to demonstrate continued commitment to their respective roles as members of the Board and, where relevant, its Committees.

Resolution 10 – Adoption of new Articles of Association

It is proposed in this resolution to adopt new Articles of Association (the 'New Articles') in order to update the Company's current Articles of Association (the 'Current Articles'). If passed, the resolution adopting the New Articles will become effective from the end of the AGM.

The principal changes introduced in the New Articles are summarised in Appendix 2 to the Notice of AGM. Other changes, which are of a minor, technical or clarifying nature have not been noted. The New Articles showing all the changes to the Current Articles are available for inspection, as noted on page 7 of this document.

Action to be taken – Form of Proxy

You will find enclosed a Form of Proxy for use at the AGM. Please complete, sign and return the Form of Proxy as soon as possible in accordance with the instructions printed thereon. The Form of Proxy should be returned to Equiniti, the Company's Registrar, as soon as possible and, in any event, so as to be received not later than 9.00am on Tuesday 14 May 2019.

Alternatively, shareholders may register proxy vote instructions by electronic means. If you wish to register your voting instructions in this way, please refer to the guidance set out in notes 6 to 8 to the Notice of AGM on pages 4 to 5. Communications giving voting instructions by electronic means must be received by Equiniti not later than 9.00am on Tuesday 14 May 2019.

Recommendation

The Directors consider that the proposals being put to shareholders at the AGM are in the best interests of the Company and of the shareholders as a whole. Accordingly, the Directors recommend that you vote in favour of the resolutions set out in the attached Notice of AGM, as they intend to do in respect of their own interests (both beneficial and non-beneficial) amounting to 49,983,034 ordinary shares, representing approximately 43.79 per cent of the Company's issued share capital excluding treasury shares (as at 29 March 2019).



Greg Lock
Chairman

Notice is hereby given that the AGM of Computacenter plc will be held at 9.00am on Thursday 16 May 2019 at 100 Blackfriars Road, London SE1 8HL for the following purposes:

Ordinary Resolutions

To consider and if thought fit, pass the following ordinary resolutions:

1. To receive the Financial Statements of the Company and the Group for the year ended 31 December 2018, together with the Reports of the Directors and Auditor thereon.
2. To approve the Annual Statement from the Chair of the Remuneration Committee and the Annual Remuneration Report for the year ended 31 December 2018, as set out on pages 84 to 85 and 90 to 100 respectively of the 2018 Annual Report and Accounts.
3. To declare and approve a final dividend of 21.6 pence per ordinary share.
4. To re-elect, by separate resolutions, the following persons as Directors of the Company:
 - 4a. A F Conophy, who retires and being eligible, offers himself for re-election as an Executive Director of the Company.
 - 4b. P W Hulme, who retires and being eligible, offers himself for re-election as a Non-Executive Director of the Company.
 - 4c. M J Norris, who retires and being eligible, offers himself for re-election as an Executive Director of the Company.
 - 4d. P J Ogden, who retires and being eligible, offers himself for re-election as a Non-Executive Director of the Company.
 - 4e. T M Powell, who retires and being eligible, offers himself for re-election as a Non-Executive Director of the Company.
 - 4f. R Rivaz, who retires and being eligible, offers herself for re-election as a Non-Executive Director of the Company.
 - 4g. P Ryan, who retires and being eligible, offers himself for re-election as a Non-Executive Director of the Company.
5. To re-appoint KPMG LLP as the Company's Auditor to hold office until the conclusion of the next General Meeting at which accounts are laid before the Company.
6. To authorise the Directors to agree the Auditor's remuneration.
7. That the Directors be generally and unconditionally authorised under Section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company ['Rights'], up to a nominal amount of £2,874,664.94, provided that this authority shall expire at the conclusion of the next AGM of the Company or, if earlier, on 30 June 2020, save that the Company shall be entitled to make offers or agreements before the expiry of such authority, which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors shall be entitled to allot shares and grant Rights pursuant to any such offer or agreement and if this authority had not expired. All unexercised authorities previously granted to the Directors to allot shares and grant Rights be and are hereby revoked.

Special Resolutions

To consider and if thought fit, pass the following special resolutions:

8. That, subject to the passing of Resolution 7, the Directors be given power to allot equity securities (as defined in Section 560 of the Companies Act 2006) for cash and/or to sell ordinary shares held by the Company as treasury shares for cash as if the pre-emption provisions of Section 561 of the said Act do not apply to such allotments. The power shall be limited to the allotment of equity securities pursuant to the preceding Resolution 7 or sale of treasury shares, up to an aggregate nominal amount of £431,199.71 representing a maximum of 5,707,055 ordinary shares of 7½ pence each, for the period referred to in Resolution 7, save that the Company shall be entitled to make offers or agreements before the expiry of such power, which would or might require equity securities to be allotted and treasury shares to be sold after such expiry and the Directors shall be entitled to allot equity securities and sell treasury shares pursuant to any such offer or agreement as if the power conferred hereby had not expired.
9. That, subject to the passing of Resolution 7, the Directors be given power, in addition to any power granted under Resolution 8, to allot equity securities (as defined in Section 560 of the Companies Act 2006) for cash under the authority given by Resolution 7 and/or to sell ordinary shares held by the Company as treasury shares for cash as if Section 561 of the Companies Act 2006 did not apply to any such allotment for sale, such authority to be:
 - a. Limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £431,199.71 representing a maximum of 5,707,055 ordinary shares of 7½ pence each; and
 - b. Used for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine 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 this notice,for the period referred to in Resolution 7, save that the Company shall be entitled to make offers or agreements before the expiry of such power, which would or might require equity securities to be allotted and treasury shares to be sold after such expiry and the Directors shall be entitled to allot equity securities and sell treasury shares pursuant to any such offer or agreement as if the power conferred hereby had not expired.
10. That, with effect from the end of the AGM, the Articles of Association produced to the meeting and initialled by the chairman of 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.

11. That the Company be and is hereby unconditionally and generally authorised for the purposes of Section 701 of the Companies Act 2006 to make market purchases (as defined in Section 693(4) of that Act) of ordinary shares of 7⁵/₉ pence each ['ordinary shares'] in the capital of the Company provided that:
- the maximum aggregate number of ordinary shares which may be purchased is 11,414,110;
 - the minimum price [excluding expenses] which may be paid for each ordinary share is 7⁵/₉ pence;
 - the maximum price [excluding expenses] which may be paid for any ordinary share, is the higher of:
 - an amount equal to 105 per cent of the average of the middle market quotations of the Company's ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased; and
 - an amount equal to the higher of the price of the last independent trade and the highest current independent bid as stipulated by the Commission-adopted Regulatory Technical Standards pursuant to Article 5(6) of the Market Abuse Regulation; and
 - this authority shall expire at the conclusion of the AGM of the Company held in 2020 or, if earlier, 30 June 2020, unless such authority is renewed prior to that time [except in relation to the purchase of ordinary shares, the contract for which was concluded before the expiry of such authority and which might be executed wholly or partly after such expiry].
12. That a general meeting [other than an AGM] may be called on not less than 14 clear days' notice, and that this authority shall expire at the conclusion of the AGM of the Company held in 2020.

Resolutions 1 to 7 [inclusive] will be proposed as ordinary resolutions while resolutions 8 to 12 [inclusive] will be proposed as special resolutions.

Computacenter plc
Registered Office

Hatfield Avenue, Hatfield, Hertfordshire AL10 9TW

By order of the Board

Raymond Gray

Company Secretary 12 April 2019

- A member entitled to attend and vote at the AGM is entitled to appoint another person(s) [a proxy] to exercise all or any of his or her rights to attend, speak and vote instead of him or her. A member may appoint more than one proxy in relation to the AGM, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. If a member does appoint more than one proxy, he or she shall specify the number of shares held by him or her in respect of which each proxy is entitled to exercise his or her rights. Where two or more proxies are received in respect of the same share and the same AGM, the proxy which is sent last shall be treated as replacing and revoking the other. A proxy need not be a member of the Company.
- A Form of Proxy is enclosed. The appointment of a proxy will not prevent a member from subsequently attending and voting at the AGM in person.
- A copy of this Notice has been sent, for information only, to persons who have been nominated by a member to enjoy information rights under Section 146 of the Companies Act 2006 ['Nominated Person']. The rights to appoint a proxy cannot be exercised by a Nominated Person. However, the Nominated Person may have a right, under an agreement between him or her and the member by whom he or she was nominated, to be appointed as a proxy for the AGM or to have someone else so appointed. If a Nominated Person has no such proxy appointment right, then he or she may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.
- To be effective, the instrument appointing a proxy and any power of attorney or other authority [if any] under which it is executed [or a duly certified copy of any such power of attorney or authority] must be deposited at the office of the Company's Registrar not later than 9.00am on Tuesday 14 May 2019.
- Only those shareholders registered in the Register of Members of the Company at 6.30pm on Tuesday 14 May 2019 shall be entitled to attend or vote at the AGM in respect of the number of shares registered in their name at that time or, if the AGM is adjourned, shareholders must be entered on the Company's Register of Members as at 6.30pm two business days prior to the time fixed for the adjourned AGM.
- Shareholders who prefer to register the appointment of their proxy electronically via the internet may do so through Equiniti's website at www.sharevote.co.uk, where full instructions on the procedure are provided. The Voting ID, Task ID and Shareholder Reference Number printed on the Form of Proxy will be required to enable a shareholder to use this electronic system or proxy appointment. Alternatively, shareholders who have already registered with Equiniti's online portfolio service, Shareview, may appoint their proxy electronically by logging on to their portfolio at www.shareview.co.uk using their user ID and password. Once logged in simply click 'View' on the 'My Investments' page, click on the link to vote then follow the on-screen instructions. A proxy appointment made electronically will not be valid if sent to any address other than those provided or if received later than 9.00am on Tuesday 14 May 2019. Please note that any electronic communication found to contain a computer virus will not be accepted.

7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and in respect of any adjournment(s) thereof by using the procedures described in the CREST Manual, which can be viewed at www.euroclear.com. CREST personal members or other CREST sponsored members and those CREST members who have appointed voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to 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 Equiniti (ID RA19) not later than 9.00am on Tuesday 14 May 2019. For this purpose, the time of receipt will be taken as the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Equiniti are 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(s) through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal or sponsored member or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as 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 service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Computacenter plc may treat as invalid any CREST Proxy Instruction it receives which falls within the circumstances set out in Regulation 35(5)(a) of the Uncertified Securities Regulations 2001.

8. You may not use any electronic address provided either in this Notice of AGM or any related documents (including the Chairman's Letter and Form of Proxy) to communicate for any purposes other than those expressly stated.
9. Any corporation, which is a member, can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same shares.
10. As at 29 March 2019 (being the latest practicable date before the publication of this document) the Company's issued share capital consists of 122,687,970 ordinary shares, carrying one vote each, and 8,546,861 of these ordinary shares are held in treasury. Treasury shares do not carry the right to vote. Therefore, the total voting rights in the Company are 114,141,109.
11. Copies of the Company's Articles of Association, the New Articles (showing the proposed amendments), the Directors' service contracts with the Company and the terms and conditions of the Non-Executive Directors will be available for inspection at the place of the AGM from 8.45am on the day of the AGM until the conclusion of the AGM. In addition, the New Articles (showing the proposed amendments) are available for inspection at the place of the AGM during normal business hours on any weekday (public holidays excepted) until the close of the Annual General Meeting. A copy of the New Articles will also be available on the Company's website at investors.computacenter.com.
12. Under Section 319A of the Companies Act 2006, a shareholder (or their proxy) has the right to ask questions in relation to the business being dealt with at the AGM. However, the Company is not obliged to answer a question raised at the AGM if: (i) to do so would interfere unduly with the preparation for the AGM 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 AGM that the question be answered.
13. Under Section 527 of the Companies Act 2006, shareholders who meet the threshold requirements that are 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 circumstance connected with an Auditor of the Company ceasing to hold office since the previous AGM at which the Annual Report and Accounts were laid in accordance with Section 437. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with either Sections 527 or 528. Where the Company is required to place a statement on a website under Section 527, 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 AGM includes any statement that the Company has been required under Section 527 to publish on a website.
14. A copy of this Notice together with the other information required by Section 311A of the Companies Act 2006 may be found at investors.computacenter.com.

Appendix 1 to the Notice of Annual General Meeting

EXPLANATION OF THE BUSINESS OF THE ANNUAL GENERAL MEETING

Ordinary Resolution 1 – Financial Statements and Reports of the Directors and Auditor thereon

The business of the AGM will start with a resolution to lay before the shareholders, the Financial Statements for the year ended 31 December 2018 and the reports of the Directors and Auditor thereon. Shareholders who attend the AGM will have the opportunity to ask questions regarding the financial statements and the reports, prior to the resolution being proposed at the AGM.

Ordinary Resolution 2 – Annual Statement by the Chair of the Remuneration Committee and Annual Remuneration Report

Page 84 to 85 and pages 90 to 100 of the 2018 Annual Report and Accounts constitute the Annual Statement from the Chair of the Remuneration Committee and the Annual Remuneration Report respectively for the year ended 31 December 2018, which shareholders are now being asked to approve. This is an advisory vote, and will not affect the actual remuneration paid to any individual Director.

Ordinary Resolution 3 – Final dividend

The Board has recommended a final dividend of 21.6 pence per ordinary share, in respect of the year ended 31 December 2018. Members will be asked to approve this payment and if approved, the dividend will be payable on 28 June 2019, to those shareholders on the register of members at the close of business on 31 May 2019.

Ordinary Resolutions 4a to 4g – Re-election of Directors

These resolutions deal with the re-election of Directors and the reasons for their re-election can be found in more detail at pages 68 to 101 of the 2018 Annual Report and Accounts. Biographies of each of the Directors standing for re-election can be found on pages 70 and 71 of the 2018 Annual Report and Accounts. Regine Stachelhaus and Greg Lock are both retiring at the AGM and therefore will not be standing for re-election. Please note that, as previously announced and explained in the Company's 2018 Annual Report and Accounts, subject to his re-election as a Director, Peter Ryan will, from the end of the AGM, assume the Chairmanship of the Company for the first time. Greg Lock, as the current Chairman, confirms that the performance of all of his fellow Directors standing for re-election continues to be effective and the Non-Executive Directors confirm that they unanimously support the appointment of Peter Ryan as Chairman.

Copies of the Letters of Appointment between the Company and its Non-Executive Directors and Executive Directors' Service Contracts will be available at the registered office of the Company during usual business hours on any weekday (Saturdays, Sundays and public holidays excluded) until the date of the AGM and also at the place of the AGM from 15 minutes prior to the commencement of the meeting until the conclusion thereof.

Ordinary Resolution 5 – Re-appointment of Auditor

Shareholders are being asked to confirm the re-appointment of KPMG LLP as the Company's Auditor, to hold office until the conclusion of the next AGM.

Ordinary Resolution 6 – Auditor's remuneration

This resolution asks shareholders to authorise the Directors to set the Auditor's remuneration.

Ordinary Resolution 7 – Renewal of authority to allot shares

This resolution asks shareholders to renew, by Ordinary Resolution, the Directors' authority under Section 551 of the Companies Act 2006 to allot unissued shares and to grant rights to subscribe for, or to convert any security into, shares in the Company. This resolution, is similar to the resolutions passed in previous years. This renewed authority will, if granted, expire at the conclusion of the AGM held in 2020 or, if earlier, on 30 June 2020, although offers or agreements can be made before the expiry of that period, which might require for shares to be allotted or rights granted after the expiry of that period. In accordance with corporate governance best practice recommendations, the Directors' authority, if approved, will be limited to a maximum nominal amount of £2,874,664.94, representing a maximum of 38,047,036 ordinary shares, equivalent to approximately one-third of the issued share capital of the Company excluding treasury shares (as at 29 March 2019, being the latest practicable date prior to the publication of this document). As at 29 March 2019 (being the latest practicable date before the publication of this document), the Company held 8,546,861 treasury shares which represented 7.49% of the total ordinary issued share capital, excluding treasury shares, at that date. There are no present plans to allot unissued shares other than in connection with employee share and incentive schemes. The Directors believe that they should have the authority proposed in the resolution to enable such allotments to take place to finance business opportunities as they arise.

Special Resolution 8 and 9 – Disapplication of pre-emption rights

If the Directors wish to allot unissued shares and other equity securities for cash, Section 561 of the Companies Act 2006 requires that these shares are offered first to existing shareholders in proportion to their holdings. This is known as shareholders' pre-emption rights. There may be occasions, however, when the Directors need the flexibility to finance business opportunities as they arise without offering securities on a pre-emptive basis. The Companies Act 2006 allows a limited disapplication of these pre-emption rights in certain circumstances.

The purpose of Resolution 8 is to authorise the Directors to allot new shares (and sell treasury shares) for cash pursuant to the authority given by Resolution 7 up to a nominal value of £431,199.71, equivalent to five per cent of the total issued ordinary share capital of the Company excluding treasury shares (as at 29 March 2019), without the shares first being offered to existing shareholders in proportion to their existing holdings.

Resolution 9 seeks a separate and additional authority to dis-apply pre-emption rights in respect of an additional five per cent of the total issued ordinary share capital of the Company excluding treasury shares (as at 29 March 2019) for an acquisition or specified capital investment pursuant to guidance from the Pre-Emption Group (PEG). On 12 March 2015, the PEG issued a revised Statement of Principles ('2015 Statement of Principles'). This stated that, in addition to previous standard annual disapplication of pre-emption rights up to a maximum of five per cent, the PEG was supportive of extending the general disapplication authority by an additional five per cent for an acquisition or specified capital investment.

The Directors confirm, in accordance with the 2015 Statement of Principles, that they will only allot shares representing more than five per cent of the issued ordinary share capital of the Company excluding treasury shares for cash pursuant to the authority referred to in Resolution 9, where the allotment is in connection with an acquisition or specified capital investment, which is announced contemporaneously with the allotment or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue. Where the authority granted under Resolution 9 is used, the circumstances that have led to its use and the consultation process undertaken will be disclosed by the Company in its next Annual Report.

Resolution 8 and 9 will be proposed subject to Resolution 7 first being carried by the AGM and the authority sought, if granted, will be for the same period as that granted under Resolution 7.

In addition the Board will not (except in relation to an issue pursuant to Resolution 9 in respect of the additional five per cent referred to above) allot shares for cash on a non-pre-emptive basis pursuant to the authority granted in Resolution 7 in excess of an amount equal to 7.5 per cent of the total issued ordinary share capital of the Company, excluding treasury shares, within a rolling three-year period, without prior consultation with shareholders.

The Board has no current intention to allot shares for cash on a non-pre-emptive basis, but the Directors consider that the authority sought is appropriate as it provides the Company with the necessary flexibility to take advantage of business opportunities as they arise.

Resolution 8 and 9 will expire at the conclusion of the Company's AGM in 2020 or, if earlier, 30 June 2020, at which time the Board expects to seek its renewal.

Special Resolution 10 – Adoption of new Articles of Association

It is proposed in this resolution to adopt the New Articles in order to update the Current Articles. If passed, the resolution adopting the New Articles will become effective from the end of the AGM.

The principal changes introduced in the New Articles are summarised in Appendix 2 to the Notice of General Meeting. Other changes, which are of a minor, technical or clarifying nature have not been noted. The New Articles showing all the changes to the Current Articles are available for inspection at the Company's offices at 100 Blackfriars Rd, London SE1 8HL during normal business hours on any weekday (public holidays excepted) until the close of the Annual General Meeting and at the place of the Annual General Meeting for at least 15 minutes before the meeting and during the meeting.

Special Resolution 11 – Authority to purchase own shares in the market

The authority, under Section 701 of the Companies Act 2006, which will be proposed as a Special Resolution, would permit the Company to purchase, on the London Stock Exchange, up to 11,414,110 ordinary shares, which is equivalent to approximately 10 per cent of the issued share capital of the Company excluding treasury shares (as at 29 March 2019) and the Company's exercise of this authority is subject to the stated upper and lower limits on the price payable.

The Company was given authority at the 2018 AGM to make market purchases of up to 11,414,110 ordinary shares. To date, no shares have been purchased under this authority. The Directors will use the authority to purchase shares only after careful consideration, taking into account market conditions, other investment opportunities, appropriate gearing levels and the overall financial position of the Company. The Directors will only purchase such shares after taking into account the effects on earnings per share and the benefit for shareholders generally.

Any shares bought by the Company under this authority will either be held in treasury, with a view to possible re-issue at a future date, or cancelled. The Directors will decide at the time of purchase whether to cancel the shares immediately or to hold them in treasury. In relation to treasury shares, the Board will also have regard to any investor guidelines, in relation to the purchase of shares intended to be held in treasury or in relation to their holding or resale, which may be in force at the time of any such purchase, holding or resale.

As at 29 March 2019, there were options outstanding over 5,941,776 ordinary shares, granted under all share options schemes operated by the Company, representing 5.21 per cent of the Company's issued ordinary share capital (excluding shares held in treasury). If the authority given by Resolution 11 were exercised in full, that percentage would increase to 5.78 per cent. There were no warrants outstanding as at 29 March 2019.

The authority under Resolution 11 will expire at the conclusion of the Company's AGM in 2020 or, if earlier, 30 June 2020, at which time the Board expects to seek its renewal.

Special Resolution 12 – 14 days' notice period for General Meetings

Section 307A of the Companies Act 2006 requires the notice period for General Meetings of the Company to be at least 21 days. For General Meetings, other than AGMs, a shorter notice period of not less than 14 clear days may be given, provided that shareholder approval was given at the most recently held AGM (or at a General Meeting held since the last AGM) to hold such meetings on a shorter notice period.

The shareholders are being asked to authorise the convening of a General Meeting, other than an AGM, on a notice period of not less than 14 clear days. This authority, if granted, will expire at the conclusion of next year's AGM, when it is intended that a similar resolution will be proposed.

Whilst every effort will be made to give as much notice as possible for General Meetings, the Directors believe that the ability to convene a meeting on not less than 14 clear days' notice gives a greater degree of flexibility when seeking shareholder approval. The Directors are therefore proposing this resolution, as a Special Resolution, to approve 14 clear days as the minimum period of notice for all General Meetings of the Company, other than AGMs.

Appendix 2 to the Notice of Annual General Meeting

PRINCIPAL CHANGES WITHIN NEW ARTICLES

A. General provisions on dematerialised shares

The New Articles clarify the Directors' powers to take such necessary or expedient action in relation to dematerialised (or uncertificated) shares in order to exercise any powers granted to the Directors that apply to uncertificated shares but are expressed in terms which assume that the shares are held in certificated form. The New Articles also clarify the Company's power to convert uncertificated shares into certificated form and vice versa if necessary to enable such shares to be dealt with in accordance with the New Articles.

B. Directors' fees

The level of Directors' fees was last reviewed in 2010 and it is therefore proposed that the annual aggregate cap on Directors' ordinary remuneration in the Current Articles of £300,000 be raised in the New Articles to £500,000 in line with current market levels for non-executive director remuneration. As is currently the case, this cap will not include remuneration paid to a Director by virtue of holding an executive office, serving on a committee of Directors, the Chairman's fee or performing any services outside the scope of their ordinary course Directors' duties. Any increase in fees paid to Non-Executive Directors will be in line with the most recent remuneration policy approved by shareholders or otherwise approved by shareholders by ordinary resolution.

C. Manner of payment of dividends

Following the guidance published by the ICSA Registrars' Group in 2014, the dividend payment provisions are amended under the New Articles to allow the use of different distribution channels. Technological developments mean that the market practice surrounding dividend payment methods may change in the future, with electronic dividend payments likely to become more prevalent amongst public listed companies. The New Articles provide that, if considered appropriate, the Directors are empowered to use electronic means to pay dividends and also permit the Directors to determine the method of dividend payments, to provide for a default method and decide whether or not shareholders can make an election for a payment method other than the default. This will provide the Company with the requisite flexibility to adopt electronic dividend payments and/or alternative payment mechanisms as they become available in the future.

D. Scrip dividends

The Investment Association's Share Capital Management Guidelines, published in 2016, recommend that where shares are offered in lieu of dividends (i.e. scrip dividends), the authority to offer a scrip dividend should be renewed at least every three years (previously five years). The New Articles incorporate this recommendation.

E. Untraced shareholders

Both the Current Articles and the New Articles provide that a shareholder will be considered untraced if at least three consecutive dividends remain unclaimed during a 12-year period, but the New Articles will provide the Company with more flexibility when it is trying to trace shareholders. The New Articles will replace the requirement to place notices in newspapers with a requirement to use reasonable efforts to trace the shareholder (including a professional asset reunification company if appropriate) and to send a notice to the shareholder's last known physical address or email address letting the shareholder know that the Company intends to sell their shares. Shareholders whose shares are sold following this process will not be able to claim the proceeds of the sale and the Company will be entitled to use these funds as the Directors think fit. The New Articles also contain related changes in respect of unclaimed dividends or other moneys payable on the shares of untraced shareholders which are sold.

F. Borrowing powers

Following a recent change to International Financial Reporting Standard 16 which provided that from 1 January 2019 operating leases must be accounted for as a liability on the lessee's balance sheet, the New Articles clarify that for the purposes of determining the Group's borrowing restrictions under the New Articles, operating leases are excluded from the calculation of "moneys borrowed".

G. General

As the Board is proposing to adopt the New Articles to make the changes described above, the opportunity has been taken generally to clarify minor inconsistencies in certain other parts of the New Articles and update existing provisions to reflect current statutory and regulatory rules.