



2020 Notice of Annual General Meeting

The Annual General Meeting of Melrose Industries PLC will be held at 11.00 am (BST) on Thursday 7 May 2020 at Leconfield House, Curzon Street, London W1J 5JA.

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 financial 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.

IMPORTANT NOTICE RELATING TO COVID-19 OUTBREAK

The Board is closely monitoring the outbreak of COVID-19 in the UK and the impact that it may have on this year's Annual General Meeting (AGM). The health and welfare of the Company's employees and shareholders, as well as its customers and suppliers, is our number one priority.

To assist with the ongoing and proper governance of the Company at this challenging time, the current intention is to proceed with the meeting as planned on 7 May 2020, albeit on a much reduced scale and in accordance with UK Government guidance, with attending directors ensuring a quorum. In light of the UK Government's advice at the time of publication of this notice that people avoid any non-essential contact or travel, we intend to limit the attendance of our employees and members of the Board at the meeting.

We remind shareholders that voting on resolutions is on a poll and votes may be cast by a proxy who can be appointed ahead of the meeting to ensure your vote is counted (as detailed in the explanatory notes starting on page 4), and we are providing a question service (see details below), without the need to attend the meeting in person. Therefore, there is no need for any shareholder to attend the AGM in person.

IN LINE WITH UK GOVERNMENT GUIDANCE AT THE TIME OF PUBLICATION OF THIS NOTICE OF AGM, WE URGE ALL SHAREHOLDERS NOT TO ATTEND THE MEETING IN PERSON, BUT TO MAKE USE OF PROXIES TO EXERCISE THEIR VOTING RIGHTS AND TO SUBMIT ANY QUESTIONS PRIOR TO THE MEETING USING THE SERVICE WE HAVE SET UP FOR THESE PURPOSES (SEE BELOW).

If, despite this request, any shareholder nonetheless seeks to attend in person, the Chairman reserves the right to introduce further appropriate safety measures such as temperature checks and self-certifications, as well as to suspend the meeting immediately and seek an alternative time when it can be held safely and in accordance with UK Government guidance.

Should shareholders wish to raise any specific questions on the business of the AGM, we are providing the opportunity to submit questions to us using the online form that can be accessed from <https://www.melroseplc.net/investors/shareholder-information/melrose-agm-2020-questions-form/>. Questions must be received by no later than 11.00 am on 5 May 2020. We will upload a response to these questions on our website.

In the event that our meeting arrangements change subsequent to publication of this Notice of AGM, the Company will publish details on its website at www.melroseplc.net, and, if practicable, issue a further communication via a regulatory news service and publish a notice of the change in two national daily newspapers.

Please continue to check our website at www.melroseplc.net for updates and announcements relating to the AGM, developments surrounding the worldwide COVID-19 outbreak and actions we are taking as a result.

Melrose Industries PLC

Registered office

11th Floor The Colmore Building
20 Colmore Circus Queensway
Birmingham
West Midlands
B4 6AT

(Registered in England, No: 09800044)

This document is important and requires your immediate attention. If you are in any doubt as to the action you should take, you should consult your stockbroker, bank, solicitor, accountant, fund manager or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred or sell or otherwise transfer all of your shares in Melrose Industries PLC (the "Company"), please send this document, together with the accompanying form of proxy, as soon as possible to the purchaser or transferee or to the agent through whom the sale or transfer was effected for delivery to the purchaser or transferee.

Notice is given that the Annual General Meeting of the Company will be held at the Company's offices at Leconfield House, Curzon Street, London W1J 5JA at 11.00 am on 7 May 2020 for the purposes set out below. Resolutions 1 to 17 (inclusive) will be proposed as ordinary resolutions and resolutions 18 to 21 (inclusive) as special resolutions.

2020 LONG-TERM INCENTIVE PLAN

At the time of finalisation of the 2019 Annual Report and Accounts it was proposed to include a resolution to approve a new long-term incentive plan, as set out in the 2020 Directors' Remuneration Policy. Since that date, given the present uncertainty caused by the outbreak of COVID-19 and lack of clarity as to its impact on the Company's businesses and the wider economy, no resolution will be proposed in relation to a new long-term incentive plan. Instead, it is proposed that a new long-term incentive plan, continuing from the previous plan, will be separately put forward for shareholder approval at a later date if and when appropriate, incorporating any changes deemed necessary by the Board.

Ordinary resolutions

1. To receive the Company's audited financial statements for the financial year ended 31 December 2019, together with the Directors' Report, Strategic Report and the Auditor's Report on those financial statements.
2. To approve the Directors' Remuneration Report for the year ended 31 December 2019, as set out on pages 90 to 111 (inclusive) of the Company's 2019 Annual Report.
3. To approve the 2020 Directors' Remuneration Policy, as set out on pages 103 to 111 (inclusive) of the Company's 2019 Annual Report.
4. To declare a final dividend for the year ended 31 December 2019.
5. To re-elect Christopher Miller as a Director of the Company.
6. To re-elect David Roper as a Director of the Company.
7. To re-elect Simon Peckham as a Director of the Company.
8. To re-elect Geoffrey Martin as a Director of the Company.
9. To re-elect Justin Dowley as a Director of the Company.
10. To re-elect Liz Hewitt as a Director of the Company.
11. To re-elect David Lis as a Director of the Company.
12. To re-elect Archie G. Kane as a Director of the Company.
13. To re-elect Charlotte Twynning as a Director of the Company.
14. To elect Funmi Adegoke as a Director of the Company.
15. To re-appoint Deloitte LLP as auditor of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at which accounts are laid.
16. To authorise the Audit Committee to determine the remuneration of the auditor of the Company.

17. That, in accordance with section 551 of the Companies Act 2006 (the "Act"), the directors of the Company (the "Directors") be and are generally and unconditionally authorised to allot shares in the Company, or to grant rights to subscribe for or to convert any security into shares in the Company ("Rights"):

- (A) up to an aggregate nominal amount of £111,045,827; and
- (B) comprising equity securities (as defined in section 560 of the Act) up to an aggregate nominal amount of £222,091,655 (such amount to be reduced by the aggregate nominal amount of any allotments or grants made under paragraph (A) of this resolution) in connection with an offer by way of a rights issue:
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of any territory or any other matter, such authorities to expire at the conclusion of the Company's next Annual General Meeting after this resolution is passed or, if earlier, at the close of business on 30 June 2021, but, in each case, so that the Company may make offers or agreements before the authority expires which would or might require shares to be allotted or Rights to be granted after the authority expires, and so that the Directors may allot shares or grant Rights in pursuance of any such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

Special resolutions

18. That, subject to the passing of resolution 17, the Directors be and are generally empowered to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authorities granted by resolution 17 and/or to sell ordinary shares held by the Company as treasury shares for cash, in each case as if section 561 of the Act did not apply to any such allotment or sale, provided that this power shall be limited:

- (A) to the allotment of equity securities in connection with an offer of equity securities (but in the case of an allotment pursuant to the authority granted under paragraph (B) of resolution 17, such power shall be limited to the allotment of equity securities in connection with an offer by way of a rights issue only):
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities, as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary, and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and
- (B) to the allotment (otherwise than in circumstances set out in paragraph (A) of this resolution) of equity securities pursuant to the authority granted by paragraph (A) of resolution 17 or sale of treasury shares up to a nominal amount of £16,656,874,

such powers to expire at the conclusion of the Company's next Annual General Meeting after this resolution is passed or, if earlier, at the close of business on 30 June 2021, but, in each case, so that the Company may make offers or agreements before the power expires which would or might require equity securities to be allotted (and/or treasury shares sold) after the power expires and so that the Directors may allot equity securities (and/or sell treasury shares) in pursuance of any such offer or agreement notwithstanding that the power conferred by this authority has expired.

19. That, subject to the passing of resolution 17 and in addition to any power granted under resolution 18, the Directors be and are generally empowered to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authorities granted by resolution 17 and/or to sell ordinary shares held by the Company as treasury shares for cash, in each case as if section 561 of the Act did not apply to any such allotment or sale, provided that this power shall be:

- (A) limited to the allotment of equity securities pursuant to the authority granted by sub-paragraph (A) of resolution 17 or sale of treasury shares up to a nominal amount of £16,656,874; and
- (B) used only for the purposes of financing (or refinancing, if the authority is to be used within six months of the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice of the Annual General Meeting,

such powers to expire at the conclusion of the Company's next Annual General Meeting after this resolution is passed or, if earlier, at the close of business on 30 June 2021, but, in each case, so that the Company may make offers or agreements before the power expires which would or might require equity securities to be allotted (and/or treasury shares sold) after the power expires and so that the Directors may allot equity securities (and/or sell treasury shares) in pursuance of any such offer or agreement notwithstanding that the power conferred by this authority has expired.

20. That the Company be and is generally and unconditionally authorised to make one or more market purchases (within the meaning of section 693 of the Act) of ordinary shares in the capital of the Company provided that:

- (A) the maximum aggregate number of ordinary shares authorised to be purchased is 485,825,496;
- (B) the minimum price which may be paid for an ordinary share is the nominal value of an ordinary share at the time of such purchase;
- (C) the maximum price which may be paid for an ordinary share is not more than the higher of:
 - (i) 105% of the average of the middle-market quotation for an ordinary share as derived from the Daily Official List of the London Stock Exchange for the five business days immediately preceding the day on which the ordinary share is purchased; and
 - (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out, in each case, exclusive of expenses;
- (D) this authority shall expire at the conclusion of the Company's next Annual General Meeting after this resolution is passed or, if earlier, at the close of business on 30 June 2021;
- (E) the Company may make a contract of purchase of ordinary shares under this authority which would or might 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; and
- (F) any ordinary shares purchased pursuant to this authority may either be held as treasury shares or cancelled by the Company, depending on which course of action is considered by the Directors to be in the best interests of shareholders at the time.

21. That a general meeting other than an Annual General Meeting may be called on not less than 14 clear days' notice.

Recommendation

The Board believes that each of the resolutions to be proposed at the Annual General Meeting is in the best interests of the Company and its shareholders as a whole. Accordingly, the Directors unanimously recommend that ordinary shareholders vote in favour of all of the resolutions proposed, as the Directors intend to do in respect of their own beneficial holdings.

By order of the Board



Jonathon Crawford
Company Secretary

3 April 2020

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Birmingham
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B4 6AT

Explanatory notes to the proposed resolutions

Resolutions 1 to 17 (inclusive) are proposed as ordinary resolutions, which means that for each of those resolutions to be passed, more than half the votes cast must be cast in favour of the resolution. Resolutions 18 to 21 (inclusive) are proposed as special resolutions, which means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be cast in favour of the resolution.

Resolution 1 – Receipt of 2019 Annual Report and financial statements

The Directors are required to lay the Company's financial statements, the Strategic Report and the Directors' and auditor's reports on those financial statements (collectively, the "2019 Annual Report") before shareholders each year at the Annual General Meeting ("AGM").

Resolution 2 – Approval of Directors' remuneration report

The Directors' remuneration report (the "Directors' Remuneration Report") is presented in three sections:

- the annual statement from the Chairman of the Remuneration Committee;
- the Annual Report on Remuneration; and
- the new Directors' remuneration policy, which is the subject of resolution 3.

The annual statement from the Chairman of the Remuneration Committee, set out on pages 90 to 91 (inclusive) of the 2019 Annual Report, summarises, for the year ended 31 December 2019, the major decisions taken on Directors' remuneration, any substantial changes relating to Directors' remuneration made during the year and the context in which those changes occurred and decisions that have been taken.

The Annual Report on Remuneration, set out on pages 92 to 102 (inclusive) of the 2019 Annual Report, provides details of the remuneration paid to Directors in respect of the year ended 31 December 2019, including base salary, taxable benefits, short-term incentives, long-term incentives vested in the year, pension-related benefits, any other items in the nature of remuneration and any sum(s) recovered or withheld during the year in respect of amounts paid in earlier years.

The Company's auditors for the financial year ended 31 December 2019, Deloitte, have audited those parts of the Directors' Remuneration Report which are required to be audited and their report may be found on pages 113 to 123 (inclusive) of the 2019 Annual Report.

The Directors' Remuneration Report is subject to an annual advisory shareholder vote by way of an ordinary resolution. Resolution 2 is to approve the Directors' Remuneration Report and will not affect the way in which the Company's Directors' remuneration policy has been implemented.

Resolution 3 – Approval of 2020 Directors' remuneration policy

The new Directors' remuneration policy (the "2020 Directors' Remuneration Policy") is set out in full on pages 103 to 111 of the 2019 Annual Report. The annual statement from the Chairman of the Remuneration Committee, set out on pages 90 to 91 of the 2019 Annual Report, explains in more detail the background and rationale for the 2020 Directors' Remuneration Policy.

As noted in the 2020 Directors' Remuneration Policy, the 2020 Directors' Remuneration Policy will take effect immediately after the close of the Annual General Meeting on 7 May 2020, subject to approval by shareholders. Payments will continue to be made to Directors and former Directors in line with existing arrangements until this date. Once the 2020 Directors' Remuneration Policy has taken effect, all payments by the Company to the Directors and any former Directors must be made in accordance with the 2020 Directors' Remuneration Policy (unless a payment has been separately approved by a shareholder resolution).

If the 2020 Directors' Remuneration Policy is approved and remains unchanged, it will be valid for three years without further shareholder approval. If the Company wishes to change the 2020 Directors' Remuneration Policy, it will need to put the revised policy to a vote again before it can be implemented. The Directors expect that the Company will next propose a resolution to approve a new Directors' remuneration policy at the annual general meeting to be held in 2023.

If the 2020 Directors' Remuneration Policy is not approved, the Company will, if and to the extent permitted by the Act, continue to make payments to Directors in accordance with existing arrangements and will seek shareholder approval for a revised policy as soon as is practicable.

Resolution 4 – Declaration of final dividend

At the date of going to print on 27 March 2020, the Board is currently recommending, and shareholders are being asked to approve, the declaration of a final dividend for the year ended 31 December 2019. It is currently the intention that the dividend should be up to 3.4p per ordinary share, although this remains very much under review and the Board reserves the right to reduce, delay or remove it at any time. The Board will not hesitate to do so, should it consider it appropriate in the circumstances. If it proceeds as currently proposed, the final dividend (if any) will, subject to shareholder approval, be paid on 20 May 2020 to the holders of ordinary shares whose names are recorded on the register of members of the Company at the close of business on 3 April 2020.

Resolutions 5 to 13 (inclusive) – Re-election of Directors

In accordance with the UK Corporate Governance Code (the "Code") and the Company's Articles of Association (the "Articles"), every Director will stand for re-election at the AGM (with the exception of Funmi Adegoke, who is standing for election). The Board considers that the contribution of each Director who is standing for re-election is, and continues to be, important to the sustainable success of the Company for the following reasons:

- Justin Dowley, the inaugural Non-executive Chairman of the Company, has extensive and long-standing experience within the banking, investment and asset management sectors. Mr Dowley first joined the Board as a Non-executive Director in September 2011 and served as Senior Independent Director in the two years prior to his appointment as Non-executive Chairman, meaning he will have served for nine years in September 2020. Given the recent acquisition of GKN, the elevation of the Company into the FTSE 100, and the intended retirement in May 2020 of Mr David Roper, the Board believes that there is a need for continuity and stability at Board level to facilitate succession planning arrangements. Mr Dowley was considered independent upon his appointment as Non-executive Chairman.
- Simon Peckham, a qualified lawyer and Chief Executive of the Company, has widespread expertise in corporate finance, mergers and acquisitions, and strategy and operations. Mr. Peckham has a deep understanding of the Melrose business model, having joined Melrose in 2003 as Chief Operating Officer, and having been appointed as Chief Executive in 2012. He has overseen a period of substantial success.
- Christopher Miller, as co-founder of Melrose and Executive Vice-Chairman, has a deep understanding of the Melrose business model. His involvement in strategic decision making has been key to the success of the Company. Mr. Miller has longstanding involvement in manufacturing industries and private investment.

- David Roper, co-founder of Melrose and Executive Vice-Chairman, has a deep understanding of the Melrose business model. His involvement in strategic decision making has been key to the success of the Company. Mr Roper has longstanding involvement in corporate finance, private investment and management in manufacturing industries. Mr Roper will be retiring from the Board on 31 May 2020.
- Geoffrey Martin, a chartered accountant and Group Finance Director of the Company, has considerable public company experience and expertise in corporate finance, equity finance raising and financial strategy. Mr. Martin has a deep understanding of the Melrose business model, having been appointed Group Finance Director in 2005, and has been central to the success of the business since then.
- Liz Hewitt, a chartered accountant and Senior Independent Director of the Company, has extensive business, financial and investment experience gained from a number of senior roles in international companies. In particular, Ms. Hewitt is the longest serving Non-executive Director after the Chairman, having served on the Board since 2013, and therefore has a deep understanding of the Melrose business model that is requisite for the role of Senior Independent Director.
- David Lis, a chartered accountant and Non-executive Director of the Company, has held several senior roles in investment and fund management. He brings to the Board extensive financial experience and deep insight into the expectations of Melrose's institutional investor base.
- Archie G. Kane, a chartered accountant and Non-executive Director of the Company, has held several senior roles in the financial services sector and public company boards. Mr Kane brings to the Board extensive financial and general management experience.
- Charlotte Twynning, a qualified lawyer and Non-executive Director of the Company, has excellent experience of working at the highest levels with the Government and regulators. Ms Twynning brings to the Board a broad frame of reference and acute commercial judgement.

Biographical details of each Director can be found on pages 72 to 73 of the 2019 Annual Report. All of the Non-executive Directors standing for re-election are currently considered independent under the Code.

Resolution 14 – Election of Director

In accordance with the Articles, Funmi Adegoke is standing for election as a Director of the Company following her appointment to the Board with effect from 1 October 2019. Ms. Adegoke, a qualified barrister and independent Non-executive Director of the Company, has extensive experience working in and leading legal teams across the globe at multi-national organisations. She brings to the Board diverse industrial knowledge as well as significant transactional and commercial management expertise. The Board considers that the contribution of Ms. Adegoke is, and continues to be, important to the sustainable success of the Company.

Biographical details for Ms. Adegoke can be found on page 73 of the 2019 Annual Report.

Resolution 15 – Re-Appointment of Auditor

The Company is required to appoint auditors at each general meeting at which accounts are laid before shareholders, to hold office until the next such meeting.

The Audit Committee has reviewed the effectiveness, performance, independence and objectivity of the existing external auditor, Deloitte LLP, on behalf of the Board, and concluded that the external auditor was in all respects effective.

This resolution proposes the re-appointment of Deloitte LLP until the conclusion of the next AGM.

Resolution 16 – Authority to agree auditor's remuneration

This resolution seeks authority for the Audit Committee to determine the level of the auditor's remuneration.

Resolution 17 – Authority to allot shares

This resolution seeks shareholder approval to grant the Directors the authority to allot shares in the Company, or to grant rights to subscribe for or convert any securities into shares in the Company ("Rights"), pursuant to section 551 of the Act ("Section 551 authority"). The authority contained in paragraph (A) of the resolution will be limited to an aggregate nominal amount of £111,045,827, being approximately one-third of the Company's issued ordinary share capital as at 2 April 2020 (being the last business day prior to the publication of this notice).

In line with guidance issued by the Investment Association, paragraph (B) of this resolution would give the Directors authority to allot shares in the Company or grant Rights in connection with a rights issue up to aggregate nominal amount of £222,091,655, representing approximately two-thirds of the Company's issued ordinary share capital as at 2 April 2020. This resolution provides that such amount shall be reduced by the aggregate nominal amount of any allotments or grants under paragraph (A).

The Company does not hold any shares in treasury.

If approved, the Section 551 authority shall, unless renewed, revoked or varied by the Company, expire at the end of the Company's next AGM after the resolution is passed or, if earlier, at the close of business on 30 June 2021. The exception to this is that the Directors may allot shares or grant Rights after the authority has expired in connection with an offer or agreement made or entered into before the authority expired. The Directors have no present intention to exercise the Section 551 authority.

Resolutions 18 to 19 – Partial disapplication of pre-emption rights

These resolutions seek shareholder approval to grant the Directors the power to allot equity securities of the Company pursuant to sections 570 and 573 of the Act (the "Section 570 and 573 power") without first offering them to existing shareholders in proportion to their existing shareholdings.

The power is limited to allotments for cash in connection with pre-emptive offers, subject to any arrangements that the Directors consider appropriate to deal with fractions and overseas requirements and otherwise for cash up to a maximum nominal value of £33,313,748, representing approximately 10% of the Company's issued ordinary share capital as at 2 April 2020 (being the last business day prior to the publication of this notice).

The Directors intend to adhere to the guidelines set out in the Pre-Emption Group's Statement of Principles (as updated in March 2015) and not to allot shares for cash on a non pre-emptive basis pursuant to a relevant authority in resolutions 18 or 19:

- in excess of an amount equal to 5% of the Company's issued ordinary share capital (excluding treasury shares) in any one-year period, whether or not in connection with an acquisition or specified capital investment; or
- in excess of an amount equal to 7.5% of the Company's issued ordinary share capital in a rolling three-year period,

in each case other than 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 allotment.

If approved, the Section 570 and 573 power shall apply until the end of the Company's next AGM after the resolution is passed or, if earlier, until the close of business on 30 June 2021. The exception to this is that the Directors may allot equity securities after the power has expired in connection with an offer or agreement made or entered into before the power expired. The Directors have no present intention to exercise the Section 570 and 573 power.

Resolution 20 – Authority to purchase own shares

This resolution seeks shareholder approval to grant the Company the authority to purchase its own shares pursuant to sections 693 and 701 of the Act.

This authority is limited to an aggregate maximum number of 485,825,496 ordinary shares, representing 10% of the Company's issued ordinary share capital as at 2 April 2020.

The maximum price which may be paid for an ordinary share will be an amount which is not more than the higher of: (i) 5% above the average of the middle market quotation for an ordinary share as derived from the Daily Official List of the London Stock Exchange for the five business days immediately preceding the day on which the ordinary share is purchased; and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out (in each case, exclusive of expenses).

If approved, the authority shall, unless varied, revoked or renewed, expire at the end of the Company's next AGM after the resolution is passed or, if earlier, at the close of business on 30 June 2021. The Directors have no present intention of exercising all or any of the powers conferred by this resolution and will only exercise their authority if it is in the interests of shareholders generally.

Resolution 21 – Notice period for general meetings other than AGMs

This resolution seeks shareholder approval to allow the Company to continue to call general meetings (other than AGMs) on 14 clear days' notice. In accordance with the Act, as amended by the Companies (Shareholders' Rights) Regulations 2009, the notice period required for general meetings of the Company is 21 days unless shareholders approve a shorter notice period (subject to a minimum period of 14 clear days). In accordance with the Act, the Company must make a means of electronic voting available to all shareholders for that meeting in order to be able to call a general meeting on less than 21 clear days' notice.

The Company intends to only use the shorter notice period where this flexibility is merited by the purpose of the meeting and is considered to be in the interests of shareholders generally, and not as a matter of routine. AGMs will continue to be held on at least 21 clear days' notice.

The approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed.

Explanatory notes as to the proxy, voting and attendance procedures at the Annual General Meeting (AGM)

1. The holders of ordinary shares in the Company are entitled to attend the AGM and are entitled to vote. A member entitled to attend, speak and vote at the AGM is also entitled to appoint a proxy to exercise all or any of his/her rights to attend, speak and vote at the AGM in his/her place. Such a member may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to different shares. A proxy need not be a member of the Company.

2. A form of proxy is enclosed with this notice. To be effective, a form of proxy must be completed and returned, together with any power of attorney or authority under which it is completed or a certified copy of such power or authority, so that it is received by the Company's registrars at the address specified on the form of proxy not less than 48 hours (excluding any part of a day that is not a working day) before the stated time for holding the meeting (or, in the event of an adjournment, not less than 48 hours before the stated time of the adjourned meeting (excluding any part of a day which is not a working day)). Returning a completed form of proxy will not preclude a member from attending the meeting and voting in person.
3. Any person to whom this notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a "Nominated Person") may, under an agreement between him/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 AGM. 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 notes 1 and 2 above does not apply to Nominated Persons. The rights described in paragraphs 1 and 2 can only be exercised by the holders of ordinary shares in the Company.
4. To be entitled to attend and vote at the AGM (and for the purposes of the determination by the Company of the number of votes they may cast), members must be entered on the Company's register of members by 6.30pm on 5 May 2020 (or, in the event of an adjournment, on the date which is two days, excluding any day which is not a working day, before the time of the adjourned meeting). Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
5. As at 2 April 2020 (being the last business day prior to the publication of this notice), the Company's issued share capital consists of 4,858,254,963 ordinary shares of 48/7p each, carrying one vote each.
6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available at www.euroclear.com). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a 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.
7. 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. 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 RA19) by 11.00 am on 5 May 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application 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.

8. 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 message. 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, to procure that his/ her CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
9. 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.
10. 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.
11. 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; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Act. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Act to publish on a website.
12. Any member holding ordinary shares attending the meeting has the right to ask questions. The Company must answer any such questions relating to the business being dealt with at the meeting but no such answer need be given if: (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; and/or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
13. Voting at the AGM will be by poll. The Chairman will invite each shareholder, corporate representative and proxy present at the meeting to complete a poll card indicating how they wish to cast their votes in respect of each resolution. In addition, the Chairman will cast the votes for which he has been appointed as proxy. Poll cards will be collected during the meeting. Once the results have been verified by the Company's registrar, Equiniti, they will be notified to the Financial Conduct Authority, announced through a Regulatory Information Service and will be available to view on the Company's website.
14. A copy of this notice, and other information required by section 311A of the Act, can be found at www.melroseplc.net.
15. You may not use an electronic address provided in either this Notice of AGM or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.
16. The following documents will be available for inspection at the Company's registered office during normal business hours (Saturdays, Sundays and public holidays excepted) from the date of this notice until the date of the AGM and at the place of the AGM for 15 minutes prior to and during the meeting:
- (A) copies of all service agreements under which Directors of the Company are employed by the Company or any subsidiaries; and
- (B) a copy of the terms of appointment of the Non-executive Directors of the Company.
17. You may register your vote online by visiting Equiniti's website at www.sharevote.co.uk. In order to register your vote online, you will need to enter the Voting ID, Task ID and Shareholder Reference Number which are set out on the enclosed form of proxy. The return of the form of proxy by post or registering your vote online will not prevent you from attending the AGM and voting in person, should you wish. Alternatively, shareholders who have already registered with Equiniti's online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at www.shareview.co.uk using your usual user ID and password. Once logged in simply click "View" on the "My Investments" page, click on the link to vote then follow the on screen instructions. A proxy appointment made electronically will not be valid if sent to any address other than those provided or if received after 11.00 am on 5 May 2020.



Melrose