



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

If you are in any doubt as to the action you should take, please take advice immediately from an independent professional adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your shares, please send this document, together with the accompanying documents at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

**Notice of the 2017 Annual General Meeting of**

**TP ICAP plc**

**to be held on Thursday 11 May 2017 at 12.15pm (BST) at the offices  
of Allen & Overy LLP, One Bishops Square, London E1 6AD**



TP ICAP plc  
Registered in England no. 5807599

31 March 2017

Dear Shareholder,

On behalf of the directors of TP ICAP plc (together the 'Directors'), it gives me great pleasure to invite you to attend the Annual General Meeting (or 'AGM') of TP ICAP plc (the 'Company') which will be held at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD on Thursday 11 May 2017 at 12.15pm (BST).

### **Notice of AGM**

The formal Notice of AGM is set out on the following pages of this document, detailing the resolutions that the shareholders are being asked to vote on along with explanatory notes of the business to be conducted at the AGM. The AGM provides shareholders with an opportunity to communicate with the Directors and we welcome your participation.

### **Dividend**

Shareholders are reminded that the Board declared a first interim dividend of 5.6p per share paid on 14 November 2016 and a second interim dividend of 11.25p per share paid on 13 January 2017. Therefore the Board is not recommending a final dividend but expects to declare its next interim dividend payable in November 2017.

### **Amendments to Articles of Association**

We are asking shareholders, in Resolution 21, to approve amendments to our Articles of Association to bring them up to date with developments in technology and in line with recent market practice. An explanation of the proposed amendments is set out on page 9 of this document.

### **Directors' Remuneration Report and Remuneration Policy**

The Remuneration Committee of the Board is seeking shareholders' approval of the directors' remuneration report (the 'Directors' Remuneration Report') and the new directors' remuneration policy (the 'Directors' Remuneration Policy') in Resolutions 2 and 3 respectively.

The Directors are required to prepare the Directors' Remuneration Report, comprising an annual report detailing the remuneration of the Directors and a statement by the Chairman of the Remuneration Committee. The Company is required to seek shareholders' approval in respect of the contents of this report on an annual basis (excluding the part containing the Directors' Remuneration Policy). The vote is an advisory one and the Directors' entitlement to remuneration is not conditional on it.

The shareholders are separately asked to approve the Directors' Remuneration Policy which is set out on pages 71 to 74 of the Annual Report and Accounts. It is intended that this will take effect immediately after the AGM and will replace the existing policy that was approved by shareholders in 2014 and which is due to expire this year.

It is anticipated that the Directors' Remuneration Policy will be in force for three years although we will closely monitor regulatory changes and market trends and, if necessary, we may present a revised policy within that three year period.

The Directors' Remuneration Policy has been developed taking into account the principles of the UK Corporate Governance Code and the views of our major shareholders.

### **Long-Term Incentive Plan**

Resolution 15 seeks shareholder approval for the implementation of a new long-term incentive plan, the TP ICAP plc Transformation Long-Term Incentive Plan (the 'Plan').

The Plan would be used to implement the revised long-term incentive arrangement aspects of the new Directors' Remuneration Policy proposed for approval under Resolution 3 as referred to above.

A summary of the principal terms of the Plan is set out in Appendix 2 to this Notice of AGM.

## **Voting**

Voting on the business of the AGM will be conducted by way of a poll. The results of voting on the resolutions will be posted on the Company's website as soon as practicable after the AGM.

Whether or not you propose to attend the AGM, we encourage you to complete, sign and return a form of proxy or register your proxy electronically as set out below. Shareholders should return the form of proxy to the reply paid address shown on the form of proxy or, for personal delivery, to Capita Asset Services, 34 Beckenham Road, Beckenham, Kent BR3 4ZF. The website for electronic proxy appointment is [www.capitashareportal.com](http://www.capitashareportal.com). If your shares are held in CREST, you may if preferred give instructions electronically via CREST as detailed in the notes to the Notice of AGM on page 11. To be valid, the form of proxy must be lodged with the Company's registrars by not later than 12.15pm (BST) on Tuesday 9 May 2017.

The completion and return of a form of proxy in hard copy or voting electronically will not prevent you from attending and voting at the AGM in person if you wish. If I am appointed as proxy I will, of course, vote in accordance with any instructions given to me. If I am given discretion as to how to vote, I will vote in favour of each of the resolutions to be proposed at the AGM.

## **Shareholder communications**

The Companies Act 2006 (the 'Act') prescribes the methods by which a company is permitted to communicate with its shareholders and the Company's Articles of Association include provisions allowing the Company to use its website to publish certain statutory documents and communications. Accordingly, this Notice of AGM and the Annual Report and Accounts are published on our website [www.tpicap.com](http://www.tpicap.com).

## **Recommendation**

The Directors believe that the resolutions set out in the Notice of AGM are in the best interests of the Company and its shareholders as a whole and unanimously recommend that shareholders vote in favour of all of the resolutions to be proposed at the AGM. The Directors who own ordinary shares intend to vote in favour of the resolutions to be proposed at the AGM.

I look forward to seeing you at the AGM.

Yours faithfully

**Rupert Robson**

Chairman



# Notice of the Annual General Meeting

TP ICAP plc  
Registered in England no. 5807599

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING of TP ICAP plc (the 'Company') will be held at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD on Thursday 11 May 2017 at 12.15pm (BST) to consider and, if thought appropriate, pass the following resolutions of which Resolutions 1 to 16 will be proposed as ordinary resolutions and Resolutions 17 to 21 will be proposed as special resolutions.

## Ordinary Resolutions

### Accounts and Reports

1. To receive the Annual Accounts and Reports for the Company for the year ended 31 December 2016.

### Directors' Remuneration

2. To approve the Directors' Remuneration Report (other than the part containing the Directors' Remuneration Policy) for the financial year ended 31 December 2016, as set out on pages 56 to 70 of the Report and Accounts for the financial year ended 31 December 2016.
3. To approve the Directors' Remuneration Policy, the full text of which is set out on pages 71 to 74 of the Report and Accounts for the financial year ended 31 December 2016.

### Directors

4. To elect Andrew Baddeley as a Director.
5. To re-elect Rupert Robson as a Director.
6. To re-elect John Phizackerley as a Director.
7. To re-elect Angela Knight as a Director.
8. To re-elect Roger Perkin as a Director.
9. To re-elect Stephen Pull as a Director.
10. To re-elect Carol Sergeant as a Director.
11. To re-elect David Shalders as a Director.

### Auditors

12. To re-appoint Deloitte LLP as auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the next AGM at which accounts are laid before the Company.
13. To authorise the Audit Committee of the Company to fix the remuneration of the auditors.

### Political donations

14. That in accordance with sections 366 and 367 of the Companies Act 2006, the Company and any company which is, or becomes, a subsidiary of the Company during the period to which this resolution relates, be and is hereby authorised to:
  - (a) make political donations to political parties or independent election candidates, not exceeding £100,000 in total;
  - (b) make political donations to political organisations other than political parties, not exceeding £100,000 in total; and
  - (c) incur political expenditure not exceeding £100,000 in total,

provided that the aggregate amount of any such donations and expenditure shall not exceed £100,000 during the period beginning with the date of the passing of this resolution and ending at the close of business on 1 July 2018 or, if sooner, the conclusion of the next AGM of the Company.

For the purpose of this resolution the terms "political donations", "political parties", "independent election candidates", "political organisations" and "political expenditure" have the meanings set out in sections 363 to 365 of the Companies Act 2006.

### Long-Term Incentive Plan

15. That the rules of the TP ICAP plc Transformation Long-Term Incentive Plan (the 'Plan'), the principal terms of which are summarised in Appendix 2 to this Notice of AGM, and which are produced in draft to this AGM and, for the purposes of identification, are initialled by the Chairman of the AGM, be and are hereby approved and the Directors be authorised to:
  - (a) make such modifications to the Plan as they may consider appropriate to take account of the requirements of best practice and for the implementation of the Plan and to adopt the Plan as so modified and to do all such other acts and things as they may consider appropriate to implement the Plan; and
  - (b) establish further plans based on the Plan but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against the limits on individual or overall participation in the Plan.

## Directors' authority to allot shares

16. That:

- (a) the Directors be authorised to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company:
  - (I) in accordance with article 7 of the Company's Articles of Association (the 'Articles'), up to a maximum nominal amount of £46,177,722.50 (such amount to be reduced by the nominal amount of any equity securities (as defined in article 8 of the Articles) allotted under paragraph (ii) below in excess of £46,177,722.50); and
  - (II) comprising equity securities (as defined in article 8 of the Articles), up to a maximum nominal amount of £92,355,445.00 (such amount to be reduced by any shares allotted or rights granted under paragraph (i) above) in connection with an offer by way of a rights issue (as defined in article 8 of the Articles);
- (b) this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, or, if earlier, at the close of business on 1 July 2018; and
- (c) all previous unutilised authorities under section 551 of the Companies Act 2006 shall cease to have effect (save to the extent that the same are exercisable pursuant to section 551(7) of the Companies Act 2006 by reason of any offer or agreement made prior to the date of this resolution which would or might require shares to be allotted or rights to be granted on or after that date).

## Special Resolutions

### Disapplication of pre-emption rights

17. That:

- (a) in accordance with article 8 of the Articles, the Directors be given power to allot equity securities for cash;
- (b) the power under paragraph (a) above (other than in connection with a rights issue, as defined in article 8(b)(ii) of the Articles) shall be limited to the allotment of equity securities having a nominal amount not exceeding in aggregate £6,926,658.25;
- (c) this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 1 July 2018.

18. That:

- (a) in addition to any authority granted under Resolution 17, the Directors be given power:
  - (I) subject to the passing of Resolution 16, to allot equity securities (as defined in section 560 of the Companies Act 2006) for cash pursuant to the authority conferred on them by that resolution under section 551 of that Act; and
  - (II) to allot equity securities as defined in section 560(3) of that Act (sale of treasury shares) for cash, in either case as if section 561 of that Act did not apply to the allotment or sale, but this power shall be:
    - (i) limited to the allotment of equity securities up to a maximum nominal amount of £6,926,658.25; and
    - (ii) used only 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 Board of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice;
- (b) this power shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or, if earlier, at the close of business on 1 July 2018; and
- (c) the Company may, before this power expires, make an offer or enter into an agreement, which would or might require equity securities to be allotted after it expires and the Directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.



# Notice of Annual General Meeting

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## Authority to purchase own shares

19. To unconditionally and generally authorise the Company for the purpose of Section 701 of the Companies Act 2006 to make market purchases (as defined in Section 693(4) of the Companies Act 2006) of ordinary shares of 25p each in the capital of the Company on such terms and in such manner as the Directors of the Company may determine, provided that:
- (a) the maximum number of ordinary shares which may be purchased is 55,413,267;
  - (b) the minimum price which may be paid for each share is 25p (exclusive of expenses payable by the Company in connection with the purchase);
  - (c) the maximum price which may be paid for an ordinary share (exclusive of expenses payable by the Company in connection with the purchase) is an amount equal to the higher of:
    - (I) 105 per cent. of the average of the middle market prices 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 ordinary share is contracted to be purchased; and
    - (II) the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the London Stock Exchange Trading System;
  - (d) this authority shall expire at the conclusion of the Company's next AGM or, if earlier, at the close of business on 1 July 2018 unless such authority is renewed prior to such time;
  - (e) the Company may make a contract or contracts to purchase ordinary shares under this authority before its expiry which will or may be executed wholly or partly after the expiry of this authority and may make a purchase of ordinary shares in pursuance of any such contract.

## Notice of general meetings

20. To authorise the Directors to call a general meeting other than an AGM on not less than 14 clear days' notice.

## Articles of Association

21. That, with effect from the conclusion of the AGM, the Articles of Association produced to the AGM and initialled by the Chairman of the AGM 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.

By order of the Board

### Tiffany Brill

Company Secretary  
31 March 2017

Registered in England and Wales No. 5807599

Registered Office:  
Tower 42 Level 37  
25 Old Broad Street  
London EC2N 1HQ  
United Kingdom

[www.tpicap.com](http://www.tpicap.com)

# Explanatory Notes to the Notice of Annual General Meeting

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The notes on the following pages give an explanation of the proposed Resolutions.

Resolutions 1 to 16 are proposed as ordinary resolutions. For each of these Resolutions to be passed, more than half of the votes cast must be in favour of the Resolution. Resolutions 17 to 21 are proposed as special resolutions. For each of these Resolutions to be passed, at least three-quarters of the votes cast must be in favour of the Resolution.

## Resolution 1: Accounts and Reports

The first item of business is the receipt by the shareholders of the Annual Accounts and Reports of the Company for the year ended 31 December 2016 ("Annual Report and Accounts"). The Directors' report, the accounts and the report of the Company's auditors on the accounts and on those parts of the Directors' Remuneration Report that are capable of being audited are contained within the Annual Report and Accounts.

## Resolutions 2 and 3: Directors' Remuneration Report and Directors' Remuneration Policy

The Remuneration Committee of the Board is seeking shareholders' approval of the Directors' Remuneration Report and the Directors' Remuneration Policy in Resolutions 2 and 3 respectively, which will be proposed as ordinary resolutions.

The Directors are required to prepare the Directors' Remuneration Report, comprising an annual report detailing the remuneration of the Directors and a statement by the Chairman of the Remuneration Committee. The Company is required to seek shareholders' approval in respect of the contents of this report on an annual basis (excluding the part containing the Directors' Remuneration Policy). The vote is an advisory one and the Directors' entitlement to remuneration is not conditional on it.

The shareholders are separately asked to approve the Directors' Remuneration Policy which is set out on pages 71 to 74 of the Annual Report and Accounts. It is intended that this will take effect immediately after the AGM and will replace the existing policy that was approved by shareholders in 2014 which is due to expire this year.

Once the Directors' Remuneration Policy is approved, the Company will not be able to make a remuneration payment to a current or future director or a payment for loss of office to a current or past director, unless that payment is consistent with the Directors' Remuneration Policy or has been approved by a resolution of the members of the Company.

It is expected that the Directors' Remuneration Policy will be in force for three years although we will closely monitor regulatory changes and market trends and, if necessary, we may present a revised policy within that three year period.

The Directors' Remuneration Policy has been developed taking into account the principles of the UK Corporate Governance Code and the views of our major shareholders.

## Resolutions 4 to 11: Election and re-election of Directors

In accordance with provision B.7.1 of the UK Corporate Governance Code all Directors will submit themselves for annual re-election by shareholders. Andrew Baddeley was appointed on 13 May 2016 and is seeking election by shareholders for the first time.

Biographical details of each of the Directors who are seeking election and re-election, appear on pages 44 to 45 of the Company's Report and Accounts and in Appendix 1 to this Notice of AGM. The Board believes that each Director standing for election or re-election brings considerable and wide ranging skills and experience to the Board as a whole and continues to make an effective and valuable contribution to the deliberations of the Board. Each individual proposed for election has continued to perform effectively and demonstrate commitment to their role.

The Board carries out a review of the independence of its Directors on an annual basis. In considering the independence of the independent Non-executive Directors proposed for re-election, the Board has taken into consideration the guidance provided by the UK Corporate Governance Code. Accordingly, the Board considers Angela Knight, Roger Perkin, Stephen Pull, Carol Sergeant and David Shalders to be independent in accordance with Provision B.1.1 of the UK Corporate Governance Code.

## Resolution 12: Re-appointment of Auditors

The auditors of a company must be appointed or re-appointed at each general meeting at which the accounts are laid. Resolution 12 proposes, on the recommendation of the Audit Committee, the re-appointment of Deloitte LLP as the Company's auditors, until the conclusion of the next general meeting of the Company at which accounts are laid.

## Resolution 13: Remuneration of Auditors

This Resolution seeks shareholder consent for the Audit Committee of the Company to set the remuneration of the auditors.

## Resolution 14: Political donations

Part 14 of the Act prohibits the Company and its subsidiaries from making political donations or from incurring political expenditure in respect of a political party, other political organisations or independent election candidates unless authorised by the Company's shareholders. The definitions within the Act are wide and therefore the Company wishes to ensure that neither it nor its subsidiaries inadvertently commits any breach of the Act by way of any normal activities which may be considered to result in the making of political donations or political expenditure.

It is the Company's policy not to make contributions to any political party and there is at present no intention to make donations to any political party or to incur any political expenditure. Shareholder approval is therefore being sought on a precautionary basis only.



# Explanatory Notes to the Notice of Annual General Meeting

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## Resolution 15: Long-Term Incentive Plan

Resolution 15 seeks shareholder approval for the implementation of a new long-term incentive plan, the TP ICAP plc Transformation Long-Term Incentive Plan (the 'Plan').

The Plan would be used to implement the revised long-term incentive arrangements aspects of the new Directors' Remuneration Policy proposed for approval under Resolution 3 as referred to above.

A summary of the principal terms of the Plan is set out in the Appendix 2 to this Notice of AGM.

## Resolution 16: Directors' authority to allot

The purpose of Resolution 16 is to renew the Directors' power to allot shares. The authority in paragraph (a)(i) will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares up to approximately one third (33.3%) of the total issued ordinary share capital of the Company (exclusive of treasury shares) which as at 31 March 2017, being the latest practicable date prior to publication of this Notice of AGM, is equivalent to a nominal value of £46,177,722.50.

In accordance with Institutional guidelines issued by the Investment Association the authority in paragraph (a)(ii) will allow the Directors to allot, including the shares referred to in paragraph (a)(i), further of the Company's shares in connection with a pre-emptive offer by way of a rights issue up to a further nominal value of £92,355,445.00, which is equivalent to approximately two thirds (66.6%) of the total issued ordinary share capital of the Company as at 31 March 2017. The Company currently holds no shares in treasury.

There are no present plans to undertake a rights issue or to allot new shares other than in connection with employee share and incentive plans. The Directors consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place to finance business opportunities as they arise. If they do exercise this authority, the Directors intend to follow best practice as regards its use, as recommended by the Investment Association.

If the Resolution is passed the authority will expire on the earlier of the close of business on 1 July 2018 and the end of the AGM in 2018.

## Resolutions 17 and 18: Disapplication of pre-emption rights

Resolution 17 deals with the authority of the Directors to allot new shares or other equity securities pursuant to the authority given by Resolution 16, or sell treasury shares, for cash without the shares or other equity securities first being offered to shareholders in proportion to their existing holdings. Such authority shall only be used in connection with a pre-emptive offer, or otherwise, up to an aggregate nominal amount of £6,926,658.25, being approximately 5% of the total issued ordinary share capital of the Company as at 31 March 2017.

The Pre-emption Group Statement of Principles further supports the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities (and sales of treasury shares for cash) representing no more than an additional 5% of issued ordinary share capital, to be used only in connection with an acquisition or specified capital investment. The Pre-emption Group's Statement of Principles defines 'specified capital investment' as meaning one or more specific capital investment related uses for the proceeds of an issuance of equity securities, in respect of which sufficient information regarding the effect of the transaction on the Company, the assets the subject of the transaction and (where appropriate) the profits attributable to them is made available to shareholders to enable them to reach an assessment of the potential return.

Accordingly, and in line with the template resolutions published by the Pre-emption Group, Resolution 17 seeks to authorise the Directors to allot new shares and other equity securities pursuant to the authority given by Resolution 16, or sell treasury shares, for cash up to a further nominal amount of £6,926,658.25, being approximately 5% of the total issued ordinary share capital of the Company as at 31 March 2017, only 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. The authority granted by Resolution 18 would be in addition to the general authority to disapply pre-emption rights under Resolution 17. The maximum nominal value of equity securities which could be allotted if both authorities were used would be £13,853,316.75, which represents approximately 10% of the issued share capital of the Company as at 31 March 2017 (being the latest practicable date prior to publication of this notice).

If these Resolutions are passed, the authorities will expire at the end of the next AGM or at the close of business on 1 July 2018, whichever is the earlier.

The Board considers the authorities in resolutions 17 and 18 to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a rights issue or other pre-emptive offer without the need to comply with the strict requirements of the statutory pre-emption provisions.

The Board intends to adhere to the provisions in the Pre-emption Group's Statement of Principles and not to allot shares for cash on a non-pre-emptive basis in excess of an amount equal to 7.5% of the total issued ordinary share capital of the Company within a rolling three-year period (other than in connection with an acquisition or specified capital investment) without prior consultation with shareholders.



## **Resolution 19: Purchase of own shares**

The effect of Resolution 19 is to renew the authority granted to the Company to purchase its own ordinary shares, up to a maximum of 55,413,267 ordinary shares, until the AGM in 2018 or at the close of business on 1 July 2018, whichever is the earlier. This represents 10% of the ordinary shares in issue as at 31 March 2017, being the latest practicable date prior to the publication of this notice. The Company's exercise of this authority is subject to the stated upper and lower limits on the price payable.

Pursuant to the Act, the Company can hold any shares which are repurchased as treasury shares and either re-sell them for cash, cancel them, either immediately or at a point in the future, or use them for the purposes of its employee share schemes. Holding the repurchased shares as treasury shares will give the Company the ability to re-sell or transfer them in the future and will provide the Company with additional flexibility in the management of its capital base. No dividends will be paid on, and no voting rights will be exercised in respect of, treasury shares. Shares held as treasury shares will not automatically be cancelled and will not be taken into account in future calculations of earnings per share (unless they are subsequently re-sold or transferred out of treasury).

The Directors consider it desirable and in the Company's interests for shareholders to grant this authority. The Directors have no present intention to exercise this authority, and will only do so if and when conditions are favourable with a view to enhancing earnings per share of the ordinary share capital in issue after the purchase and accordingly they believe that the purchase is in the interests of the shareholders.

As at 31 March 2017, being the latest practicable date prior to publication of this notice, there were no outstanding warrants or options to subscribe for ordinary shares in the Company and the Company did not hold any treasury shares.

## **Resolution 20: Notice of general meetings**

Under the Act, as amended, the notice period required for all general meetings of the Company is 21 days, though shareholders can approve a shorter notice period for general meetings that are not AGMs, which cannot however be less than 14 clear days. AGMs will be held on at least 21 clear days' notice. The shorter notice period authorised by this resolution if passed, would not be used as a matter of routine for such meetings, but only where taking into account the circumstances and noting the recommendations of the UK Corporate Governance Code the Directors consider that the flexibility is merited by the business of the meeting and is to the advantage of shareholders as a whole. Shareholder approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed.

## **Resolution 21: Articles of Association**

It is proposed to adopt new articles of association (the 'New Articles') in order to update the current articles of association (the 'Current Articles') to take account of developments in technology, and recent market practice. The principal changes introduced in the New Articles are summarised below. Minor, technical and clarifying changes have not been noted. A copy of the New Articles and a copy of the Current Articles, marked to show all the changes proposed, are available for inspection as noted on page 11 of this document.

### **Electronic general meetings**

The New Articles include provisions enabling general meetings to be held electronically as well as physically in accordance with the Act. If Resolution 21 is passed, the changes introduced in the New Articles will allow for meetings to be held and conducted in such a way that persons who are not present together at the same physical venue may attend, speak and vote at the meeting by electronic means. This change is proposed to allow the Company additional flexibility to embrace new technology. However, nothing in the New Articles will preclude physical general meetings being held and the Company has no current plans to hold electronic general meetings.

### **General meetings at more than one place**

The New Articles include provisions, in line with market practice, that allow general meetings to be held in more than one place (which may include electronic platforms) in circumstances where the Chairman is satisfied that adequate facilities are available to enable each person present at each place or attending or participating in it electronically to participate in the business of the meeting.

### **Vacation of office of director**

The New Articles include updated wording, in line with recent legislation, regarding the circumstances in which a Director must vacate office where the director has become physically or mentally ill, subject to a resolution of the Board. The change applies a test of whether in the opinion of a medical practitioner the Director is rendered incapable by his illness of acting as a Director for more than three months.

### **Directors' fees**

The New Articles provide for Directors' fees up to an aggregate of £1,100,000 per annum (unless there is an ordinary resolution of the Company determining a larger sum), whereas the current aggregate limit is £700,000. The increase is intended to provide sufficient flexibility in setting the level of Directors' fees and the number of Directors appointed in the future.

### **Payment of dividends**

The New Articles update the provisions of the Current Articles that relate to the way dividends are paid, in line with recent market practice and guidance issued in 2014 by the ICSA Registrar's Group. The New Articles confirm the existing flexibility under the Current Articles to allow the payment of dividends by different methods (including cheque, dividend warrant, bank transfer, electronic and other means) and additionally permit the Board to decide which payment method is to be used on any particular occasion. The Company considers it important to have the flexibility to cater for new developments and changes in practice, including considering the efficiency and cost savings if, in the future, the Company changed to electronic payment only.



# Explanatory Notes to the Notice of Annual General Meeting

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## Capitalisation of reserves – employees' share schemes

The New Articles include an updated provision, in line with market practice, that clarifies the approach the Company would intend to take in the context of a capitalisation of reserves where shares are to be allotted at less than their nominal value under an employees' share scheme.

## Untraced members

The New Articles will, in line with recent market practice, provide greater flexibility when the Company is trying to trace its lost shareholders. The New Articles replace the requirement in the Current Articles to place notices in newspapers with a requirement that the Company must send a notice to the last registered address of the shareholder stating that it intends to sell the shares. Before sending such a notice, the Company must have made tracing enquiries for the purpose of contacting the shareholder which the Board considers to be reasonable and appropriate in the circumstances. The New Articles entitle the Company to use the sale proceeds for any purpose the Board thinks fit.

## Further Notes

### Proxy appointment

1. A shareholder is entitled to appoint another person as his or her proxy to exercise all or any of his or her rights to attend, speak and vote at the AGM. A proxy need not be a shareholder of the Company.
2. A shareholder 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 shareholder. Failure to specify the number of shares each proxy appointment relates to or specifying a number which when taken together with the numbers of shares set out in the other proxy appointments is in excess of the number of shares held by the shareholder may result in the proxy appointment being invalid. A proxy may only be appointed in accordance with the procedures set out in this note 2 and notes 3, 4 and 17 below and the notes to the proxy form.  

The appointment of a proxy will not preclude a shareholder from attending and voting in person at the AGM.
3. A Form of Proxy is enclosed. When appointing more than one proxy, complete a separate Proxy Form in relation to each appointment. The Proxy Form may be photocopied or additional Proxy Forms may be obtained by contacting the Company's Registrar, Capita Asset Services, on 0871 664 0300. Calls cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom please call +44 371 664 0300. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00am and 5.30pm Monday to Friday, excluding public holidays in England and Wales. State clearly on each Proxy Form the number of shares in relation to which the proxy is appointed. To be valid, a Proxy Form must be received by post or (during normal business hours only) by hand at the offices of the Company's Registrar, Capita Asset Services, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF, no later than 12.15pm on Tuesday 9 May 2017 (or, if the AGM is adjourned, no later than 48 hours before the time of any adjourned AGM excluding non-business days).
4. As an alternative to completing the hard copy Proxy Form, a shareholder may appoint a proxy or proxies electronically by visiting [www.capitashareportal.com](http://www.capitashareportal.com). Shareholders will need to enter their Investor Code as printed on the Form of Proxy and agree to certain terms and conditions. For an electronic proxy appointment to be valid, the appointment must be received by Capita Asset Services, no later than 12.15pm on Tuesday 9 May 2017 (or, if the AGM is adjourned, no later than 48 hours before the time of any adjourned AGM excluding non-business days).
5. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names appear in the register of members in respect of the share.
6. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Act ("nominated persons"). Nominated persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.
7. Holders of ordinary shares are entitled to attend and vote at general meetings of the Company. The total number of issued ordinary shares in the Company on 31 March 2017, which is the latest practicable date before the publication of this document is 554,132,671 carrying one vote each on a poll. No shares are held in Treasury, therefore, the total number of votes exercisable as at 31 March 2017 is 554,132,671.
8. Entitlement to attend and vote at the AGM, and the number of votes which may be cast at the AGM, will be determined by reference to the Company's register of members as at close of business on 9 May 2017 or, if the AGM is adjourned, close of business on the day which is two days' before the adjourned AGM excluding non-business days. In each case, changes to the register of members after such time will be disregarded.
9. 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.

10. Shareholders should note that, under Section 527 of the Act members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM for the financial year ended 31 December 2016; or (ii) any circumstance connected with an auditor of the Company appointed for the financial year ended 31 December 2016 ceasing to hold office since the previous meeting at which annual accounts and reports were laid. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 (requirements as to website availability) 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 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 for the relevant financial year includes any statement that the Company has been required under Section 527 of the Act to publish on a website.
11. Any member attending the AGM 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 AGM but no such answer need be given if (a) to do so would interfere unduly with the preparation for the AGM 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 AGM that the question be answered.
12. A copy of this notice and other information required by Section 311A of the Act can be found at [www.tpicap.com](http://www.tpicap.com).
13. Each of the Resolutions to be put to the AGM will be voted on by poll and not by show of hands. A poll reflects the number of voting rights exercisable by each member and so the Board considers it a more democratic method of voting. Members and proxies will be asked to complete a poll card to indicate how they wish to cast their votes. These cards will be collected at the end of the AGM. The results of the poll will be published on the Company's website and notified to the London Stock Exchange once the votes have been counted and verified.
14. Members may not use any electronic address provided in either this Notice of AGM or any related documents (including the enclosed Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.
15. Copies of the following documents may be inspected during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company at Tower 42, Level 37, 25 Old Broad Street, London, EC2N 1HQ up to and including the date of the AGM and at the offices of Allen & Overy LLP, One Bishops Square, London, E1 6AD, from 15 minutes before the AGM until it ends:
  - Executive Directors' service contracts and letters of appointment of the Non-executive Directors;
  - a copy of the New Articles and a copy of the Current Articles, marked to show all the changes proposed by Resolution 21; and
  - a copy of the draft rules of the Plan proposed by Resolution 15.
16. Except as provided above, shareholders who have general queries about the AGM should either call the Registrar's helpline on 0871 664 0300; or write to the Registrar, Capita Asset Services, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF or e-mail the Registrar at [shareholderenquiries@capita.co.uk](mailto:shareholderenquiries@capita.co.uk). No other methods of communication will be accepted.

**For CREST members only:**

17. CREST members who wish to appoint a proxy or proxies for the AGM (or any adjournment of it) through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a 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.
18. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message ('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 constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID: RA10) by no later than 12.15pm on Tuesday 9 May 2017 (or, if the AGM is adjourned, no later than 48 hours before the time of any adjourned AGM excluding non-business days). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp 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.
19. 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 member or sponsored member or has appointed a voting service provider(s), to procure that his or 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.
20. The Company may treat a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.



# Appendix 1

TP ICAP plc  
Registered in England no. 5807599

## Directors' Biographies

### **Rupert Robson** **Chairman**

Rupert Robson was appointed to the Board in January 2007 and to Chairman in March 2013. He is Chairman of the Nominations Committee.

He has held a number of senior roles in financial institutions, most recently Chairman of Charles Taylor plc, Non-executive Director of London Metal Exchange Holdings Ltd and Non-executive Director of OJSC Nomos Bank, Global Head, Financial Institutions Group, Corporate Investment Banking and Markets at HSBC and Head of European Insurance, Investment Banking at Citigroup Global Markets.

He is also Chairman of EMF Capital Partners, Sanne Group plc, a Non-executive Director of Savills plc and a Governor of Sherborne School.

### **John Phizackerley** **Chief Executive**

John Phizackerley was appointed to the Board and as Chief Executive in September 2014.

From 1986 to 2009 he held various positions in Lehman Brothers including Head of Equity Research, Head of Equity Sales in Europe, Global Head of Pan-European Cash Equities, Co-Head of European Equities and Chief Administrative Officer, Europe and Middle East. He remained with the firm following the Nomura acquisition in 2009 and held a number of positions, including Chief Operating Officer of Nomura International and Chief Executive Officer of Nomura Bank International, becoming Chief Executive Officer of Nomura International plc in 2011.

### **Andrew Baddeley** **Chief Financial Officer**

Andrew Baddeley was appointed to the Board and as Chief Financial Officer in May 2016.

He qualified as a Chartered Accountant in 1987 and as a Chartered Tax Adviser in 1990, specialising in the taxation of insurance business while working for EY and then PwC. In 1998 he joined General Re, where he served in a number of roles including, latterly, as Chief Financial Officer of its UK and Ireland operations. In 2007 Andrew was appointed Group Finance Director at Atrium, and in 2013, he joined Brit Insurance as Chief Financial Officer. He has considerable experience in the implementation of new financial reporting processes and systems, and IT platform upgrades.

Andrew is a Non-executive Director at Cobalt Insurance Holdings Limited, where he chairs the Audit Committee, a Director of Ponos Consulting Ltd and is a Governor at Walthamstow Hall School.

### **Angela Knight** **Senior Independent Non-executive Director**

Angela Knight was appointed to the Board in September 2011. She is a member of the Audit, Remuneration and Nominations Committees.

She was formerly the Chief Executive of Energy UK until 31 December 2014, the Chief Executive of the British Bankers' Association from 2007 to 2012 and the Chief Executive of the Association of Private Client Investment Managers and Stockbrokers from 1997 to 2006. She was also formerly the Member of Parliament for Erewash from 1992 to 1997, serving as a Treasury Minister from 1995 to 1997. Her previous Non-executive Director appointments include Lloyds TSB plc, Scottish Widows, LogicaCMG plc, Transport for London, Port of London Authority and Brewin Dolphin Holdings plc.

Angela was appointed as a Non-executive Director of Taylor Wimpey Plc on 1 November 2016 and Arbuthnot Latham & Co Ltd in October 2016. She is also Chair of Tilman Brewin Dolphin and the Office of Tax Simplification.

## **Roger Perkin**

### **Independent Non-executive Director**

Roger Perkin was appointed to the Board in July 2012. He is Chairman of the Audit Committee and a member of the Risk and Nominations Committees.

He was a partner at EY and spent 40 years in the accounting profession before retiring from the firm in 2009. He was formerly a Non-executive Director at The Evolution Group plc until its acquisition in December 2011, Friends Life Group until its acquisition in April 2015 and Nationwide Building Society until July 2016.

He is a Non-executive Director of Electra Private Equity plc and AIB Group (UK) plc. He is a trustee of two charities, Chiddingstone Castle and The Conservation Volunteers.

## **Stephen Pull**

### **Independent Non-executive Director**

Stephen Pull was appointed to the Board in September 2011. He is Chairman of the Remuneration Committee and a member of the Nominations Committee.

He was Chairman of Corporate Broking at Nomura between 2008 and 2011 following its acquisition of Lehman Brothers Europe for whom he worked from 2002 as Head of Corporate Broking, and then as Chairman of Corporate Broking. He has also held a number of other senior roles in the City, including Managing Director of Corporate Broking at Merrill Lynch and Head of UK Equity Sales at Barclays de Zoete Wedd.

## **David Shalders**

### **Independent Non-executive Director**

David Shalders was appointed to the Board in February 2014 and is a member of the Remuneration, Nominations and Risk Committees.

He is Group Operations & Technology Director at Willis Towers Watson plc, responsible for IT, operations, real estate and change management functions. He joined Willis Towers Watson from the Royal Bank of Scotland Group where he served for over a decade in senior operations and IT roles, most recently as Global Chief Operating Officer for Global Banking and Markets. He also led the division's regulatory response to Basel 3. Prior to that, he led the Group's integration with ABN Amro and held roles as Head of London and Asia Operations and Head of Derivative Operations for NatWest.

## **Carol Sergeant**

### **Independent Non-executive Director**

Carol Sergeant CBE was appointed to the Board in July 2015. She chairs the Board's Risk Committee and is also a member of the Audit and Nominations Committees.

She was a Non-executive Director at Secure Trust Bank plc until December 2015. She has enjoyed a distinguished City career, holding various senior positions, including Head of Major Banks' Supervision at the Bank of England, Managing Director at the Financial Services Authority and Chief Risk Officer at Lloyds Banking Group.

She is the Chair of the Standards Policy and Strategy Committee of the British Standards Institute, Trustee of the Lloyds Register Foundation and Chair of the UK whistle blowing charity, Public Concern at Work. She is currently a Non-executive Director at Danske Bank Group.



## Appendix 2

TP ICAP plc  
Registered in England no. 5807599

### Summary of the principal terms of the TP Icap plc Transformation Long-Term Incentive Plan

#### Operation

The Remuneration Committee of the Board (the “Committee”) will supervise the operation of the Plan.

#### Eligibility

Any employee (including an Executive Director) of the Company and its subsidiaries will be eligible to participate in the Plan at the discretion of the Committee. It is currently expected that the number of participants in the Plan in practice will not exceed 25 with the primary group of participants being the Company’s Executive Directors and other member of the Global Executive Committee.

Executive Directors that participate in the Plan will only be eligible for one award under the Plan and from such time will not be eligible for consideration for the grant of any new awards under the Company’s existing long-term incentive arrangement.

#### Grant and structure of awards

Subject to shareholder approval of the Plan, the Plan will be launched and awards granted within six weeks of such approval or as soon as reasonably practicable thereafter.

The Committee may also grant later awards in exceptional circumstances (for example to new joiners) save that in all cases an award may not be granted after 31 March 2019.

Awards shall comprise a conditional award over Plan units representing a share of the total pool value that vests under the Plan (the “Plan Pool”).

To the extent awards vest, the number of vested shares comprised within the award shall be determined and awarded at the time of vesting by dividing the award’s vested award value (i.e. the value of its vested units) by the average of the closing middle market quotations for the dealing days of the first quarter of 2020 or by reference to such alternative market value basis as the Committee considers appropriate.

The Committee may also exceptionally settle vested awards in cash, although it does not currently intend to do so. No payment is required for the grant of an award. Awards are not transferable, except on death. Awards are not pensionable.

#### Award values

The maximum aggregated Plan Pool that may vest under all awards under the Plan is £60 million. The maximum value available under the Plan for the Company’s Chief Executive is £15 million (25% of the total maximum pool). The maximum value available under the Plan for the Company’s Chief Financial Officer is £9.6 million (16% of the total maximum pool).

The value of other awards shall first be determined by the Committee at the time of the grant of the relevant award and shall be subject to the aggregate maximum limit described above, but individual awards may be subject to adjustment (up or down) at the discretion of the Committee following the grant of the awards at any time prior to 31 December 2019.

#### Performance conditions

The vesting of awards will be subject to the satisfaction of performance conditions comprising measures of total shareholder return (“TSR”) and of underlying earnings per share (“EPS”).

The TSR performance condition shall apply to 75% of each award and the Company’s TSR shall be measured by comparing the Q1 average return index in 2017 to the Q1 average return index in 2020.

The EPS performance condition shall apply to the balance of 25% of each award and be measured by reference to EPS for the financial year 2019.

The following vesting schedules will apply in relation to the TSR and EPS elements of the each award:

<b>TSR (expressed as a Compound Annual Growth Rate – CAGR)</b>	<b>Percentage of the TSR element of the award that shall vest</b>
Less than 8%	Nil
From 8% to 11%	Pro-rata between 25% and 50%
From 11% to 14%	Pro-rata between 50% and 100%
14% or greater	100%

  

<b>Underlying EPS for 2019</b>	<b>Percentage of the EPS element of the award that shall vest</b>
Less than 48p	Nil
From 48p to 54p	Pro-rata between 25% and 50%
From 54p to 60p	Pro-rata between 50% and 100%
60p or greater	100%

EPS shall be determined on such basis and include such adjustments to EPS as the Committee reasonably determines.

The Committee may vary the performance conditions in response to an exceptional event or set of circumstances which cause the Committee to consider that it would be appropriate to amend the performance conditions, provided the Committee considers the varied conditions are fair and aligned to the Company's business strategy.

#### **Vesting of awards**

The first awards granted under the Plan shall normally vest on the third anniversary of their grant or, if later, when the Committee determines the extent to which any performance conditions have been satisfied and provided that the participant is still employed by the Company or any of its subsidiaries.

Awards granted following the first awards granted under the Plan shall vest on the same timetable as the first awards granted under the Plan.

On vesting of an award, the participant shall receive a gift of the vested shares as soon as reasonably practicable.

#### **Holding Period**

The terms of the Plan require that the Company's Executive Director participants (and such others, if any, as the Committee requires) will ordinarily be required to retain any vested shares (on an after-tax basis) acquired under the Plan in accordance with the following schedule:

- one third of all vested shares shall be required to be retained until the first anniversary of the vesting of the relevant award;
- one third of all vested shares shall be required to be retained until the second anniversary of the vesting of the relevant award; and
- one third of all vested shares shall be required to be retained until the third anniversary of the vesting of the relevant award.

Exceptionally, the Committee may, in its discretion, allow such participants to sell, transfer, assign or dispose of some or all of these shares before the end of the holding period, subject to such additional terms and conditions that the Committee may specify.

#### **Leaving employment**

As a general rule, an award will lapse upon a participant ceasing to hold employment or be a director within the Company's group.

However, if a participant is an Executive Director and ceases to be an employee or a director because of death, injury, disability, retirement with the agreement of their employer, their employing company or the business for which they work being sold out of the Company's group or in other circumstances at the discretion of the Committee, then their award will normally vest on the date when it would have vested if they had not ceased such employment or office or such earlier date as the Committee may determine. The extent to which an award will vest in these situations will depend upon two factors: (i) the extent to which the performance conditions have, in the opinion of the Committee, been satisfied over the original performance measurement period, and (ii) such reduction in the size of award as the Committee determines appropriate to have regard to time served in the normal vesting period and such other factors as it considers appropriate.

Alternatively, if a participating Executive Director ceases to be an employee or director in the Company's group for one of the "good leaver" reasons specified above (including in the case of a discretionary good leaver), in exceptional circumstances the Committee can decide that their award will vest when they leave, subject to: (i) the performance conditions measured at that time; and (ii) such reduction in the size of award as the Committee determines appropriate to have regard to time served in the normal vesting period and such other factors as it considers appropriate.

If a participant is not an Executive Director and ceases to be an employee because of exceptional circumstances as determined by the Committee, then their award will normally vest on the date when it would have vested if they had not ceased such employment or office or such earlier date as the Committee may determine. The extent to which an award will vest in these situations will depend upon two factors: (i) the extent to which the performance conditions have, in the opinion of the Committee, been satisfied over the original performance measurement period or such period as the Committee determines, and (ii) such reduction in the size of award as the Committee determines appropriate to have regard to time served in the normal vesting period and such other factors as it considers appropriate. However, where the Committee makes no such determination that exceptional circumstances apply, the award will lapse upon a participant ceasing to hold employment or be a director within the Company's group.

#### **Corporate events**

In the event of a takeover or winding up of the Company (not being an internal corporate reorganisation) all awards will vest early subject to: (i) the extent that the performance conditions have been satisfied at that time; and (ii) such reduction in the size of award as the Committee determines appropriate to have regard to time elapsed into the normal vesting period and such other factors as it considers appropriate.

In the event of an internal corporate reorganisation awards will be replaced by equivalent new awards over shares in a new holding company unless the Committee decides that awards should vest on the basis which would apply in the case of a takeover.

If a demerger, special dividend or other similar event is proposed which, in the opinion of the Committee, would affect the market price of shares to a material extent, then the Committee may decide that awards will vest on the basis which would apply in the case of a takeover.



## Appendix 2 continued

TP ICAP plc  
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### Participants' rights

Awards settled in shares will not confer any shareholder rights until the awards have vested and the participants have received their shares.

### Rights attaching to shares

Any shares allotted when an award vests will rank equally with shares then in issue (except for rights arising by reference to a record date prior to their allotment).

### Variation of capital

In the event of any variation of the Company's share capital or in the event of a demerger, payment of a special dividend or similar event which materially affects the market price of the shares, the Committee may make such adjustment as it considers appropriate to the number of shares subject to an award and/or the nominal exercise price payable (if any).

### Source of shares

The Plan may operate over new issue shares, treasury shares or shares purchased in the market.

In any 10 calendar year period, the Company may not issue (or grant rights to issue) more than:

- (i) 10% of the issued ordinary share capital of the Company under the Plan and any other employee share plan adopted by the Company; and
- (ii) 5% of the issued ordinary share capital of the Company under the Plan and any other executive share plan adopted by the Company.

Treasury shares will count as new issue shares for the purposes of these limits unless institutional investor guidelines provide that they need not count.

### Withholding and recovery (malus and clawback)

The Committee may apply the Plan's withholding and/or recovery provisions if, during the vesting period or not later than 3 years after the vesting of an award, it is discovered that there has been a material adverse misstatement of performance for the period to which the award related, or a material misstatement of results for the period to which the award related, or a participant's conduct is found to amount to gross misconduct and/or fraud, wilful dishonesty or accounting malfeasance.

The withholding and/or recovery may be satisfied by way of a reduction in the amount of any future annual bonus, subsisting award or future awards held under any incentive plan operated by the Company and/or a requirement to make a cash payment.

### Alterations to the Plan

The Committee may, at any time, amend the Plan in any respect, provided that the prior approval of shareholders is obtained for any amendments that are to the advantage of participants in respect of the rules governing eligibility, limits on participation, the overall limits on the issue of shares or the transfer of treasury shares, the basis for determining a participant's entitlement to, and the terms of, the shares or cash to be acquired and the adjustment of awards.

The requirement to obtain the prior approval of shareholders will not, however, apply to any minor alteration made to benefit the administration of the Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any company in the Company's group. Shareholder approval will also not be required for any amendments to any performance condition applying to an award varied on its terms.

No alteration to the material disadvantage of a participant as to existing awards may be made without the prior consent of the majority of the impacted participants.