

**CPPGROUP PLC**

**NOTICE OF ANNUAL GENERAL MEETING**

**18 May 2016**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the actions you should take, you are recommended to seek immediately your own advice from your stockbroker, solicitor, accountant or other appropriate independent professional adviser duly authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all of your shares in CPPGroup Plc, please send this document, and the accompanying form of proxy, at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.**

A form of proxy for the Annual General Meeting is enclosed. Whether or not you intend to be present at the meeting, please complete the form of proxy and return it in accordance with the instructions printed on it so as to reach the Company's registrar no later than 2.00 p.m. on 16 May 2016. Alternatively, you may register your proxy vote electronically, either by means of a website provided by the Company's Registrar at [www.capitashareportal.com](http://www.capitashareportal.com) or, if you are a CREST member, by using the service provided by Euroclear. Further details are given in the notes to this document on pages 3 to 5. Completion and return of the form of proxy will not prevent you from attending and voting at the meeting in person, should you so wish.

## Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting (the "**Meeting**") of CPPGroup Plc (the "**Company**") will be held at Eversheds, 1 Wood Street, London, EC2V 7WS, at 2.00 p.m. on 18 May 2016 to consider and, if thought fit to pass, the following resolutions. It is intended to propose resolution 9 as a special resolution. All other resolutions will be proposed as ordinary resolutions:

### Ordinary Business

1. To receive and consider the reports of the Directors and the Auditor and the Financial Statements for the year ended 31 December 2015.
2. To elect Roger Canham as a Director of the Company.
3. To elect Stephen Callaghan as a Director of the Company.
4. To elect Michael Corcoran as a Director of the Company.
5. To elect Abhai Rajguru as a Director of the Company.
6. To re-appoint Deloitte LLP as auditor of the Company to hold office from the conclusion of the meeting until the next Annual General Meeting at which the accounts are laid before the Company.
7. To authorise the Directors to set the auditor's remuneration.

### Special Business

To consider and, if thought fit, to pass the following resolutions, of which resolution 8 will be proposed as an ordinary resolution and resolution 9 will be proposed as a special resolution.

8. That pursuant to Section 551 of the Act the directors be, and they are, hereby generally and unconditionally authorised to exercise all of the powers of the Company to allot and grant rights to subscribe for, or convert any security into, Ordinary Shares of 1 penny each in the capital of the Company (the "**Ordinary Shares**") up to a maximum nominal amount (within the meaning of section 551(3) and (6) of the Act) of £2,842,780 to such persons at such times and on such terms as they think proper during the period from the passing of this resolution and expiring on 17 August 2017 or at the conclusion of the next Annual General Meeting of the Company to be held in 2017 (or any adjournment thereof), whichever is the earlier, save that the Company may before such expiry, make an offer or agreement which would or might require Ordinary Shares to be allotted after such expiry and the Board may allot Ordinary Shares in pursuance of such offer or agreement as if the authority conferred hereby had not expired.
9. That subject to the passing of resolution 8 set out above, the Directors be, and they are, hereby generally authorised pursuant to section 571 of the Act to allot for cash or otherwise equity securities (as defined in section 560 of the Act) of the Company pursuant to the authority conferred by resolution 8 set out above as if section 561 of the Act did not apply to such allotment or sale provided that this power shall be limited:
  - (a) to the allotment of equity securities for cash in connection with or pursuant to an offer by way of a rights issue, open offer or otherwise in favour of the holders of Ordinary Shares where the equity securities respectively attributable to the interests of all such shareholders are proportionate (as nearly as may be practicable) to the respective numbers of Ordinary Shares held by them on the record date for such allotment but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory or any other matter whatsoever;

- (b) to the allotment of equity securities (otherwise than pursuant to sub paragraph (a) above, pursuant to the terms of any share schemes for directors and employees of the Company or any of its subsidiaries; and
- (c) to the allotment otherwise than pursuant to subparagraphs (a) and (b) above of equity securities not exceeding in aggregate the nominal amount of £852,834, being an aggregate nominal amount equal to 10% of the aggregate nominal amount of the share capital of the Company as at 15 April 2016.

Provided further that the authority hereby granted shall expire (unless renewed, varied or revoked by the Company) on 17 August 2017 or at the conclusion of the next Annual General Meeting of the Company to be held in 2017 (or any adjournment thereof), whichever is the earlier, save that the Company may, before such expiry, make any offer or agreement which would or might require equity securities to be allotted or rights to be granted after the expiry of such power and the Directors may allot shares, or grant rights to subscribe for or to convert any securities into shares, in pursuance of any such offer or agreement as if the authorisations conferred hereby had not expired.

By order of the Board

**Lorraine Beavis**  
Company Secretary  
CPPGroup Plc

Registered office:  
Holgate Park  
York  
YO26 4GA

Registered in England and Wales No 07151159

22 April 2016

Registrar: Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

## Notes to the Notice of Annual General Meeting

### Entitlement to attend and vote

1. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that in order to have the right to attend and vote at the Annual General Meeting (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be entered on the register of members of the Company at 6.00 p.m. on 16 May 2016 or, in the event of any adjournment, at 6.00 p.m. on the date which is two business days before the day of the adjourned meeting. Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

### Appointment of proxies

2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint another person or persons as your proxy or proxies to exercise all or any of your rights to attend, speak and vote at the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by you. A proxy form for the meeting is enclosed. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. Completion of a proxy form, or other instrument appointing a proxy or any CREST Proxy Instruction (as defined below) will not preclude a member from attending and voting in person at the meeting if he/she wishes to do so.
4. If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this Appointment of proxies section. Please read the section "Nominated persons" below.
5. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
6. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, each different proxy appointment form must be received by the Company's Registrar at: Capita Registrars, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4TU no later than 48 hours before the time appointed for the meeting (excluding non-working days).
7. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If you select the "Discretionary" option or no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

### Appointment of proxy using hard copy proxy form

8. The notes to the proxy form explain how to direct your proxy to vote on each resolution or withhold their vote.

To validly appoint a proxy using this form, the form must be:

- completed and signed by the appointer or their duly authorised attorney;
- received by post or by hand (during normal business hours only) together with any power of attorney or other authority under which it is signed or a notarially certified copy of

- such power or a copy certified in accordance with the Power of Attorney Act 1971 or in some other manner approved by the Directors, by the Company's Registrar at: Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent, BR3 4TU; and
- received by Capita Asset Services not less than 48 hours before the time appointed for the meeting (excluding non-working days).

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of that company or an attorney for that company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

### Electronic appointment of proxies

9. As an alternative to completing the hard copy proxy form, you can appoint a proxy electronically by using the share portal service at [www.capitashareportal.com](http://www.capitashareportal.com). For an electronic proxy to be valid, your appointment must be received by the Company's Registrar no later than 48 hours before the time appointed for holding the meeting (excluding non-working days).

### Appointment of proxies through CREST

10. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by utilising the procedures, and to the address, described in the CREST Manual available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST) subject to the provisions of the Company's Articles of Association. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with *Euroclear UK & Ireland Limited's ("EUI")* specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID **RA10**) no later than 48 hours before the time appointed for holding the meeting (excluding non-working days). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should take note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting 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

## Notes to the Notice of Annual General Meeting *continued*

particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

### Appointment of proxy by joint members

11. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

### Changing proxy instructions

12. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. The cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard copy proxy form and you would like to change the instructions using another hard copy proxy form, please contact the Company's Registrar.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

13. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's Registrar. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Capita Asset Services no later than 48 hours before the time appointed for holding the meeting (excluding non-working days).

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person your proxy appointment will automatically be terminated.

### Issued shares and total voting rights

14. As at 15 April 2016, being the last practicable date prior to the publication of this notice, the Company's issued share capital comprised 852,833,955 Ordinary Shares of 1 penny each. Each Ordinary Share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 15 April 2016 is 852,833,955.

### Nominated persons

15. If you are a person who has been nominated under section 146 of the Act to enjoy information rights (a "Nominated Person"):
- You may have a right under an agreement between you and the member of the Company by whom you were nominated to have information rights (the "Relevant Member") to be appointed (or to have someone else appointed) as proxy for the Annual General Meeting.
  - If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right, under an agreement between you and the Relevant Member, to give instructions to the Relevant Member as to the exercise of voting rights.
  - Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, where applicable, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

The statement of the above rights of the members in relation to the appointment of proxies does not apply to Nominated Persons. Those rights can only be exercised by members of the Company.

### Documents on display

16. Copies of Directors' service contracts, Non-Executive Directors' letters of appointment and the Company's Articles of Association will be available for inspection during normal business hours at Holgate Park, York, YO26 4GA from the date of this notice until the close of the meeting (Saturdays, Sundays and public holidays excepted) and will be available for at least 15 minutes prior to the meeting and during the meeting.
17. Biographical details of those Directors being put forward for election are contained in the Corporate Governance Report on page 29 of the Annual Report & Accounts.

A copy of this notice, and the other information required by section 311A of the Companies Act 2006, can be found at [www.cppgroupplc.com](http://www.cppgroupplc.com).

### Communication

18. Except as provided above, members who wish to communicate with the Company in relation to the meeting should contact the Company Secretary, by writing to the registered office of the Company. No other methods of communication will be accepted. Shareholders may not use any electronic address provided either in this notice of general meeting or any related documents (including the proxy form), to communicate with the Company for any purposes other than those expressly stated.

### Corporations which are members

19. 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.



## Notes to the Notice of Annual General Meeting *continued*

### **Asking questions at the Annual General Meeting**

20. Any member attending the Annual General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

### **Members' Rights**

21. Under section 338 and section 338A of the Companies Act 2006, members meeting the threshold requirements in those sections have the right to require the Company (i) to give to members of the Company entitled to receive notice of the Annual General Meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting and/or (ii) 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. A resolution may properly be moved or a matter may properly be included in the business unless (a) (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), (b) it is defamatory of any person, or (c) 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 the date 6 clear weeks before the meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

## Explanatory notes

### 1 Resolution 1: Financial Statements

For each financial year the directors are required to present the audited financial statements, the Directors' Report and the Auditor's Report to the shareholders at a general meeting. Once the resolution to receive the financial statements has been proposed, and before a vote is taken, the Chairman will invite questions from shareholders on the financial statements and any other matters relating to the Company's business.

### 2 Resolutions 2 to 5: Re-election and election of directors

The Company's Articles of Association require that newly appointed Directors offer themselves for election at the first Annual General Meeting following their appointment and that all Directors stand for re-election at least once every three years.

Accordingly, Roger Canham, Stephen Callaghan, Michael Corcoran and Abhai Rajguru will seek election for the first time at the 2016 Annual General Meeting.

The Board believes that its performance continues to be effective and that the election of Directors is consistent with the Board's evaluation of the size, structure and composition of the Board.

Biographical details of all directors are set out on page 29 of the Annual Report & Accounts.

### 3 Resolutions 6 and 7: Re-appointment and remuneration of auditors

At each Annual General Meeting the Company is required to appoint an auditor to serve until the next such meeting. Deloitte LLP has expressed its willingness to continue in office for a further year. Resolution 6 proposes the re-appointment of Deloitte LLP and resolution 7 proposes that, in accordance with normal practice, the Directors should be authorised to agree the fees of the auditor.

### 4 Resolutions 8 (Authority to allot shares) and 9 (Disapplication of pre-emption rights)

Under the Act your Directors may allot shares and grant rights to subscribe for, or convert any security into shares, only if authorised to do so by the Company's shareholders. The Act also prevents allotments for cash, other than to existing shareholders in proportion to their existing shareholdings (what are known as "pre-emptive rights"). The authority granted by a shareholders' resolution dated 1 June 2015 is due to expire at the conclusion of this year's Annual General Meeting.

Accordingly, resolution 8 will be proposed to allot Ordinary Shares up to a maximum nominal amount of £2,842,780 representing approximately one third (33.3 %) of the Company's existing issued share capital and calculated as at 15 April 2016, (being the latest practicable date prior to publication of this document).

Under resolution 9, the directors will be able either to issue shares for cash, other than to existing shareholders in proportion to their existing holdings, up to a maximum amount of £852,834 representing approximately 10% of the issued ordinary share capital or in a rights or other pre-emptive issue. These arrangements are intended to ensure that the interests of existing shareholders are protected so that, for example, in the event of an issue of new shares for cash to new shareholders, which is not a rights issue, the proportionate interest of existing shareholders could not, without their agreement, be reduced by more than 10%.

In compliance with the Statement of Principles issued by the Pre-Emption Group of the Association of British Insurers, it is the intention of the Company that the cumulative usage of the

authority granted by resolution 8 within a rolling three year period shall not exceed 7.5% of the Company's issued share capital without prior consultation with shareholders.

Passing resolutions 8 and 9 will extend the directors' flexibility to act in the best interests of shareholders, when opportunities arise, to issue new shares. Save for the allotment of shares pursuant to the Company's existing share option schemes, the directors have no intention at this time to allot shares pursuant to the passing of these resolutions. To reflect market practice, the Company has widened the potential offers that could benefit from a disapplication of the pre-emptive provisions of Section 561(1) of the Act to include open offers in addition to rights issues or other pro-rata offers.

As at the date of this notice the Company holds no treasury shares.

The authorities sought by resolutions 8 and 9 will last until the conclusion of the next Annual General Meeting in 2017 or 18 August 2017 (whichever is the earlier).

### Recommendation

Your directors believe that all the proposed resolutions to be considered at the Annual General Meeting as set out in this document are in the best interests of the Company and its shareholders as a whole. Accordingly, your directors unanimously recommend that you vote in favour of them.