

Letter to shareholders

Notice of annual general meeting

Form of proxy

This document is important and requires your immediate attention.

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should consult a stockbroker, bank manager, solicitor, accountant or other professional adviser duly authorised under the Financial Services and Markets Act 2000, if you are in the United Kingdom, or another appropriately authorised independent adviser if you are in a territory outside the United Kingdom.

If you have sold or otherwise transferred all of your shares in Brammer plc, please send this document together with the accompanying documents to the purchaser or transferee, or to the person through whom the sale or transfer was effected (such as a stockbroker or bank) so that they can pass these documents to the person who now holds the shares.

Notice of the Annual General Meeting of the company to be held at 43–45 Broad Street, Teddington, Middlesex TW11 8QZ on Friday, 16 May 2014 at 13.00 is set out at the end of this document.

Whether or not you propose to attend the Annual General Meeting, please complete and submit the enclosed proxy form in accordance with the instructions printed thereon. The proxy form must be received by the company's Registrars, Equiniti Limited, at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA not later than 13.00 on Wednesday, 14 May 2014.

LETTER TO SHAREHOLDERS

Directors

Bill Whiteley
Ian Fraser
Paul Thwaite
Terry Garthwaite
Charles Irving-Swift
Duncan Magrath

2 April 2014



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Dear Shareholder

I am pleased to inform you that the 2014 annual general meeting of the company will be held at 43–45 Broad Street, Teddington, Middlesex TW11 8QZ on Friday, 16 May 2014 at 13.00. The formal notice convening the meeting is set out on pages 3 to 4 of this document. Explanatory notes on each of the resolutions to be considered at this year's annual general meeting appear on pages 7 to 9 of this document.

I would like to take this opportunity to mention resolutions 5 to 10 (inclusive) which relate to the proposed re-election of Bill Whiteley, Ian Fraser, Paul Thwaite, Terry Garthwaite, Charles Irving-Swift and Duncan Magrath as directors of the company. Biographical details of all the directors of the company are set out on pages 22 and 23 of the 2013 annual report.

As shareholders may recall from the company's previous annual general meeting, in the interests of good corporate governance, the board voluntarily took the decision last year to align the company's director re-election practices with the requirements for FTSE 350 companies set out in the UK Corporate Governance Code. This means that all directors of the company are subject to annual re-election by shareholders. Accordingly, all of the directors of the company will again offer themselves for re-election at the forthcoming annual general meeting of the company.

Following a board evaluation, it has been determined that each of the directors continues to contribute effectively and demonstrates his commitment to the board and the committee roles that he holds.

Action to be taken

Your directors consider that all of the resolutions set out in the notice of the annual general meeting are in the best interests of the company and its shareholders as a whole. Accordingly, they strongly recommend you to vote in favour of all of the resolutions, as each director intends to do in respect of his own beneficial holdings.

Even if you are unable to come to the annual general meeting in person, your vote is still important. I would encourage you to complete and return the enclosed form of proxy as soon as possible and in any event not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the meeting. Completion and return of the form of proxy does not prevent you from attending and voting at the meeting in person. The other directors and I look forward to seeing you at the meeting.

Yours sincerely
Bill Whiteley
Chairman

NOTICE OF MEETING

Notice is hereby given that the 94th annual general meeting of Brammer plc will be held at 43-45 Broad Street, Teddington, Middlesex TW11 8QZ on Friday, 16 May 2014 at 13.00 and will deal with the following items of business. Resolutions 1 to 13 (inclusive) will be proposed as ordinary resolutions and resolutions 14 to 16 (inclusive) will be proposed as special resolutions.

As ordinary business

- 1 To receive the accounts of the company and the reports of the directors and the auditors for the year ended 31 December 2013.
- 2 To approve the directors' remuneration report (other than the remuneration policy referred to in resolution 3 below) for the year ended 31 December 2013.
- 3 To approve the directors' remuneration policy contained in the directors' remuneration report, such remuneration policy to take effect from 1 January 2015.
- 4 To declare a final dividend for the year ended 31 December 2013 of 6.8 pence per share on the ordinary shares in the capital of the company, to be paid on 3 July 2014 to shareholders whose names appear in the register of members of the company at the close of business on 6 June 2014.
- 5 To re-elect Ian Fraser as a director of the company.
- 6 To re-elect Paul Thwaite as a director of the company.
- 7 To re-elect Charles Irving-Swift as a director of the company.
- 8 To re-elect Bill Whiteley as a director of the company.
- 9 To re-elect Terry Garthwaite as a director of the company.
- 10 To re-elect Duncan Magrath as a director of the company.
- 11 To re-appoint PricewaterhouseCoopers LLP as the company's auditors until the conclusion of the next annual general meeting of the company.
- 12 To authorise the directors to agree the remuneration of the company's auditors.

As special business

- 13 That, in substitution for all existing authorities under such section (which, to the extent unused at the date of this resolution, are hereby revoked with immediate effect), the board be and it is hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 ("Act"), to exercise all powers of the company to allot Relevant Securities:
 - (a) comprising equity securities (within the meaning of section 560(1) of the Act) up to an aggregate nominal amount of £15,733,876.40 (such amount to be reduced by the aggregate nominal amount of Relevant Securities allotted pursuant to paragraph (b) of this resolution) in connection with a rights issue (as defined in the listing rules published by the Financial Conduct Authority):
 - (i) to holders of ordinary shares in the capital of the company in proportion (as nearly as practicable) to the respective numbers of ordinary shares held by them; and
 - (ii) to holders of other equity securities in the capital of the company, as required by the rights of those securities or, subject to such rights, as the board otherwise considers necessary, but subject to such exclusions or other arrangements as the board may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange; and
 - (b) in any other case, up to an aggregate nominal amount of £7,866,938.20 (such amount to be reduced by the aggregate nominal amount of Relevant Securities allotted pursuant to paragraph (a) of this resolution in excess of £7,866,938.20), provided that (unless previously revoked, varied or renewed) this authority shall expire at the conclusion of the next annual general meeting of the company after the passing of this resolution or on 16 August 2015 (whichever is the earlier), save that the company may, before such expiry, make an offer or agreement which would or might require Relevant Securities to be allotted after this authority expires and the board may allot Relevant Securities in pursuance of such an offer or agreement as if the authority granted hereby had not expired.In this resolution, "Relevant Securities" means shares in the company or rights to subscribe for or to convert any security into shares in the company; a reference to the allotment of Relevant Securities (or any similar expression) includes the grant of such a right; and a reference to the nominal amount of a Relevant Security which is a right to subscribe for or to convert any security into shares in the company is to the nominal amount of the shares which may be allotted pursuant to that right.

NOTICE OF MEETING

14 That, subject to the passing of resolution 13 and in substitution for all existing authorities under such section (which, to the extent unused at the date of this resolution, are hereby revoked with immediate effect), the board be and it is hereby generally empowered pursuant to section 570 of the Companies Act 2006 ("Act") to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authorities granted by resolution 13 as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited:

(a) to the allotment of equity securities in connection with an offer of equity securities (whether by way of rights issue, open offer or otherwise), but, in the case of an allotment pursuant to the authority granted by paragraph (a) of resolution 13, such power shall be limited to the allotment of equity securities in connection with a rights issue (as defined in the listing rules published by the Financial Conduct Authority):

(i) to holders of ordinary shares in the capital of the company in proportion (as nearly as practicable) to the respective numbers of ordinary shares held by them; and

(ii) to holders of other equity securities in the capital of the company, as required by the rights of those securities or, subject to such rights, as the board otherwise considers necessary,

but subject to such exclusions or other arrangements as the board may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange; and

(b) to the allotment of equity securities (otherwise than pursuant to paragraph (a) of this resolution) up to an aggregate nominal value of £1,180,040.60

and (unless previously revoked, varied or renewed) this power shall expire at the conclusion of the next annual general meeting of the company after the passing of this resolution or on 16 August 2015 (whichever is the earlier), save that the company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted for cash after such expiry and the board may allot equity securities for cash in pursuance of such an offer or agreement as if the power granted hereby had not expired.

15 That, in accordance with section 701 of the Companies Act 2006 ("Act"), the company be and it is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 20p each in the capital of the company ("ordinary shares") provided that:

(a) the maximum aggregate number of ordinary shares which may be purchased is the lesser of 11,800,407, being approximately 10 per cent. of the issued ordinary share capital of the company at 1 April 2014 (excluding treasury shares (if any)), and 10 per cent. of the number of ordinary shares issued by the company at the date of passing of this resolution (excluding treasury shares (if any));

(b) the maximum price (not including expenses) which may be paid for each ordinary share is the higher of:

(i) an amount equal to 105 per cent. of the average of the middle market quotations for an ordinary share, as derived from the Daily Official List of the London Stock Exchange plc for the five business days immediately before the day on which the purchase is made; and

(ii) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venue where the purchase is carried out; and

(c) the minimum price (not including expenses) which may be paid for each ordinary share is 20p per ordinary share,

and (unless previously revoked, varied or renewed) this power shall expire at the conclusion of the next annual general meeting of the company after the passing of this resolution or on 16 August 2015 (whichever is the earlier), save that the company may, before such expiry, enter into a contract to purchase ordinary shares under which such purchase will or may be completed or executed wholly or partly after such expiry and may make a purchase of ordinary shares pursuant to such contract as if the authority granted hereby had not expired.

16 That a general meeting of the company other than an annual general meeting may be called on not less than 14 clear days' notice.

By order of the board

Steven Hodkinson

Company Secretary

2 April 2014

Registered office:

Brammer plc

St Ann's House

1 Old Market Place

Knutsford

Cheshire WA16 6PD

NOTES TO NOTICE OF MEETING

1 To be entitled to attend and vote at the annual general meeting (and for the purpose of the determination by the company of the votes that they may cast), shareholders must be registered in the register of members of the company at 18.00 on 14 May 2014 (or, in the event of any adjournment, on the date which is two working days before the time of the adjourned meeting). Changes to entries in the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote (and the number of votes they may cast) at the meeting.

2 Shareholders are entitled to appoint another person as their proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A proxy need not be a shareholder of the company. A shareholder may appoint more than one proxy in relation to the meeting, 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 paragraph 3 to 5 below and the notes to the proxy form.

3 A proxy form which may be used to appoint a proxy and give proxy instructions accompanies this notice. When appointing more than one proxy, please complete a separate proxy form in relation to each appointment. Additional proxy forms may be obtained by contacting the company's registrar, Equiniti, at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA or the proxy form may be photocopied. Please state clearly on each proxy form the number of shares in relation to which the proxy is appointed.

To be valid, proxy forms must be completed, signed and sent to the offices of the company's registrar, Equiniti, at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to arrive no later than 13.00 on 14 May 2014 (or if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of any adjourned meeting).

4 The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 5 below) will not prevent a shareholder attending the meeting and voting in person if he/she wishes to do so.

5 CREST members who wish to appoint a proxy or proxies for the meeting (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.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). 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 company's registrar, Equiniti Limited (ID RA19), by no later than 13.00 on 14 May 2014 (or, if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of any adjourned meeting). 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 Equiniti Limited 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 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 respect, 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.

6 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.

7 As at 1 April 2014 (being the last practicable date before the publication of this notice) the company's issued share capital consists of 118,004,074 ordinary shares of 20 pence each, carrying one vote per ordinary share. The company does not hold any ordinary shares in treasury. Therefore, the total voting rights in the company as at 1 April 2014 are 118,004,074.

NOTES TO NOTICE OF MEETING

- 8 Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 (“Act”) to enjoy information rights (a “Nominated Person”) may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 2 to 5 (inclusive) above does not apply to Nominated Persons. The rights described in such notes can only be exercised by shareholders of the company.

- 9 A shareholder or shareholders having a right to vote at the meeting and holding at least five per cent of the total voting rights of the company (see paragraph 7 above and the website referred to in paragraph 15), or at least 100 shareholders having a right to vote at the meeting and holding, on average, at least £100 of paid up share capital, has 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 annual general meeting; or (ii) any circumstance connected with an auditor of the company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Act.

Any such request must:

- (a) identify the statement to which it relates, by either setting out the statement in full or, if supporting a statement requested by another shareholder, clearly identifying the statement which is being supported;
- (b) comply with the requirements set out in paragraph 10; and
- (c) be received by the company at least one week before the meeting.

Where the company is required to publish such a statement on its website:

- (a) it may not require the shareholders making the request to pay any expenses incurred by the company in complying with the request;
- (b) it must forward the statement to the company’s auditors no later than the time when it makes the statement available on the website; and
- (c) the statement may be dealt with as part of the business of the meeting.

- 10 Any request by a shareholder or shareholders to require the company to publish audit concerns as set out in paragraph 9, may be made either:
- (a) in hard copy, by sending it to Brammer plc, St Ann’s House, 1 Old Market Place, Knutsford, Cheshire WA16 6PD; or
 - (b) in electronic form, by faxing it to +44(0)1565 756 890, marked for the attention of Steven Hodgkinson or by emailing it to enquiries@brammer.biz (please state “Brammer plc: AGM” in the subject line of the email), and must state the full name(s) and address(es) of the shareholder(s). Where such a request is made in hard copy form or by fax, it must be signed by the shareholder(s) making the request.

- 11 Shareholders must not use any electronic address provided in this notice of meeting to communicate with the company for any purposes other than those expressly stated.

- 12 Shareholders have the right to ask questions at the meeting relating to the business being dealt with at the meeting in accordance with section 319A of the Act. The company must cause to be answered any such question unless (i) to do so would interfere unduly with the preparation for the meeting or would involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question, or (iii) it is undesirable in the interests of the company or the good order of the meeting that the question be answered.

- 13 The following documents will be available for inspection during normal business hours at the registered office of the company (on any weekday, bank holidays excepted) from the date of this notice until the time of the meeting. They will also be available at the place of the meeting from at least 15 minutes before the time of the meeting until it ends:

- (a) copies of the service contracts of the executive directors;
- (b) copies of letters of appointment of the non-executive directors; and
- (c) a copy of the existing articles of association of the company.

- 14 Biographical details of all those directors who are offering themselves for re-election at the meeting are set out on pages 22 and 23 of the enclosed 2013 annual report and accounts.

- 15 A copy of this notice, and other information required by section 311A of the Act, can be found at www.brammer.biz.

EXPLANATORY NOTES TO NOTICE OF MEETING

The notes on the following pages provide a brief explanation of the proposed resolutions set out in the notice of annual general meeting.

Resolutions 1 to 13 (inclusive) will be proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 14 to 16 (inclusive) will be proposed as special resolutions. This means that, for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolution 1: To receive the report and accounts for the year ended 31 December 2013

In accordance with the Companies Act 2006 ("Act") and the company's articles of association adopted at the 2010 annual general meeting of the company, at the annual general meeting the directors are required to lay before the shareholders of the company the company's annual report and accounts.

If you previously elected to receive printed shareholder communications or if you have become a shareholder since 22 January 2010, a copy of the report and accounts for the year ended 31 December 2013 is enclosed. Alternatively, a copy of the 2013 report and accounts is available to view, print and download via the company's website, www.brammer.biz, however, Adobe Reader or similar software will be required to do so. Adobe Reader can be downloaded free of charge from www.adobe.com/downloads.

Resolution 2: To approve the directors' remuneration report (other than the remuneration policy)

The report of the directors on remuneration matters is set out at pages 41 to 56 of the 2013 annual report. That report sets out details of the company's remuneration process and the remuneration paid to the directors.

In accordance with the Act, the directors' remuneration report is required to be laid before the company's shareholders. However, you should be aware that the vote approving the directors' remuneration report (other than the remuneration policy) is advisory only and that no aspect of an individual director's entitlement under a service contract or terms of appointment will be conditional on the vote being carried.

Resolution 3: To approve the directors' remuneration policy

The directors' remuneration policy is set out at pages 41 to 48 of the directors' remuneration report.

In accordance with section 439A of the Act, a new requirement has been introduced for a separate resolution on the remuneration policy part of the directors' remuneration report to be put to a vote by shareholders. The vote is binding which means that payments cannot be made under the policy until it has been approved by shareholders.

The policy report must be put to shareholders at least every three years, unless during that time it is to be changed.

Your directors are satisfied that the company's policies and practices in relation to directors' remuneration are reasonable and that they deserve shareholder support.

Resolution 4: To declare a final dividend

The board has recommended a final (net) dividend of 6.8 pence per ordinary share in the capital of the company. If approved by shareholders at the annual general meeting, the proposed dividend would be paid on 3 July 2014 to those shareholders on the register of members of the company at the close of business on 6 June 2014.

Resolutions 5 to 10 (inclusive): To re-elect Bill Whiteley, Ian Fraser, Paul Thwaite, Terry Garthwaite, Charles Irving-Swift and Duncan Magrath as directors

Resolutions 5 to 10 (inclusive), relate to the proposed re-election of Bill Whiteley, Ian Fraser, Paul Thwaite, Terry Garthwaite, Charles Irving-Swift and Duncan Magrath as directors of the company. As noted in the letter accompanying the notice of general meeting, following the board's voluntary decision last year to align the company's director re-election practices with the requirements for FTSE 350 companies set out in the UK Corporate Governance Code, all of the directors of the company will offer themselves for re-election at the forthcoming annual general meeting.

As shareholders may recall from the explanatory notes which accompanied the notice of annual general meeting last year, at the end of May 2013 and following his re-election by shareholders as a director of the company at last year's annual general meeting, Mr Garthwaite, the company's current senior independent non-executive director, had served nine years as a non-executive director of the company. Accordingly, in compliance with the provisions of the UK Corporate Governance Code and notwithstanding the board's decision to subject all directors of the company to annual re-election by shareholders, Mr Garthwaite is, in any event, required to offer himself up for re-election at the forthcoming and future annual general meetings of the company.

The board would also like to point out to shareholders that because Mr Garthwaite has now served as a non-executive director of the company for more than nine years, it is proposed that Mr Magrath, who was appointed as a non-executive director of the company in March 2012, will, subject to his re-election as a director at the forthcoming annual general meeting, assume the role of senior independent non-executive director of the company with effect from the conclusion of the forthcoming annual general meeting in place of Mr Garthwaite who shall, subject to his re-election as a director at the forthcoming annual general meeting, continue as a non-executive director of the company.

EXPLANATORY NOTES TO NOTICE OF MEETING

The Nominations Committee of the board has carried out formal evaluations in respect of each of the directors and has concluded that they each continue to contribute effectively and demonstrate their commitment to the board and committee roles that they respectively hold. Further details are set out on pages 35 and 36 of the 2013 annual report and accounts.

Accordingly, the board proposes that Mr Whiteley, Mr Fraser, Mr Thwaite, Mr Garthwaite, Mr Irving-Swift and Mr Magrath each be re-elected as a director of the company.

Resolution 11: To reappoint the auditors

The appointment/re-appointment of the company's auditors is subject to the approval of shareholders at each annual general meeting at which the annual report and accounts are laid. The auditors so appointed/reappointed would then hold office until the conclusion of the next annual general meeting.

The Audit Committee of the board has reviewed the effectiveness, independence and objectivity of the company's external auditors, PricewaterhouseCoopers LLP. The board therefore proposes their reappointment as the company's auditors.

Resolution 12: To authorise the directors to agree the remuneration of the auditors

As was proposed to and approved by shareholders at last year's annual general meeting, in accordance with good corporate governance practice a separate resolution is again being proposed at this year's annual general meeting to authorise the directors to negotiate and agree the remuneration of the auditors. Such approval has historically been obtained in the same resolution as that proposing the appointment of the company's auditors. In practice, the Audit Committee of the board will consider and approve (on the board's behalf) the audit fees payable by the company.

Resolution 13: Authority to allot ordinary shares

At the company's last annual general meeting on 17 May 2013, the directors were given authority by shareholders to allot ordinary shares in the capital of the company up to an aggregate maximum nominal amount of £15,667,209.80, representing approximately two-thirds of the company's then issued ordinary share capital. That authority is due to expire at the end of the annual general meeting of the company proposed to take place on 16 May 2014.

In accordance with the guidelines issued by the Association of British Insurers ("ABI"), the directors are entitled to seek, and treat as routine, resolutions seeking authority from shareholders to allot shares representing up to two-thirds of the company's issued share capital, provided always that the authority (that is the authority to allot shares in the capital of the company in excess of shares representing one-third of its issued share capital but not exceeding shares representing two-thirds of its issued share capital) can only be utilised to allot shares in connection with a rights issue (which is undertaken on a fully pre-emptive basis).

Resolution 13, in accordance with the ABI guidelines, proposes to give authority to the directors to allot ordinary shares in the company up to a maximum of 78,669,382 ordinary shares of 20p each, representing approximately two-thirds of the issued ordinary share capital of the company as at 1 April 2014. The maximum authority to allot ordinary shares provides the directors with the flexibility to undertake a rights issue. If the authority is not utilised in connection with a rights issue, the directors would only have the authority to allot, pursuant to section 551 of the Act, up to a maximum of 39,334,691 ordinary shares of 20p each, representing approximately one-third of the issued ordinary share capital of the company as at 1 April 2014.

The authority granted by resolution 13 would expire at the conclusion of the company's next annual general meeting held after the passing of this resolution or on 16 August 2015 (whichever is the earlier).

The directors are aware of, and intend to comply with, the ABI's recommendation that, should:

- (a) the actual usage of the authority granted by resolution 13, exceed one-third of the nominal value of the issued ordinary share capital of the company; and also
 - (b) such issue of shares in the capital of the company being in whole or in part by way of a fully pre-emptive rights issue, the monetary proceeds of which exceed one-third of the pre-issue market capitalisation of the company,
- then all members of the board willing to remain in office should seek re-election at the next annual general meeting of the company following the decision to undertake the issue in question.

Resolution 14: Disapplication of statutory pre-emption rights

This is a resolution the board proposes each year at the annual general meeting. The Act requires that, subject to certain exceptions, before directors of the company can issue new shares for cash the new shares must first be offered to existing shareholders in proportion to their existing shareholdings.

It is customary for companies to take a limited authority to issue new shares for cash without first offering those shares to existing shareholders. Accordingly, as in previous years, the board is seeking authority to issue a limited number of shares for cash. The directors are not currently contemplating any such issue of new shares for cash but this authority would provide the directors with flexibility to act in the best interests of shareholders when opportunities arise.

EXPLANATORY NOTES TO NOTICE OF MEETING

The authority would permit the allotment of up to 5,900,203 ordinary shares of 20p each being 5 per cent. of the company's issued ordinary share capital as at 1 April 2014. The authority would expire on the earlier of the conclusion of the company's next annual general meeting held after the passing of this resolution and 16 August 2015. As usual, the directors intend to seek renewal of a similar power at subsequent annual general meetings.

In compliance with the Statement of Principles issued by the Pre-Emption Group of the ABI, it is the intention of the company that the cumulative usage of the authority granted by this resolution within a rolling three year period shall not exceed 7.5 per cent. of the company's issued share capital without prior consultation with shareholders.

Resolution 15: Authority to purchase own shares

The board considers that it would be in the best interests of the company and its shareholders to renew for a further year the authority to allow the company to purchase its own ordinary shares in the market. There is no present intention of exercising the authority but, as in previous years, the directors wish to retain the flexibility to do so. The authority would expire on the earlier of the conclusion of the company's next annual general meeting held after the passing of this resolution and 16 August 2015. The directors intend to seek renewal of a similar power at subsequent annual general meetings.

When considering the purchase of shares by the company the directors will follow the procedures laid down in the Act (as amended or superseded) and will take into account cash resources, capital requirements and the effect of any purchase on appropriate gearing levels. They will only consider exercising the authority when satisfied that it is in the best interests of the company and shareholders.

The proposed authority would permit the purchase of up to 11,800,407 ordinary shares of 20p each representing 10 per cent. of the issued ordinary share capital of the company as at 1 April 2014, at a price per share not exceeding 105 per cent. of the average of the middle market quotations as derived from the London Stock Exchange Daily Official List for the five business days preceding each purchase and not less than 20p (the nominal value of each share). Such share purchases will only be made on the London Stock Exchange.

As at 1 April 2014 options over a total of 7,842,546 ordinary shares were outstanding and not exercised. That number of ordinary shares represents 6.65 per cent. of the company's issued ordinary share capital at 1 April 2014. It would represent 7.38 per cent. of the issued ordinary share capital if the authority to purchase the company's own ordinary shares had been exercised in full at that date.

Resolution 16: Notice of general meetings

Before the Shareholders' Rights Regulations ("Regulations") came into force on 3 August 2009, the company was able to call general meetings, other than annual general meetings, on 14 clear days' notice without obtaining prior shareholder approval. However, the Regulations (which amended the Act) increased the minimum notice period required to be given by listed companies to 21 days save where two conditions have been complied with, namely:

- (a) the company must make a means of electronic voting available to all shareholders for that meeting. This condition would be satisfied by the company making accessible to all shareholders, a facility to appoint proxies through a designated website; and
- (b) the company's shareholders approving the reduction of the minimum notice period (from 21 days to 14 clear days) on an annual basis.

The company would like to take advantage of the flexibility afforded by the Act and therefore resolution 16 allows the company to hold general meetings (other than annual general meetings) on not less than 14 clear days' notice. The approval will be effective until the company's next annual general meeting, when it is intended that a similar resolution will be proposed.

The company does not propose to utilise the shorter notice period (of 14 clear days) unless the circumstances dictated such a requirement and to do so would be to the benefit of the company's shareholders as a whole. Such circumstances may arise, for example, where due to extraneous circumstances, the company is required to undertake an urgent capital raising exercise. In those circumstances, the company is confident that a facility to permit electronic voting can be made available to all of the company's shareholders.

DIRECTIONS TO MEETING

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Directions

Broad Street is located to the South-West of London, in Teddington (close to the National Physical Laboratory) and only six miles from Heathrow Airport.

By road: You will find the entrance on the corner of the A313 Broad Street and Elfin Grove, two floors above retail outlets opposite North Lane.

By rail: From Waterloo, take the local service direct to Teddington. 43–45 Broad Street is approximately a 10 minute walk from Teddington Station at the west end of Teddington High Street.

