

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

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant or other professional adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000, or an appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.



ipgroup

**IP GROUP PLC**

(incorporated and registered in England and Wales under number 04204490)

**NOTICE OF ANNUAL GENERAL MEETING**

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Notice of the Annual General Meeting of IP Group plc (the "Company") to be held at the offices of the Company at 24 Cornhill, London, EC3V 3ND at 1.00pm on 12 May 2016 is set out in Part II of this document.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a proxy form in accordance with the instructions printed on the enclosed form. The proxy form must be received not less than 48 hours before the time of the holding of the Annual General Meeting.

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## Part I



# IP GROUP PLC

(incorporated and registered in England and Wales under number 04204490)

### Registered Office:

24 Cornhill  
London  
EC3V 3ND

11 April 2016

To the holders of the Company's shares and, for information only, holders of options over the Company's shares

### Notice of Annual General Meeting

Dear Shareholder,

I am pleased to be writing to you with details of our Annual General Meeting ("**AGM**") which we are holding at the Company's offices at 24 Cornhill, London, EC3V 3ND at 1.00pm on 12 May 2016. The formal Notice of AGM is set out at Part II on page 7 of this document. In addition to the ordinary business of the AGM, there are five Resolutions to be considered which constitute special business. This document describes each Resolution to be proposed at the AGM.

Resolutions 1 to 15 (inclusive) and 17 in the Notice of AGM will all be proposed as Ordinary Resolutions. This means that, for each of these Ordinary Resolutions to be passed, a simple majority of votes cast on a show of hands must be in favour of the Resolution or, on a poll, members representing a simple majority of the total voting rights of the members voting (in person or by proxy) must vote in favour of the Resolution.

Resolutions 16, 18 and 19 in the Notice of AGM will be proposed as Special Resolutions. For each of these three Special Resolutions to be passed, not less than 75% of the votes cast on a show of hands must be in favour of the Resolution, and, on a poll, members representing not less than 75% of the total voting rights of the members voting (in person or by proxy) must vote in favour of the Resolution.

### Ordinary Business

Resolutions 1 to 14 (inclusive) constitute the ordinary business of the AGM and are described below:

#### Resolution 1 – Report and Accounts

The Directors are required to present to the AGM the Directors' Report, the Audited Statement of Accounts and Auditors' Report of the Company for the financial year ended 31 December 2015 (the "**Annual Report and Accounts**").

A copy of the Annual Report and Accounts is available on the Company's website at <http://www.ipgroupplc.com/investor-relations>.

#### Resolution 2 – Approval of Directors' Remuneration Report

The Directors are required to prepare an annual report detailing the remuneration of the Directors and a statement by the Chairman of the Remuneration Committee (together the "**Directors' Remuneration Report**"). The Company is required to seek shareholders' approval in respect of the contents of this report on an annual basis (excluding the part containing the Directors' Remuneration Policy which is separately addressed in Resolution 3). This vote is an advisory one and does not affect the actual remuneration paid to any individual Director.

The Directors' Remuneration Report is set out in full on pages 62 to 86 of the Annual Report and Accounts.

#### Resolution 3 – Approval of updated Directors' Remuneration Policy

The Group's current Directors' Remuneration Policy was approved by a binding vote of the shareholders at the Company's annual general meeting held on 12 May 2014 and became effective from that date (the "**Current Remuneration Policy**"). The Current Remuneration Policy received 99.9% of proxy votes cast in its favour at the 2014 annual general meeting. At the time the Current Remuneration Policy became effective, it was noted that the Directors' Remuneration Policy would be put to shareholders every three years unless, during that time, there is a need for it to be changed or the advisory vote on the Directors' Remuneration Report is not passed in any year subsequent to approval of the same.

## Part I continued

### **Resolution 3 – Approval of updated Directors’ Remuneration Policy** continued

Notwithstanding the aforementioned and consistent with the stated intention in the Group’s annual report and accounts for the year ended 31 December 2014, the Group’s Remuneration Committee has, during the course of 2015 and early 2016 and alongside input from Deloitte LLP, sought to evolve the Group’s remuneration and incentive structures within best practice for a FTSE 250 listed business and has engaged in an extensive shareholder consultation exercise. One of the key elements of such consultation was in respect of the remuneration of the Chief Executive Officer. The Chairman of the Remuneration Committee, Jonathan Brooks, has consulted with shareholders making up approximately 70% of the total register in respect of the issue which has confronted the Remuneration Committee for several years now, namely how much lower the total remuneration of the Chief Executive Officer has been when compared to companies of a similar size and complexity to the Group. The Remuneration Committee considers that the Group’s Executive Directors are of paramount importance to its continued success and that this issue could not be left unaddressed indefinitely without posing an unacceptable risk to the Group, particularly in light of the recent increased interest in the sector in which the Group operates.

As a result of the Remuneration Committee’s review, and following the completion of the consultation exercise, the Remuneration Committee is proposing to make two significant changes to the operation of the Group’s remuneration arrangements for its Executive Directors for 2016 and onwards as follows:

- Increases to Executive Directors’ base salaries. The Remuneration Committee is proposing to make increases, on a phased basis, to the salaries of the CEO and the CFO, following which the positioning of such salaries will be approaching lower quartile of the Group’s comparator group.
- Increases to the Executive Directors’ long term incentive plan (“LTIP”) opportunities to reflect the Group’s performance based philosophy with a focus on the long term. The levels proposed also reflect a “low base/high long term variable” philosophy towards total remuneration.

Further detail on the above proposed changes is set out in the Directors’ Remuneration Report at pages 62 to 86 of the Annual Report and Accounts, and specifically on page 63.

In order to enable the second of the above changes to be implemented in practice, it is necessary for the Remuneration Committee to make some changes to the Current Remuneration Policy. Such changes are limited to an increase in the maximum annual LTIP award for Executive Directors to 300% from 150%, and minor amendments to facilitate the operation of the updated policy and additional explanatory wording or clarifications. This updated policy is set out on Pages 65 to 74 of the Directors’ Remuneration Report and shall hereafter be referred to as the “**Updated Directors’ Remuneration Policy**”.

The Company is required to seek shareholder approval of the Updated Directors’ Remuneration Policy at this AGM. This vote is a binding one.

The Updated Directors’ Remuneration Policy, if approved, will take effect from the date of approval by shareholders and will apply until replaced or amended by a new policy. Once the policy is effective, the Company will not be able to make any remuneration payment to a Director or prospective Director, or loss of office payments to a current or past Director, unless the payment is consistent with the Updated Directors’ Remuneration Policy or has otherwise been approved by shareholders.

If the Updated Directors’ Remuneration Policy is not approved by shareholders for any reason, the Company will, if and to the extent permitted to do so under the Companies Act 2006, continue to make payments to Directors in accordance with the Current Remuneration Policy, and will seek further shareholder approval for a revised policy at the earliest opportunity available.

It is intended that the Updated Directors’ Remuneration Policy (if so approved at the AGM) will thereafter be put to shareholders for approval every three years unless, during that time, there is a need for it to be changed or the advisory vote on the Directors Remuneration Report is not passed in any year subsequent to approval.

### **Resolution 4 – Re-appointment of Auditor**

This Resolution seeks to re-appoint KPMG LLP as auditor of the Company to hold office from the conclusion of the AGM until the conclusion of the next general meeting of the Company at which accounts are laid before the shareholders in accordance with the provisions of the Companies Act 2006.

### **Resolution 5 – Remuneration of Auditor**

This Resolution seeks the usual authority for the Directors to fix the remuneration of the Company’s auditor, KPMG LLP.

### **Resolution 6 – Election of Dr Elaine Sullivan**

As was announced by the Company on 30 July 2015, Dr Elaine Sullivan agreed to join the Board as an independent Non-executive Director with effect from that date. Dr Sullivan brings a wealth of industry experience in life sciences to the Board, with over 25 years’ international experience in the pharmaceutical industry, including senior roles at Eli Lilly and AstraZeneca, and is currently CEO at a specialist oncology company, Carrick Therapeutics, which she founded in early 2015. Additional biographical details of Dr Sullivan are set out on page 49 of the Annual Report and Accounts.

As Dr Sullivan was appointed since the date of the last annual general meeting of the Company, Dr Sullivan is standing for election at the AGM. Accordingly, she will be proposed for election pursuant to a separate resolution which, if approved, will take effect from the conclusion of the AGM.

**Resolution 6 – Election of Dr Elaine Sullivan** *continued*

The Nomination Committee, which considers the balance of the Board and the mix of skills, knowledge and experience of its members, has considered and recommends the proposed election of Dr Sullivan. The Board considers that Dr Sullivan is independent in character and judgement and there are no relationships or circumstances which are likely to affect, or which could appear to affect, her character or the exercise of her judgment. Furthermore, Dr Sullivan has confirmed, and the Board is satisfied, that she has sufficient time to discharge the requirements of the role.

**Resolutions 7 to 14 (inclusive) – Re-election of Directors**

In line with the provisions of the UK Corporate Governance Code (September 2014) (the “Code”), being the version of the Code applicable to the Company for the 12 months ended 31 December 2015, all of the Directors (other than Dr Sullivan) are presenting themselves for annual re-election by shareholders at the AGM. The Directors will be proposed for re-election pursuant to separate Resolutions which, if approved, will take effect from the conclusion of the meeting. Biographical details for each of these Directors appear on pages 48 and 49 of the Annual Report and Accounts.

The Nomination Committee has considered the effectiveness of those Directors who are offering themselves for re-election. All the proposed appointees have been subject to a formal evaluation in the last 12 months. Following that evaluation, the Chairman confirms each of the Directors offering themselves for re-election is and continues to be valuable and effective, that each of them has demonstrated the appropriate level of commitment to his or her role and that each of the Non-executive Directors continues to be fully independent in both character and judgement and there are no relationships or circumstances which are likely to affect, or which could appear to affect, their character or the exercise of their judgement.

**Special Business**

Resolutions 15 to 19 (inclusive) all constitute the special business of the AGM and are described below:

**Resolution 15 – Authority to allot shares**

The Directors were authorised to allot shares or to grant rights in respect of shares in the Company at the annual general meeting in 2015 (the “2015 AGM”), but their authorisation expires at the end of this AGM. Accordingly, this Resolution seeks to renew the Directors’ authority to allot shares and to grant such rights. This authority is limited to the amount set out in paragraph (a) of the Resolution, being approximately one third of the issued ordinary share capital as at 8 April 2016, the latest practicable date prior to the publication of the Notice of AGM.

In addition to the above authority and in accordance with the guidance issued by the Investment Association on authority to allot, paragraph (b) of this Resolution seeks to authorise the Directors to allot equity securities of the Company in connection with a fully-pre-emptive rights issue only. This authority is limited to the amount set out in paragraph (b), being approximately a further one third of the total ordinary share capital in issue as at 8 April 2016 (the latest practicable date prior to the publication of the Notice of AGM). This authority will allow the Company to implement a rights issue of up to an amount equal to one third of share capital without needing a separate shareholders’ meeting.

As at 8 April 2016, the Company did not hold any shares in the Company in treasury. The above authorities will remain in force until the conclusion of the Company’s 2017 annual general meeting or 1 August 2017, whichever is the earlier.

The purpose of giving the Directors such authorities is to maintain the Company’s flexibility to take advantage of any appropriate opportunities that may arise. The authorities are in line with guidelines issued by the Investment Association.

**Resolution 16 – Disapplication of Pre-emption Rights**

Paragraph (a) of this Resolution, which will be proposed as a Special Resolution, seeks to renew the authority conferred on the Directors at the 2015 AGM to issue equity securities of the Company for cash without first offering them to existing shareholders in proportion to their existing shareholdings. Other than in connection with a rights issue, the authority contained in this Resolution will be limited to an aggregate nominal value of £565,106.05 which represents approximately 5% of the Company’s issued ordinary share capital as at 8 April 2016, being the latest practicable date prior to the publication of the Notice of AGM. Paragraph (b) of this Resolution seeks authority to issue equity securities for cash free from statutory pre-emption rights in connection with a rights issue (as defined in Resolution 15) pursuant to Resolution 15(b).

The renewed authority will remain in force until the conclusion of the Company’s 2017 annual general meeting or 1 August 2017, whichever is the earlier.

The Directors intend to adhere to the provisions in the Pre-Emption Group’s Statement of Principles, as updated in March 2015, and not to allot shares for cash on a non-pre-emptive basis pursuant to the authority contained in this Resolution 16:

- (i) in excess of an amount equal to 5% of the total issued ordinary share capital of the Company excluding treasury shares; or
- (ii) in excess of an amount equal to 7.5% of the total issued ordinary share capital of the Company excluding treasury shares within a rolling three-year period, without prior consultation with shareholders,

in each case other than in connection with an acquisition or specified capital investment which is announced contemporaneously with the issue or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment.

## Part I continued

### **Resolution 17 – Political Expenditure**

Although it has been the Company's practice not to incur political expenditure or otherwise to make payments to political parties and it intends that this will remain the case, the Directors are proposing to renew the authority obtained at the 2015 AGM to incur political expenditure in the terms of this Resolution 17 as a precautionary measure, in case any of its normal operating activities are caught by the broad definition of political expenditure contained in section 365 of the Companies Act 2006. This authority is to be capped at £50,000.

### **Resolution 18 – Authorisation to Make Market Purchases**

The Company is seeking a limited authority to make purchases in the market of its own shares as permitted by the Companies Act 2006. The authority limits the number of shares which the Company may purchase pursuant to this authority to a maximum of 56,510,604 ordinary shares (being approximately 10% of the Company's issued ordinary share capital as at 8 April 2016, being the latest practicable date prior to the publication of the Notice of AGM) and sets maximum and minimum prices.

The Companies Act 2006 allows the Company to hold shares which have been repurchased as treasury shares and either re-sell them for cash, cancel them (either immediately or in the future) or use them for the purposes of its employee share schemes. This provides the Company with additional flexibility in the management of its share capital. No dividends will be paid on, and no voting rights will be exercised in respect of, treasury shares.

In seeking this authority the Directors are not indicating any commitment to buy back any of the Company's shares. The Directors will only exercise the authority if, in the light of market conditions prevailing at the time, they consider that the purchase of shares can be expected to result in an increase in earnings or net assets per share and is in the best interests of the Company's shareholders generally. The Directors do, however, consider it desirable for this authorisation to be available to provide flexibility in the management of the Company's capital reserves. This authority shall (unless previously renewed or revoked) expire on the earlier of the Company's 2017 annual general meeting or 1 August 2017.

### **Resolution 19 – Notice of General Meetings**

At the 2015 AGM and pursuant to the ability in the Companies Act 2006 to do so, a resolution was passed as a Special Resolution that the minimum period of notice for all general meetings (other than annual general meetings) be reduced from 21 clear days' notice to not less than 14 clear days' notice. The Directors wish to continue to preserve this ability and, accordingly, Resolution 19 proposes a renewal of that resolution. This reduced notice period will not be used as a matter of routine for general meetings but only where, taking into account all of the circumstances (including whether the business of the meeting is time sensitive), the Directors consider it appropriate. The approval of this Resolution 19 will be effective until the conclusion of the Company's 2017 annual general meeting when it is intended that a similar Resolution will be proposed. The provisions of the Companies Act 2006 require that, in order for the Company to use this ability to call a general meeting on less than 21 clear days' notice, it will also need to make a means of electronic voting available to shareholders for that meeting.

### **ACTION TO BE TAKEN**

If you would like to vote on the Resolutions set forth in the Notice of AGM but cannot come to the AGM, please fill in the proxy form sent to you with this document and return it, together with the power of attorney or other authority (if any) under which it is signed, to our registrars, Capita Asset Services by hand only to Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU or in accordance with the replied paid details, as soon as possible. They must receive it by no later than 1.00pm on 10 May 2016. Alternatively you may vote electronically via our registrars' website at [www.capitashareportal.com](http://www.capitashareportal.com). In order for you to be able to vote in this way, you will need your Investor Code which is printed on the enclosed proxy card. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST messages must be received by the issuer's agent (CREST ID No. RA10) by no later than 1.00pm on 10 May 2016.

### **RECOMMENDATION**

The Board considers that all the Resolutions to be put to the AGM are in the best interests of the Company and its shareholders as a whole. Your Board will be voting in favour of them in respect of their own shareholdings and unanimously recommends that you do so as well.

Yours sincerely,

**Mike Humprey**

Chairman

### *Inspection of documents*

The following documents will be available for inspection at the offices of IP Group plc, 24 Cornhill, London, EC3V 3ND during business hours on any weekday from the date of this document until the time of the AGM and at the location of the AGM from 15 minutes before the AGM until it ends:

- copies of the Executive Directors' service contracts; and
- copies of the letters of appointment of the Non-executive Directors.

**Part II**

## IP GROUP PLC

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the **ANNUAL GENERAL MEETING** ("AGM") of IP Group plc (the "**Company**") will be held at the offices of the Company, 24 Cornhill, London, EC3V 3ND at 1.00pm on 12 May 2016 for the purposes of considering and, if thought fit, passing the following Resolutions of which Resolutions 1 to 15 (inclusive) and 17 will be proposed as Ordinary Resolutions and Resolutions 16, 18 and 19 will be proposed as Special Resolutions.

1. To receive the Directors' Report, the Audited Statement of Accounts and Auditor's Report of the Company for the financial year ended 31 December 2015 (the "**Annual Report and Accounts**").
2. To approve the Directors' Remuneration Report (excluding the updated Directors' Remuneration Policy referred to in Resolution 3) for the year ended 31 December 2015.
3. To approve the updated Directors' Remuneration Policy, the full text of which is contained within the Directors' Remuneration Report at pages 65 to 74 of the Annual Report and Accounts.
4. To re-appoint KPMG LLP as auditor of the Company to hold office from the conclusion of the AGM until the conclusion of the next general meeting of the Company at which accounts are laid before the shareholders in accordance with the provisions of the Companies Act 2006 (the "**Act**").
5. That the Directors be authorised to fix the remuneration of KPMG LLP as auditor of the Company.
6. To elect Dr Elaine Sullivan as a Director of the Company.
7. To re-elect Mr Alan Aubrey as a Director of the Company.
8. To re-elect Mr David Baynes as a Director of the Company.
9. To re-elect Mr Jonathan Brooks as a Director of the Company.
10. To re-elect Professor Lynn Gladden as a Director of the Company.
11. To re-elect Mr Mike Humphrey as a Director of the Company.
12. To re-elect Mr Doug Liversidge as a Director of the Company.
13. To re-elect Mr Greg Smith as a Director of the Company.
14. To re-elect Mr Michael Townsend as a Director of the Company.
15. That the Directors be and are hereby generally and unconditionally authorised for the purposes of section 551 of the Act to exercise all the powers of the Company to:
  - (a) allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares in the Company ("**Rights**") up to an aggregate nominal amount of £3,767,373.62 (being approximately one third of the Company's issued ordinary share capital as at 8 April 2016, being the latest practicable day prior to the publication of this notice of meeting); and
  - (b) allot equity securities of the Company (as defined in section 560 of the Act) up to a further aggregate nominal amount of £3,767,373.62 (being approximately one third of the Company's issued share capital as at 8 April 2016, being the latest practicable date prior to the publication of this notice of meeting) in connection with an offer by way of a rights issue,

## Part II continued

provided that (i) such authorities shall expire on the earlier of the conclusion of the Company's 2017 annual general meeting and 1 August 2017, and (ii) before such expiry the Company may make any offer or agreement which would or might require shares or equity securities to be allotted or Rights to be granted after such expiry and the Directors may allot such shares or equity securities and grant such Rights pursuant to any such offer or agreement as if the authority conferred by this Resolution 15 had not expired. These authorities shall be in substitution for all other authorities granted to the Directors to allot shares or equity securities and grant Rights.

For the purposes of this Resolution 15 and Resolution 16 below, "rights issue" means an offer to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings (and, if applicable, to the holders of any other class of equity security in accordance with the rights attached to such class) to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document) which may be traded for a period before payment for the securities is due, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractions of such securities, the issue, transfer and/or holding of any securities in certificated form or in uncertificated form, the use of one or more currencies for making payments in respect of such offer, any such shares or other securities being represented by depositary receipts, treasury shares or any legal or practical problems arising under the laws of, or the requirements of any regulatory body or any stock exchange in, any territory.

16. That, subject to and conditional on the passing of Resolution 15, the Directors be and are hereby generally empowered pursuant to sections 570 and 573 of the Act to allot equity securities (as defined in section 560 of the Act), payment for which is to be wholly in cash as if section 561(1) of the Act did not apply to any such allotment provided that such power shall be limited:
- (a) pursuant to the authority conferred on the Directors by paragraph (a) of Resolution 15:
    - (i) to or in connection with any rights issue, open offer or other pre-emptive offer, open for acceptance for a period determined by the Directors, to the holders of ordinary shares on the register on any fixed record date in proportion (as nearly as may be practicable) to their holdings of ordinary shares (and, if applicable, to the holders of any other class of equity security in accordance with the rights attached to such class), subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractions of such securities, the issue, transfer and/or holding of any securities in certificated form or in uncertificated form, the use of one or more currencies for making payments in respect of such offer, any such shares or other securities being represented by depositary receipts, treasury shares or any legal or practical problems arising under the laws of, or the requirements of any regulatory body or any stock exchange in, any territory; and
    - (ii) to the allotment of equity securities (other than pursuant to paragraph (a)(i) of this Resolution 16) up to an aggregate nominal amount of £565,106.05, representing approximately 5% of the nominal value of the issued ordinary share capital of the Company as at 8 April 2016, being the latest practicable date prior to the publication of this notice of meeting; and
  - (b) pursuant to the authority conferred on the Directors by paragraph (b) of Resolution 15, to the allotment of equity securities in connection with a rights issue.

References herein to the allotment of equity securities shall include the sale of treasury shares (within the meaning of section 724 of the Act). The authority given by this Resolution 16 shall expire at such time as the authorities conferred on the Directors by Resolution 15 expire save that, before the expiry of this authority, the Company may make any offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

17. That, in accordance with section 366 of the Act, the Company and all companies that are subsidiaries of the Company at any time during the period for which this Resolution 17 has effect be and are hereby authorised to incur political expenditure (as defined in section 365 of the Act) not exceeding £50,000 in total during the period beginning with the date of the passing of this Resolution and ending at the conclusion of the Company's 2017 annual general meeting.



18. That the Company generally be authorised for the purposes of section 701 of the Act to make market purchases (as defined in section 693(4) of the Act) of the Company's ordinary shares on such terms and in such manner as the Directors may from time to time determine, provided that:
- (a) the maximum number of ordinary shares hereby authorised to be purchased is 56,510,604 ordinary shares, being approximately 10% of the Company's issued ordinary share capital as at 8 April 2016, being the latest practicable date prior to the publication of this notice of meeting;
  - (b) the minimum price (exclusive of expenses) that may be paid is 2 pence for each ordinary share being the nominal value thereof;
  - (c) the maximum price (exclusive of expenses) which may be paid for such shares for so long as the Company's ordinary shares are listed on the Official List shall be the higher of (i) 5% above the average of the middle market quotations taken from the London Stock Exchange Daily Official List for the 5 business days before the purchase made; and (ii) the amount stipulated by Article 5 (i) of the EU Buy-back and Stabilisation Regulation (being the higher of the price of the last independent trade and the highest current independent bid for an ordinary share in the Company on the trading venues where the market purchases by the Company pursuant to the authority conferred by this Resolution 18 will be carried out);
  - (d) the authority hereby conferred shall (unless previously renewed or revoked) expire on the earlier of the Company's 2017 annual general meeting and 1 August 2017; and
  - (e) the Company may make a contract to purchase its own shares under the authority hereby conferred prior to the expiry of such authority, which will or may be executed wholly or partly after the expiry of such authority; and may make a purchase of its ordinary shares in pursuance of any such contract.
19. That a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

**Registered Office**

24 Cornhill  
London  
EC3V 3ND

11 April 2016

Registered in England and Wales No. 04204490

**By Order of the Board**

Angela Leach  
Company Secretary

## Notes

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company's registrars, Capita Asset Services, on 0871 664 0300. Calls cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom, please call +44 371 664 0300. Calls outside the United Kingdom will be charged at the applicable international rate. Capita are open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales.
2. To be valid, the proxy form must be completed and lodged, together with the power of attorney or other authority (if any) under which it is signed, or a duly certified copy of such power or authority, with the Company's registrars, Capita Asset Services, by hand only to Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, BR3 4TU or in accordance with the replied paid details, not less than 48 hours before the time appointed for holding the AGM. Alternatively you may vote electronically via the registrars' website at [www.capitashareportal.com](http://www.capitashareportal.com). In order for you to be able to vote in this way, you will need your Investor Code which is printed on the enclosed proxy card.
3. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 9 below) will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so.
4. Any person to whom this notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. Such persons should direct any communications and enquiries to the registered holder of the shares by whom they were nominated and not to the Company or its registrars.
5. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
6. To be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at the close of business on 10 May 2016 (or, if the AGM is adjourned, such time being not more than 48 hours prior to the time fixed for the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the AGM.
7. As at 8 April 2016 (being the last business day prior to the publication of this notice of meeting) the Company's issued share capital consisted of 565,106,045 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 8 April 2016 were 565,106,045.
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. 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 and Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (CREST ID No. RA10) by 1.00pm on 10 May 2016. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

10. CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear UK and Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
11. 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.
12. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided they do not do so in relation to the same shares.
13. Under section 527 of the Act, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Act. The Company may not require the shareholders requesting such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Act to publish on a website.
14. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the 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 for the question to be answered.
15. A copy of this notice, and other information required by section 311A of the Act, can be found at <http://www.ipgroupplc.com/investor-relations>.
16. You may not use any electronic address provided either in the Notice of AGM or any related documents (including the Chairman's letter and proxy form) to communicate for any purposes other than those expressly stated.
17. Mobile telephones may not be used in the meeting room, and cameras, tapes and video recorders are not allowed in the meeting room.

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