

**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 MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISOR AUTHORISED PURSUANT TO THE FINANCIAL SERVICES AND MARKETS ACT 2000 IF YOU ARE IN THE UNITED KINGDOM OR, IF NOT, ANOTHER APPROPRIATELY AUTHORISED INDIVIDUAL IMMEDIATELY.

IF YOU HAVE SOLD OR TRANSFERRED ALL OF YOUR ORDINARY SHARES OF 1P EACH IN STHREE PLC ("ORDINARY SHARES") PLEASE SEND THIS DOCUMENT, TOGETHER WITH THE OTHER 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.



Registered Office:

1st Floor, 75 King William Street  
London  
EC4N 7BE  
Registered in England No. 3805979

23 January 2015

Dear Shareholder

**NOTICE OF ANNUAL GENERAL MEETING**

I am pleased to inform you that our 2015 Annual General Meeting ("**AGM**") is to be held at 1<sup>st</sup> Floor, 75 King William Street, London, EC4N 7BE on Thursday 23 April 2015 at 11:30am. The formal notice of the AGM, particulars of the resolutions on which you can vote and details of the administrative arrangements are set out in this circular.

If you are not able to come to the AGM in person, your vote is still important and I would urge you to complete, sign and return the accompanying proxy form to be received by 11:30am on Tuesday 21 April 2015. Submission of a proxy appointment will not prevent you from attending and voting at the AGM in person should you wish to do so.

Your Directors believe that the proposed resolutions are in the best interests of the Company and its shareholders as a whole and unanimously recommend you to vote in favour of all the resolutions set out in the attached notice, as they intend to do in respect of their own shareholdings.

In line with our CSR policy, we also offer shareholders the opportunity to register to receive communications by email. The Board are keen to encourage the use of this service and, if it is of interest, you can find further information in Note 9 to the Explanatory Notes of this circular.

Yours sincerely

A handwritten signature in black ink that reads 'Clay Brendish'. The signature is written in a cursive style and is positioned above a horizontal line.

**Clay Brendish**  
Chairman

## **STHREE PLC - NOTICE OF AGM**

This document lists the resolutions to be voted on at the Company's AGM to be held on 23 April 2015 at 11:30 am.

**Notice is hereby given that the Annual General Meeting of STthree plc will be held at 1<sup>st</sup> Floor, 75 King William Street, London EC4N 7BE on 23 April 2015 at 11:30am to consider the following resolutions:**

Resolutions 18 to 20 (inclusive) will be proposed as special resolutions. All other resolutions will be proposed as ordinary resolutions.

### **ORDINARY RESOLUTIONS**

#### **Resolution 1**

THAT the Annual Report & Financial Statements for the financial year ended 30 November 2014, together with the Directors' report, Strategic report and Auditor's reports thereon, be received.

#### **Resolution 2**

THAT a final dividend of 9.3 pence per ordinary share be declared and paid on 5 June 2015, to shareholders on the register of members as at the close of business on 1 May 2015.

#### **Resolution 3**

THAT the Directors' Remuneration Report for the financial year ended 30 November 2014 be received and approved.

#### **Resolution 4**

THAT Clay Brendish be re-elected as a Director of the Company.

#### **Resolution 5**

THAT Gary Elden be re-elected as a Director of the Company.

#### **Resolution 6**

THAT Alex Smith be re-elected as a Director of the Company.

#### **Resolution 7**

THAT Justin Hughes be re-elected as a Director of the Company.

#### **Resolution 8**

THAT Steve Quinn be re-elected as a Director of the Company.

#### **Resolution 9**

THAT Tony Ward be re-elected as a Director of the Company.

#### **Resolution 10**

THAT Nadhim Zahawi be re-elected as a Director of the Company.

Resolution 11

THAT Fiona MacLeod be elected as a Director of the Company

**Resolution 12**

THAT PricewaterhouseCoopers LLP be re-appointed as Auditors of the Company to hold office until the conclusion of the next General Meeting at which accounts are laid.

**Resolution 13**

THAT the Directors be authorised to determine the remuneration of the Auditors.

**Resolution 14**

THAT:

- (i) the Company and those companies which are subsidiaries of the Company at any time during the period for which this resolution has effect be and are hereby authorised for the purposes of Part 14 of the Companies Act 2006 (the “Act”) during the period from the date of the passing of this resolution to the earlier of the conclusion of the Company’s Annual General Meeting in 2016 and 23 July 2016:
  - (a) to make political donations to political parties, and/or independent election candidates;
  - (b) to make political donations to political organisations other than political parties; and
  - (c) to incur political expenditure,up to an aggregate amount of £50,000, and the amount authorised under each of paragraphs (a) to (c) shall also be limited to such amount;
- (ii) all existing authorisations and approvals relating to political donations or expenditure under Part 14 of the Act are hereby revoked without prejudice to any donation made or expenditure incurred prior to the date hereof pursuant to such authorisation or approval; and
- (iii) words and expressions defined for the purpose of the Act shall have the same meaning in this resolution.

**Resolution 15**

THAT, for all prior shareholder authorities granted to offer key individuals, including senior employees, potential new recruits or Partners in SThree Partnership LLP (“LLP”) the opportunity to purchase shareholdings or capital interests in certain of the Company's subsidiaries (including the LLP), on the terms set out in Appendix 1 accompanying this notice of Annual General Meeting, the five year period available to the Company to make such offers, be renewed from the date of the 2015 Annual General Meeting, or any adjournment thereof.

## **Resolution 16**

THAT, pursuant to section 551 of the Companies Act 2006, the Directors be and are generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £422,300.23 provided that (unless previously revoked, varied or renewed) this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or on 23 July 2016 (whichever is the earlier), save that the Company may make an offer or agreement before this authority expires which would or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after this authority expires and the Directors may allot shares or grant such rights pursuant to any such offer or agreement as if this authority had not expired.

This authority is in substitution for all existing authorities under section 551 of the Companies Act 2006 (which, to the extent unused at the date of this resolution, are revoked with immediate effect).

## **SPECIAL RESOLUTIONS**

### **Resolution 17**

THAT a General Meeting other than an Annual General Meeting may be called on not less than 14 clear days' notice.

### **Resolution 18**

THAT, subject to the passing of resolution 16 and pursuant to sections 570 and 573 of the Companies Act 2006, the Directors be and are generally empowered to allot equity securities (within the meaning of section 560 of the Companies Act 2006) for cash pursuant to the authority granted by resolution 16 and to sell ordinary shares held by the Company as treasury shares for cash as if section 561(1) of the Companies Act 2006 did not apply to any such allotment or sale, provided that this power shall be limited to the allotment of equity securities or sale of treasury shares:

18.1 in connection with an offer of equity securities (whether by way of a rights issue, open offer or otherwise):

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

18.1.2 to holders of other equity securities in the capital of the Company, as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange; and

18.2 otherwise than pursuant to paragraph 18.1 of this resolution, up to an aggregate nominal amount of £63,345.14, and (unless previously revoked, varied or

renewed) this power shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or on 23 July 2016 (whichever is the earlier), save that the Company may make an offer or agreement before this power expires which would or might require equity securities to be allotted or treasury shares to be sold for cash after this power expires and the Directors may allot equity securities or sell treasury shares for cash pursuant to any such offer or agreement as if this power had not expired.

This power is in substitution for all existing powers under sections 570 and 573 of the Companies Act 2006 (which, to the extent unused at the date of this resolution, are revoked with immediate effect).

### **Resolution 19**

THAT the Company be and is hereby unconditionally and generally authorised for the purposes of Section 701 of the Companies Act 2006 to make market purchases, as defined in Section 693 of that Act, of ordinary shares of 1p each in the capital of the Company ('ordinary shares'), and where such shares are held in treasury, the Company may use them for the purpose of its employees' share schemes or other incentive arrangements, provided that:

- (a) the maximum number of ordinary shares that may be purchased is 12,669.028
- (b) the minimum price (exclusive of expenses) which may be paid for each Ordinary Share is 1p;
- (c) the maximum price (exclusive of expenses) that may be paid for each ordinary share shall be no more than the higher of: (i) the amount equal to 105% of the average of the middle market quotations of the ordinary shares as derived from the London Stock Exchange Daily Official list for the five business days immediately preceding the day on which such ordinary share is contracted to be purchased; and (ii) the higher of the price of the last independent trade and the highest current bid as stipulated by Article 5(1) of Commission Regulation (EC) 22 December 2003 implementing the Market Abuse Directive as regards exemptions for buy-back programmes and stabilisation of financial instruments (No 2273/2003); and
- (d) this authority shall, unless previously varied, revoked or renewed, expire on 23 July 2016 or, if earlier, at the conclusion of the Company's Annual General Meeting in 2016, save that the Company shall be entitled under such authority to make at any time before such expiry any contract to purchase its own shares which will or might be executed wholly or partly after such expiry.

**By order of the Board**

*Steven C Hornbuckle*

**Steve Hornbuckle**  
**Group Company Secretary**

23 January 2015  
1st Floor  
75 King William Street  
London  
EC4N 7BE

## Notes

1. A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at the Annual General Meeting. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.
2. A form of proxy is enclosed. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting in person.
3. To be effective the instrument appointing a proxy, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority), must be either (a) sent to the Company's Registrars, Capita Asset Services, in accordance with the instructions on the form of proxy, so as to arrive no later than 48 hours before the time for holding the meeting or any adjournment of it or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, or (b) lodged using the CREST Proxy Voting Service – see Note 8 below.
4. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with section 146 of the Companies Act 2006 ("**nominated persons**"). Nominated persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.
5. Holders of ordinary shares of 1p each in the capital of the Company ("**ordinary shares**") are entitled to attend and vote at General Meetings of the Company. On a vote by show of hands every member who is present has one vote. Each proxy appointed by a member has one vote on a show of hands unless the proxy is appointed by more than one member in which case the proxy has one vote for and one vote against if the proxy has been instructed by one or more members to vote for the resolution and by one or more member to vote against the resolution. On a poll vote every member who is present in person or by proxy has one vote for every ordinary share of which he is the holder.
6. As at 23 January 2015 (being the latest practicable date before the publication of this Notice) the Company's issued share capital consists of 126,746,231 ordinary shares, carrying one vote each including any shares held in SThree's treasury account. Therefore, the total voting rights in the Company as at 23 January 2015 are 126,690,278.
7. 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 of the meeting) by following 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) should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
8. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual available via web address [www.euroclear.com/site/public/EUI](http://www.euroclear.com/site/public/EUI). The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by issuer's agent (ID RA10) by the latest time(s) for receipt of proxy appointments specified in Note 3 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to a proxy appointed through CREST should be communicated to him by other means.
9. CREST members (and, where applicable, their CREST sponsors or voting service providers) should note that CRESTCo 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, to procure that his CREST sponsor or voting service provider takes) 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.
10. 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.

## **1 Explanatory Notes**

Resolutions 1 to 16 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 17 to 19 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

### **1.1 Reports and Accounts (Resolution 1)**

The Directors of the Company must present the Annual Report & Financial Statements, together with the Directors' report, Strategic report and Auditor's reports, to the AGM.

### **1.2 Payment of a Final Dividend (Resolution 2)**

A final dividend can only be paid after the shareholders at a General Meeting have approved it. A final dividend of 9.3 pence per ordinary share is recommended by the Board for payment to shareholders on the register of members at the close of business on 1 May 2015. If approved, the date of payment of the final dividend will be 5 June 2015.

### **1.3 Directors' Remuneration Report (Resolution 3)**

The Directors' Remuneration Report in the Annual Report & Financial Statements for the year ended 30 November 2014 sets out the Company's policy towards, and provides details of, the Directors' remuneration. The policy was approved at the AGM in 2014 and will remain in force for three years.

### **1.4 Election and re-election of Directors (Resolutions 4 to 11)**

The Company's Articles of Association require that all Directors retire at least every three years and that all Directors appointed by the Board (since the last Annual General Meeting) seek election at the first Annual General Meeting following their appointment. However, under the UK Corporate Governance Code, all Directors should retire annually. Accordingly, all Directors will retire and submit themselves for election or re-election by shareholders.

The biographies of all Directors are set out in the Annual Report & Financial Statements.

Having considered the performance of and contribution made by each of the Directors standing for election or re-election, the Board remains satisfied that each of the relevant Directors performs effectively and demonstrates full commitment to their individual role, including the appropriate commitment of time for Board and Committee meetings and other duties required and, as such, recommends their election or re-election.

### **1.5 Re-appointment and Remuneration of Auditors (Resolutions 12 and 13)**

Resolutions 12 and 13 propose the re-appointment of PricewaterhouseCoopers LLP as Auditors of the Company and authorise the Directors to set their remuneration. The Board, on the recommendation of the Audit Committee, recommends the re-election of PricewaterhouseCoopers LLP, as auditors, to hold office until the next General Meeting at which the Annual Report & Financial Statements are laid.



#### **1.6 Authority to make donations to EU political organisations or to incur EU political expenditure (Resolution 14)**

The Companies Act 2006 requires companies to obtain shareholders' authority for donations to registered political parties and other political organisations totalling more than £5,000 in any twelve month period, and for any political expenditure, subject to limited exceptions. The definition of donation in this context is very wide and extends to bodies such as those concerned with policy review, law reform and the representation of the business community. It could also include special interest groups, such as those involved with the environment, which the Company and its subsidiaries might wish to support, even though these activities are not designed to support or influence support for a particular party.

It remains the policy of the Company not to make political donations or incur political expenditure as those expressions are normally understood. However, the Directors consider that it is in the best interests of shareholders for the Company to participate in public debate and opinion-forming on matters which affect its business. To avoid inadvertent infringement of the Companies Act 2006, the Directors are seeking shareholders' authority for the Company and its UK subsidiaries to make political donations and to incur political expenditure for the period from the date of the passing of this resolution to the earlier of the conclusion of the Company's Annual General Meeting in 2016 and 23 July 2016, up to a maximum aggregate amount of £50,000.

#### **1.7 Authority to offer key individuals, including senior employees, potential new recruits or Partners in SThree Partnership LLP ("LLP"), minority shareholdings or capital interests in certain of the Company's subsidiaries (including the LLP) (Resolution 15)**

For all prior shareholder authorities granted to offer key individuals, including senior employees, potential new recruits or Partners in the LLP the opportunity to purchase shareholdings or capital interests in certain of the Company's subsidiaries (including the LLP), on the terms set out in Appendix 1 accompanying this notice of Annual General Meeting, the five year period available to the Company to make such offers to individuals is to be deemed renewed from the date of the 2015 Annual General Meeting, or any adjournment thereof.

#### **1.8 Directors' authority to allot securities (Resolution 16)**

The Directors wish to renew the Company's authority to allot unissued shares in the share capital of the Company. The Directors have no present intention to exercise this authority, however, it is considered prudent to maintain the flexibility that this authority provides. This resolution authorises the Directors to allot shares or grant rights to subscribe for or to convert any security into shares up to an aggregate nominal value of £422,300.93 during the 15 months from the date of the resolution or, if earlier, up to the conclusion of the next Annual General Meeting of the Company in 2016. This amounts to approximately one-third of the issued ordinary share capital of the Company as at the date of the Notice of AGM.

#### **1.9 Authority to call a General Meeting with no less than 14 clear days' notice (Resolution 17)**

At the 2008 AGM, new Articles of Association were adopted which include a provision enabling General Meetings other than AGMs of the Company to be called on at least 14 days' notice, the minimum notice period permitted by the Companies Act 2006.

Under the EU Shareholders Rights Directive (the 'Directive'), the minimum notice period on which listed companies may call General Meetings is 21 days. However, companies are able to reduce this period to at least 14 days for General Meetings other than AGMs, provided that certain conditions are satisfied. One such condition is that a resolution reducing the period of notice for General Meetings other than AGMs to 14 days has been passed at the immediately preceding AGM of the company or at a General Meeting held since the immediately preceding AGM. The resolution must be passed notwithstanding that the Company's Articles of Association permit the Company to call General Meetings other than AGMs on a notice period of at least 14 days.

The Board considers it prudent to continue to maintain the Company's flexibility to call General Meetings other than AGMs on 14 days' notice. The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole. Consequently, Resolution 17 is proposed as a resolution which would satisfy the condition required by the Directive, as noted above.

## **2.0 Disapplication of pre-emption rights (Resolution 18)**

Under Section 561 of the Companies Act 2006, if the Directors wish to allot any of the unissued shares or grant rights over shares or sell treasury shares for cash (other than pursuant to an employee share scheme), they must first offer them to existing shareholders in proportion to their holdings. There may be occasions, however, when the Directors will need the flexibility to finance business opportunities by the issue of ordinary shares without a pre-emptive offer to existing shareholders. This cannot be done under the Companies Act 2006 unless the shareholders have first waived their pre-emption rights and that is what this resolution proposes. The authority will be limited to the issue of shares for cash up to a maximum aggregate nominal value of £63,345.14 which is equivalent to approximately 5% of the Company's issued ordinary share capital as at the date of the Notice of AGM.

If given, the authority will expire 15 months from the date of the AGM or, if earlier, at the conclusion of the next AGM of the Company in 2016. Shareholders will note that this resolution will also apply to the sale of any shares held in treasury by the Company.

In accordance with the guidelines of the institutional investment committees, the Directors do not intend to issue more than 7.5% of the Company's issued share capital on a non pre-emptive basis in any three-year period.

## **2.1 Authority to purchase own shares (Resolution 19)**

In certain circumstances, it may be advantageous for the Company to purchase its own shares and Resolution 19 seeks the authority from shareholders to do so. The Company has not made any market purchases of its ordinary shares for cancellation during the year and such purchases will only be made if the Directors believe, in the light of market conditions prevailing at the time, that the effect of such purchases will

be to increase earnings per share and are in the best interests of shareholders generally, taking into account cash resources, capital requirements and the effect of any such purchase on gearing levels. The Company may also decide to purchase ordinary shares in the market in order to satisfy options or awards made under the Company's Executive Share Option Scheme, Long Term Incentive Plan ('LTIP'), Savings-Related Share Option Scheme ('SAYE'), Share Incentive Plan ('SIP'), or other similar arrangements, including to satisfy Minority Interest purchases, where the Directors also consider that this would be in the best interests of the Company. Any shares purchased by the Company will, unless the Directors determine that they are to be held as treasury shares for the purpose of satisfying share options, awards or similar incentives, be cancelled and the number of shares in issue reduced accordingly.

Treasury shares are authorised under the Companies Act 2006, whereby companies, which acquire their own shares by way of market purchase may place them 'in treasury', rather than having to cancel them. This gives the Company the ability to re-issue such shares quickly and cost effectively, providing the Company with flexibility in the management of its capital base. No dividends are paid on any shares held in treasury and no voting rights are exercisable in respect of such shares.

This resolution explicitly authorises the Company to use any shares purchased and held in treasury for the purposes of satisfying options or awards granted under the Company's Executive Share Option Scheme, LTIP, SAYE, SIP or other share-based incentive arrangements. For any shares used under approved or unapproved share plans, whose rules contain formal share capital dilution limits, the Company takes such shares into account when calculating the limits on the number of shares which may be issued under such scheme(s).

The resolution specifies the maximum number of ordinary shares that may be acquired (approximately 10% of the Company's issued ordinary share capital as at the date of the Notice of AGM) and the maximum and minimum prices at which they may be bought. The price for such purchases shall not exceed the higher of 105% of the average of the middle market quotations as derived from the London Stock Exchange Daily Official List for the five business days before each purchase, the price of the last independent trade in the shares on the London Stock Exchange at the time of the purchase and the highest current independent bid for the Company's ordinary shares on the London Stock Exchange at the time of the purchase.

Resolution 19 will be proposed as a special resolution to provide the Company with the necessary authority. If given, this authority will expire 15 months from the date of the AGM or, if earlier, at the conclusion of the next AGM of the Company in 2016.

The total number of options to subscribe for equity shares outstanding as at the date of this Notice of AGM is 3,591,682 shares, for which the Company holds a number of shares in Trust or as Treasury Shares. This represents 2.83% of the issued share capital at that date. If the Company bought back the maximum number of shares permitted pursuant to the passing of this resolution and cancelled them, then the total number of options and awards to subscribe for equity shares outstanding at that date would represent 3.15% of the reduced issued share capital, following the repurchases. At the date of the Notice of AGM, there are no warrants to subscribe for ordinary shares outstanding.

### **3 Documents for Inspection**

Copies of the following documents will be available for inspection during normal business hours at the Company's registered office from the date of the Notice of AGM to the close of the AGM and at the place of the AGM from 15 minutes prior to its commencement until its conclusion:

- the Executive Directors' service contracts;
- letters of appointment of the Non-Executive Directors; and
- copies of the standard form Articles of Association for subsidiary companies and the Partnership Agreement of the LLP in which key individuals will be invited to acquire different types of shares or capital interests.

#### **4 Entitlement to Attend and Vote and Multiple Proxies and Corporate Representatives**

Entitlement to attend and vote at the meeting, and the number of votes which may be cast at the meeting, will be determined by reference to the Company's register of members at 6.00pm on 21 April 2015 or, if the meeting is adjourned, 48 hours before the time fixed for the adjourned meeting (as the case may be). In each case, changes to the register of members after such time will be disregarded. The Company will also adhere to the ICSA guidance on multiple proxies and corporate representatives at General Meetings.

#### **5 Automatic Poll Voting**

Each of the resolutions to be put to the meeting will be voted on by poll and not by show of hands. A poll reflects the number of voting rights exercisable by each member and so the Board considers it a more democratic method of voting. It is also in line with recommendations made by the Shareholder Voting Working Group and Paul Myners in 2004. Members and proxies will be asked to complete a poll card to indicate how they wish to cast their votes. These cards will be collected at the end of the meeting. The results of the poll will be published on the Company's website and notified to the UKLA Listing Authority once the votes have been counted and verified.

#### **6. Administration**

For the safety and comfort of those attending the AGM, certain items will not be permitted in the meeting room. These include large bags, cameras, recording equipment and such other items as the Chairman of the AGM may specify. Cloakroom facilities will be provided.

Any member attending the meeting has the right to ask questions. The Company must answer any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered. In order to respond comprehensively, it would be helpful to have a note of the details of any proposed questions in advance, although this is not obligatory. Questions may be sent by post to the Group Company Secretary, Steve Hornbuckle at 1st Floor, 75 King William Street, London EC4N 7BE or by email to [cosec@sthree.com](mailto:cosec@sthree.com).

## **7. Information available on website**

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

## **8. Members' resolution and matters**

Under Section 338 and Section 338A of the Companies Act 2006, members meeting the threshold requirements in those sections have the right to require the Company (i) to give to members of the Company entitled to receive notice of meeting, notice of any resolution which may properly be moved and is intended to be moved at the meeting and/or (ii) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in the business. A resolution may properly be moved or a matter may properly be included in the business unless (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise), (b) it is defamatory of any person, or (c) it is frivolous or vexatious. Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or person making it, must be received by the Company not later than 12 March 2015, being the date six clear weeks before the meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

## **9. Electronic and web communications**

The Companies Act 2006 enables companies to communicate with members by electronic and/or website communications. Accordingly, the Company's Articles allow communications to members in electronic form and, in addition, they also permit the Company to take advantage of the provisions relating to website communications. However, before the Company can communicate with a member by means of website communication, the relevant member must be asked by the Company to agree that the Company may send or supply documents or information to him by means of a website, and the Company must either have received a positive response or have received no response within a period of 28 days beginning with the date on which the request was sent. The Company will notify a member (either in writing, or by other permitted means) when a relevant document or information is placed on the website and a member can always request a hard copy version of the document or information.

The Company would like to offer shareholders an electronic communication service and shareholders have the opportunity to register an email address in order to receive communications via email. If any shareholder would like to receive communications from the Company via email, including notification of when a new report/Notice of Meeting, etc is available on the website, they should logon to [www.capitashareportal.com](http://www.capitashareportal.com) <<http://www.capitashareportal.com/>> and follow the links to register an email address with the Registrar. If any shareholder requires assistance while registering an email address, they should telephone Capita Asset Services on 0871 664 0300(calls cost 10p per minute plus network extras; lines are open 9am – 5.30pm Monday to Friday). If dialling from overseas please call + 44 20 8639 3399. Shareholders who opt for email communications will not receive a hard copy proxy form when a Notice of Meeting is published on the Company's website – instead, they will need to register a vote via the Registrar's website. This can also be done via <<http://www.capitashareportal.com/>> [www.capitashareportal.com](http://www.capitashareportal.com).

## **10. Publication of audit concerns**

Shareholders should note that, under Section 527 of the Companies Act 2006 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 Annual General Meeting for the financial year ended 30 November 2014; or (ii) any circumstances connected with an auditor of the Company appointed for the financial year ended 30 November 2014 ceasing to hold office since the previous meeting at which annual accounts and reports were laid. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 (requirements as to website availability) of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies 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 Annual General Meeting for the relevant financial year includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.

## APPENDIX 1

Offers to key individuals of minority interests (as tracker shares or capital interests) in certain SThree plc subsidiaries.

Authority is sought to make continuing offers to key individuals, including senior employees or Partners of SThree Partnership LLP ("LLP") of tracker shares in certain SThree plc subsidiaries/businesses or capital interests via the LLP, in certain of the LLP's businesses. Whilst the majority of the shares or capital interests have been offered soon after prior shareholder approval, and normally in the first year, some are held back for new joiners and promotions, and therefore authority is sought for a period of five years from the date of the Company's Annual General Meeting, to be held on 23 April 2015.

### **Common Features**

The common features are as follows:

#### *1. (a) Share Capital*

Each subsidiary will have at least two classes of ordinary shares. In the case of a holding company issuing tracker shares in a number of businesses, there will be at least two classes of ordinary shares for each business it owns. One class of ordinary shares will be held by the Company. Other classes will be offered to key individuals. The ordinary shares offered to key individuals will not be more than 25% of the ordinary share capital of each subsidiary; whilst they will have up to 25% of the voting power of the subsidiary, they are entitled to up to only 20% of any dividend on the ordinary shares. The Company may also issue preference shares, for control purposes.

#### *1. (b) Capital Interests*

Capital interests will be awarded to key individuals to reflect an interest in one or more of the underlying businesses of the LLP. This system replicates as far as possible the system of management equity incentives issued as share capital. The current underlying businesses of the LLP are based in the UK.

#### *2. (a) Tracker Share Eligibility*

No person who is a Director of the Company at the time shareholders approve the offer of shares in a particular subsidiary may acquire shares in the relevant subsidiary. Shares will therefore only be offered to other key individuals, who may acquire shares in more than one subsidiary.

#### *2. (b) Capital Interests Eligibility*

Capital Interests will only be issued to key individuals who are Designated Members or Members of the LLP. Capital Interests may be acquired by Members in more than one underlying business of the LLP.

#### *3. Purchase price and financing*

The price payable by an individual will be based on the fair value of the rights awarded, as determined by an independent third party valuer and taking into account the particular rights attached to the shares or capital interests described in the Articles of Association or Partnership Agreement. The Group may lend the purchase price to the individual, on such terms as are appropriate, including that the loan is outstanding until such individual ceases to hold the shares or capital interests or

ceases to be employed/a partner within the Group. A market rate of interest may be charged if a loan is made.

#### *4. Cessation of employment or Member status*

If a minority shareholder ceases to be employed by any company in the Group or a Partner in the LLP, under provisions contained in the Articles of Association of that company or the Partnership Agreement of the LLP, he can be required to sell his shares or capital interests in the relevant company. The Board will set a period, which will never be less than three years and will normally be five years (the "Specified Period"), which will apply when the individual acquires the shares or capital interests. If the sale is within the Specified Period, the price payable can be the lower of the market value and the amount paid for the shares or capital interests (or, in exceptional circumstances and at the Company's discretion, such other price, not exceeding market value). If the sale is later than the Specified Period the price payable is the market value. For these purposes, market value is determined by computing the earnings per ordinary share of the last financial year prior to the sale multiplied by a multiple of between one half and two thirds of the price/earnings ratio of SThree plc at the time of sale. The price/earnings ratio is calculated on the adjusted earnings per share published in the Company's Annual Report & Financial Statements.

#### *5. Other sale events*

In the event of a sale of a subsidiary, or a change of control of the Company, a minority shareholder or capital interest holder in that subsidiary can be required to sell (and that shareholder or capital interest holder can require the Company to purchase) his shares or capital interests in the subsidiary. In the event of a sale of the subsidiary, the sale price will reflect the price which the Company receives for its shares, and in the event of a change of control of the Company the sale price will be the market value of the shares/capital interests in the subsidiary. For key individuals who acquire shares or capital interests in a sub-holding company which owns either several companies or several businesses, there are similar sale provisions which apply if the relevant operating company or business is sold.

#### *6. Restrictions on transfer of tracker shares or capital interests*

If a minority shareholder or capital interest holder wishes to transfer or dispose of his shares or capital interests (other than to certain family members or on his leaving the employment of the Group or resigning as a Member of the LLP) he must first offer them to the Company, or the Corporate Member in the case of capital interests, and the price payable for such shares or capital interests is their market value. If the Company (or Corporate Member) declines to purchase the shares or capital interests, they can be transferred to a third party.

#### *7. Consideration payable for tracker shares or capital interests*

If the Company acquires any shares or capital interests from a minority shareholder or capital interest holder, the consideration can either be paid in cash or in Ordinary Shares in the Company, at the Company's discretion. Any Ordinary Shares issued by the Company in this respect will be within the annual limit of authority granted under section 549 of the Companies Act 2006 approved by the Company's shareholders each year.

#### *8. Restrictions on alterations*

Certain provisions of the arrangements outlined above, namely the persons who are eligible to acquire shares/capital interests in the relevant subsidiary, the maximum percentage of shares/capital interests in the subsidiary which may be offered to key



individuals, and the terms on which the company can acquire the shares/capital interests from the key individuals cannot be altered to the advantage of these shareholders/capital interest holders without the prior approval of the Company's shareholders in General Meeting (except for minor amendments to benefit administration, or to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for the individual shareholders, the relevant subsidiary or for members of the Group).

#### *9. Pension benefits*

The acquisition of shares/capital interests by key individuals, and their sale, will not give rise to any pensionable benefits.

A standard form Articles of Association of the Company or the Partnership Agreement, containing the full details of the ordinary shares/capital interests which key individuals can acquire, and the terms on which they can dispose of such shares/capital interests, will be available for inspection at 1st Floor, 75 King William Street, London EC4N 7BE, the registered office of the Company, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this notice until the date of the Meeting and will be available at the place of the Meeting for at least 15 minutes prior to and at the Meeting. The Company reserves the right to alter the Articles of Association in any way it is advised is desirable or necessary to take account of legislative or other changes prior to the AGM.

In the case of an overseas subsidiary, the Company also reserves the right to offer key individuals shares/capital interests in a UK sub-holding company which owns such overseas subsidiary, either directly or indirectly, and which track the performance of such overseas subsidiary. The Company also reserves the right to make such changes to the Article of Association for an overseas subsidiary as it may be advised is necessary or desirable to take account of local legal and tax requirements.

#### **Annual shareholder renewal of 5 year authority**

For all prior shareholder authorities granted, the five year period available to the Company to make such offers to key individuals (as described above), is to be deemed renewed from the date of the current Annual General Meeting, or any adjournment thereof.