

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

**If you are in any doubt about the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser. If you have sold or otherwise transferred all your ordinary shares in Charles Stanley Group PLC please forward this document, together with the accompanying documents, immediately to the purchaser or transferee or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding of shares, you should retain these documents.**

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## CHARLES STANLEY GROUP PLC

*(Incorporated and registered in England and Wales with registered number 48796.*

*Registered office: 55 Bishopsgate, London EC2N 3AS)*

### NOTICE OF ANNUAL GENERAL MEETING 2021

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Your attention is drawn to the letter from the Chairman of Charles Stanley Group PLC, which is set out on pages 2 to 6 of this document, and which recommends you vote in favour of the resolutions to be proposed at the Annual General Meeting.

The Notice of the Annual General Meeting is set out on pages 7 to 9.

You will also find enclosed with this document a form of proxy for use in connection with the Annual General Meeting. To be valid, the form of proxy should be completed, signed and returned in accordance with its instructions as soon as possible and, in any event, **so as to reach the Registrar by no later than 10.00 a.m. on Thursday 8 July 2021**. Further to the UK Government's Stay at Home Measures for social distancing that impacted the 2020 AGM, we continue to monitor the guidance provided by the Government. The Board has taken the decision to ask shareholders not to attend the Meeting's physical venue this year. The Board recognises the importance of the AGM to engage with shareholders and so the Company is welcoming shareholders to attend virtually should they wish to do so. More information on how to access the Meeting is set out below on page 13 and <https://www.charles-stanley.co.uk/investor-relations>. The Board strongly recommends that shareholders vote on all resolutions by submitting a Form of Proxy to appoint the Chair of the AGM as their proxy. If a shareholder appoints a person other than the Chair of the AGM as their proxy, that other proxy will not be able to attend the AGM nor vote. Further information on the impact of COVID-19 on this year's AGM is set out on page 2 of this document and on pages 13 to 16 in the notes to the Notice of the Annual General Meeting.

Charles Stanley Group PLC  
55 Bishopsgate, London  
EC2N 3AS  
T: 020 7739 8200  
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Dear Shareholder

### **Annual General Meeting – 10.00 a.m., Monday 12 July 2021**

I am pleased to enclose the Notice of Meeting for the 121st Annual General Meeting (“AGM”) of Charles Stanley Group PLC (the “Company”). This will be held at 55 Bishopsgate, London EC2N 3AS on Monday, 12 July 2021 at 10.00 a.m.

The Board values the opportunity that the AGM usually brings to interact with our shareholders. However, in light of the UK Government’s current guidance on public gatherings and its recommendations to take precautionary measures to avoid the spread of the COVID-19 virus, the Board has regrettably concluded that shareholders, proxies and corporate representatives will not be permitted to attend the AGM in person again this year. The AGM will be convened with the necessary quorum, comprising officers of the Company who are also shareholders, to conduct the business of the Meeting. The Board would like to invite shareholders to register to listen in to the Meeting electronically by contacting [AGM.General@charles-stanley.co.uk](mailto:AGM.General@charles-stanley.co.uk) and strongly encourages shareholders to submit any questions relevant to the business of the Meeting they may have for the Board by emailing them to [AGM.General@charles-stanley.co.uk](mailto:AGM.General@charles-stanley.co.uk) in advance. The Board will endeavour, where appropriate, to respond to all questions submitted before the proxy appointment deadline to those questions received by the close of business on Tuesday 6 July. Questions submitted after the deadline will be addressed at the Meeting where appropriate and all answers will also be published on our website at <https://www.charles-stanley.co.uk/investor-relations>.

Given the above, **I strongly encourage you to appoint the Chair of the AGM as your proxy with instructions on how to cast your vote on the resolutions proposed.** In doing so, your vote will be cast without your physical attendance. If you appoint a person other than the Chair of the AGM as your proxy, that other proxy will not be able to attend the AGM nor vote. Joining the Meeting electronically will not constitute attendance at the AGM. To be formally represented at the Meeting, you will need to appoint the Chair of the AGM as your proxy. Please complete and sign the Form of Proxy sent to you with this Notice and return it in accordance with its instructions as soon as possible, but no later than 10.00 a.m. on Thursday 8 July 2021. The notes on pages 13 to 16 explain how you can submit your proxy vote electronically. Alternatively, if you are not equipped to submit electronically, the accompanying proxy card provides details on how you can submit your proxy vote by post.

In the event that the current restrictions materially change prior to the AGM, the Board may reconsider whether shareholders should be allowed to attend the AGM in person (taking into account first and foremost the health and safety of attendees). Any changes to restrictions on attendance will be reflected on our website at <https://www.charles-stanley.co.uk/investor-relations>.

### **Resolutions**

Resolution nos. 1 to 14 are proposed as ‘ordinary business’ of the AGM and will be proposed as ordinary resolutions as follows:

- To receive and adopt the Annual Report and Accounts for the year ended 31 March 2021 (resolution no. 1)
- To declare a final dividend (resolution no. 2) – the Directors propose a final dividend of 9.0p per ordinary share
- To approve the Directors’ Remuneration Report (resolution no. 3)
- To approve the Directors’ Remuneration Policy (resolution no. 4)

- To approve the renewal of the Charles Stanley Group PLC Save As You Earn Option Plan (resolution no. 5)
- To re-elect Sir David Howard Bt., Paul Abberley, Benjamin Money-Coutts, Marcia Campbell, Andrew Didham and Hugh Grootenhuis as Directors (resolutions nos. 6 – 11)
- To elect Anna Troup as a Director (resolution no. 12)
- To re-appoint KPMG LLP as Auditor (resolution no. 13)
- To authorise the Directors to determine the remuneration of the Auditor (resolution no. 14)

*Resolution 1 (To receive and adopt the Annual Report and Accounts for the year ended 31 March 2021)*

The Companies Act 2006 (“the 2006 Act”) sections 437 to 438 requires the Directors of the Company to present its Annual Report and Accounts to be received by the shareholders at the AGM. The Company proposes an ordinary resolution for shareholders to receive and adopt its Annual Report and Accounts for the year ended 31 March 2021.

*Resolution 2 (To declare a final dividend)*

The Directors propose a final dividend of 9.0p per ordinary share for the year ended 31 March 2021. Resolution 2 seeks shareholder approval for this final dividend. If approved, the final dividend will be paid on 19 July 2021 to shareholders on the register as at the record date of 11 June 2021.

*Resolution 3 (To approve the Directors’ Remuneration Report)*

Section 439 of the 2006 Act requires the Directors to set out the remuneration report to be put forward for an annual advisory vote by shareholders. In adherence with the 2006 Act, the Company proposes, as an ordinary resolution, for shareholders to approve the directors’ remuneration report for the financial year ended 31 March 2021. The Directors’ remuneration report can be found on pages 68 to 93 of the Annual Report and Accounts. This resolution excludes the elements of the remuneration report which refer to the remuneration policy as set out on pages 73 to 77.

*Resolution 4 (To approve the Directors’ Remuneration Policy)*

In contrast to the remuneration report, section 439A of the 2006 Act stipulates the remuneration policy is subject to a binding shareholders’ vote, at least once every three years, as an ordinary resolution. Resolution 4 seeks shareholder approval of the Company’s new remuneration policy which sets out how the Company proposes to structure the Directors’ remuneration packages. If approved, the policy will remain in effect (unless further amended by shareholder vote) for three years commencing on the date of the 2021 AGM. The policy can be found on pages 73 to 77 of the Annual Report and Accounts.

*Resolution 5 (Charles Stanley Group PLC Save As You Earn Option Plan (the SAYE Plan))*

The Directors consider employee share ownership to be a key part of the Company’s approach to remuneration as part of delivering its strategy. Employee share plans enable the Company to align the interests of employees and shareholders, and to recruit, retain and motivate employees at all levels. The SAYE Plan is a tax advantaged sharesave plan for the purposes of HMRC rules.

The SAYE Plan was approved by shareholders on 4 February 2011. The terms of the SAYE Plan permit the grant of options under it, providing no option may be granted after the ten-year period ending 31 January 2021.

We have made minor changes to the SAYE Plan since it was last presented to shareholders, in order to keep the SAYE Plan in line with changing legislation and market practice. The SAYE Plan is now being put to shareholders to approve its renewal and extension to 11 July 2031. No other changes to the SAYE Plan are being proposed at the AGM.

The principal features of the SAYE Plan are summarised in Appendix 1 to this Notice. A copy of the draft rules of the SAYE Plan will be available for inspection by appointment during normal business

hours at the Company's registered office from the date of this Notice, and from 09.30 a.m. on the morning of the AGM at the meeting venue, until the conclusion of the Meeting.

*Resolutions 6 to 12 (To re-elect Sir David Howard Bt., Paul Abberley, Benjamin Money-Coutts, Marcia Campbell, Andrew Didham and Hugh Grootenhuis; and elect Anna Troup as Directors)*

Biographies of all the Directors can be found on pages 52 to 53 of the Annual Report and Accounts 2021.

For the purposes of the UK Corporate Governance Code (the "Code"), Marcia Campbell, Andrew Didham, Hugh Grootenhuis and Anna Troup are considered to be independent ("Independent Non-executive Directors"). As Sir David Howard Bt. was formerly an executive Director of the Company and is a significant shareholder in the Company he is not considered to be independent.

Each Independent Non-executive Director's independence was determined by reference to the relevant provisions of the Code. The Company has received confirmation from each of the Independent Non-executive Directors that there is no existing or previous relationship, transaction or arrangement that the Independent Non-executive Directors have or have had with the Company, its Directors, any controlling shareholder (see below) or any associate of a controlling shareholder; they are each considered by the Company to be independent in character and judgement and without relationships or circumstances that could appear to affect their judgement. They were appointed following a rigorous selection process involving external consultants and the Company considers that their experience and skills equip them to be effective Directors. Their performance has continued to be effective and demonstrates their commitment to the role. The Board considers that each of the Directors brings an invaluable mix of skills and experience. The skills and experience of each Director, which can be found on pages 52 and 53 of the Annual Report and Accounts or on the website <https://www.charles-stanley.co.uk/investor-relations/corporate-governance>, demonstrate why their contribution is, and continues to be, important for the Company's long-term sustainable success. Each Director is committed to ensuring their respective duties as Directors are discharged effectively, evidenced by their time commitment through attendance at Board and Committee meetings throughout the year (and which can be found at page 57 of the Annual Report and Accounts).

The Company is required to comply with provisions of the UK Listing Rules (the "Listing Rules") relating to controlling shareholders and the re-election of the Independent Non-executive Directors of the Company. Under the Listing Rules, because Sir David Howard Bt. is a controlling shareholder of the Company (that is, he and his concert party hold more than 30 per cent. of the voting rights of the Company), the election or re-election of any Independent Non-executive Director by shareholders must be approved by a majority vote of both:

- (1) the shareholders of the Company; and
- (2) the independent shareholders of the Company (that is, the shareholders of the Company entitled to vote on the election of Directors who are not controlling shareholders of the Company).

*Resolutions 9, 10, 11 and 12 (the re-election or election of the Independent Non-executive Directors)* are therefore being proposed as ordinary resolutions which all shareholders may vote on. However, in addition, the Company will separately count the number of votes cast by independent shareholders in favour of the resolutions (as a proportion of the total votes of independent shareholders cast on the resolution) to determine whether the second threshold referred to in (2) above has been met. The Company will announce the results of the resolutions on this basis as well as announcing the results of the ordinary resolutions of the shareholders.

Under the Listing Rules, if a resolution to re-elect an Independent Non-executive Director is not approved by the majority vote of both the shareholders as a whole and separately of the independent shareholders of the Company at the AGM, a further resolution may be put forward to be approved by the shareholders as a whole at a meeting which must be held more than 90 days after the date of the first vote but within 120 days of the first vote. Accordingly, if any of resolutions are not approved by a majority vote of the Company's independent shareholders at the AGM, the relevant independent Director(s) will be treated as having been re-elected only for the period from the date of the AGM until the earlier of (i) the close of any general meeting of the Company convened from a date more than 90 days after the AGM but within 120 days of the AGM to propose a further resolution to re-elect

him or her, (ii) the date which is 120 days after the AGM and (iii) the date of any announcement by the Board that it does not intend to hold a second vote. In the event that the Director's re-election is approved by a majority vote of all the shareholders at a second meeting, the Director will then be re-elected until the next AGM.

*Resolutions 13 and 14 (To re-appoint KPMG LLP as Auditor and to authorise the Directors to determine its remuneration)*

At every general meeting at which accounts are presented to shareholders, the Company is required to appoint an Auditor to serve from the end of the meeting until the next such meeting. On the recommendation of the Audit committee, the Directors are proposing the re-appointment of KPMG LLP (KPMG) as the Company's Auditor and KPMG has expressed its willingness to continue in office. Resolution 13 proposes the re-appointment of KPMG as the Company's Auditor to hold office until the next annual general meeting of the Company. Resolution 14 authorises the Directors to determine KPMG's remuneration.

Resolutions nos. 15 to 18 are proposed as special business, with resolution 15 being proposed as an ordinary resolution and resolutions nos. 16, 17 and 18 being proposed as special resolutions.

*Resolution nos. 15 and 16 (Authority to allot shares and dis-application of pre-emption rights)*

The Directors may only allot shares or grant rights to subscribe for, or convert any security into shares, if authorised to do so by shareholders. Last year, as in previous years, the shareholders resolved to give the Directors authorisation, subject to a cap, to allot shares for cash or otherwise and also passed a special resolution for a limited dis-application of section 561 of the 2006 Act, empowering them to allot shares for cash or otherwise in accordance with statutory pre-emption rights in certain limited circumstances.

The authority conferred on the Directors at last year's AGM under section 551 of the 2006 Act to allot shares expires on the date of the forthcoming AGM. Accordingly, Resolution 15 seeks to grant a new authority under section 551 of the 2006 Act to authorise the Directors to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company, which will expire on the earlier of 15 months from the date of this resolution and the end of the 2022 AGM of the Company. As at the date of this Notice, no ordinary shares are held by the Company in treasury. The Directors have no present intention to exercise the authority sought under this resolution but consider its grant to be appropriate in order to preserve maximum flexibility for the future.

However, if they do exercise the authority, the Directors intend to follow the Pre-Emption Group's Statement of Principles, as updated in March 2015 (the "Statement of Principles"), and the template resolutions published by the Pre-Emption Group in May 2016. Resolutions 15 and 16 will, if passed, give the Directors power to disapply pre-emption rights on up to 5 per cent. of the issued ordinary share capital and to disapply pre-emption rights to an additional 5 per cent. of issued ordinary share capital for transactions which the Directors determine to be an acquisition or other capital investment as defined by the Statement of Principles.

Resolution 16 gives the Directors the power, in certain limited circumstances, to allot equity securities for cash without first being required to offer such shares to the existing shareholders in proportion to their existing holdings. Apart from in connection with rights issues and other pre-emptive offers, the power will be limited to the allotment of equity securities for cash up to an aggregate nominal value of \$651,441 (being 5 per cent. of the issued ordinary share capital of the Company as at the latest practicable date before publication of this Notice). The Directors will have due regard to the Statement of Principles in relation to any exercise of this power, in particular to the requirement for advance consultation and explanation before making any non-pre-emptive cash issue pursuant to this resolution which exceeds 7.5 per cent. of the share capital in any rolling three-year period. The authority will expire at the conclusion of the next AGM of the Company or, if earlier, the date which is 15 months from the date of this resolution. It is the Directors' intention to seek renewal of this authority annually.

Resolution 17 also gives the Directors the power, in certain limited circumstances, to allot equity securities for cash without first being required to offer such shares to the existing shareholders in



proportion to their existing holdings. The disapplication of pre-emption rights in respect of a further 5 per cent. of the Company's issued share capital in addition to the authority proposed to be granted pursuant to Resolution 15 reflects the guidance from the Statement of Principles and the Guidance issued by the Pre-Emption Group. Apart from in connection with rights issues and other pre-emptive offers, the power will be limited to the allotment of equity securities for cash up to an aggregate nominal value of £651,441 (being 5 per cent. of the issued ordinary share capital of the Company as at the latest practicable date before publication of this Notice) provided that the authority can only be used in connection with the financing or refinancing of an acquisition or specified capital investment (within the meaning of the Statement of Principles). Any such refinancing must be within six months of the original transaction. The directors will have due regard to the Statement of Principles in relation to any exercise of this power. The authority will expire at the conclusion of the next AGM of the Company or, if earlier, the date which is 15 months from the date of this resolution.

*Resolution no. 18 (Notice of general meetings)*

Resolution 18 would maintain the current position, agreed by shareholders at the 2020 AGM, allowing the Company to hold general meetings on 14 clear days' notice.

Under the 2006 Act, as amended, the notice period required for all general meetings of the Company is 21 days. Annual General Meetings will continue to be held on at least 21 clear days' notice but shareholders can approve a shorter notice period for other general meetings, which cannot however be less than 14 clear days. Resolution 18 seeks such approval. The approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed. The Directors confirm that the Company will give as much notice as practicable when calling a general meeting. The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility offered by the shorter notice period would be in the best interests of shareholders generally, taking into account the circumstances and business of the meeting, including whether the business is time sensitive.

**Recommendation**

The Directors of the Company consider that all the proposals to be considered at the AGM are in the best interests of the Company and its members as a whole and are most likely to promote the success of the Company for the benefit of its members as a whole. Accordingly, the Directors recommend that you vote in favour of all the proposed resolutions as they intend to do in respect of their own beneficial holdings.

Yours sincerely



Sir David Howard Bt.

## NOTICE OF MEETING

**Notice is hereby given that the 121st Annual General Meeting (the “AGM”) of Charles Stanley Group PLC (the “Company”) will be held at 55 Bishopsgate, London EC2N 3AS on Monday 12 July 2021 at 10.00 a.m.**

Resolution nos. 1 to 15 will be proposed as ordinary resolutions and resolution nos. 16 to 18 will be proposed as special resolutions.

### **Ordinary resolutions**

#### **Ordinary business**

1. To receive and adopt the Annual Report and Accounts for the year ended 31 March 2021 with the reports of the Directors and Auditor.
2. To declare a final dividend of 9.0p per ordinary share for the year ended 31 March 2021 payable on 19 July 2021 to shareholders on the register at the close of business on 11 June 2021.
3. To approve the Directors’ Remuneration Report (other than the part containing the Directors’ Remuneration Policy) as set out on pages 68 to 93 of the Annual Report and Accounts 2021.
4. To approve the Directors’ Remuneration Policy as set out on pages 73 to 77 of the Annual Report and Accounts 2021.
5. That the amendments to the rules of the Charles Stanley Group PLC Save As You Earn Plan, (the **SAYE Plan**), the principal features of which are summarised in Appendix 1 to this Notice (and a copy of which will be produced to the Annual General Meeting and, for the purposes of identification, initialled by the Chair of the Meeting), be approved and the Board be authorised to:
  - (i) do all such other acts and things as they may consider appropriate to continue to operate the SAYE Plan including making any changes to the rules of the SAYE Plan necessary or desirable in order to ensure that the Board can make a valid declaration to HMRC that the SAYE Plan satisfies the requirement of Schedule 3 to the Income Tax (Earnings and Pensions) Act 2003; and
  - (ii) establish schedules to, or further incentive plans based on, the SAYE Plan but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any awards made under any such schedules or further plans are treated as counting against the limits on individual and overall participation in the SAYE Plan.
6. To re-elect Sir David Howard Bt. as a Director.
7. To re-elect Paul Abberley as a Director.
8. To re-elect Benjamin Money-Coutts as a Director.
9. To re-elect Marcia Campbell as a Director.
10. To re-elect Andrew Didham as a Director.
11. To re-elect Hugh Grootenhuis as a Director.
12. To elect Anna Troup as a Director.
13. To re-appoint KPMG LLP as Auditor of the Company to hold office from the conclusion of this Meeting until the next general meeting at which the accounts are laid before the Company.
14. To authorise the Directors to determine the remuneration of the Auditor.

### **Special business**

As special business to consider and, if thought fit, to pass the following resolutions, resolution no. 15 being proposed as an ordinary resolution and resolution nos. 16, 17 and 18 as special resolutions.

15. THAT pursuant to and in accordance with section 551 of the Companies Act 2006 (“the 2006 Act”)

- (a) The Directors shall have general and unconditional authority to exercise for the purposes of section 551 all the powers of the Company to allot shares, grant options over, grant rights to subscribe for, or convert securities into shares, or otherwise deal with or dispose of any relevant securities (as defined in section 551(7) of the 2006 Act) of the Company to such persons, at such times and generally on such terms and conditions as the Directors may determine

PROVIDED THAT:

- (i) the authority hereby conferred shall, subject to section 551 of the 2006 Act, be for a period expiring on the earlier of 15 months from the date of this resolution and the end of the 2022 AGM of the Company unless renewed, varied or revoked by the Company in a general meeting; and
  - (ii) the maximum nominal amount of relevant securities as aforesaid which may be allotted pursuant to such authority shall be £4,342,939 (being approximately one third of the Company’s issued share capital at the latest practicable date before publication of this Notice);
- (b) the Directors shall be entitled under the authority conferred hereby, or under any renewal thereof, to make at any time prior to the expiry of such authority, any offer or agreement which would or might require relevant securities as aforesaid to be allotted after the expiry of such authority and to allot relevant securities accordingly; and
  - (c) the authority given by this resolution shall supersede and revoke any earlier authority given in respect of relevant securities as aforesaid.

### **Special resolutions**

16. THAT if resolution 15 is passed, the Directors be authorised to allot equity securities (as defined in the 2006 Act) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the 2006 Act did not apply to any such allotment or sale, such authority to be limited to:

- (a) allotments for rights issues and other pre-emptive issues; and
- (b) the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) above) up to a nominal amount of £651,441 (being not more than 5 per cent. of the issued ordinary share capital (excluding treasury shares) of the Company as at the latest practicable date before publication of this Notice),

such authority to expire at the end of the next AGM of the Company (or if earlier, at the close of business on 12 October 2022) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

17. THAT if resolution 16 is passed, the Directors be authorised in addition to any authority granted under resolution 16 to allot equity securities (as defined in the 2006 Act) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the 2006 Act did not apply to any such allotment or sale, such authority to be:

- (a) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £651,441 (being not more than 5 per cent. of the issued ordinary share capital



(excluding treasury shares) of the Company as at the latest practicable date before publication of this Notice); and

- (b) 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 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,

such authority to expire at the end of the next AGM of the Company (or, if earlier, at the close of business on 12 October 2022) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

- 18. THAT a general meeting, other than an annual general meeting, may be called on not less than 14 clear days' notice.

By Order of the Board  
Julie M Ung  
Company Secretary

Charles Stanley Group PLC  
55 Bishopsgate, London EC2N 3AS  
Registered in England and Wales No. 48796

8 June 2021

## **Appendix 1:**

### **Summary of the Charles Stanley Group PLC Save As You Earn Option Plan (the SAYE Plan)**

The Directors consider it important for employees to acquire shares in the Company and is therefore seeking shareholders' approval to renew the SAYE Plan.

The principal terms of the SAYE Plan are set out below.

#### **General**

The SAYE Plan is a share option plan designed to be a tax advantaged share incentive plan which complies with Schedule 3 of the Income Tax (Earnings & Pensions) Act 2003.

The SAYE shall continue to be administered by the Board (or a committee of the Board). The SAYE Plan will remain registered with HMRC. It allows the Company to grant options to acquire shares to employees based in the UK on a tax-favoured basis.

Options may be satisfied using newly issued shares, treasury shares or shares purchased in the market.

#### **Eligibility**

Each time that the Board decides to operate the SAYE, all UK tax-resident persons must be invited to participate, who:

- (i) are employees or directors of the Company and any subsidiaries designated by the Board as participating companies;
- (ii) have a qualifying period of continuous service (if any) as the Board determines (not exceeding a period of 5 years before grant); and
- (iii) in the case of directors, are required to work for the Company and/or any participating companies for more than 25 hours a week.

Other non-UK tax payer employees of participating companies may be invited by the Board to participate.

#### **Savings contract**

Under the SAYE Plan, participants are granted an option over shares and must enter into a savings contract in connection with the option, to save between £5 and £500 per month by deduction from their salary. Shares can only be acquired with the amount saved (plus any interest or bonus, if the directors so decide).

#### **Option price**

The directors set the exercise price which must not be less than 80% of the market value of a share either on the date of the invitation or the date specified in the invitation (calculated on the business day before the date of invitation, or if the directors decide, the average market value over three preceding business days).

#### **Exercise of options**

The savings contract will generally mature three or five years after the start of the savings contract and normally options can only be exercised six months after maturity. Options may, however, be exercised early to the extent of the savings made, in certain circumstances. These include, for example, an employee leaving service because of injury, disability, death, retirement or redundancy, or where the company or business for which he works ceases to be controlled by the Company or leaves the group. On cessation of employment for other reasons, options will normally lapse.

#### **Change of control, or other reorganisations**

On a takeover, scheme of arrangement, or certain other corporate events, options can generally be exercised early to the extent of the savings made. Alternatively, participants may be allowed to exchange their options for options over shares in the acquiring company.

### **Variation in share capital**

In the event of a variation in the share capital of the Company, the Board may adjust the number and description of shares subject to each option and/or the exercise price to the extent necessary.

Any variation must ensure that the value of the shares in the option and its aggregate exercise price are substantially the same immediately before and after the adjustment.

### **SAYE Plan limits**

The total number of shares allocated in the previous ten years under the Plan and any other employee share plan operated by the Company, added to commitments to issue new ordinary shares on any one day, may not exceed 10% of the issued share capital of the Company immediately before that day. This limit does not include rights to shares which have lapsed or been surrendered. The limit includes any shares transferred out of treasury, but only for as long as the Investment Association requires treasury shares to be included.

### **Operation of the SAYE Plan**

The SAYE Plan may only be operated within a 42 day period starting on:

- (i) the day on which the SAYE Plan is approved by shareholders in general meeting;
- (ii) any announcement of results to the London Stock Exchange;
- (iii) any day on which changes to the legislation or regulations affecting the SAYE Plan are announced or take effect; or
- (iv) the date that, if restrictions on dealings or transactions in securities (Dealing Restrictions) prohibited the issue of an invitation in the period mentioned above, all such Dealing Restrictions cease,

or any other period during which exceptional circumstances arise (as determined by the directors).

The SAYE Plan will cease to operate in ten years from the date of the 2021 AGM, or earlier if the directors so decide.

### **Amendments to the SAYE Plan rules**

The directors may amend the SAYE Plan as they consider appropriate, however HMRC must be notified where the changes are to “key features” of the SAYE Plan (features which are relevant to the SAYE Plan qualifying as a tax advantaged share plan in the UK).

In addition, prior approval of shareholders in general meeting will be required to amend certain provisions to the advantage of participants. These provisions relate to: eligibility; plan limits; maximum contribution; the basis for determining participants’ entitlement to, and the terms of, shares provided under the SAYE Plan; adjustment of options in the event of a capitalisation issue, rights issue or open offer; sub-division or consolidation of shares, reduction or any other variation of capital; and the amendment powers (for the above provisions).

The directors can without shareholder approval:

- (i) make amendments to the SAYE Plan to ensure the SAYE Plan complies with the requirements of the legislation governing such tax advantaged plans;
- (ii) make minor amendments to benefit the administration of the SAYE Plan or which relate to any changes in legislation, or which will obtain or maintain favourable tax, exchange control or regulatory treatment for any participating company or any participant; and
- (iii) adopt non tax-advantaged schedules to the SAYE Plan for the purpose of granting non qualifying options to non-UK employees, on terms which are appropriate to the jurisdiction that they are employed in (or any other terms which the directors consider appropriate).

**Miscellaneous**

- (i) Any ordinary shares issued under the SAYE Plan will rank equally with shares of the same class in issue on the date of allotment except in respect of rights arising by reference to a prior record date.
- (ii) Options granted under the SAYE Plan are not transferable except on death.
- (iii) Benefits under the SAYE Plan are not pensionable.

*This summary does not form part of the rules of the SAYE Plan and should not be taken as affecting the interpretation of the detailed terms and conditions of the SAYE Plan. The Board reserves the right to amend or add to the rules of the SAYE Plan up until the time of the Annual General Meeting, provided that such amendments or additions do not conflict in any material respect with this summary.*

## NOTES TO THE NOTICE OF MEETING

### Entitlement to attend and vote

1. **As explained in more detail in the Chairman's letter to this Notice, shareholders are not permitted to attend the AGM in person and are requested to submit their votes by proxy. Unless notified otherwise after the publication of this Notice, any shareholders attempting to attend the AGM in person will unfortunately be denied entry. If a shareholder appoints a person other than the Chair of the AGM as their proxy, that other person will not be able to attend the AGM nor vote.**

Only those members on the Company's register shall be entitled to vote at the Meeting as at:

- close of business on Thursday 8 July 2021; or
- if this Meeting is adjourned, at close of business on the day two days prior to the adjourned meeting.

Proxy Forms should be completed and returned to the Company's Registrars, Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL as soon as possible, in any event so as to be received not later than 48 hours before the time fixed for the Meeting. If you prefer, you may return the proxy form to the Registrar in an envelope addressed to FREEPOST PXS 1, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL.

### Website giving information regarding the Meeting

2. Information regarding the Meeting, including the information required by section 311A of the Companies Act 2006, is available from <https://www.charles-stanley.co.uk/investor-relations>.

### Appointment of proxies

3. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights at the Meeting and you should have received a proxy form with this Notice of Meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. **In light of note 1 above, and as explained in more detail in the Chairman's letter to this Notice, all shareholders are strongly encouraged to appoint the Chair of the AGM as proxy to vote on their behalf.**
4. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form.
5. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Company Secretary at the address provided on your proxy form.
6. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution.

### Appointment of proxy using hard copy proxy form

7. The notes to the proxy form explain how to direct your proxy and how to vote on each resolution or withhold your vote. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.



### **Appointment of proxy by joint members**

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

### **Changing proxy instructions**

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

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact the Company Registrars, Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL.

### **Termination of proxy appointments**

10. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard-copy notice clearly stating your intention to revoke your proxy appointment to Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by no later than 10.00 a.m. on Thursday 8 July 2021.

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

### **Electronic proxy appointment through CREST**

11. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof 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 ("**Euroclear**") 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 relates to an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by the latest time(s) for receipt of proxy appointments specified in this Notice of Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear 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. The CREST Manual can be reviewed at [www.euroclear.com](http://www.euroclear.com)

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.

### **Corporate representatives**

12. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share. **In light of note 1 above, and as explained in more detail in the Chairman's letter to this Notice, all shareholders are strongly encouraged to appoint the Chair of the AGM as proxy to vote on their behalf.**

### **Issued shares and total voting rights**

13. The total number of issued ordinary shares in the Company on 2 June 2021, which is the latest practicable date before the publication of this document, is 52,115,318 ordinary shares of 25p each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 2 June 2021 is 52,115,318. The website referred to in note 2 will include information on the number of shares and voting rights.

### **Publication of statement about Auditors**

14. Under section 527 of the 2006 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:
  - (a) 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 meeting; or
  - (b) 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 2006 Act.

The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the 2006 Act. Where the Company is required to place a statement on a website under section 527 of the 2006 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 meeting includes any statement that the Company has been required under section 527 of the 2006 Act to publish on a website.

### **Questions at the Meeting**

15. Any shareholder will have the opportunity to ask questions in advance of the AGM by emailing [AGM.General@charles-stanley.co.uk](mailto:AGM.General@charles-stanley.co.uk). The Board will endeavour, where appropriate, to respond to all questions submitted before the proxy appointment deadline to those questions received by the close of business on Tuesday 6 July 2021. Questions submitted after the deadline will be addressed at the Meeting where appropriate and all answers will also be published on our website at <https://www.charles-stanley.co.uk/investor-relations>. Under section 319A of the 2006 Act, the Company must answer any question you ask relating to the business being dealt with at the Meeting unless:
  - answering the question would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information;

- the answer has already been given on a website in the form of an answer to a question; or
- it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.

### **Communication**

16. Except as provided above, shareholders who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted):

- Emails to [AGM.General@charles-stanley.co.uk](mailto:AGM.General@charles-stanley.co.uk)

You may not use any electronic address provided to communicate with the Company for any purposes other than those expressly stated:

- in this Notice of Annual General Meeting; or
- in any related documents (including the Chairman's letter and proxy form).

### **Inspection of documents**

17. Copies of the Executive Directors' service contracts and the Independent Non-executive Directors' terms of appointment will be available for inspection by appointment during normal business hours at the Company's registered office from the date of this Notice, and from 09.30 a.m. on the morning of the AGM at the meeting venue, until the conclusion of the Meeting.